the standing order, the following Senators will be recognized, each for not to exceed 15 minutes and in the order stated: Senators PROXMIRE, CURTIS, BUCKLEY, GRIFFIN, MONDALE, HUMPHREY, and ROBERT C. BYRD.

After the aforementioned Senators have completed their remarks under the orders which have been previously entered, there will be a period for the transaction of routine morning business of not to exceed 30 minutes, with statements therein limited to 3 minutes, at the conclusion of which the Senate will proceed with the bill H.R. 8916, a bill making appropriations for the Departments of State, Justice, and Commerce, the judiciary, and related agencies for the fiscal year ending June 30, 1974, and for other purposes. On this bill there will be a time limitation. There will be a yea-and-nay vote on Monday.

ADJOURNMENT TO MONDAY, SEPTEMBER 17, 1973, AT 11 A.M.

Mr. MANSFIELD. 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 11 a.m. on Monday next.

The motion was agreed to; and, at 6:08 p.m., the Senate adjourned until Monday, September 17, 1973, at 11 a.m.

NOMINATIONS

Executive nominations received by the Senate September 13, 1973:

INTERNATIONAL ATOMIC ENERGY AGENCY

Dixy Lee Ray, of Washington, to be the representative of the United States of America to the 17th session of the General Conference of the International Atomic Energy Agency.

The following-named persons to be alternate representatives of the United States of America to the 17th session of the General Conference of the International Atomic Energy Agency:

William A. Anders, of Virginia.
Clarence E. Larson, of Maryland.
Dwight J. Porter, of Nebraska.
Gerald F. Tape, of Maryland.

U.S. DISTRICT COURTS

Allen Sharp, of Indiana, to be a U.S. district judge for the northern district of Indiana vice Robert A. Grant, retired.

PUBLIC SERVICE COMMISSION OF THE DISTRICT OF COLUMBIA

William R. Stratton, of the District of Columbia, to be a member of the Public Service Commission of the District of Columbia for a term of 3 years expiring June 30, 1976, vice Jeremiah Colwell Waterman, resigned.

IN THE AIR FORCE

The following officer under the provisions of title 10, United States Code, section 8066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 8066, in grade as follows:

To be lieutenant general

Maj. Gen. John R. Murphy, [redacted] FR (major general, Regular Air Force) U.S. Air Force.

CONFIRMATIONS

Executive nominations confirmed by the Senate September 13, 1973:

DEPARTMENT OF DEFENSE

Walter B. LaBerge, of California, to be an Assistant Secretary of the Air Force.

Norman R. Augustine, of Texas, to be an Assistant Secretary of the Army.

Joseph T. McCullen, Jr., of Maryland, to be an Assistant Secretary of the Navy.

David Samuel Potter, of Wisconsin, to be an Assistant Secretary of the Navy.

DEPARTMENT OF JUSTICE

William D. Ruckelshaus, of Indiana, to be Deputy Attorney General.

(The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

IN THE AIR FORCE

The following officer to be placed on the retired list in the grade indicated under the provisions of section 8962, title 10, of the United States Code:

To be lieutenant general

Lt. Gen. Earl C. Hedlund [redacted] FR (major general, Regular Air Force) U.S. Air Force.

IN THE ARMY

The following-named officer under the provisions of title 10, United States Code, section 3066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 3066, in grade as follows:

To be lieutenant general

Maj. Gen. John J. Hennessey [redacted], U.S. Army.

The U.S. Army Reserve officer named herein for promotion as a Reserve commissioned officer of the Army under the provisions of title 10, United States Code, section 593a and 3384.

To be brigadier general

Col. Charles J. West, Jr., SSN [redacted] Infantry.

IN THE NAVY

Adm. Bernard A. Clarey, U.S. Navy, for appointment to the grade of admiral, when retired, pursuant to the provisions of title 10, United States Code, section 5233.

IN THE AIR FORCE

Air Force nominations beginning Harold C. L. Beardsley, to be lieutenant colonel, and ending Robert T. Yoshizumi, to be lieutenant colonel, which nominations were received by the Senate and appeared in the Congressional Record on August 1, 1973.

HOUSE OF REPRESENTATIVES—*Thursday, September 13, 1973*

The House met at 12 o'clock noon.

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

And above all put on love, which binds everything together in perfect harmony.—Colossians 3: 14.

We thank Thee, our Father, for the dawn of a new day and pray that in the joy of renewed strength and with glad hearts we may enter its portals unashamed and unafraid. By Thy spirit may we face our tasks positively and do our work optimistically setting free our spirits to serve Thee and our country faithfully and hopefully.

Fill our hearts with love and there will be no place for hatred, fill our minds with truth and there will be no room for falsehood, fill our spirits with goodness and there will be no space for evil, fill our souls with peace and there will be no spot for spite.

Bring us to the shadows of the evening hours weary, but with the consciousness of work well done for our beloved America.

In Thy holy name we pray. Amen.

THE JOURNAL

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

Without objection, the Journal stands approved.

There was no objection.

A MESSAGE FROM THE SENATE

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

S. 356. An act to provide disclosure standards for written consumer product warranties against defect or malfunction; to define Federal content standards for such warranties; to amend the Federal Trade Commission Act in order to improve its consumer protection activities; and for other purposes.

PERSONAL EXPLANATION

Mr. WILLIAMS. Mr. Speaker, on page H7785 of yesterday's CONGRESSIONAL RECORD, I was erroneously recorded as voting to sustain the President's veto of S. 504, Emergency Medical Service Systems Act of 1973. Actually, I voted to override the President's veto. I do not know if the electronic recording machine or I made the mistake, but I would like the record to show that I voted "yea" on the question of overriding the President's veto of S. 504. This change will not affect the outcome of the vote taken yesterday on the President's veto.

CONCERNING MOTION TO INSTRUCT CONFEREES ON AGRICULTURAL APPROPRIATIONS BILL

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

Mr. CONTE. Mr. Speaker, later today, the Committee on Appropriations is expected to ask for a conference with the Senate on the agriculture appropriations bill. I thank the distinguished chairman from Mississippi (Mr. WHITTEN) for giving me the courtesy of advance notice of this.

At that time, I intend to make a motion to instruct the House conferees. My motion directs the House conferees to insist on the House language that strictly limits farm subsidy payments and cuts off Federal funds for Cotton, Inc.

I anticipate that when my motion is offered, a motion will be made to table it. This would cut off debate and a vote on these important issues.

If a motion to table is offered, I urge

my colleagues to oppose, and vote against, the motion to table.

Then, after the motion to table is defeated, I urge my colleagues to suppport my motion to instruct conferees so we can end two great abuses of our farm program.

NAVAL PETROLEUM RESERVES

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

Mr. PRICE of Illinois. Mr. Speaker, Congressman F. EDWARD HÉBERT, chairman, Committee on Armed Services, U.S. House of Representatives, today announced that his committee would initiate hearings into the implications of the President's recommendation to "draw upon the oil available in the Naval Petroleum Reserve No. 1, Elk Hills."

Congressman HÉBERT said:

The hearings will be conducted by the Investigating Subcommittee. Preliminary staff work is now being done and we hope to begin our hearings in the very near future in open session.

Mr. HÉBERT emphasized that the House Armed Services Committee has traditionally expressed concern over preservation of the naval petroleum reserves for use in the national defense. In that regard, he pointed out that title 10, United States Code, requires passage of a joint resolution of the Congress before the President and the Secretary of the Navy may substantially increase the production of petroleum from the naval petroleum reserves, and only if the Secretary of the Navy finds that such production is "needed for national defense."

Under the rules of the House of Representatives, primary legislative jurisdiction over naval petroleum reserves is assigned to the Committee on Armed Services.

RICHARD B. RUSSELL DAM AND LAKE

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

Mr. DORN. Mr. Speaker, it was an honor for me to introduce a resolution providing for renaming of the Trotters Shoals project to the Richard B. Russell Dam and Lake. Hon. BOB STEPHENS and Hon. BO GINN joined me in introducing this resolution.

I am happy to report that this morning our resolution was approved by the Water Resources Subcommittee of our Public Works Committee. Mr. Speaker, we urge its adoption by the full Public Works Committee and by the House.

This resolution is approved by the people of Georgia, South Carolina, and the Russell family. This would be a fitting tribute to one of the greatest Americans of our time. The late Senator Richard B. Russell was a superior statesman and patriot and an unparalleled leader.

Senator Russell was particularly dedicated to improving the environment, preserving water, and providing power for our people, and for defense of the Nation. He was foremost in the development of the great Savannah River Valley for all people of both States.

Mr. Speaker, I know that this resolution will have the overwhelming approval of Congress as a tribute to our late and beloved colleague.

APPOINTMENT OF CONFEREES ON H.R. 8619, FOR THE AGRICULTURE-ENVIRONMENTAL AND CONSUMER PROTECTION PROGRAMS APPROPRIATIONS, 1974

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 8619) making appropriations for the agriculture-environmental and consumer protection programs for the fiscal year ending June 30, 1974, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

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

There was no objection.

PREFERENTIAL MOTION OFFERED BY MR. CONTE

Mr. CONTE. Mr. Speaker, I offer a preferential motion.

The Clerk read as follows:

Mr. CONTE moves that the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the bill H.R. 8619 be instructed to insist upon language contained in the House engrossed bill on page 3, lines 13 through 25 inclusive, which reads as follows:

"None of the funds provided by this Act shall be used to pay the salaries of any personnel which carries out the provisions of section 610 of the Agriculture Act of 1970.

"None of the funds provided by this Act shall be used to pay the salaries of personnel who formulate or carry out:

(1) programs for the 1974 crop year under which the aggregate payments for the wheat, feed grains, and upland cotton programs for price support, set aside, diversion, and resource adjustment to one person exceed $20,000, or

(2) a program effective after December 31, 1973, which sanctions the sale or lease of cotton acreage allotments."

The SPEAKER. The gentleman from Massachusetts (Mr. CONTE) is recognized for 1 hour.

Mr. CONTE. Mr. Speaker, again I reiterate that I want to make it abundantly clear to the House that the gentleman from Mississippi (Mr. WHITTEN) gave me plenty of advance notice that the gentleman was going to ask to send this bill to conference. The gentleman could very easily have brought the bill up when I was not present. So I want again to commend the gentleman. I have worked with the gentleman for a good many years, and we have been in opposition on this issue but, Mr. Speaker, I know of no finer man nor no finer Member of the House of Representatives than the gentleman from Mississippi (Mr. WHITTEN). We may differ on issues, but we both have a lot of respect for each other. I am really pleased and fortunate that I have had the friendship of the gentleman from Mississippi (Mr. WHITTEN) throughout the years.

Mr. Speaker, I offer this motion to instruct the House conferees so that two of the most outrageous and wasteful abuses of our farm program will be abolished.

This motion instructs the House conferees to insist on House language in the agriculture appropriations bill that would do two things:

First, it would limit the payment of Federal farm subsidies to a total of $20,000 per farm, and it would close loopholes that allow big corporate farmers to get around this payment limitation.

Second, it would bar the payment of the $10 million subsidy to Cotton, Inc.

These provisions were passed time and time again in June and July when the House voted on the agriculture appropriations and authorization bills. My amendment for a strict $20,000 payment limitation was passed by margins of 36 and 83 votes. And my amendment to bar the giveaway to Cotton, Inc., carried by margins of 109 and 79 votes.

It was only through a last-minute combination of political deals and clever parliamentary ploys that these provisions were taken out of the farm bill. Clearly, it is the will of the House to insist on these provisions.

Cotton, Inc., a glorified public relations mouthpiece for the cotton industry, has received $20 million from the Federal Treasury, and unless we do something today it will pick off another $10 million when this bill is signed. Since 1971, Cotton, Inc., has baled together a bank account of $12 to $15 million and set a dubious standard of waste and extravagance. Meanwhile, the domestic consumption of cotton has decreased.

The House previously passed a $20,000 payment limitation in 1968, 1969, and 1971. Each time it was knocked out in conference.

This year the House-passed limitation is stronger. It limits the total payments each farm can receive to $20,000, and it plugs the loopholes that allowed big farmers to subdivide their land or sublease their cotton allotments as a trick to get more subsidies.

I urge the House to instruct its conferees to insist on this House language.

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

Mr. CONTE. I yield to the gentleman from Mississippi.

Mr. WHITTEN. Mr. Speaker, I appreciate the kind comments about my congressional service by my colleague, the gentleman from Massachusetts. We have worked together through the years, and as he has said, we have had differences of opinion on many occasions regarding these two or three issues. In many other areas we have not. In a spirit of cooperation, common courtesy calls for us to at least advise our colleagues who may differ with us as to when these matters are to come up for consideration on the floor. It is not possible for a Member to be on the floor continually. It is not sound in the long run, nor is it expedient, to take advantage of his temporary absence.

In connection with the matter before us, and I hope my colleague, the gentleman from Massachusetts, will listen—I do not know of any instance where an

individual has had his way more than the gentleman from Massachusetts has had in this particular section of this bill.

At the present time, as I understand, the shortage of cotton in the United States is such that recent prices quoted have reached about 85 cents per pound. Not only that, but according to yesterday's paper the chairman of the Legislative Committee on the Senate side has asked that we enact an embargo on the export of any of the cotton we have. It is apparent that under present conditions, for reasons I think should never have occurred, we do have a serious shortage of cotton. In this connection I recently received a letter from a consulting firm in one of the big cities that represents the Japanese Government indicating that the Japanese Government had some $20 billion in surplus American money that they wanted to buy these things with in the United States. We have found that we have had to devalue our currency abroad on two occasions, and now we are faced with another serious situation.

The only thing in the world I can think of that will enable us to get our money back and restore balance to our economy and to get away from the runaway inflation that we have—is the all out production of agricultural commodities and we must make them available in world trade. We have the capacity to do this, as we have pointed out in our report. We certainly need to guard against the situation that happened under Secretary Benson where our agricultural production was held off world markets. We must not let that happen again. We need to produce to our utmost and put the production on the world markets.

If I could have the attention of my colleague, the gentleman from Illinois, as well as my colleague, the gentleman from Massachusetts, I should like to read the stipulations on Cotton, Inc. we have included in our report on the bill:

During the past several months, the committee has received increasingly critical reports on the handling of research and promotional funds in the cotton industry. It would appear that the criticisms are of sufficient stature to warrant an immediate general review by the Department of all activities in this connection in order to make certain that the intent of the law for the use of these funds is being carried out without exception. Immediate corrective action should be taken where deficiencies are noted. The committee will expect periodic reports informing it of the progress being made in this connection.

The committee does not wish to pre-judge the merit of these programs at this time. However, in order to provide the maximum benefits from funds made available from the Treasury and from producers as a result of Federal law, the committee directs the Secretary to maintain annual supervision, including approval in advance, of the use of Federal funds, as well as producer funds which are collected as a result of Federal law; to maintain annual audits of Cotton, Inc., including surveillance of salaries paid and programs sponsored and funds spent; and to require full reports from Cotton Council International as a condition precedent to cooperation in either promotion or research, all in order to obtain maximum results and to promote the use of American cotton.

May I say that in the investigation in this area relating to the complaints that were spelled out by the gentleman from Massachusetts as well as the gentleman from Illinois, the committee took this action directing that the deficiencies which may have occurred in the past must not occur again. You will recall that some years ago Congress provided that the producers of cotton pay $1 per bale for the benefit of cotton promotion and cotton use.

That dollar per bale has been paid. In the bill here which the House has passed—and I certainly will as leader of the conferees in our discussion with the Senate insist on the language we have in our report—we say not only that Cotton Incorporated money but also the dollar a bale money shall be supervised and approved in advance by the Department of Agriculture, so these two programs will be coordinated.

In connection with the other provision I will say to my friend, the gentleman from Illinois, he did not have his way 100 percent, but the agricultural bill which was signed on August 10 this year provides a limitation of $20,000 on payments.

Let me quote the pertinent provisions of Public Law 93–86, enacted August 10, 1973:

"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 1977 crops of the commodities shall not exceed $20,000.

"(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.

"(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) The Secretary shall issue regulations defining the term 'person' and prescribing such rules as he determines necessary to assure a fair and reasonable 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 rules for determining whether corporations and their stockholders may be considered as separate persons shall be in accordance with the regulations issued by the Secretary on December 18, 1970."

If we go beyond the provisions of that act signed on August 10 this year, as called for by Congressman CONTE, not only will we adversely affect supply but many small farmers will be put out of business. Thousands of small farmers now have to lease or rent their land to large operators who may not own any land of their own. The expensive equipment required to farm today makes it impossible for small cotton farms to operate. I am sure the same situation applies to other commodities.

As shown in volume 9 of our hearings, page 5, Secretary of Agriculture Benson in 1955 put 55,348 farm families out of business by refusing to sell U.S. Agricultural Commodities in world trade at competitive prices as authorized by law—then counted such commodities to reduce U.S. acreage. This is shown by the Department's own report.

Let me read you the Department's findings on pages 4 and 5.

I read:

EFFECT OF ACREAGE REDUCTION IN 1955

Mr. WHITTEN. Mr. Secretary, in connection with that, I would like to include in the record at this time the report of your own survey as to the effect of your acreage reduction in 1955 for cotton.

(The report is as follows:)

NUMBER OF COUNTIES WITH 1,000 OR MORE ACRES OF COTTON AND NUMBER OF COUNTIES REPORTING

State	Number of counties having 1,000 or more acres of cotton	Number of counties reporting
Alabama	67	67
Arizona	7	7
Arkansas	63	54
California	8	9
Florida	11	27
Georgia	138	139
Illinois	0	3
Kentucky	2	2
Louisiana	46	29
Missouri	8	8
Mississippi	77	80
New Mexico	11	10
North Carolina	55	64
Oklahoma	59	74
South Carolina	46	44
Tennessee	35	44
Texas	205	212
Virginia	6	14
Total	844	887

Summary of answers from 887 counties to the following question:

"How many renter families (tenants and sharecroppers) have been or will be forced off farms due to 1955 reduction in cotton allotments? The question is concerned only with the number of renters (as defined above) forced off farms due to the 1955 reduction in cotton acreage allotments and not for other causes such as mechanization, drought, etc."

	Renter families
Alabama	7,554
Arizona	127
Arkansas	4,246
California	0
Florida	279
Georgia	8,157
Illinois	40
Kentucky	60
Louisiana	3,395
Missouri	2,202
Mississippi	11,981
New Mexico	137
North Carolina	2,783
Oklahoma	1,477
South Carolina	4,147
Tennessee	3,075
Texas	5,580
Virginia	108
Total	55,348

Summary of answers from 887 counties to the following question:

"How many small cotton farmers (i.e. those with 5 acres or less of cotton allotted in 1954) will have net income for the farm reduced by $100 or more due to the 1955 cotton acreage reduction? Do not include in this estimate the number who may have income reduced due to not planting full allotments. The value of crops produced on acres diverted from cotton should be considered in arriving at the net income loss."

Alabama	17,595
Arizona	38
Arkansas	1,496
California	0
Florida	2,348
Georgia	14,888
Illinois	147
Kentucky	203
Louisiana	6,649
Missouri	1,881
Mississippi	34,414
New Mexico	64
North Carolina	17,397
Oklahoma	378
South Carolina	10,400
Tennessee	14,944
Texas	6,129
Virginia	1,632
Total	130,603

Mr. BENSON. Of course, when you say our acreage reduction, Mr. Chairman, you must realize that the acreage reduction was caused by the formula in the law. We followed that. I know you maintain we ought to have been selling more cotton competitively.

Mr. Speaker, should the motion of the gentleman from Massachusetts prevail, and become law, it is my belief that he would put thousands of small farmers out of business by prohibiting the leasing and transferring of acreage with disastrous economic effects. I hope we can avoid any such situation.

It is unfortunate that we sometimes try to instruct the conferees who go to conference and who do the best they can. It is not always a good procedure to so instruct the conferees and it should be resorted to very seldom, although I will say my friends are within their rights in taking this action.

But not only does it reflect, without meaning to, on the willingness of the conferees to go along with the House position, but also in this instance what this motion to instruct the conferees would do, may I say to my friend, the gentleman from Massachusetts, would be to go in opposition to or violate the law that the President signed on August 10.

I say to both my colleagues, the gentleman from Massachusetts and the gentleman from Illinois, that they have had their way to a far greater degree than most of us are successful in this area. But now to instruct the conferees, with whom we have served for as long as we have, in the face of the fact that both the President and the Congress have approved this law, would be going too far afield from orderly procedure in the Congress.

I would urge my friends, the gentleman from Illinois and the gentleman from Massachusetts, and the Members to vote down this motion. They have made their point. Let us proceed and let agriculture produce in line with the law the Congress passed and which the President signed, and let agriculture get back some of these dollars so we can stop the runaway inflation and get back to the point where grocery stores have groceries and the meat counters are filled with meat. The law was passed by Congress and the President signed it on August 10. I ask my two friends, the gentleman from Massachusetts and the gentleman from Illinois, to let us go to conference and work it out without impediment. As leader of the conferees on our side I will do my best to see that the law is carried out as fully as I know how, and I believe I will have the support of my colleagues in the conference.

Mr. CONTE. Mr. Speaker, I yield such time as he may consume to the gentleman from Texas (Mr. PRICE).

Mr. PRICE of Texas. Mr. Speaker, I associate myself with the remarks of the chairman.

Mr. Speaker, I rise today in opposition to the instruction to the House conferees on the agricultural appropriations bill.

It was only a month ago that the House passed a 4-year farm bill, and therefore it would be premature to change it so soon.

Of course, I realize the attractiveness that the argument to limit payments and remove a perfectly lawful option to cotton farmers may have to many Members, but I sincerely urge the House to consider the effect these amendments will have on future production.

Our Nation is now entering a period when we need more agricultural production and cotton is included in this need.

The instruction before us will restrict efficient growers from raising more cotton and will diminish the effort to bring research production into the agricultural picture.

For these reasons, Mr. Speaker, I urge a "no" vote on the instruction.

Mr. CONTE. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois (Mr. FINDLEY).

Mr. FINDLEY. Mr. Speaker, first of all I would like to express my appreciation to the gentleman from Mississippi (Mr. WHITTEN) for his consideration in not offering, as he has on some previous occasions a motion to table which would preclude a discussion of this issue. I do appreciate that very much and I consider it a generous action on his part.

Secondly, I want to try to clear up the position of the House in regard to Cotton, Incorporated. On several occasions now the House by a very clear decision voted to exclude all funds from Cotton, Incorporated.

Anyone who was present during the very confused parliamentary situation that prevailed when the farm bill was passed recently will remember vividly that hardly anyone really knew what was in the bill that finally received the approval of the House, and most Members here felt they had written into the bill a provision which would exclude the $10 million annual authorization for Cotton, Incorporated, and they voted for the bill with that understanding. This did not prove to be the case. Later, in our desire to get on with the August recess there was not their interest in exploring further the details of the bill, and the general motion to accept the Senate amendment and get the issue out of the way was accepted.

But, the last time the House did face squarely the question of $10 million annually to Cotton, Incorporated, the vote was a resounding "No." by record vote. Right now, we have a chance to restate that position, and I think it is a very reasonable position and I do support the motion of the gentleman from Massachusetts.

Cotton, Incorporated, money is available for both advertising—Madison Avenue type advertising—as well as for research. I do not hear much complaint about money spent for research on cotton, but I do hear a lot of objection among my colleagues as well as from other points in the country against the use of the general tax revenue funds, and that is what we are talking about here, general revenue funds, to finance promotion, advertising, Madison Avenue type promotion of cotton. It is the only commodity for which the Congress to this date has provided general revenue funds for promotion.

I was heartened by a line that got in the tentative language of the conferees when there was a conference between the House and Senate over the farm bill. Mr. SISK, one of the conferees, showed me the language. The effect of this language as he interpreted it was to exclude this $10 million annually from use as promotion and reserve it exclusively for research. I believe I am correct in that interpretation.

Unhappily, the conference did not agree on a bill and that language, that agreement, went by the boards. So what we are confronted with today is a question as to whether or not $10 million will be made available for fiscal 1974 for advertising as well as for research in cotton.

I say it is a very bad precedent. We have had 2 years in which $10 million a year has been provided to Cotton, Incorporated, with very—I would say—uncertain results, if not bad results. Therefore, I think the Department of Agriculture has taken the wise position in regard to the third annual increment of $10 million for Cotton, Incorporated, by delaying the provision of this third increment until the Congress settles the issue. The department is waiting for the Congress to settle the issue that is now before us in the form of this motion offered by the gentleman from Massachusetts.

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

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

Mr. SISK. Mr. Speaker, I just arrived on the floor and I appreciate the gentleman from Illinois yielding to me.

Let me say in connection with the present expenditure of the $10 million, assuming that the department does approve it for this year, it of course is still under the 1970 act. The Board of Directors have already unanimously adopted by resolution a prohibition against any use of any part of that money for promo-

tion and advertising. In other words, according to actions already taken by the Board of Directors of Cotton, Incorporated, it can only be used for research. That means, of course, for byssinosis—brown lung—and various other types.

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

Mr. CONTE. Mr. Speaker, I yield 3 additional minutes to the gentleman from Illinois.

Mr. FINDLEY. Mr. Speaker, I want to say in response to the statement of the gentleman from California that what the Board did yesterday, it can undo today or tomorrow. If this money is available and if they see an opportunity for advertising a project, there is nothing to stand in their way of reversing themselves. I think it would be much more prudent if Congress came forth with $10 million for research with no authority for promotional activities.

Mr. Speaker, in the time I have left, I would like to say a word about the other part of the motion to instruct dealing with limitation of payments. In all frankness, it is a somewhat moot issue for 1974 because it is unlikely that there will be any payments made under the new farm bill of 1974. If there are, they will be rather modest. The only payments that might occur would be in the field of cotton, and there, too, I doubt if any of the payments would reach the magnitude which would come then under the payment limitation.

However, it is important that Congress speak clearly on the question of limitation and do it now for several reasons. First of all, as a guide to the cotton industry, to let the planters know what to expect when the time does come, if it does, that substantial payments will once again be made. They will thus have ample notice to get their changes made if they want to make changes.

I think it is also important for the Congress to make its view clear that, under the payment limitation, it does want to include all dollars that are paid to farmers and not exclude those designated as payment for resource adjustment.

I believe it is a very reasonable and practical provision of law, and I congratulate the gentleman from Massachusetts on making this motion.

Mr. CONTE. Mr. Speaker, I yield to the minority leader (Mr. GERALD R. FORD).

Mr. GERALD R. FORD. Mr. Speaker, this morning the Secretary of Agriculture called me personally, he having heard the possibility of the motion being made by the gentleman from Massachusetts. I wish to indicate to the Members of the House, inasmuch as we have passed the basic farm legislation that he the Secretary of Agriculture is urging that this motion be defeated.

Mr. ECKHARDT. Mr. Speaker, when the agriculture-environmental appropriation bill, H.R. 8619, was considered by the House on June 15, I offered and subsequently withdrew an amendment to an energy investigative task force to study the energy crisis. I withdrew my amendment upon request from the able gentleman from Mississippi (Mr. WHITTEN). Mr. WHITTEN recommended that no additional money for an energy study be appropriated until the FTC came out with its study on the petroleum industry. He assured me that if this study indicated a need for further investigation, the House conferees would favorably consider the additional appropriations during conference.

The recent, very excellent, Federal Trade Commission report on the petroleum industry only emphasizes the need for the energy crisis study. The FTC report deals only with the petroleum industry, while my amendment called for a total energy study. The information included in the FTC study is precisely the type of information the legislative branch needs to adopt, an appropriate national energy policy. However, we need such information for the entire energy industry, not for the petroleum industry alone.

After the FTC report and just before this motion came up today, I asked the gentleman from Mississippi (Mr. WHITTEN) whether it was his understanding that my amendment, which was withdrawn at his behest, called for a total energy study. His reply was that such was his understanding. He said that he recalled that my amendment called for a "Federal energy investigation task force for the investigation of the energy crisis," and that my amendment did not limit the study to the petroleum industry. He recognized that, in fact, my amendment was very similar to a provision in the bill as passed by the Senate appropriating $2 million for a detailed investigation of the energy shortage.

He said that during our colloquy on June 15, he had indicated his feelings that the report is badly needed and he has permitted me to say that I have his assurance that the matter will receive the conferee's attention. I wish now to thank him for that assurance.

Mr. CONTE. Mr. Speaker, I have no further requests for time, and I move the previous question on the motion to instruct.

The previous question was ordered.

The SPEAKER. The question is on the motion offered by the gentleman from Massachusetts (Mr. CONTE).

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

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

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 231, nays 160, answered "present" 2, not voting 41, as follows:

[Roll No. 452]

YEAS—231

Abzug	Aspin	Bray
Adams	Badillo	Broomfield
Addabbo	Bafalis	Brotzman
Anderson, Calif.	Bauman	Brown, Mich.
Annunzio	Bennett	Brown, Ohio
Archer	Biester	Broyhill, Va.
Armstrong	Bingham	Buchanan
Ashbrook	Boland	Burke, Fla.
Ashley	Brademas	Burke, Mass.
	Brasco	Butler
Carney, Ohio	Hinshaw	Randall
Chamberlain	Hogan	Rangel
Chisholm	Holt	Regula
Clancy	Holtzman	Reid
Clark	Horton	Reuss
Clausen, Don H.	Hosmer	Riegle
Clay	Howard	Rinaldo
Cleveland	Huber	Robinson, Va.
Cohen	Hudnut	Robison, N.Y.
Collier	Hungate	Rodino
Conable	Hunt	Roe
Conte	Hutchinson	Rogers
Corman	Ichord	Roncallo, N.Y.
Cotter	Johnson, Colo.	Rooney, Pa.
Coughlin	Karth	Rosenthal
Cronin	Kastenmeier	Rostenkowski
Culver	Keating	Roush
Daniels, Dominick V.	Kemp	Rousselot
Davis, Wis.	King	Roy
Delaney	Kluczynski	Ruppe
Dellenback	Koch	Ryan
Dellums	Kyros	Sarasin
Dennis	Latta	Sarbanes
Dent	Leggett	Saylor
Diggs	Lehman	Schroeder
Dingell	Lent	Seiberling
Donohue	Long, Md.	Shriver
Drinan	McClory	Smith, N.Y.
Dulski	McCloskey	Snyder
Edwards, Calif.	McCollister	Stanton, J. William
Erlenborn	McCormack	Stanton, James V.
Esch	McDade	Steele
Eshleman	McKinney	Steelman
Fascell	Macdonald	Steiger, Wis.
Findley	Madden	Stokes
Fish	Madigan	Studds
Ford, William D.	Mailliard	Sullivan
Forsythe	Mallary	Symington
Fraser	Maraziti	Talcott
Frelinghuysen	Martin, N.C.	Taylor, Mo.
Frenzel	Mayne	Thompson, N.J.
Frey	Mazzoli	Thomson, Wis.
Froehlich	Mezvinsky	Thone
Gaydos	Milford	Van Deerlin
Giaimo	Miller	Vander Jagt
Gibbons	Minish	Vanik
Gilman	Minshall, Ohio	Vigorito
Goodling	Mitchell, Md.	Waldie
Grasso	Mitchell, N.Y.	Walsh
Green, Oreg.	Moakley	Ware
Green, Pa.	Moorhead, Calif.	Whalen
Griffiths	Moorhead, Pa.	Whitehurst
Gross	Mosher	Widnall
Grover	Moss	Williams
Gude	Murphy, Ill.	Wilson, Charles H., Calif.
Gunter	Nedzi	Winn
Hamilton	Nix	Wolff
Hanley	Obey	Wydler
Hanna	O'Brien	Wylie
Harrington	Owens	Wyman
Harsha	Parris	Yates
Hastings	Patten	Yatron
Hechler, W. Va.	Peyser	Young, Fla.
Heckler, Mass.	Pike	Young, Ill.
Heinz	Podell	Zablocki
Helstoski	Powell, Ohio	Zion
Hillis	Price, Ill.	
	Pritchard	
	Railsback	

NAYS—160

Abdnor	Danielson	Henderson
Alexander	de la Garza	Hicks
Andrews, N.C.	Denholm	Holifield
Andrews, N. Dak.	Derwinski	Jarman
Arends	Devine	Johnson, Calif.
Baker	Dickinson	Johnson, Pa.
Barrett	Dorn	Jones, Ala.
Beard	Downing	Jones, N.C.
Bergland	Duncan	Jones, Okla.
Boggs	du Pont	Jones, Tenn.
Bolling	Eckhardt	Jordan
Bowen	Edwards, Ala.	Kazen
Breaux	Eilberg	Ketchum
Breckinridge	Evans, Colo.	Landgrebe
Brinkley	Evins, Tenn.	Litton
Brooks	Fisher	Long, La.
Brown, Calif.	Flood	Lott
Broyhill, N.C.	Flowers	McFall
Burgener	Flynt	McKay
Burleson, Tex.	Foley	Mahon
Burlison, Mo.	Ford, Gerald R.	Mann
Burton	Fountain	Martin, Nebr.
Byron	Fulton	Mathias, Calif.
Camp	Fuqua	Matsunaga
Carter	Gettys	Meeds
Casey, Tex.	Ginn	Melcher
Cederberg	Goldwater	Michel
Chappell	Gonzalez	Mink
Cochran	Haley	Mizell
Collins, Tex.	Hansen, Idaho	Montgomery
Conlan	Hansen, Wash.	Morgan
Daniel, Dan	Hawkins	Murphy, N.Y.
	Hébert	Myers

Natcher	Roybal	Teague, Calif.
Nelsen	Ruth	Teague, Tex.
Nichols	Satterfield	Thornton
O'Hara	Scherle	Towell, Nev.
O'Neill	Sebelius	Treen
Passman	Shipley	Udall
Patman	Shuster	Veysey
Pepper	Sisk	Waggonner
Perkins	Skubitz	Wampler
Pettis	Slack	White
Pickle	Smith, Iowa	Whitten
Poage	Spence	Wilson, Bob
Preyer	Staggers	Wilson, Charles, Tex.
Price, Tex.	Stark	Wright
Quie	Steed	Wyatt
Quillen	Steiger, Ariz.	Young, Alaska
Rarick	Stephens	Young, Ga.
Rhodes	Stubblefield	Young, S.C.
Roberts	Stuckey	Young, Tex.
Roncalio, Wyo.	Symms	Zwach
Rose	Taylor, N.C.	

ANSWERED "PRESENT"—2

Daniel, Robert W., Jr. Rees

NOT VOTING—41

Anderson, Ill.	Gray	Metcalfe
Bell	Gubser	Mills, Ark.
Bevill	Guyer	Mollohan
Biaggi	Hammer-schmidt	Rooney, N.Y.
Blackburn	Hanrahan	Runnels
Blatnik	Harvey	St Germain
Burke, Calif.	Hays	Sandman
Carey, N.Y.	Kuykendall	Schneebeli
Clawson, Del	Landrum	Shoup
Collins, Ill.	Lujan	Sikes
Conyers	McEwen	Stratton
Crane	McSpadden	Tiernan
Davis, Ga.	Mathis, Ga.	Ullman
Davis, S.C.		Wiggins

So the motion carried.

The Clerk announced the following pairs:

On this vote:

Mr. Carey of New York for, with Mr. Rooney of New York against.

Mrs. Burke of California for, with Mr. Bevill against.

Mr. St Germain for, with Mr. Davis of Georgia against.

Mr. Tiernan for, with Mr. Davis of South Carolina against.

Mr. Stratton for, with Mr. Gray against.

Mr. Blatnik for, with Mr. Sikes against.

Mr. Biaggi for, with Mr. Landrum against.

Mr. McSpadden for, with Mr. Mathis of Georgia against.

Mr. Metcalfe for, with Mr. Mollohan against.

Mr. Bell for, with Mr. Ullman against.

Mr. Conyers for, with Mr. Hammerschmidt against.

Mr. Del Clawson for, with Mr. Kuykendall against.

Mr. Gubser for, with Mr. Runnels against.

Mr. Harvey for, with Mr. Mills of Arkansas against.

Mrs. Collins of Illinois for, with Mr. Blackburn against.

Until further notice:

Mr. Hays with Mr. Anderson of Illinois.

Mr. Guyer with Mr. Hanrahan.

Mr. Crane with Mr. McEwen.

Mr. Sandman with Mr. Schneebeli.

Mr. Lujan with Mr. Wiggins.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER. The Chair appoints the following conferees: Messrs. WHITTEN, SHIPLEY, EVANS of Colorado, BURLISON of Missouri, NATCHER, SMITH of Iowa, CASEY of Texas, MAHON, ANDREWS of North Dakota, MICHEL, SCHERLE, ROBINSON of Virginia, and CEDERBERG.

WE NEED A NEW MINIMUM WAGE BILL

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

Mr. ERLENBORN. Mr. Speaker, proposed laws in regard to emergency medical services and on minimum wages do not have much in common, except a coincidence of timing. The emergency medical services bill was vetoed August 1 but, at the suggestion of the majority, the vote on a motion to override was postponed until September 12. The minimum wage bill was vetoed September 6. Again, at the request of the majority, the vote on the motion to override was held over until September 19.

Most of us recognized that yesterday's vote sustaining the President's veto of the emergency health services bill suggests strongly that this House will also sustain his veto of the minimum wage bill when the question comes before us next week.

I will vote to sustain this veto, and I urge you who are my colleagues to follow a similar course.

My vote will not mean, however, that I do not believe we ought to have a new minimum wage bill. It will mean only that I do not believe we ought to have that minimum wage bill.

The fact is, I believe enactment of a good minimum wage bill is a matter of some urgency.

To that end, I ask that the chairman of our General Labor Subcommittee (Mr. DENT) call meetings in order to start immediate consideration of a new bill. We do not need any more hearings. All of us know what the facts are. We can go directly to mark up and, if we act with wisdom and prudence, we can have a bill that is acceptable to this House in a matter of days.

RACIAL DISCRIMINATION IN HOSPITALS AND REST HOMES

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

Mr. EDWARDS of California. Mr. Speaker, the Civil Rights and Constitutional Rights Subcommittee which I chair of the House Committee on the Judiciary, met yesterday for the first of a series of hearings on the enforcement of title VI of the Civil Rights Act in medicare and medicaid programs.

For too long, minorities have been denied equal access to hospitals and other facilities in this country. These hearings are designed to examine whether or not blacks, Spanish-speaking Americans, and members of other racial and ethnic groups have achieved that equal access guaranteed by our civil rights laws.

At yesterday's hearings, the General Accounting Office presented its report on the enforcement of title VI. That report documents that a dual system of health care still exists for nonwhites, despite the enactment of civil rights legislation.

There can be no separate-but-equal health care system. Yet, in our cities today, we find that blacks continue to be clustered in predominantly black hospitals and whites in predominantly white institutions, despite the fact that those institutions receiving medicare and medicaid funds are required by law to abide by the antidiscrimination provisions of the Civil Rights Act.

The situation in our hospitals and nursing facilities is much like that in our schools. De facto segregation has replaced de jure segregation. The signs barring admittance to nonwhites which once hung above the doors of many of our hospitals have been taken down, but segregation remains.

The subcommittee plans to take a very serious look at this situation. We will be meeting on September 17, 24, and October 1 to have more testimony on enforcement of title VI in our medicare and medicaid programs. We will be hearing from the Leadership Conference on Civil Rights and the American Public Health Association, in addition to public witnesses who will recall their own encounters with discrimination in medicare and medicaid facilities. On our last day of hearings, we have asked the Office for Civil Rights at HEW to report on its compliance activities in this area.

PERMISSION FOR COMMITTEE ON RULES TO FILE CERTAIN PRIVILEGED REPORTS

Mr. YOUNG of Texas. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file certain privileged reports.

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

There was no objection.

WATER PROJECT INVESTIGATIONS

Mr. YOUNG of Texas. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 540 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 540

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 6576) to authorize the Secretary of the Interior to engage in feasibility investigation of certain potential water resource developments. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interior and Insular Affairs, the bill shall be read for amendment under the five-minute rule. It shall be in order to consider the amendments recommended by the Committee on Interior and Insular Affairs now printed in the bill notwithstanding the pro-

visions of clause 7, rule XVI. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit. After the passage of H.R. 6576, the Committee on Interior and Insular Affairs shall be discharged from the further consideration of the bill S. 2075, and it shall then be in order in the House to move to strike out all after the enacting clause of the said Senate bill and insert in lieu thereof the provisions contained in H.R. 6576 as passed by the House.

Mr. YOUNG of Texas. Mr. Speaker, I yield 30 minutes to the distinguished gentleman from Ohio (Mr. LATTA), pending which time I yield myself such time as I may consume.

Mr. Speaker, House Resolution 540 provides for an open rule with 1 hour of general debate on H.R. 6756, a bill to authorize the Secretary of the Interior to engage in feasibility investigations of certain potential water resource developments.

House Resolution 540 provides that it shall be in order to consider the amendments recommended by the Committee on Interior and Insular Affairs now printed in the bill notwithstanding the provisions of clause 7, rule XVI of the Rules of the House of Representatives, germaneness provision. House Resolution 540 also provides that after the passage of H.R. 6576, the Committee on Interior and Insular Affairs shall be discharged from the further consideration of the bill S. 2075, and it shall then be in order in the House to move to strike out all after the enacting clause of S. 2075 and insert in lieu thereof the provisions contained in H.R. 6576 as passed by the House.

H.R. 6576 authorizes the Secretary of the Interior to engage in feasibility investigations under reclamation law on four potential water resource development projects. The projects include the Hood-Clay unit, Central Valley project in California, the McGee project in Oklahoma, the Moorhead unit, Pick-Sloan Missouri Basin program in Montana and Wyoming, and the Geary project in Oklahoma.

Mr. Speaker, I urge adoption of House Resolution 450 in order that we may discuss and debate H.R. 6576.

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

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

Mr. Speaker, House Resolution 540 provides for the consideration of H.R. 6576, authorizing the Secretary of the Interior to engage in feasibility investigation of certain potential water resource developments, under an open rule with 1 hour of general debate. This rule also provides for a waiver of points of order against the committee amendments for failure to comply with clause 7 of rule XVI, which deals with germaneness. The three amendments are the McGee Creek Reservoir project, the Moorhead Unit project, and the Geary project. In addition, the rule makes it in order to insert the House-passed language in S. 2075.

The purpose of this bill is to authorize the Secretary of the Interior to conduct feasbility investigations under reclamation law on four potential water resource development projects. Since passage of the Federal Water Project Recreation Act in 1966, studies of this type need specific legislative authority. This is the sixth in a continuing series.

The bill contains four projects:

First. Hood-Clay Unit, American River division, Central Valley project, California, costing $125,000 for 2 years;

Second. McGee project, Oklahoma, costing $300,000 for 3 years;

Third. Moorhead Unit, Powder division, Pick-Sloan Missouri Basin program, Montana, Wyoming, costing $250,000 for 2 years; and

Fourth. Geary project, Oklahoma, costing $245,000 for 3 years.

Mr. Speaker, I urge the adoption of this rule in order that the House may begin debate on H.R. 6576.

Mr. Speaker, I have no requests for time and reserve the balance of my time.

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

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. JOHNSON of California. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 6576) to authorize the Secretary of the Interior to engage in feasibility investigation of certain potential water resource developments.

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

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 6576, with Mr. ROBERTS in the chair.

The Clerk read the title of the bill.

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

The CHAIRMAN. Under the rule the gentleman from California (Mr. JOHNSON) will be recognized for 30 minutes and the gentleman from California (Mr. HOSMER) will be recognized for 30 minutes.

The Chair recognizes the gentleman from California (Mr. JOHNSON).

Mr. JOHNSON of California. Mr. Chairman, I yield myself such time as I may consume to speak on behalf of H.R. 6576, a bill to authorize the Secretary of the Interior to engage in feasibility investigations of certain water resource development projects. This measure is similar in concept to other bills which the House has passed in prior years and is needed to provide data and information on which the Congress can base decisions as to whether projects should be authorized for construction.

The bill we are considering today is smaller in scope than any similar bill that has been brought to the floor since the present system of authorizing feasibility investigations was adopted 8 or 9 years ago. The measure provides for only four studies at an aggregate estimated cost of less than $1 million—to be spent over a time span of 2 to 4 years, depending on the rate of funding. The limiting of this bill to only four projects is indicative of the lack of enthusiasm being shown by the administration for facing up to its responsibilities for managing and conserving our Nation's land and water resources. Indeed, were it not for the initiative of our colleagues we would have no study bill this year and there would be no continuity of the Department's capability to address and solve our ongoing water problems. All of the programs included in H.R. 6576 were individually introduced by Members of the House and were combined into a single bill in committee. Additionally, the administration withheld endorsement of three of the four items on the grounds that authorization of study was either unnecessary or premature. After complete hearings and study the Committee on Interior and Insular Affairs determined that there was both a need and justification for early consideration of these programs and reported the bill accordingly.

The projects included in H.R. 6576 are not, however, irrigation oriented in their central thrust. Three of them are very strongly weighted to the provision of municipal and industrial water supply while the fourth, the Hood-Clay unit of the Central Valley project, in my State of California is uniquely an environmental program. This is the item about which I wish to speak today—although I endorse each study in the bill. Other Members will explain the other items.

The purpose of the Hood-Clay unit feasibility study is to find out whether there is a feasible and justifiable means of completing the authorized Auburn-Folsom south unit of the Central Valley project while at the same time realizing the environmental benefits that can be achieved by using water stored in Auburn and Folsom Reservoirs—for recreation and fish and wildlife purposes in the lower American River.

The American River enters the Sacramento River within the city of Sacramento, Calif. Upstream, on the American River, we have in being the Folsom Reservoir and the Nimbus Reservoir with the authorized Auburn Reservoir to be constructed upstream from Folsom Reservoir. The stored water from these reservoirs is earmarked by the authorizing legislation for diversion at Nimbus Dam into the Folsom South Canal—for irrigation and municipal and industrial use in Sacramento and San Joaquin Counties. Since the completion of Folsom Dam and powerplant, and pending construction of Folsom South Canal, there have been sustained releases of water from Nimbus Reservoir into the lower American River. These flows have been more stable than those that existed in the preproject condition and have contributed to the development of a fine, water-based recreational complex throughout the Metropolitan Sacra-

mento area. Much investment has been made by public and private interests and the river has become a fine asset to the city and county.

The California Water Rights Control Board has decreed that a sustained level of releases, amounting to 1,500 cubic feet per second, must be made to sustain the environmental values that have developed along this stream. Releases of this magnitude will make it impossible to achieve the goals for which the Folsom South Canal was authorized. Litigation is pending in the Federal district courts to test the authority of the State board to direct the use and disposition of federally developed storage water.

The Hood-Clay unit suggest a solution to this conflict. It is simple in concept. Releases would be made from water stored in the Federal reservoirs and the water would be allowed to flow through the city of Sacramento to a pumping plant site on the Sacramento River near Hood, Calif. At this point, it would be pumped from the river into a conduit which would extend to, and connect with, the lower reaches of the Folsom South Canal. This plan would enable the water resource to be used for its originally authorized purpose, while at the same time preserving the byproduct environmental benefits that have developed during the interim period.

The study will assess the benefits and propose cost-sharing arrangements. Hopefully, it will result in a solution to a most perplexing problem of how to use this valuable resource. Frankly, Mr. Chairman, I can see no reason why anyone would oppose this study. Indeed, the Department does not oppose the study—yet it neglected to endorse the legislation. The apparent reason for its position is that authority already exists. If that is the case, one can only wonder why we have not yet seen the study completed and sent forward. It is my view, and the view of the committee, that the study should be specifically authorized and beyond that should be promptly completed and sent forward for consideration of authorization.

Before discussing the four projects, Mr. Chairman, I would like to point out to my colleagues why I feel that the Congress cannot sit idly by while the administration has its way with our water and related land resource programs. Within recent weeks there have been two independent actions taken by the executive branch in the water resources field. In one case, the report of the National Water Commission has been completed and released. In the second instance, the executive branch announced approval of new standards and principles to govern its analysis of water and related lands. These developments share a common characteristic—that is, they are each committed to the closing down of our ongoing water resource program apparently from the misguided notion that such programs no longer fulfill a public need. H.R. 6576 repudiates this idea and represents a minor step by Congress to reassert itself in the determination of policy in the natural resources field.

One of the principal targets of the Commission report and the standards and principles is the irrigation program of the Bureau of Reclamation which is being criticized as being the cause of an embarrassing surplus of agricultural commodities which the administration perceives. Oddly enough, we have no such surplus, as every Member of this body is well aware. In fact, the exact opposite is true. Mr. Chairman, instead of going out of our way to limit our capacity to examining every opportunity to maximize such production. The water resource development programs of the Bureau of Reclamation, the SCS, and the Corps of Engineers all have a major role to play in this regard. They are not the only weapons in our fight to feed a hungry world but they are, indisputably, effective and should be preserved.

If, as the Department suggests, the study is already authorized then the passage of Hood-Clay unit implies no additional expenditure of Federal funds. On the other hand, enactment should serve as a message to the executive that Congress wishes some action in this area and there can be no doubt that we are of the mind to entertain new and novel solutions to our current water problems.

For these reasons, I urge the House to act promptly and favorably on this legislation.

Mr. HOSMER. Mr. Chairman, I will be handling this bill for the minority rather than the gentleman from Pennsylvania (Mr. SAYLOR).

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

Mr. Chairman, those of us who live in the naturally arid sections of this country take the reclamation program seriously. Some of us even represent areas that would be still uninhabitable desert were it not for investment made in water resource development through the Bureau of Reclamation.

Accordingly, we take very seriously our legislative responsibility to investigate and authorize feasibility studies to determine how and where new water resource developments should be undertaken. In doing this, we are mindful that a few hundred thousand dollars spent in this fashion can affect the lives of many thousands of people and the economic health of entire regions.

The Water and Power Resources Subcommittee studied each of the four feasibility studies authorized in this bill. We questioned witnesses and had the committee staff research each proposal. After this, we favorably reported the four as one bill to save three extra trips to the Rules Committee and the floor.

No one can deny that these four studies are important to the orderly and timely development of vital water resources in the rapidly developing Western States.

On two cases, the Department felt that authority already existed to undertake the proposed study and in the third case the Department suggested that the necessary data might be developed in a regional study that is now underway. The Department endorsed the fourth study and never flatly opposed the first three.

I will not duplicate the efforts of others by giving a point-by-point analysis of H.R. 6576 except to tell you that it authorizes four vitally important water resource studies affecting four different western States. For a relatively small amount of money, these four studies will reveal options and alternatives that a future Congress may have to choose from. Thus, a vote for H.R. 6576 is a vote to assure that we will have the necessary information to make informed and enlightened decisions about water resources in the years ahead.

I urge favorable consideration of the bill.

Mr. JOHNSON of California. Mr. Chairman, I yield 3 minutes to the gentleman from California (Mr. LEGGETT).

Mr. LEGGETT. Mr. Chairman, I want to commend the Interior Committee, and particularly the Irrigation Subcommittee headed by my colleague from California (Mr. JOHNSON) for accelerating the authorization of these four feasibility studies.

I am not familiar with the needs of all the studies, but one study borders about four or five congressional districts in the State of California. The Hood-Clay project affects perhaps half of the State of California. I am familiar with that, and I think the expenditure of $125,000 for a true study of the feasibility of this particular project is critically needed for a balance of better agricultural, municipal, industrial, and ecological needs in our State.

Therefore, I would urge the enactment of this legislation.

Mr. Chairman, I am pleased today to speak in behalf of legislation to authorize the Bureau of Reclamation to conduct a study to determine the feasibility of building a connector to carry water from the Sacramento River at Hood to the Folsom-South Canal near Clay.

We all recognize the water needs of our neighbors to the South of Sacramento and are more than pleased to share in our overabundance of this great natural resource, but not at the expense of everything we hold dear. I am concerned that the presently authorized municipal, industrial, and agricultural uses from the Folsom South Canal would ultimately diminish the flow of the American River past the city of Sacramento where Sacramento County has made substantial investment in park facilities.

A specific study of the proposed Hood-Clay Connector would give an opportunity to examine the environmental benefits that could be achieved by this new facility to take full advantage of all water uses and water oriented benefits in Sacramento and San Joaquin Counties.

In recent years great flow fluctuations have occurred along the American River. As an example in 1950 a series of storms dumped enough water into the river to fill the Folsom Dam in 3 days, but in 1951, because of a drought, a mere trickle of water flowed through Sacramento.

We thought the problem of feast or famine for the river had been effectively eliminated with the completion of Folsom Dam and the new Auburn Dam which is now under construction, but this is not the case.

The view that many organizations and interested private citizens have expressed is that the river should be allowed to

run unimpeded down the full length of the American River at a guaranteed minimum flow of 1,500 cubic feet per second where it would join with a diversity of water supplies from the Sacramento, Feather, and Consumnes Rivers to be recaptured at Hood.

It would be pumped across to Clay via the connector and then pumped south as well as north for delivery to the Folsom South service area. In order to provide sufficient water for the Sacramento Municipal Utility District—SMUD—nuclear plant, adequate flow could be diverted at the Nimbus Dam to supply generating power for the Rancho Seco facility.

As coauthor of this legislation, I suggest that a study is necessary to provide the final solution to our dilemma. To that end I urge your committee approval of this bill.

Mr. HOSMER. Mr. Chairman, I yield 3 minutes to the gentleman from Pennsylvania (Mr. SAYLOR).

Mr. SAYLOR. Mr. Chairman, we hear many complaints these days from western States Congressmen about the low funding level of the reclamation program. It is charged that scarce water resources go undeveloped, because there simply are not enough dollars in recent budgets to develop these resources as they should be developed.

In a great many cases this is certainly true, but in some projects and bills we see scarce reclamation dollars squandered on extravagant and wasteful pursuits that add little if anything to the reclamation program while robbing good water programs of desperately needed funds.

The bill before us today is a particularly glaring example of this. H.R. 6576 would authorize the expenditure of nearly a million dollars on four Bureau of Reclamation studies. When the House Interior Subcommittee on Water and Power Resources held hearings on these four proposals, the Commissioner of Reclamation urged that three of these studies not be authorized, because they were either already authorized or simply unnecessary at this time. Yet, the subcommittee and full committee urges us to authorize three-quarters of a million dollars to carry out three ridiculous reclamation studies that even the Bureau of Reclamation itself opposes.

The first of these involves a study on the Hood-Clay unit, American River Division, of California's Central Valley project. One hundred and twenty-five thousand taxpayers' dollars would be spent to determine newer and better ways to squander Federal dollars on a dubious pumping plant and conveyance channel. Maybe this study is necessary. Maybe we need this water development. Maybe a reelection campaign or two will be helped by this expenditure. The only facet of this study that there are no "maybe's" about is the fact that it is already authorized under the Auburn-Folsom authorization and under the east side division of the Central Valley project.

Next, we are asked to authorize a feasibility study of the McGee Creek Reservoir in Oklahoma. The Army Corps of Engineers has a study underway now that will review all water needs in the Oklahoma City urban area. The 1974 budget for the corps includes some $200,000 for this study which will be completed in 3 to 5 years at a total cost of over $800,000. If we pass today's bill, we can spend another $300,000 to duplicate this study.

The final squandering involves a quarter of a million dollars to study the Moorhead unit on the Powder River in the Pick-Sloan Missouri Basin program. This is that wonderful porkbarrel that gave us the Garrison diversion—one of reclamation's great, mind-bending boondoggles. The "Federal-State Interagency Northern Great Plains Resources Program" is now conducting a study of all resources in this area, including water. The Department of Interior suggested that we await the results of this effort before undertaking other studies, but it is hard to dissuade a committee hellbent on wasting the taxpayers' hard-earned money.

The fourth study, in all fairness, is commendable and has no business being tied to the previously mentioned three flimflams. The authority to undertake a feasibility study for a dam and reservoir on the Canadian River in Oklahoma was sought by the Department. It is a good piece of legislation that was tacked on to this farce of a bill as a hostage for the other three.

Most of us have been in this business long enough to know how to carry a bad proposal or two by piggybacking them on to good proposals. We have also been at it long enough to know that this is how bad and expensive proposals become law. What some of us have not learned, apparently, is that our system cannot go on much longer spending a quarter of a million here and a half a million there like drunken sailors on a weekend pass. We owe the long-suffering taxpayers of this country a better sense of fiscal responsibility than to throw their money around like this.

Mr. JOHNSON of California. Mr. Chairman, I yield 5 minutes to the gentleman from Montana (Mr. MELCHER).

Mr. MELCHER. Mr. Chairman, one of the feasibility studies which would be authorized by H.R. 6576 is the Moorhead unit which consists of a multiple purpose reservoir project on the Powder River, a tributary of the Yellowstone River in Powder River County, Mont., in my congressional district.

Originally, I introduced H.R. 7820 for myself and Mr. RONCALIO of Wyoming, relating only to the proposed Moorhead study. The Subcommittee on Water and Power Resources, under the distinguished chairmanship of the gentleman from California (Mr. JOHNSON) then included the substance of H.R. 7820 in H.R. 6576.

The reservoir from this project is designed to extend upstream into Campbell County, Wyo. Its estimated capacity is 358,000 acre feet.

Mr. Chairman, both Montana and Wyoming badly need additional water storage. Rather than letting the spring runoffs of the Powder River flow downstream, we need the flood control and water storage that this dam would provide. We would benefit from the economic stimulus of putting this water resource to work for irrigation, recreation, or industrial uses. Irrigation water is badly needed in the summer for downstream ranches for hay and crop production. There is some irrigation now, but the water is so low in late June, and during July and August that this additional storage is necessary.

A reconnaissance report on Moorhead was prepared by the Bureau of Reclamation a few years ago. That report showed that a good benefit-cost ratio could be expected. Even though prices and interest rates have increased since the report was prepared, there still is a strong showing of justification.

Mr. Chairman, the cost of the Moorhead feasibility study is estimated at $250,000 over a 2-year period.

This project has been delayed long enough. It is time that we get started, even on this very initial stage. It will be an important study to help complete the interagency and regional States' cooperative effort now underway as the Northern Great Plains resource study. I commend the gentleman from California (Mr. JOHNSON) and other members of his Water and Power Resources Subcommittee for including the Moorhead feasibility study in H.R. 6576. I urge its passage by the House.

Mr. HOSMER. Mr. Chairman, I yield 5 minutes to the gentleman from Oklahoma (Mr. CAMP).

Mr. CAMP. Mr. Chairman, I strongly support H.R. 6576, authorizing the Secretary of the Interior to undertake vital water resource studies at four different locations in the West. The importance of this legislation is underscored by the Bureau of Reclamation's successful work in the past in helping water-poor areas utilize their limited resources to provide adequate domestic and industrial water supplies for the people of our Western States.

I would like to address myself particularly to sections 2 and 4 of the bill before us today, which would significantly affect future water supplies for my State of Oklahoma.

Section 4 authorizes a feasibility study of a major potential water resource development program in western Oklahoma. Preliminary surveys indicate the likelihood of feasible reservoir projects being developed at the hydro site on the Canadian River in Blaine County and at the Weatherford site on Deer Creek in Custer County. Industrial water supply, fish and wildlife, recreation, flood control, and irrigation will be considered for development during the study.

Specifically, the proposed study would explore ways of regulating the flow of the Canadian River to avoid water shortages that could threaten economic growth in the study area within 10 years. The need to develop this water source becomes especially critical since industrial needs for water supplies are expected to increase sharply in the next 25 years.

According to Bureau of Reclamation studies, the annual need in the area for industrial uses will increase by an additional 35,000 acre-feet and the annual need for cooling water for powerplants in 25 years is expected to be about 80,000 acre-feet more than at present. In reference to this last figure, I would point out that the Oklahoma Gas & Electric Co. has already indicated a strong interest in this water for future power devel-

opment sites. Also, the Canton Irrigation District, composed of landowners along the North Canadian River, is actively supporting storage on the Canadian River to serve the purpose of irrigation.

Mr. Chairman, the good people of Oklahoma, who are no strangers to the hardships caused by an inadequate water supply, are wholeheartedly behind this project. We have communications from the Oklahoma Water Resources Board, the State coordinating agency for water supplies, and from the cities in the area urging immediate congressional action on this project. Passage of this section has also been endorsed by the administration via the Bureau of Reclamation and the Army Corps of Engineers as a continuing complement to the Oklahoma State water plan.

Section 2 of H.R. 6576 authorizes a feasibility investigation in the southeastern portion of Oklahoma on McGee Creek in the district of my good friend and colleague, Speaker CARL ALBERT. McGee Creek offers the potential of being a major supplier of water not only for the Atoka County area where the reservoir would be built, but also for the metropolitan area of Oklahoma City, which is faced with a latent water supply problem.

As early as 1954, McGee Creek was recognized by officials of Oklahoma City as a potential reservoir for metropolitan water needs. Again, in 1967, the Oklahoma City Municipal Authority stated the importance of McGee Creek when, in a report prepared by an independent consultant, the municipal authority cited McGee Creek as part of its long-term water supply, planning for its use by 1975.

Then finally, in the summer of this year, the Oklahoma City officials again recognized the importance of McGee Creek. Mayor Patience Latting stated that Oklahoma City is actively working with the Southern Oklahoma Development Authority to construct this reservoir to its optimum capacity in order that future local needs, as well as Oklahoma City water needs, may be met. The Oklahoma City Chamber of Commerce also enthusiastically supports this total project.

Mr. Chairman, as we are all aware, water is a precious commodity in my State and there is widespread support among the people of Oklahoma for H.R. 6576. This legislation provides for the planning for future water resource development which is absolutely necessary for orderly and sustained growth of an area, and I urge my colleagues' support for this measure.

Mr. JOHNSON of California. Mr. Chairman, I yield 3 minutes to the gentleman from Oklahoma (Mr. JONES).

Mr. JONES of Oklahoma. Mr. Chairman, along with my colleague from Oklahoma, the distinguished Congressman HAPPY CAMP, I, too, support the passage of H.R. 6576, a bill to authorize the Secretary of the Interior to engage in feasibility studies of certain potential water resource developments. With particular respect to McGee Creek, I would urge the adoption of this bill.

As my respected colleague has so succinctly stated, water is essential to the growth of an area. And this bill will do exactly that. The authorization of a feasibility study for McGee Creek in southeastern Oklahoma is the first step in providing for the economic as well as physical growth and well-being of Oklahoma.

Mr. CAMP has told us of the support this bill has received from officials of Oklahoma City. Likewise, members of the southeastern community of Atoka, Okla., who would be so vitally affected by this project, have rallied to its support. Mayor Robert G. Cates, of Atoka, Okla., has stated the Atoka Municipal Authority's desire to join with Oklahoma City in supporting the McGee Creek feasibility study. In addition, the regional governmental unit, the Southern Development Association, of Ardmore, Okla., has stated its unequivocal support of this project.

Finally, Mr. Chairman, the Oklahoma Water Resources Board, the State agency of Oklahoma charged with coordinating State water resources, has laid out the mutual agreement between Atoka authorities and Oklahoma City authorities, and the mutual support for this bill.

Mr. Chairman, the primary importance of this project lies in its impact on the municipal water supply of both the communities of Atoka and Oklahoma City. The project has received the support of Atoka authorities as well as Oklahoma City authorities. I urge its passage by the House today.

At this time, Mr. Chairman, I include in the RECORD certain documents in support of this bill:

ATOKA, OKLA.,
June 25, 1975.

GENTLEMEN: At the suggestion of the S.O.D.A. Organization we are forwarding to you a copy of a resolution of the Atoka Municipal Authority regarding the study and development of McGee Creek Reservoir.

We are most anxious to expedite this project and solicit your suggestions for future action.

Sincerely,

ROBERT G. CATES, JR.,
Mayor.

RESOLUTION

Whereas, the Atoka Municipal Authority agreeing to the principal of creating a tri-party study group and,

Whereas, the group shall be composed of the Oklahoma City Municipal Authority, the Atoka County Water Distribution Authority and the Atoka Municipal Authority and,

Whereas, it being the purpose of the group to investigate the feasibility of developing the McGee Creek Reservoir,

Now, therefore, be it resolved by the Chairman and the Atoka Municipal Authority of the City of Atoka, Atoka, Oklahoma in legal session convened that approval is hereby granted for the participation into the investigation of the McGee Creek Reservoir.

OKLAHOMA CITY, OKLA.,
June 4, 1973.

Hon. CARL ALBERT,
Capitol Hill, D.C.:

The following telegram has just been sent to John N. (Happy) Camp on March 6, 1973 at the Mayo Hotel, Tulsa, Oklahoma, during the annual meeting of the Arkansas Basin Development Association. We held a conference with the Bureau of Reclamation and the Corps of Engineers relative to McGee Creek Reservoir on the Boggys in Atoka County. The Corp of Engineers agreed to release all of their information on the study of McGee Creek to the Bureau of Reclamation so that the bureau might complete the study. This was a mutual agreement between the Corp of Engineers and the Bureau of Reclamation to make this transfer because the corp was unable to justify flood control benefits in this project and did not feel they should complete a study of any reservoir without flood control being a part of the reservoir study. The water resources board agrees to this transfer and recommends that the Congress direct the Bureau of Reclamation to make this study for water supply, first for the area of origin in Atoka County and then to other interests outside the stream system interested in water supply from this reservoir. We have the concurrence of the local State legislatures of this area and have cleared with Senator Bob Trent and Representative Gary Payne. This was also cleared with Governor David Hall. You may rest assured that the Oklahoma Water Resources Board and the interested people of the State of Oklahoma concur in this transfer of study. The city of Oklahoma City, permit number 67707 for 75,000 acre feet, has estimated they will need water from this reservoir by 1979. Southern Oklahoma Development Association, permit number 68356 for 11,300 acre feet, state they need the water by 1974. And the city of Atoka, permit number 69133 for 15,000 acre feet, needs water for county water district.

FORREST NELSON,
Executive Director, Oklahoma Water Resources Board.

ARDMORE, OKLA.,
September 11, 1973.

Representative CARL ALBERT,
Capitol Hill, D.C.

DEAR CONGRESSMAN ALBERT: It is our understanding that H.R. 6576 comes before the House on September 12, 1973. This telegram is to assure you of our extreme interest in the passage of this bill. As you are aware the McGee Creek feasibility study falling within the bill is the most important public works project we have in southcentral Oklahoma. After 3½ years of hard work by all concerned: Passage of H.R. 6576 will be the first successful step toward making McGee Creek Reservoir a reality.

We are anticipating your full support and assistance, as in the past, on this matter.

With warmest regards.

Your friend,

BUSTER HIGHT,
President, Southern Oklahoma Develment Association.

Mr. HOSMER. Mr. Chairman, I yield such time as he may consume to the gentleman from California (Mr. DON H. CLAUSEN).

Mr. DON H. CLAUSEN. Mr. Chairman, I rise in support of H.R. 6576.

As a member of both the House Interior Committee and the House Public Works Committee, I am deeply concerned about water resources development. As a lifelong resident of the beautiful north coastal area of California, I am especially aware of the need to harmonize water development with environmental considerations.

A section of H.R. 6576 stands as a commendable effort to fuse these two important values by authorizing a needed feasibility study of ways to preserve the wonderous beauty and recreation value of the American River as it flows through Sacramento, our State capital. The project that this feasibility study would investigate would, if constructed, maintain the flow of this river so that our capital city could continue to enjoy the environmental and recreational benefits of a freeflowing stream.

Other sections of this bill authorize studies of vital water resources in Okla-

homa, Wyoming, and Montana. These studies are of great importance to the future development of these areas. They will serve to advise and inform future Congresses of the most economical and effective ways to meet future demands on scarce water resources.

Thus, H.R. 6576 offers each of us an opportunity to support environmental and development issues in the same piece of legislation.

Mr. JOHNSON of California. Mr. Chairman, I yield such time as he may use for the gentleman from California (Mr. Moss).

Mr. MOSS. Mr. Chairman, I wish to extend my compliments to the committee and indicate my fullest support of this bill.

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

Mr. McFALL. Mr. Chairman, I support the legislation and compliment the committee for bringing it out.

I wish to tell the House that this is good legislation and very necessary not only for the State of California but for the entire country.

I hope it is accepted by the House.

Mr. JOHNSON of California. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Wyoming (Mr. RONCALIO).

Mr. RONCALIO of Wyoming. Mr. Chairman, I encourage my colleagues' support of H.R. 6576 to authorize feasibility studies of certain potential water resource developments.

Of particular interest to me, to my State of Wyoming, and to our good neighbor to the north, Montana, are provisions in this bill for feasibility investigations of the Moorhead unit, Powder division, of the Pick-Sloan Missouri Basin program. The Moorhead unit is located on the Powder River in Montana with the proposed reservoir extending into Campbell County, Wyo. This project would be multipurpose for flood control, supplemental irrigation water supply, fish and wildlife, recreation, and industrial water supply. The estimated capacity of the reservoir would be 358,000 acre feet.

This bill by no means authorizes construction of this project or any of the others mentioned. It is, rather, only for purposes of evaluating the feasibility of the projects for consideration in future authorizations.

The Department of the Interior in opposing inclusion of the Moorhead unit in this bill has stated that a study of Moorhead at this time is premature; feasibility studies of the unit should wait until after further data and information has been assembled concerning the Northern Great Plains area by the Federal-State Interagency Northern Great Plains Resources Program. I submit that this is indeed a most appropriate time to initiate studies of Moorhead. The Northern Great Plains study is a preliminary survey of the natural resources in the area including water, land, and minerals. An evaluation of the Moorhead Unit should logically be a part of the input and information available for consideration in such a survey.

Impending development of coal and other resources in eastern Montana and northeastern Wyoming has become an area of extreme controversy in both States. Such development has become almost inevitable. It's not a question of stopping growth, but controlling it; insuring that it is dealt with in a reasonable manner to seek the most efficient use and environmentally correct development and use of these resources including the prudent use and distribution of the limited water available for all demands.

Montana and Wyoming contain an estimated 46 percent of the Nation's strippable reserves of bituminous coal and lignite. The Powder River Basin alone is estimated to be able to produce 16.9 billion tons of coal. The North Central Power Study has identified 42 potential power plant sitings with 10 of these, each for 10,000 megawatt plant, located in an area centered on Gillette, Wyo. It has been estimated that up to 20,440 acre feet of water per year could be required for each 1,000 megawatts. A similar large number of coal fueled steam generating plant sites have been determined for possible devclopment in southeastern Montana.

The Reynolds Metals Co.'s proposed gaseous diffusion uranium enrichment plant near Buffalo, Wyo., 60 miles from the Moorhead site, could possibly begin construction in the next 2 or 3 years. Reynolds has acquired water rights in that area to provide 100,000 acre-feet of water per year.

A study has been made for an extensive and costly system of canals, diversions, and aqueducts to bring water into this area for power and industrial development. Water availability and its allocation to the various needs including municipal, agricultural, and industrial is one of the greatest problems we are facing and a feasibility study of the Moorhead Unit is timely. Approximately 2 years will be required for the study.

With impending increased mining activity, power plant construction, uranium enrichment facilities, growing demand of agricultural production, and a forecast dramatic population increase in the area, a feasibility study of the Moorhead unit is prudent and I ask your support and vote for this bill.

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

Mr. JOHNSON of California. I have no further requests for time.

The CHAIRMAN. There being no further requests for time, the Clerk will read.

The Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior is hereby authorized to engage in feasibility studies of the following potential water resource development:

1. Hood-Clay unit, American River division, Central Valley project, in Sacramento County and San Joaquin County, California.

COMMITTEE AMENDMENTS

The CHAIRMAN. The Clerk will report the committee amendments.

The Clerk read as follows:

Committee amendments: Page 1, line 5, strike out "development:" and insert "develcpments:".

Page 1, line 8, strike out "California." and insert "California;".

Page 1, following line 8, insert the following new language:

2. McGee Creek Reservoir in Atoka County in southeastern Oklahoma;

3. Moorhead Unit, Powder division, Pick-Sloan Missouri Basin program, on the Powder River in Powder River County, Montana, and Campbell County, Wyoming; and

4. Geary project on the Canadian River in Blaine and Custer Counties, Oklahoma.

The committee amendments were agreed to.

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

Mr. Chairman, in reading the departmental report and listening to the gentleman from Pennsylvania (Mr. SAYLOR) I get the definite impression that only one of these projects is justified and is being used to carry objectionable and unapproved projects.

The gentleman from Pennsylvania (Mr. SAYLOR) says that with the defeat of this bill under those circumstances we can save $1 million.

Unless we in this Congress start saving a few million dollars where it is possible to do so as in this case, we will never save the billions of dollars necessary to restore fiscal sanity in this country. I cannot think of a better place to save a million dollars than under these circumstances.

I urge the defeat of this bill, Mr. Chairman.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. ROBERTS, 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. 6576) to authorize the Secretary of the Interior to engage in feasibility investigation of certain potential water resource developments, pursuant to House Resolution 540, 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? If not, the Chair will put them en gros.

The amendments were agreed to.

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

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

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

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

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

The SPEAKER. Evidently a quorum is not present. The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 321, nays 74, not voting 39, as follows:

[Roll No. 453]

YEAS—321

Abdnor	Esch	McKinney
Abzug	Eshleman	Macdonald
Adams	Evans, Colo.	Madden
Addabbo	Evins, Tenn.	Mahon
Alexander	Fascell	Mailliard
Anderson, Calif.	Findley	Mallary
	Fisher	Mann
Andrews, N.C.	Flowers	Martin, Nebr.
Andrews, N. Dak.	Flynt	Martin, N.C.
	Foley	Mathias, Calif.
Annunzio	Ford, Gerald R.	Matsunaga
Arends	Ford, William D.	Mazzoli
Armstrong		Meeds
Aspin	Forsythe	Melcher
Badillo	Fountain	Mezvinsky
Baker	Frelinghuysen	Milford
Barrett	Frey	Miller
Bennett	Froehlich	Minish
Bergland	Fulton	Mink
Bevill	Fuqua	Minshall, Ohio
Bingham	Gaydos	Mitchell, Md.
Boggs	Gettys	Mitchell, N.Y.
Boland	Giaimo	Mizell
Bolling	Gibbons	Moakley
Bowen	Ginn	Montgomery
Brademas	Goldwater	Moorhead, Calif.
Brasco	Gonzalez	
Breaux	Grasso	Moorhead, Pa.
Brinkley	Gray	Morgan
Brooks	Green, Pa.	Moss
Broomfield	Griffiths	Murphy, Ill.
Brotzman	Grover	Murphy, N.Y.
Brown, Calif.	Gubser	Myers
Brown, Mich.	Gude	Natcher
Broyhill, N.C.	Haley	Nedzi
Broyhill, Va.	Hamilton	Nichols
Buchanan	Hanley	Nix
Burgener	Hanna	Obey
Burke, Fla.	Hansen, Idaho	O'Brien
Burke, Mass.	Hansen, Wash.	O'Hara
Burleson, Tex.	Harrington	O'Neill
Burlison, Mo.	Harsha	Owens
Burton	Hastings	Passman
Camp	Hawkins	Patman
Carney, Ohio	Hébert	Pepper
Carter	Helstoski	Perkins
Casey, Tex.	Henderson	Pettis
Cederberg	Hicks	Peyser
Chappell	Hillis	Pickle
Chisholm	Hinshaw	Pike
Clark	Hogan	Poage
Clausen, Don H.	Holifield	Podell
	Holtzman	Preyer
Clay	Horton	Price, Ill.
Cleveland	Hosmer	Price, Tex.
Cochran	Howard	Railsback
Cohen	Huber	Randall
Collier	Hungate	Rangel
Conlan	Hunt	Rees
Conte	Ichord	Reid
Conyers	Jarman	Reuss
Corman	Johnson, Calif.	Rhodes
Cotter	Johnson, Colo.	Riegle
Cronin	Jones, Ala.	Rinaldo
Daniel, Dan	Jones, N.C.	Roberts
Daniels, Dominick V.	Jones, Okla.	Robinson, Va.
	Jones, Tenn.	Robison, N.Y.
Danielson	Karth	Rodino
de la Garza	Kastenmeier	Roe
Delaney	Kazen	Rogers
Dellenback	Ketchum	Roncalio, Wyo.
Dellums	King	Roncalio, N.Y.
Denholm	Kluczynski	Rooney, Pa.
Dent	Koch	Rose
Derwinski	Kyros	Rosenthal
Diggs	Latta	Rostenkowski
Dingell	Leggett	Roush
Donohue	Lehman	Rousselot
Dorn	Lent	Roy
Downing	Litton	Roybal
Drinan	Long, La.	Ruppe
Dulski	Long, Md.	Ryan
du Pont	Lott	Sarasin
Eckhardt	McCloskey	Sarbanes
Edwards, Ala.	McCollister	Satterfield
Edwards, Calif.	McCormack	Scherle
Eilberg	McFall	Schroeder
Erlenborn	McKay	Sebelius
Seiberling	Symington	Whitten
Shipley	Symms	Widnall
Shriver	Talcott	Williams
Sisk	Taylor, Mo.	Wilson, Bob
Skubitz	Taylor, N.C.	Wilson, Charles H., Calif.
Slack	Teague, Calif.	
Smith, Iowa	Teague, Tex.	
Staggers	Thompson, N.J.	Wilson, Charles, Tex.
Stanton, J. William	Thomson, Wis.	
	Thone	Winn
Stanton, James V.	Towell, Nev.	Wolff
	Udall	Wright
Stark	Ullman	Wyatt
Steed	Van Deerlin	Wyman
Steele	Vander Jagt	Yatron
Steelman	Veysey	Young, Alaska
Steiger, Ariz.	Vigorito	Young, Ga.
Stephens	Waggonner	Young, Ill.
Stokes	Walsh	Young, S.C.
Stubblefield	Wampler	Young, Tex.
Stuckey	Ware	Zablocki
Studds	White	Zion
Sullivan	Whitehurst	

NAYS—74

Archer	Gilman	Patten
Ashbrook	Goodling	Powell, Ohio
Ashley	Green, Oreg.	Pritchard
Bafalis	Gross	Quie
Bauman	Gunter	Quillen
Beard	Hechler, W. Va.	Rarick
Biester	Heckler, Mass.	Regula
Bray	Heinz	Ruth
Breckinridge	Holt	Saylor
Brown, Ohio	Hudnut	Schneebeli
Butler	Hutchinson	Shuster
Byron	Johnson, Pa.	Smith, N.Y.
Clancy	Jordan	Snyder
Collins, Tex.	Keating	Spence
Conable	Kemp	Steiger, Wis.
Coughlin	Landgrebe	Thornton
Daniel, Robert W., Jr.	McClory	Treen
	McDade	Vanik
Davis, Wis.	Madigan	Waldie
Dennis	Maraziti	Whalen
Devine	Mayne	Wydler
Dickinson	Michel	Wylie
Duncan	Mosher	Yates
Fish	Nelsen	Young, Fla.
Frenzel	Parris	Zwach

NOT VOTING—39

Anderson, Ill.	Flood	Metcalfe
Bell	Fraser	Mills, Ark.
Biaggi	Guyer	Mollohan
Blackburn	Hammer-schmidt	Rooney, N.Y.
Blatnik		Runnels
Burke, Calif.	Hanrahan	St Germain
Carey, N.Y.	Harvey	Sandman
Chamberlain	Hays	Shoup
Clawson, Del	Kuykendall	Sikes
Collins, Ill.	Landrum	Stratton
Crane	Lujan	Tiernan
Culver	McEwen	Wiggins
Davis, Ga.	McSpadden	
Davis, S.C.	Mathis, Ga.	

So the bill was passed.

The Clerk announced the following pairs:

Mr. Hays with Mr. Anderson of Illinois.
Mr. Rooney of New York with Mr. Guyer.
Mrs. Burke of California with Mr. Sandman.
Mr. McSpadden with Mr. Wiggins.
Mr. Carey of New York with Mr. McEwen.
Mr. St Germain with Mr. Crane.
Mr. Stratton with Mr. Harvey.
Mr. Davis of South Carolina with Mr. Del Clawson.
Mr. Metcalfe with Mr. Shoup.
Mr. Landrum with Mr. Chamberlain.
Mr Mollohan with Mr. Blackburn.
Mr. Mathis of Georgia with Mr. Hammerschmidt.
Mr. Flood with Mr. Lujan.
Mr. Blatnik with Mr. Hanrahan.
Mr. Davis of Georgia with Mr. Bell.
Mr. Mills of Arkansas with Mr. Fraser.
Mr. Sikes with Mrs. Collins of Illinois.
Mr. Tiernan with Mr. Kuykendall.
Mr. Biaggi with Mr. Culver.

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 540, the Committee on Interior and Insular Affairs is discharged from further consideration of the bill (S. 2075) to authorize the Secretary of the Interior to undertake a feasibility investigation of McGee Creek Reservoir, Okla.

The Clerk read the title of the Senate bill.

MOTION OFFERED BY MR. JOHNSON OF CALIFORNIA

Mr. JOHNSON of California. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. JOHNSON of California moves to strike out all after the enacting clause of S. 2075 and insert in lieu thereof the provisions contained in H.R. 6576, as passed, as follows:

H.R. 6576

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior is hereby authorized to engage in feasibility studies of the following potential water resource developments:

1. Hood-Clay unit, American River division, Central Valley project, in Sacramento County and San Joaquin County, California;

2. McGee Creek Reservoir in Atoka County in southeastern Oklahoma;

3. Moorhead unit, Powder division, Pick-Sloan Missouri Basin program, on the Powder River in Powder River County, Montana, and Campbell County, Wyoming; and

4. Geary project on the Canadian River in Blaine and Custer Counties, Oklahoma.

The SPEAKER. The question is on the motion offered by the gentleman from California (Mr. JOHNSON).

The motion was agreed to.

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

The title was amended so as to read: "To authorize the Secretary of the Interior to engage in feasibility investigation of certain potential water resource developments."

A motion to reconsider was laid on the table.

A similar House bill (H.R. 6576) was laid on the table.

GENERAL LEAVE

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

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

There was no objection.

MESSAGE FROM THE PRESIDENT

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

PROVIDING FOR THE CONSIDERATION OF H.R. 9639, SCHOOL LUNCH ACT AMENDMENT

Mr. MADDEN, from the Committee on Rules, reported the following privileged resolution (H. Res. 543, report No. 93–497) which was referred to the House Calendar and ordered to be printed:

H. RES. 543

Resolved, That upon the adoption of this resolution it shall be in order to move, clause 27(d)(4) of Rule XI to the contrary notwithstanding, that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 9639) to amend the National School Lunch and Child Nutrition Acts for the purpose of providing additional Federal financial assistance to the school lunch and school breakfast programs. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Education and Labor, the bill shall be read for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Education and Labor now printed in the bill as an original bill for the purpose of amendment under the five-minute rule, and all points of order against sections 5 and 6 of said substitute for failure to comply with the provisions of clause 4, Rule XXI are hereby waived. At the conclusion of such consideration, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the Committee amendment in the nature of a substitute. The previous question shall be considered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

Mr. LONG of Louisiana. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 543 and ask for its immediate consideration.

The SPEAKER. The Clerk will report the resolution.

The Clerk read the resolution.

The SPEAKER. The question is, Will the House now consider House Resolution 543?

The question was taken; and (two-thirds having voted in favor thereof) the House agreed to consider House Resolution 543.

The SPEAKER. The gentleman from Louisiana is recognized for 1 hour.

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

Mr. Speaker, this resolution provides for an open rule with 1 hour of general debate on H.R. 9639, a bill to amend the National School Lunch and Child Nutrition Acts to provide additional Federal financial assistance to the school lunch and breakfast programs.

This resolution also provides for a waiver of clause 27 d(4), rule XI of the Rules of the House of Representatives, the 3-day rule. It provides that it shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Education and Labor now printed in the bill as an original bill for the purposes of amendment.

All points of order against sections 5 and 6 of said substitute for failure to comply with the provisions of clause 4, rule XXI are hereby waived.

H.R. 9639 increases the reimbursement rate for lunches 2 cents to 10 cents a meal and increases the reimbursement rate for free meals 5 cents to 45 cents a meal. The bill provides that reduced-price meals will be reimbursed at the rate of 35 cents a meal—the present rate is 30 cents—and breakfasts will be reimbursed at the rate of 8 cents a meal—presently the rate is 5 cents a meal.

H.R. 9639 also requires the Secretary of Agriculture to make cash payments to the States when he is unable to purchase required commodities which are distributed to participating school districts.

The cost of the basic reimbursement for school lunches will be $84 million and the cost of the increased additional reimbursements for the free and reduced-price lunches will be $29 million. There will be no increased cost for the provision requiring cash payments instead of commodity distributions.

Mr. Speaker, I urge adoption of this resolution in order that we may discuss and debate H.R. 9639.

Mr. LATTA. Mr. Speaker, I support this rule and the bill.

The primary purpose of H.R. 9639 is to increase funds for the school lunch program and the school breakfast program.

Section 2 increases the reimbursement for lunches from the present rate of 8 cents a meal to 10 cents a meal.

Section 3 increases the reimbursement for free meals from the present 40 cents a meal to 45 cents a meal and increases the reimbursement for reduced-price meals from the present 30 cents a meal to 35 cents a meal. This section also changes the method of allocating this assistance for free and reduced-price meals from an allocation based on the number of poor children within the State to an allocation based upon the number of free and reduced-price meals served in the State.

Section 4 provides that the rate of reimbursement for school breakfasts must be 8 cents a meal with an additional payment of 15 cents a meal for reduced-price meals and 20 cents a meal for free meals.

Section 5 makes permanent the requirement contained in present law that the Secretary of Agriculture must make cash payments to the States by a certain date when he has determined that he cannot purchase commodities for distribution to schools participating in the school lunch and school breakfast programs.

Section 6 extends the authorization for the special supplemental food program to June 30, 1975. This section also extends the date for the submission of evaluation reports on the program for 1 additional year.

The cost of the increased basic reimbursement for school lunches will be $84,000,000. The cost of the increased additional reimbursements for free and reduced-price lunches will be $29,000,000, and the cost of the increased reimbursements for the school breakfast program will be $16,500,000. The cost of the 1-year extension of the supplemental food program will be $20,000,000.

Supplemental views were filed by Members QUIE, BELL, ERLENBORN, DELLENBACK, ESCH, HANSEN, KEMP and HUBER, opposing the provision which increases the basic support for all school lunches from 8 cents to 10 cents, at a cost of $84,000,000 annually. They note that this money goes to everybody, not just those in need. They maintain the funds could be better used elsewhere in the education system.

Mr. LONG of Louisiana. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

FIRST ANNUAL REPORT ON ADMINISTRATION OF NATIONAL COOLEY'S ANEMIA CONTROL ACT—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 am pleased to send to the Congress the First Annual Report on the Administration of the National Cooley's Anemia Control Act in accordance with the requirements of section 1115 of the Public Health Service Act, as amended.

RICHARD NIXON.

THE WHITE HOUSE, *September 13, 1973*

SCHOOL LUNCH ACT AMENDMENT

Mr. PERKINS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 9639) to amend the National School Lunch and Child Nutrition Acts for the purpose of providing additional Federal financial assistance to the school lunch and school breakfast programs.

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

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 9639) with Mr. ZABLOCKI in the chair.

The Clerk read the title of the bill.

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

The CHAIRMAN. Under the rule, the gentleman from Kentucky (Mr. PERKINS) will be recognized for 30 minutes, and the gentleman from Minnesota (Mr. QUIE) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Kentucky.

Mr. PERKINS. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, the bill, H.R. 9639, which we are considering today, was ordered reported unanimously by the Com-

mittee on Education and Labor on September 6. This bill amends the National School Lunch and Child Nutrition Acts as follows:

First. Increases the general Federal support for all lunches served under the program from the 8 cents now authorized to 10 cents per lunch.

Second. Increases the reimbursement rate for free lunches to needy children from 40 cents to 45 cents.

Third. Provides for the establishment of a basic reimbursement rate for all breakfasts of 8 cents, with an additional payment of 20 cents for each breakfast served free, and 15 cents for each breakfast served at a reduced rate.

Fourth. Provides permanent authority for the Secretary of Agriculture to provide cash grants to the school lunch program in any fiscal year in which the Department of Agriculture is unable to deliver the volume of commodities programed in the budget for the school lunch program.

Fifth. Extends for 1 additional year the special supplemental food program for infants, and pregnant and lactating mothers, with an authorization of $20 million for fiscal 1975.

In recent weeks, school officials all over the country have communicated to members of the committee as well as to other Members of Congress a very high level of concern as to their ability to continue an effective school lunch program because of two adverse conditions of which we are all aware—first, the steeply rising cost of food, and second, the scarcity of commodities which in the past have been donated to the schools in large quantities by the Department of Agriculture, under several of its support and surplus programs.

The raises in reimbursement rates which are proposed in this legislation are meant to deal with the adverse effects of steeply rising costs of food, labor and transportation on school feeding programs. Of all Federal programs, the school lunch program has been most adversely affected by rising food costs, because, quite simply, the first purpose of the program is to provide nutritious meals at reasonable prices. By law, all of the schools in the lunch program must provide lunches that include specific quantities of certain types of foods. The type A lunch must include a half pint of milk, 2 ounces of protein such as meat, fish, eggs, and cheese, ¾ of a cup of vegetables and fruits, and bread with butter or margarine. All of these foods, in the specific quantities listed, must be included in the lunch, regardless of market price.

Now, let us take a close look at how increased food costs have affected the school lunch program. According to the Bureau of Labor Statistics, the best measure of the increase in food prices experienced by institutional buyers such as school lunch programs is called the "Consumer Finished Foods Index." From August of 1972 to August of 1973 this index has increased from 123.1 to 158.6. This means that the cost of food used in the lunch program has increased by 28 percent in the space of only 12 months. As a result, the total cost of food used in the type A lunch is now at least 10 cents more than a year ago.

Information has been provided to me from around the country on increased costs encountered by food service directors who have been seeking new bids on commodities for the present school year. The following comparative cost estimate from Chatham County, Ga., is typical:

	1972–73 price	1973–74 price	Increase difference
Luncheon meat	0.7287	0.9875	0.2588
Beef stew	.9440	1.05	.1060
Ground beef	.8450	1.05	.2050
Eggs	.4271	.8284	.4013
Frankfurters, 1⅛ oz	.6975	.9889	.2914
Frankfurters, 2 oz	.6975	.9889	.2914
Fish squares, 2 oz	.42	.5395	.1195
Fish squares, 3 oz	.42	.5395	.1195
Ham	.7090	1.0489	.3399
Chicken legs (about 1.4 oz. cooked meat)	.3789	.8071	[1].4282
Cheese	.8079	.93	.1221
Smoked sausage	.7290	1.1489	.4199
2-oz beef patties	.6250	.9975	.3725
3-oz beef patties	.6250	.9975	.3725
Bologna	.6888	.94	.2512

[1] Making each drumstick cost 17 cents.

And from the State of Iowa, I have received the following information: "The average total cost of preparing and serving a lunch during the 1971–72 school year was 65.08 cents, including commodities. During the 1972–73 school year it was 68.77—up slightly less than 4 cents. If we project an increase of 20 percent in food prices plus a projected 15 percent increase in labor costs for the school year 1973–74, this raises the total cost of preparing and serving the lunch to at least 72.14 cents including commodities—up another 4 cents.

As a result of the upward climb in costs, a number of school districts have announced their intention to increase lunch prices for the new school year. In the local Washington, D.C. area, for example, lunch prices have been adjusted as follows:

	Current prices (in cents)	
	Elementary	Secondary
Arlington County (raised 10 cents)	45	55
Washington, D.C. (raised 10 cents)	35	40
Alexandria, Va. (raised 5 cents)	40	50
Prince Georges County (raised 5 cents)	50	55
Montgomery County (no raise)	50	55
Fairfax County (no raise)	35	45

I am convinced that raising the price to paying children is the least desirable method of relieving the deficit, because of the drop in participation that results. A raise of 1 cent in the cost of lunch, according to a Department of Agriculture survey, causes a 1 percent drop in participation. Since most lunch programs raise their prices in 5 cent increments, we can look for a 5 percent decrease in participation with a nickel raise in price. We must not eliminate the marginal middle class children from the program by making it necessary for schools to price those children out of the program. It is for this reason that a small raise in the Federal support levels for lunches and breakfasts becomes essential at this time. Even with this added Federal help, States, local communities and parents will have to share in meeting inflationary food costs.

The scarcity of commodities is the second large problem area faced by school lunch programs. The surplus commodities, which the Department of Agriculture has previously made available to school districts—$313 million was programed last year—included such popular items as ground beef, pork, cheese, flour, canned fruits and vegetables, and skim milk. For the 1972–73 school year, although $313 million was budgeted by the Department, as the school year progressed it became apparent that the Department would fall short to the extent of $70 million in delivery of these commodities. To compensate for this short fall, we enacted Public Law 93–13 to enable the Department, just for 1 year, fiscal 1973, to shift from a commodity distribution to a cash distribution of the $70 million so that the schools could make substitute food purchases locally.

Now, in fiscal 1974, the administration has again budgeted $313 million in the form of donated commodities. No one at this time can clearly predict to what extent this commitment can be met.

If, however, the programed 7 cents per meal in donated commodities does not materialize due to unfavorable market conditions, the Secretary of Agriculture will have permanent authority to make cash payments to the States by March 15 of any fiscal year, of any funds which he has been unable to expand for the purchase of commodities. Accordingly, this provision does not call for any increase above the budget.

Finally, the bill provides for the extension of the special supplemental food program for infants and pregnant and lactating mothers for 1 additional year, with an authorization of $20 million. The Department of Agriculture failed to implement the program during 1973, the first year in which it was authorized, and following a court order to do so, the Department issued regulations to initiate the program in early July 1973. At least 1 additional year of experience beyond the startup year of 1974 is deemed essential, since the Congress expects to obtain sufficient data "to medically identify and define the benefits that are provided through this program in combating and abating any physical and mental damage that otherwise might be caused to infants due to malnutrition." The implications for education are abundantly clear.

In conclusion, let me state that the best public investment we can ever make in this country is in the well-being of our children to which good nutrition is one of the most important contributing factors. We certainly can do no less than to assure that nutritious meals are available for all children during the school day. I therefore urge the Members of this House to vote in favor of H.R. 9639.

Mr. CARTER. Mr. Chairman, will the distinguished gentleman yield?

Mr. PERKINS. Yes. I yield to the distinguished gentleman from Kentucky, Dr. CARTER.

Mr. CARTER. I thank my colleague from Kentucky for yielding to me. Certainly I want to associate myself with his remarks.

I must agree that in some areas of Kentucky the free lunch some of our children get is the only good meal they perhaps have during the day. I am thankful that we have this program. I am told by teachers that before schooltime some children have a rather unhealthy appearance, but after they have received good lunches for a period of time they become healthier and their eyes become brighter. Certainly they are benefited greatly by it.

I want to thank the distinguished chairman for his outstanding work in this area.

Mr. PERKINS. I want to thank my distinguished colleague for his contribution.

Mr. QUIE. Mr. Chairman, I yield 2 minutes to the gentleman from New York (Mr. PEYSER).

Mr. PEYSER. Mr. Chairman, I will be very brief in my remarks on this legislation. I just want to emphasize, as the chairman has pointed out, what I consider to be the desperate need for the passage of this legislation and the increased allotment the Government will be giving if we pass this bill for the lunch program and the breakfast program.

Certainly in the area that I represent in New York, that has been an active participant in these programs, there is a desperate need. All one has to do is look at the inflationary increase in the cost of food and the effect that this has had on the lunch program to recognize that if we do not go ahead at this time and grant this increase, the children are the ones who will directly suffer. This is one program aimed directly to help poor and lower middle income children.

The quality and the type of lunch that will be available without this additional money will not be adequate. I hope for this reason, if for no other reason, that this legislation will be enacted, and I should like to see, as the chairman has said, a broad area of support here so there is no question about the fact that the Congress fully stands behind this program, we are committed to it, and will continue to move forward if the situation calls for it in the future.

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

Mr. Chairman, the bill before us came up under a special rule as the Committee on Rules heard the bill only today. In fact, we moved awfully fast in the Committee on Education and Labor as well to bring this bill out, because when many of the Members were home during the recess, they may have heard from their school people that the cost of school lunches has gone up, and some of them are wondering how it is going to be paid for. That is a difficulty with some schools.

Some years ago the Federal Government felt that it was not sufficient just to have a school lunch program, but a number of individuals ought to have either free or reduced-cost lunches. In the last Congress we made certain that in every school lunch program if a child came from a family with a poverty-level income—currently set at $4,250 income for a family of four—then either a free or reduced-cost lunch had to be made available. However, we gave an opportunity for the school to go to a higher-income figure for the free lunches. Today, they can go to a $5,312 income for a family of four. The level is higher, of course, for larger families.

As the cost-of-living increases, of course, these figures increase as well. For a reduced-cost lunch, they can include anyone up to an income of $6,374 for a family of four. The reason why these figures are cited is because for a reduced-cost lunch they can go to 150 percent for the poverty figure, and for a free lunch, they can go to 125 percent of the poverty figure. That is the income level we are talking about in this legislation.

I think there are some parts of it that are desperately needed; for instance, the increase for reduced-cost and free lunches, the increase of 20 to 25 cents for reduced-cost lunches, and 40 to 45 cents for free lunches, is fully justified.

I want to point out right here that the subsidy for reduced-cost lunches and for free lunches is not 20 cents and 40 cents presently or 25 cents and 45 cents if we pass this legislation. We have to add another 15.6 cents onto that, because the basic payment now of 8 cents that this bill proposes to increase to 10 cents, plus the commodities which, if the Department of Agriculture does not buy them and distribute them, will be replaced by a cash payment to the school, amount to 15.6 cents. So we add that to these figures in section 11 for reduced-cost lunches, and there is a substantial payment to the school which will be increased by this legislation for free and reduced-cost lunches, which I think we should do.

I think we should do it because the Federal Government has imposed this program on the schools, and I think we ought to follow it through with an increase in money when there is this increase in food costs.

The same thing is true on the breakfast program. I do not propose to make any amendments to the reduced cost and free lunches, or to the proposal in this legislation for the breakfast program, because the breakfast program I found out goes primarily to the low-income individuals, and is not a widespread program to the extent that the lunch program is.

The other feature in this bill is something we now make permanent that was made only temporary in the last Congress, and that is if the Department does not have the commodities which they budgeted for available for the schools, then they make the payment in cash, and they made some of the payments in cash in the last school year, as Members will recall. This will be an incentive for them to secure the commodities if they want to do that instead of pay cash. So that is I believe a good program.

What I want to emphasize however is the step that I do not believe is warranted or justified at this time, which is to increase the basic program from 8 to 10 cents. As I pointed out earlier the subsidy for those who can afford to pay for the lunches of kids is not 8 cents but is 15.6 cents because we add the commodities to that, or the value of the commodities.

Now look at this argument that is made that if the cost of lunch increases, the middle-income families and those above it will not then pay for the lunch of their child and they will send the lunch along with the child in a bag or else give him money to buy the lunch some place else. Let us look at that argument. Here is an opportunity in a school to buy a lunch subsidized at 15.6 cents and the school buys the food at wholesale costs in large lots in running its program, and it pays the workers mostly the minimum wage or it secures volunteers, and a number of mothers volunteer and help and therefore that involves no cost of labor. In some of the schools I have talked to children who also volunteered their help to work in the program, so that reduces costs. Here is a program that has everything going for it to encourage the children to utilize it.

If the parents send money from home, where is the child going to buy food? If not in the subsidized program where he can buy the food wholesale, he will have to go out and buy it at retail some place and that is going to cost considerably more because the establishment selling the food at retail, no matter what it is, has to pay higher than the minimum wage for its labor and it has to make a profit for itself. Therefore I do not think that is a very good or economic bargain for the parents.

The parents may choose to send a bag lunch. We have sent a bag lunch with our children many times because they do not like the food in the schools, I guess. We have tried to make certain our children learn to eat everything.

But Members ought to see the food that is dumped out in the schools after the school lunch. Anybody who has worked in the program as a volunteer can be approached and talked to so Members can know the amount of food that is dumped out.

I do not see then why we should keep subsidizing the program and increase the subsidy to encourage all children to take part in the lunch program. There ought to be some free decision. If the children or the parents do not wish to take part in it they ought to be free to do so. That is their free right in this country, because certainly they get a bargain on the cost in the school lunch program and that ought not to be a problem. The cost of this unnecessary added subsidy of 2 cents per lunch is $84 million annually.

The increase from free to reduced cost lunches is $29 million. I do not object to the increase for the breakfast program which is $16 million. I think we ought to do that. But the $84 million is going to be used to increase the subsidy for the chil-

dren of parents who can afford to pay for it.

Let us look at our priorities. We talk in this country about readjusting our priorities. We are going to have before us the vocational rehabilitation bill we worked out in conference. We worked out an agreement where the authorizations are higher than the budget request and what the Appropriations Committee put in it. Compare now the opportunity of putting another $84 million into a $610 million program with helping the handicapped individuals get rehabilitated, as compared to increasing the payment for lunches of children whose parents can afford to pay for that. Where are our priorities?

I think we ought to help the unfortunate people. We are going to be bringing an education bill to the floor before long. It is going to have money in it for handicapped children, compensatory education for disadvantaged children, probably some other features that will be important for the future of the young people in the country. Again, look at the priorities. What is better, to help the disadvantaged and handicapped children with additional money, or pay some additional lunch subsidy for the children of parents who can afford to pay for it?

I think we have got our priorities all wrong if we increase this subsidy 8 to 10 cents. That is why I ask the Members to vote for the amendment which I will offer, which will keep the payment at 8 cents for section 4, which is the payment to all lunches of all children in the country.

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

Mr. QUIE. I yield to the gentleman from Wisconsin.

Mr. STEIGER of Wisconsin. Mr. Chairman, I thank the gentleman for yielding to me, and I want to associate myself with his remarks and the thrust of what he said.

There is much in this bill other than the question of the increase from 8 to 10 cents which is very much needed, no question about that.

As I look around at the concern expressed in Wisconsin in August and early September, we do have another nutrition program, the school milk program. There is a disagreement between the two Houses on the level of the funding of the school milk program; $97 million is what is in last year's budget and in the bill in the other body. In effect, it seems to me that if we are not careful, what we begin to do is to make it even more difficult for the school milk program to get its needed funds, which are almost identical with the level that is proposed to be spent here, which is $84 million. Thus, I compliment the gentleman from Minnesota on the point he has made and the way he has made it.

We do need, it seems to me, both to provide an increase in the support level for the free and reduced-price lunches, particularly because we have mandated by the Federal Government that they must do that.

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

Mr. QUIE. Mr. Chairman, I yield myself an additional 2 minutes.

Mr. STEIGER of Wisconsin. As long as we mandate it, it seems to me that we have an obligation to give that ample support, but I think also in terms of how one uses limited resources, I would argue that it is wrong at this point in time to see this increase of 2 cents for those who can afford the subsidy for school lunches at the very point in which we run the risk of seeing a loss in the school milk program. At least from my perspective, I want both to see the school lunch program operate effectively, but also the milk program operate effectively. I am afraid we may not be able to do that if we mandate too much of an additional expenditure.

I thank the gentleman for yielding to me.

Mr. QUIE. Mr. Chairman, I thank the gentleman from Wisconsin for his comments. Since he brings up the school milk program, it is available not only to the poor but to the nonpoor as well. Then, if one opposes the increase of 8 cents to 10 cents and the school lunch program, I imagine the same argument will be made. If we do not want to increase from 8 cents to 10 cents, why not offer an amendment to reduce the 8 cents because that is going to those who can afford to pay it anyway.

But the argument is this: I do not want to either change the milk program or reduce the 8 cents, because the schools have budgeted expecting that. The Federal Government has provided that money for them in the past. They depend on it and expect it to be forthcoming, and therefore we ought to continue it. I would not be in favor of reducing what the Federal Government has done in the past. We ought to look very carefully about where we are going in the future with this money; where the priorities for that additional amount of money, $84 million.

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

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

Mr. FINDLEY. Mr. Chairman, I am much impressed with the gentleman's argument. I would like to clarify one aspect. Suppose the child involved is from a low-income family. As the bill is now written, that child would have the benefit of a slightly larger subsidy in the school lunch program.

If the gentleman's amendment prevails, what then will be the position of that same child from the low-income family?

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

Mr. QUIE. Mr. Chairman, I yield myself an additional 2 minutes.

The child from a low-income family getting a free lunch will get an increased subsidy from 40 to 45 cents, plus the 8 cents available to all children, plus the 7.6 cents value of commodities. That is the amount that would be received.

Mr. FINDLEY. So the gentleman's amendment would not be adverse to the low-income student from a low-income family?

Mr. QUIE. My amendment would retain that increase of a nickel for the low-income family's child, whether they are receiving free or reduced-cost lunch; both of them get the increase.

Mr. FINDLEY. I thank the gentleman.

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

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

Mr. GROSS. Does the gentleman or any member of the committee on which he serves have any information with respect to the added cost due to the increase in the number of schoolchildren who are on the lunch program by virtue of forced busing for long distances, since they are unable to go to their homes as they once were to obtain noon lunches?

Mr. QUIE. The committee moved quite rapidly in bringing this bill out and did not have time to go into that subject, I say to the gentleman from Iowa.

Mr. PERKINS. Mr. Chairman, I yield 5 minutes to a distinguished ranking Democratic member of the committee, the gentleman from Washington (Mr. MEEDS).

Mr. MEEDS. Mr. Chairman, the logic of the argument of the gentleman from Minnesota and the gentleman from Wisconsin completely escapes me. Indeed, it appears to me that the gentleman from Minnesota began to perceive the illogic of his own argument toward the end of his statement when he said, "Somebody is going to ask me why I am opposing this increase when I am not opposed to the basic cost of the lunch in the first instance."

Indeed, that is exactly the question I wanted to ask him. The fact is the basic 8 cents which this bill would raise to 10 cents has been the reason why we have had a good school lunch program in this Nation. Without that basic 8 cents, that good school lunch program, the program of free and reduced-price lunches which the gentleman from Minnesota supports would not be available.

It is just like bus service. We have seen this in the United States in many of the cities. We have seen bus service go down, so the price had to be increased, thus forcing more passengers off bus service.

That is precisely what would happen to the school lunch program if this basic 8 cents were not allowed to be increased to 10 cents.

Does the gentleman from Minnesota in any way indicate to us that that cost has not increased as much as other costs? He cannot do so, because it has increased, just like the cost of preparing a free or reduced-price lunch has increased. It is exactly the same.

The rationale ought to be that we are going to keep that basic lunch so we can have free and reduced-price lunches, and so that this does not become a poverty program.

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

Mr. MEEDS. I am happy to yield to the gentleman from Minnesota.

Mr. QUIE. I say to the gentleman, however, we are already taking care of that increase, because from 1972 on we increased the payment from 5 cents to 8 cents, and that was a 60-percent increase. That 60-percent increase is greater than the increased cost of food since 1972. So we have already done that. The question really is, why do we need a subsidy greater than 15.6 cents per lunch for food bought at wholesale to make it available to the children of the country?

Mr. MEEDS. The gentleman is generally accurate with his statements. I assume he did not have an opportunity to read this morning's paper to find out how much the price of food has increased.

The price of farm products, processed foods and feeds has increased 49 percent.

Farm products alone increased 66 percent.

Processed foods and feeds alone increased 37 percent.

That is in just the last year. Since the time we considered this bill last year, in August of 1972, those prices have increased precisely what I have said. If we go back to a year before that, or 2 years before that, the gentleman, I am afraid, is inaccurate.

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

Mr. MEEDS. I will yield to the gentleman from Minnesota.

Mr. QUIE. Mr. Chairman, on those figures, concerning the gentleman's statement that farm prices have gone up, the gentleman knows that over the years that did not happen; the farmer's prices stayed the same during that time.

Mr. MEEDS. Mr. Chairman, they went up even more than that in the supermarkets.

Mr. QUIE. No, they did not.

Mr. MEEDS. To that price was added labor and packaging and a number of other things which would cause it to be even more.

Mr. QUIE. But the farm prices did not increase prior to this year.

Mr. MEEDS. Mr. Chairman, the farm price, the wholesale price index on farm commodities, has gone up, according to this morning's paper, exactly as I have stated.

Mr. Chairman, the purpose of this bill is really, first of all, to make permanent that authority which we gave the Secretary last year, the authority to provide funds instead of commodities. We made that available last year. It was used, and it saved many school lunch programs in a number of districts because there were shortages of foodstuffs. If the new farm bill is what we are told it is—and I have every reason to believe it will be—this is not going to be a surplus market. We must make that authority permanent, and this bill does that.

Mr. Chairman, the bill increases the basic reimbursement, that is to say, the reimbursement for all lunches, every lunch, as the gentleman from Minnesota has pointed out, from 8 to 10 cents.

These are the lunches which are available to all children, some 15 or 16 million who are receiving these lunches in our system today.

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

Mr. PERKINS. Mr. Chairman, I yield 5 additional minutes to the gentleman from Washington.

Mr. MEEDS. Mr. Chairman, this represents a simple 20-percent increase in the cost of the basic cost of the lunch which is available to all children, and in the face of the extreme increases we have had, I would say, if anything, it is too little. On the free lunches, the reimbursement is increased, as we have heard, from 40 to 45 cents, and apparently there seems to be no contest on that.

On the question of reduced price lunches, the reimbursement is anywhere from 30 to 35 cents. The free breakfast program is increased from 15 to 20 cents, and the reduced breakfast program is increased, I believe, from 8 to 15 cents.

Mr. Chairman, this legislation also extends the authority for the essential supplemental food program which we passed last year and which, incidentally, has not been funded to the tune of some $20 million and which the Court has now ordered the administration to fund and to spend what they did not spend and to spend the additional $20 million for this fiscal year.

So all this bill does then, is to make this available in 1975, not at $40 million, but at $20 million. Again the rationale ought to be very clear in everything that is done in this legislation. It is absolutely necessary if we are going to retain a school lunch program, that we have increases at this time to provide sufficient funds to make up for the increases which I have indicated in the cost of foodstuffs.

Now, Mr. Chairman, the gentleman also read this morning in the New York Times a story about a Senate investigating committee which has looked into this problem.

Just in the last year some 800,000 young people have dropped out of the school lunch program because of increased prices which have taken place. Since we improved this bill about this time last year, in September of 1972 up to the present time, we have lost 800,000 young people, and over the period of about the last 4 years we have lost 1,600,000 young people.

I hate to use this illustration of bus service again, but it should be very obvious that as the number of young people participating in the school lunch program decreases, the cost of the individual meal is going to have to increase.

As that cost increases, whether it is free or reduced, whether it is the basic lunch for which the child and the parent pays, it makes no difference, because it is a loss to that program which is going to cause the rest of the program to bear an appreciably higher cost, and so we will work our way down in a period of years until we have no school lunch program; so without these increases this fine program, which the gentleman from Kentucky, from the other side of the aisle, pointed out, provides for some children the only good meal they get all day long, will be lost.

This fine program is going to lose, and the children of this Nation will not have available to them the school lunch program.

I yield back the balance of my time.

Mr. BURKE of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. MEEDS. I yield to the gentleman from Massachusetts.

Mr. BURKE of Massachusetts. Mr. Chairman, the health, education, and welfare of our Nation's children is a subject on which Congress must not abdicate further responsibility. Great strides have been made in my district as well as throughout the country since the inception of the 1966 National School Lunch Act, but now the time has come to take longer strides toward our goal of nutritionally balanced meals for all our schoolchildren.

It is the responsibility of our Government to maintain high standards of education and to be continually dedicated to this goal. Hand in hand with this belief is clasped the idea of eliminating want and hunger so that the health of our future citizens may be safeguarded.

I am sure that my colleagues here today are well aware of the disorders and diseases that can ravage and retard a child's physical and mental growth, seriously handicapping these children for life because of a poor diet or a lack of nutrition.

The Federal Government has a moral responsibility to aid and protect those citizens unable to make ends meet for themselves. No child should be without his "daily bread" nor should he be unable to secure a half pint of milk because he could not afford to pay for it. Our colleagues on the Education and Labor Committee realized this when they reported the bill by a 33 to 0 vote.

I rise today on the floor because I strongly support Chairman PERKINS' bill to increase Federal aid to school nutrition programs and I would hope that with passage of this legislation, all districts would benefit to a significant degree. I want to see a school lunch program in every school district. With additional funds perhaps the few remaining school districts in Massachusetts that are presently unable to participate in the school lunch and breakfast programs will now institute this most important program. With the increased price of commodities, Federal assistance is necessary in this endeavor for no community can hope to carry on a nutritionally balanced food program without Federal aid.

It is for this reason that I stress so strongly the need to adopt the proposed reimbursement rates in H.R. 9639.

The rate increases are necessary for local school districts who are stymied by inflationary pressures on food and decreased food surpluses.

I urge you to adopt the proposed increased reimbursement rate of 2 cents for school lunches and the increased reimbursement rate of 5 cents for free lunches. I also urge the adoption of the increased reimbursement rate of 3 cents for all breakfasts and, finally, the increased reimbursement rate of 5 cents for free breakfasts.

I strongly urge my colleagues to act affirmatively on H.R. 9639.

Mr. PERKINS. Mr. Chairman, I yield the distinguished gentleman from Wisconsin (Mr. OBEY) such time as he may consume.

Mr. OBEY. Mr. Chairman, I am pleased to join my colleagues in supporting this legislation today to provide increased assistance for the school lunch and school breakfast programs.

I assume that many of them are receiving a great deal of mail right now, as I am, from parents, members of school boards and school administrators, asking that increased funds be made available for both the school lunch and special milk programs. This legislation would go far in providing more funds for only the school lunch program.

I want to point out to my colleagues, mainly because there seems to be a great deal of misunderstanding about this in the press and elsewhere, that this legislation will not help most school districts which were last year receiving millions of dollars to bring additional half pints of milk to youngsters in the mornings or at recess.

That problem resulted when the House passed the agriculture appropriations bill several months ago. It accepted a recommendation from the President for a $72 million cut in the school milk program for this year, from $97 million appropriated last year. Fortunately the Senate did not accept that cut, and we must wait for the result of the House-Senate conference committee, which will meet soon I hope, before we know just how much money will be available for the special milk program this year.

However, because that budget has not yet been passed, school districts are only receiving the $25 million that the continuing appropriations bill provided for the special milk program.

Mr. Chairman, it is true that the $25 million appropriation passed by the House will assure milk to children in schools without school lunch programs.

But what about the children who leave home with an inadequate breakfast or no breakfast at all, and go to schools that do not offer a school breakfast program? They will be out of luck because the morning carton of milk which they were getting last year will no longer be available to them.

The fact is, Mr. Chairman, that the special milk program is recognized by nutritionists, educators, and parents as making a significant contribution to a child's daily dietary needs. And that is not an insignificant point either.

There have been plenty of studies indicating that ours is a potato chip and dip society, with lousy eating habits.

Well, it seems to me that we can counter some of that—at least while kids are in school—by making sure that more than one carton of milk is made available to them daily.

In Wisconsin last year, when this program was funded at the $97 million level, 2,240 public schools and about 460,000 children participated in the program. With the cut this year, all but 194 Wisconsin public schools will be eliminated, and only about 40,000 children will continue to participate in it. In all, Wisconsin will lose about $2.6 million.

Mr. Chairman, the cut-back in the special milk program is dramatic and in my judgment unjustified.

Moreover, to insist that children will not be significantly affected because they will find milk available in the school lunch program simply misses the point.

The special milk program was established to increase the consumption of fluid milk by children in elementary and secondary schools, a sound program which recognized that milk is one of the most nutritious foods available. How could we accomplish that if we cut back funds which last year provided about 2.5 billion half pints of milk to schoolchildren?

Mr. Chairman, I hope that many of my colleagues agree. For those that do, I encourage them to contact the House conferees working out the details of the Agriculture Appropriations bill, and ask that the conferees look closely again at the importnace of funding this program at last year's level.

Mr. PERKINS. Mr. Chairman, I yield to the distinguished gentleman from Florida (Mr. LEHMAN) such time as he may consume.

Mr. LEHMAN. Thank you, Mr. Chairman.

During the 6 years I served on the Dade County School Board, the sixth largest school district in the country, I learned there was one part of our school system which had a self-destructive process built into it; it was the school lunch program.

This is, as the distinguished gentleman from Washington stated, because the only place you can put the extra burden of rising food costs is on those who are already paying for their lunches. The higher the prices for those paying for their lunches, the more these people will drop out of the school lunch program, thereby steadily narrowing the lunches paid for to an even smaller group of young people.

In Florida, State or local school tax sources cannot be commingled with school lunch funds. There is no local or State assistance.

I would prefer that this bill called for an increase not to 10 cents, but to 12 cents. This is necessary now in order to sustain this school lunch program which provides, as we have said, sometimes the only basic nutritional meals that our schoolchildren get in their whole day or their whole week.

The United States is one of the few industrial Western countries that has a school lunch that is paid for by the schoolchildren who go to school. Other modern nations do not require the children to pay for their own lunches.

We should remove the stigma attached to those who get a free lunch. Too early and too often do we segregate the young people in our schools according to economic standards. A nutritious school lunch program is something that every child is entitled to equally in this country, whether they be rich, or poor.

Mr. PERKINS. Mr. Chairman, I yield such time as may be utilized by the gentlewoman from Louisiana (Mrs. BOGGS).

Mrs. BOGGS. Mr. Chairman, I rise in support of H.R. 9639, an urgent bill aimed at helping schools meet higher food prices and hold down the price of school lunches and breakfasts.

Since the beginning of school last fall, food prices, as everyone knows, have skyrocketed. For example, wholesale food prices have gone up by more than 19 percent. One of the groups hit hardest by this rapid inflation has been the schools in this country trying to run decent, low-priced school lunch and school breakfast programs.

Faced by spiraling food costs and increased labor costs, schools have no prospect of any increased Federal assistance—without the remedies provided in H.R. 9639. Without more Federal assistance in the form of increased reimbursement rates for school lunches and school breakfasts, school districts in Louisiana and across the country will be forced to raise lunch and breakfast prices and squeeze already hard-pressed school budgets to meet their rising costs. For example, my State of Louisiana is faced with an 11-cent rise in the cost of producing a school lunch.

Mr. Chairman, the bill before us today—H.R. 9639—provides the needed measure of Federal relief. It will raise Federal reimbursement rates for all school lunches from 8 cents per lunch to 10 cents—a 25 percent increase. It will raise the reimbursement rates for free school lunches to the needy from a minimum of 40 cents per lunch to a new minimum of 45 cents—a 12.5 percent increase. It will increase the reimbursement for reduced-price lunches to a minimum of 35 cents. And, it will guarantee minimum school breakfast reimbursement rates of 8 cents for paid breakfasts, 23 cents for reduced price breakfasts, and 28 cents for free breakfasts.

In terms of the Federal budget for this fiscal year, these additional lunch and breakfast reimbursements will mean less than $150 million. For Louisiana, they could mean $3½ to $4 million in additional Federal assistance.

Mr. Chairman, Louisiana has one of the highest school lunch program participation rates in the country. Over 90 percent of the children in its participating schools receive lunches under the school lunch program and almost half of those receive free lunches. My State has responded admirably to the need to insure nutritious meals to over 800,000 of its schoolchildren. But this fine record could well be put in jeopardy if we do not pass H.R. 9639 today—before it is too late to help.

Mr. Chairman, in addition to the reimbursement rate aspects of this bill, we are called upon to consider two other provisions which affect problems in our feeding programs. First, there is a provision to guarantee that, if the Federal Government cannot supply promised commodities to schools as a supplement to their cash reimbursements, the USDA will distribute to States the cash it is unable to use in purchasing commodities.

This is necessary because it is possible that in the upcoming school year high food prices and increased demand will make it impossible for the USDA to purchase and distribute the $313 million in commodities it has promised to schools. Earlier this year we faced the same problem and Public Law 93–13 was enacted to do this very same thing for the previous school year. Louisiana alone was given about $2.2 million under that law. By passing H.R. 9639, we will put a "cash-instead-of-commodities" provision in the law permanently, schools will know what they will be getting in any given school year, and Congress will not be called upon to act every time a similar crisis arises.

Second, we are asked to authorize the special supplemental food program for women, infants, and children for an additional year—through June 30, 1975. This is necessary because of the long delay in getting this new program for expectant and new mothers and infants started. We are already near the end of this program's current authorization and very few, if any, projects have been initiated.

Mr. Chairman, I call upon the House to approve H.R. 9639 as a bill of obvious urgency and necessity. Without our action today, the noble experiment in providing meals to school children that we began 27 years ago and the new program for women, infants and children will fall victim to inflation and bureaucratic delay.

Mr. PERKINS. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania (Mr. SHUSTER).

Mr. SHUSTER. Mr. Chairman, I am troubled by this legislation for three different reasons.

The first reason is represented by the very true cliche which we have heard so many times, "There is no such thing as a free lunch." I think we should face squarely the fact that this is going to cost $80 million, and if it is then we should emphasize it, and we should emphasize the fact that it is the working men and women of America, the taxpayers, who will pay this $80 million.

So, Mr. Chairman, that is the first reason this legislation troubles me.

The second reason the legislation troubles me is because of the abuses which exist in the system. I have many, many specific examples, and I think many of the other Members do also, of situations where parents have enough money for luxuries but not enough money for their children's nutrition. So that troubles me also.

But, Mr. Chairman, the third reason I am troubled is, I believe, much more significant than even a concern over the abuses or a concern over an expenditure of the taxpayers' dollars, because they both pale into insignificance in my view in relation to the third concern that I have, and that is the question of who should be responsible for the well-being of a child in this Nation? I believe that the answer to that clearly is the family, the parents, the mother and the father. I believe that when the Government tries to assume the responsibility for children it erodes the role of the family. It erodes the responsibility and it weakens the family.

To me this is a question of values. And if indeed I thought that the Federal Government could care properly for the well being of children, then I would certainly be all for it, but I believe it is a task which we cannot successfully accomplish. Government welfare cannot replace the family, but it can destroy the family if it weakens the role of the family by taking responsibilities for children and for children's nutrition away from the family.

I think the history of the world shows that the welfare state just does not work. I think that we should call this just what it is, another welfare program.

I tremble for the future of my country when I see the eroding of fundamental values such as the family, and the role of the family in relation to their responsibility for the raising of their children.

I urge that the Members support the amendment to be offered by the gentleman from Minnesota, and I urge that we go slow on welfare programs when we face them in the future.

Mr. WILLIAM D. FORD. Mr. Chairman, I rise in support of the National School Lunch and Child Nutrition Act Amendments of 1973. This legislation which is so vitally needed, was unanimously reported by the Committee on Education and Labor in order to permit the school lunch and school breakfast programs to continue to feed school children at a time when the costs of food and labor are increasing at unprecedented rates.

This bill would make permanent the requirement that the Secretary of Agriculture make cash payments to the States of any funds programed for the purchase of commodities which he has been unable to expend for such purchase. It would also extend the authorization for the special supplemental food program to June 30, 1975, and it would increase the Federal reimbursement rates for school lunches and breakfasts provided under the National School Lunch Act and the Child Nutrition Act.

Under the provisions of this bill, the basic reimbursement for lunches would be increased from 8 cents a lunch to 10 cents a lunch, and the additional reimbursement for free lunches would be increased from 40 cents a lunch to 45 cents a lunch. Reimbursement for reduced-price lunches would be increased from 30 cents to 35 cents a lunch.

The bill further provides that the basic reimbursement for school breakfasts would be set at 8 cents a breakfast, and at 20 cents for free breakfasts.

The additional reimbursement for reduced-price breakfasts would be set at 15 cents.

Finally, the bill would change the method of apportioning special assistance for free and reduced-price lunches from an apportionment based on the number of needy children in the State to a performance basis calculated upon the number of free and reduced-price lunches served in the State.

Mr. Chairman, as I have already stated, the enactment of this legislation is particularly crucial at this time because of the rapid rates at which the costs of food and labor have been and continue to be increasing. At this point, I would like to make a few observations with respect to the circumstances which now prevail in my own State of Michigan.

According to the people in the Michigan School Food Service Association, they are faced with price rises as high as 40 percent for fish and 40 to 70 percent for beef. They have experienced two price increases for milk since July 31 of this year, and their cost for poultry has doubled.

They are presently faced with a 16- to 20-percent price increase for canned goods and with extreme shortages on the local level for such commodities as cheese, apples, peaches, beans, and pineapples, and they are anticipating an increase in almost all baked goods. Furthermore, they anticipate a 5- to 6-percent increase in labor costs.

According to the U.S. Department of Agriculture, wholesale food prices have increased almost 20 percent since the 1971–72 school year. This alone costs the Michigan school lunch program an additional $12 to $14 million per year for the over 130 million meals it serves annually.

Mr. Chairman, unless we provide the increased reimbursements as provided in the National School Lunch and Child Nutrition Act Amendments we now have before us, it will be virtually impossible for Michigan and almost all other States to continue with their school lunch programs. I therefore urge my distinguished colleagues from both sides of the aisle to vote for final passage of this legislation.

Mr. HARRINGTON. Mr. Chairman, I rise in support of H.R. 9639, the National School Lunch and Child Nutrition Act Amendments of 1973.

The bill assists school districts in meeting skyrocketing food prices by increasing Federal aid for individual lunches from 8 to 10 cents, and for each breakfast from 5 cents to 8 cents. The measure also modifies the more generous Federal allowances provided to needy school districts by increasing such allowances from 40 cents to 45 cents for free or reduced-cost lunches and from 15 cents to 20 cents for free or reduced-cost breakfasts. Finally, Mr. Chairman, the bill provides a 1-year extension of the Child Nutrition Act's supplemental food program for indigent expectant mothers and infants.

All these programs are directed at two groups of Americans for whom malnutrition is always a concrete possibility—adolescents in general, who frequently expose themselves to long-term harm by adhering to unhealthful and unnutritious diets, and poverty-level adolescents, infants, and expectant mothers in particular, for whom the dangers are more pronounced and immediate.

That individuals in this country are in fact poorly nourished was clearly demonstrated by the National Nutrition Survey conducted from 1968 to 1970. Among 83,000 persons surveyed in 10 States, one-fourth of those living below the poverty level were found to be anemic as a result of insufficient iron in their diets.

Moreover, the diets of 8 percent of poverty-level persons were found to be low or deficient in vitamin A. Seven per-

cent were deficient in vitamin C and 17 percent were deficient in Vitamin B_2—riboflavin. Deficiencies of other nutrients were found in smaller percentages among the survey group.

Malnutrition does not stop at the poverty lines, Mr. Chairman. In general, adolescents of all income groups between the ages of 10 and 16 were found to have the highest prevalence of poor nutrition. And persons over 60 in all income groups were also found to be insufficiently nourished.

This bill is not the final step Congress needs to take to eliminate the American curse of hunger in the midst of affluence. But it is a vehicle reaching out to groups in the population that are undeniably in need of help.

The President, however, has informed Congress that he considers the funding levels in this bill "inflationary." Here we have an administration which tolerates millions of dollars in tax loopholes for the wealthy and views school lunch programs in this bill as expendable luxuries. This apparent order of priorities is one with which I disagree heartily, and I urge the House to approve this bill.

Mr. EDWARDS of California. Mr. Chairman, I would like to express my unqualified support for H.R. 9639 to increase Federal assistance for school lunch and breakfast programs.

In originally providing this aid, Congress was not merely seeking to rid the Government of surplus commodities, but was attempting to provide needy children with necessary nutritious meals. For many of the over 25 million children who benefit from this program, this is their one chance each day for a balanced hot meal.

This program of Federal assistance for school lunches and breakfasts is not only nutritionally sound, but is also educationally advisable, considering the many studies which have shown that physical hunger is a distraction which interferes with a child's ability to concentrate and learn.

Mr. Chairman, it baffles me that the administration opposes this increased Federal assistance for school breakfast and lunch programs as "inflationary." The truth is that this legislation is necessary in order to allow these nutrition programs to provide adequately for children's needs despite the enormous and dramatic increases in food prices created by the administration's economic and agricultural policies in the last year.

I urge my colleagues to vote in favor of H.R. 9639 and to reject the notion that sacrificing the nutrition of schoolchildren and expectant mothers is an acceptable technique for fighting inflation.

Mr. PRICE of Illinois. Mr. Chairman, as another school year begins and children across the Nation return to their classrooms, we are confronted with a pressing problem concerning the welfare of our country's youth. This is the question of the funding of school lunch and breakfast programs.

As my colleagues and I are well aware, currently the Federal Government reimburses the States 8 cents for each lunch and 5 cents for each breakfast served. Free and reduced lunches are reimbursed 40 cents, while breakfasts are funded 15 cents each. H.R. 9639, the school lunch amendments, currently under discussion, would raise these reimbursement rates substantially—20 percent for all lunches and 60 percent for breakfasts, while free lunch and breakfast reimbursements will be raised 5 cents each. In addition, the bill would extend for 1 year the supplemental food program for expectant mothers and infants.

In my district, the 23d Illinois, an average of 55,000 children participate in some type of school lunch program, and 13,000 of these children are receiving free meals daily. This expenditure is, naturally, putting quite a burden on the State budget—still, we in Illinois cannot and will not stand by and watch our children perform poorly in school because they are undernourished and I am sure that my colleagues here in the House are equally concerned about students in their States.

If we cannot put a price tag on the value of education to our children, can we deny these same young people the nourishment they need to lead active lives both inside the classroom and out?

Mr. Chairman, with each year that passes we see an increasing need for our Nation's children to be educated. We spend millions of dollars in public relations work to keep students from dropping out of school, which is a very worthwhile project in itself. However, I feel that the lunch subsidies are just as important to school-age children. Therefore, I would like to take this opportunity to give my support to the passage of H.R. 9639 and to urge my colleagues to join me in the passage of this important piece of legislation.

Mrs. MINK. Mr. Chairman, the need for legislative action to amend the national school lunch program has become critical because the financial picture for school feeding programs has worsened. The U.S. Department of Agriculture has predicted that grocery prices in 1973 would increase about 20 percent, the greatest increase in any year since 1947. Thus, school feeding programs are facing deficits due to the increased cost of food and in the shortfall of U.S. Department of Agriculture surplus commodities which are no longer available for donation to schools.

The legislation under consideration today attempts to deal with these two problems. H.R. 9639 would increase the rate of basic reimbursement for the lunch program from 8 cents to 10 cents a lunch and would increase the basic reimbursement for the school breakfast program from 5 cents to 8 cents per breakfast. It would also increase the reimbursement for free and reduced-price meals in the school lunch program and establish additional reimbursement rates for free and reduced-price meals in the school breakfast program. The bill also makes permanent the requirement that the Secretary of Agriculture make cash payments to States of any funds programed for the purchase of commodities which he is unable to expend. Additionally, the bill extends authorization for the special supplemental food program to June 30, 1975.

It has been estimated that there are about 1.6 million more children who will receive a school lunch each day in the present school year than the 22.7 million who participated on the average day last year. H.R. 9639 contains the necessary legislative provisions and funding authorities essential to maintaining the dynamic growth in our national school lunch program. Unless Congress approves this legislation, fewer children will be served by this vital program. I urge you to approve H.R. 9639.

Mr. BADILLO. Mr. Chairman, I rise in support of H.R. 9639, the National School Lunch and Child Nutrition Act Amendments of 1973.

This legislation, introduced by the distinguished chairman of the Committee on Education and Labor (Mr. PERKINS), makes permanent the requirement that the Secretary of Agriculture make cash payments to the States of any funds programed for the purchase of commodities which he has been unable to expend for such purpose. It further extends the authorization for the special supplemental food program to June 30, 1973, and increases the reimbursement rates for school lunches and breakfasts provided under the National School Lunch and Child Nutrition Acts.

We are all aware, from firsthand experience, of the soaring food prices that have, during the past few months, dramatically reduced the purchasing power of the dollar. Unfortunately, due in part to the dearth of detailed information and partly to confusing administration statements, not everybody is familiar with the catastrophic impact this rise in food prices has had on the budgets of the lower and middle-income families of America. My research indicates that instead of the much-publicized 17.6 percent of income, food prices account for approximately 39 to 27 percent of the budgets of a large percent of the American public. This does not take into account, incidentally, the unfortunates who have to rely on public assistance. They, according to a spot-check run in New York City, have to devote 48.9 percent of their entire income to food.

Under these circumstances, it is imperative that Congress do its utmost to assure continued balanced nutrition for the youngsters of this country. In New York City alone, approximately 500,000 children are participating in the school lunch program. Of these number, about 430,000 are eligible for free lunches.

As of this date, the city estimates that due to the increase in the cost of food, its procurement costs will rise by at least 20 percent. Should the increases in the bill before us not be voted there would be an expected deficit of $8 million for this program.

Prices for paying students range from a "low" of 50 cents in elementary schools to 55 to 60 cents in senior high schools. Even at these levels, only 70,000 youngsters in the city can afford to participate

in the program. If the increased subsidy for paying youngsters does not go through, a majority of these children will drop out of the program—a situation which would impair its operation and negate the intent of Congress in enacting this legislation in the first place.

Approximately 65,000 children, or about a third of those who are eligible, are participating in the breakfast program. Because of high labor costs and present low levels of reimbursement, breakfast programs had to be limited primarily to title I schools. Without the proposed increased level of reimbursement not only would any expansion of this program be impossible, but its continuation would very much be in doubt.

I urge my colleagues to support this measure. Congress must take the lead in asserting what our country's real priorities are. To force those with the least resources to bear the major burden of the inept economic policies of this administration is an act unworthy of our country. If economize we must, let us reduce military spending and eliminate the tax loopholes which safeguard the wealth of the rich. Let us not, in the name of human decency, try to balance our budget at the expense of hungry kids and desperate old people.

Mr. DONOHUE. Mr. Chairman, I intend to support, as I have consistently done here, this pending bill, H.R. 9639, to provide additional Federal financial assistance to the school lunch and school breakfast programs and I earnestly hope it will be overwhelmingly approved by the House without extended delay.

In the original consideration of this legislation, the Congress approved and adopted it, "as a means of national security, to safeguard the health and well-being of the Nation's children." The measure now before us, Mr. Chairman, is designed simply to further fulfill that congressional policy by enabling the school lunch and school breakfast programs to continue to feed schoolchildren at a time when the costs of food and labor have advanced to unprecedented heights. The authoritative evidence revealed here makes statistically clear what all of us already full well know, that there has been a tremendous increase in the cost of food within the last year and the cost of labor has also increased substantially.

It is equally clear that these increased costs are nearly always handed on by local school districts as increased prices for students' lunches and breakfasts and that these increased prices inevitably result in fewer paying students participating in the program. For instance, the statistics show there have been 1,600,000 fewer paying students in the school lunch program within the last 4 years and that increasing numbers of students in low and marginal middle-income families simply cannot afford to pay the increased prices. It is quite obvious, therefore, that unless this Congress desires this trend of nonparticipation to expand, it is essential that the increased reimbursements proposed in this bill be provided.

Mr. Chairman, in summary, I am confident that all Members of this House would agree that there is no reason why any school child or indeed adult should go hungry in this country, and I am further certain that all of us would agree that a well-nourished child learns better, is healthier, has greater energy, is better dispositioned, has a more cooperative nature, and is bound to become a better citizen.

I am well aware that we have come to a point, in our economic history, where strict attention must be given to priorities in spending, for the wholesome and imperative objective of eliminating wasteful expenditures and suspending all others that may be worthy but of no immediate necessity. I fully agree with and support these objectives, but I earnestly feel that it would be extremely difficult, even practically impossible, to think of anything that would have any higher call upon priority spending than the healthful and wholesome nourishment and development of an American child.

Therefore, I firmly believe that this bill represents a most prudent priority investment in the future of the United States and I hope that it will be resoundingly accepted here in the national interest.

Mr. VANIK. Mr. Chairman, in this time of spiraling food prices, I am, of course, pleased to support this legislation which will provide increased support and reimbursement for school systems in furnishing lunches and breakfast. The food price increases of the past few months have forced many of the schools in my congressional district and throughout the Greater Cleveland, Ohio, area to raise the price of school lunches by as much as 20 percent. The result is likely to be diminished participation in the program and, in particular, increased hardship on those children who are eligible for reduced price and free lunches, breakfast, and snacks. Hopefully, the additional funds provided by the bill before the House today will help remove the pressure on school systems to increase lunch prices and hopefully, it will permit some schools to reduce prices and to continue to participate in the free and reduced price programs.

Mr. Chairman, in addition to supporting this legislation, I would like to take this opportunity to point out some of the problems involved in the administration of section 13 of the School Lunch Act. Section 13 is the special food service program which provides meals for needy children during the summer months and in preschool programs during the regular school year. This section of the School Lunch Act was enacted in 1968 and since then has gradually grown into an $80 million program; $50 million for the feeding of needy children during the summer months and approximately $32 million for programs during the regular school year.

As one of the original authors of the legislation to establish this program, I have tried to follow the progress, growth, and administration of the section 13 program.

This has been a difficult program to administer. It is particularly difficult to administer a feeding program during the summer at playground sites, storefront recreation centers and in nonschool situations. The difficulties in administering the program has been compounded by a lack of funds, refusal of the Department of Agriculture to release appropriated funds, and last minute changes in regulations governing the administration of the program.

In an effort to help determine the true dimensions of the difficulties in administering this important program and for the purpose of developing corrective legislation, I have asked the General Accounting Office to do a study of the administration of the summer feeding program. That study is now being done and will be given to the whole Congress next April or May. I am sure that the GAO's report will be critical. I hope that it will provide the impetus for change and necessary corrective legislation.

While there have been difficulties with the administration of this program in the past, I do feel that there has been a gradual improvement in its administration. Last month, for example, the Department of Agriculture released enough funds to provide that in fiscal year 1974, each State will receive 22 percent more than they spent for the year-round program in fiscal year 1973. This will permit new day care centers to enter the program in every State. This action is particularly important to the large, urban States which have traditionally failed to receive necessary funds under this program. Last year, for example, Ohio estimated that an additional $2 million could have been used in section 13 funds. While the new announcement—which for the first time bases State allocations on 1970 census figures rather than 1960 data—will result in increases for most States, there is still a great deal of unmet need in the large urban areas.

I would like to enter into the debate record at this point a recent article from the Community Nutrition Institute's Weekly Report. The article describes the new allocation formula and its meaning for the various States:

DAY CARE FEEDING FUNDS TO INCREASE 22 PERCENT

The freeze on USDA funding levels for the day care feeding program was lifted last month when USDA disclosed that in fiscal 1974 all states would receive at least 22 percent more than they spent for the program in FY 1973.

The new USDA funding levels mean that a number of new day care centers should be able to enter the program in every state. In an August 1 letter to USDA regional administrators, William Boling, associate director of USDA's child nutrition provision, urged that states approve new sponsors as soon as possible.

Attached to Boling's letter were new USDA allocation figures that show dramatic increases in funding for the program in a number of the most populous states. California will received $750,000 more than it spent last year. New York and Florida will receive over $300,000 in additional day care feeding funds, while Illinois, Georgia, and Pennsylvania will get over $200,000 more.

The new USDA funding formula is somewhat complex. USDA has allowed each state a minimum 22 percent increase in funds over its "annualized peak month" expenditure figure for FY 1973. The "annualized peak month" figure is computed by multiplying a state's expenditure for day care operations during its peak FY 1973 month by 12.

Some states will receive substantially more than a 22-percent increase, however. Under the 1968 School Lunch Act, day care feeding funds are to be apportioned among the states according to the number of children in each state in households with under $3,000 annual income. USDA has divided up $20 million for FY 1974 day care funds in this manner.

Last year USDA apportioned a slightly larger amount ($20.8 million) in this manner, but used 1960 census data to make its state-by-state calculations. This year USDA used 1970 census data for the first time.

The result is that some states that have been gaining rapidly in population—such as California—will receive far larger apportionments than before, and consequently an increase in funds of more than 22 percent.

While many other states will receive smaller apportionments than before, USDA will bring these states up to 122 percent of their "annualized peak month" figure with about $9 million in additional funding carried over from FY 1972 and FY 1973. Basically, each state receives either its FY 1974 apportionment figure or 122 percent of its annualized peak month expenditures—whichever is larger.

INCREASE MAY BE SUFFICIENT

Although new centers should be able to enter the program in all states, however, some states have so many centers waiting to get into the program that a 22 percent increase in funding may not be sufficient to accommodate them all. A nationwide survey conducted last February by Rep. Charles A. Vanik (D-Ohio) found a minimum of $12 million in additional funds necessary to cover new centers that had applied for the program but had been turned down because of the freeze (see CNI Vol. III:11). This is several million dollars more than the maximum made available under USDA's new allocation figures.

Vanik's survey found that even larger amounts of money were needed to cover additional centers that had not bothered to apply for the program because state directors in some areas had made it clear that no funds were available due to the freeze.

Finally, some states cut per meal reimbursement rates in the past year to make ends meet and to stay within USDA spending limits. In a time of soaring food costs, such states may now choose to channel a portion of their 22 percent increase to raising reimbursement payments for meals served at centers already in the program. Such action would limit the number of new centers that can be brought into the program in these states.

LOW SPENDING STATES

While all states will receive a minimum of 22 percent more than they expended last year, 12 states that spent far below their apportionment level last year will actually have less federal money available in FY 1974. In such states, the new apportionment figure is lower than last year's because of census changes, and adding 22 percent to the annualized peak month expenditure still does not bring them up to last year's funding levels because they underspent by such large amounts.

Among the states falling into this category are Texas, which underspent by nearly $700,000 last year and Mississippi, which returned over $450,000 in unused funds.

DAY CARE FEEDING FUNDS, FISCAL YEAR 1974

State	Reported peak month, fiscal year 1973	Annualized peak month, col. (1) x 12	Initial fiscal year 1974 apportionment of $20,000,000	Additional allocation	Total funds to be made available
Alabama	$47,915	$574,980	$651,502	$49,974	$701,476
Alaska	2,360	28,320	76,933		76,933
Arizona	18,672	224,064	236,262	37,096	273,358
Arkansas	18,840	226,080	390,002		390,002
California	54,531	654,372	1,414,765		1,414,765
Colorado	19,312	231,744	209,564	73,164	282,728
Connecticut	26,373	316,476	188,788	197,314	386,102
Delaware	10,683	128,196	86,522	69,877	156,399
District of Columbia	17,120	205,440	133,207	117,430	250,637
Florida	131,917	1,574,364	702,995	1,217,729	1,920,724
Georgia	80,732	968,784	675,395	506,521	1,181,916
Guam	186	2,232	11,571		11,571
Hawaii	8,978	107,736	93,693	37,745	131,438
Idaho	7,108	85,296	98,797	5,264	104,061
Illinois	84,942	1,019,304	720,040	523,511	1,243,551
Indiana	45,754	549,048	321,858	347,981	669,839
Iowa	19,167	230,004	203,320	77,285	280,605
Kansas	15,568	186,816	191,101	36,815	227,916
Kentucky	65,450	785,400	530,177	428,011	958,188
Louisiana	47,212	566,544	766,618		766,618
Maine	16,513	198,156	117,179	124,571	241,750
Maryland	27,213	326,556	321,577	76,821	398,398
Massachusetts	39,807	477,684	320,229	262,545	582,774
Michigan	57,857	694,284	567,253	279,973	847,026
Minnesota	44,502	534,024	257,248	394,261	651,509
Mississippi	28,053	336,636	659,119		659,119
Missouri	68,189	818,268	431,165	567,122	998,287
Montana	8,208	98,496	105,975	14,190	120,165
Nebraska	11,607	139,284	152,827	17,099	169,926
Nevada	$9,700	$116,400	$76,540	$65,468	$142,008
New Hampshire	9,640	115,680	80,657	60,473	141,130
New Jersey	55,579	666,948	404,864	408,813	813,677
New Mexico	13,633	163,596	225,384		225,384
New York	78,484	941,808	1,262,151		1,262,151
North Carolina	72,655	871,860	710,415	353,254	1,063,669
North Dakota	3,471	41,652	101,310		101,310
Ohio	69,736	836,832	712,861	307,525	1,020,386
Oklahoma	37,378	448,536	316,175	231,039	547,214
Oregon	14,202	170,424	178,875	29,042	207,917
Pennsylvania	89,465	1,073,580	708,965	600,802	1,309,767
Puerto Rico			362,486		362,486
Rhode Island	10,400	124,800	108,593	43,663	152,256
Samoa, American			14,056		14,056
South Carolina	41,847	502,164	491,173	121,467	612,640
South Dakota	4,307	51,684	122,005		122,005
Tennessee	53,664	643,968	578,907	206,734	785,641
Texas	67,804	813,648	1,328,004		1,328,004
Trust Territory	3,290	39,480	7,492	40,674	48,166
Utah	5,032	60,384	118,787		118,787
Vermont	12,328	147,936	72,643	107,839	180,482
Virgin Islands	956	11,472	4,395	9,601	13,996
Virginia	44,759	537,108	496,010	159,262	655,272
Washington	39,691	476,292	238,403	342,673	581,076
West Virginia	29,828	357,936	291,162	145,520	436,682
Wisconsin	51,382	616,584	280,429	471,803	752,232
Wyoming	2,916	34,992	71,576		71,576
Total	1,846,196	22,154,352	20,000,000	9,167,751	29,167,751

Finally, Mr. Chairman, the committee should be commended for its very fine statement in the House report on the original legislative intent on the availability of section 13 funds for use in Headstart centers. As the original sponsor of this legislation, I heartily concur in the committee's statement that the arbitary, administrative denial of section 13 funds to Headstart centers applying after November of 1969 is illegal and totally arbitrary. I join with the committee in urging that the regulations in this area be immediately revised. All Headstart centers must be considered eligible for participation in this important child feeding program.

Because of the importance of the committee's finding in this area I would like to enter in the RECORD the full text of the statement as it appears in House Report 93-458:

As regards the Special Food Service Program for Children, Section 13 of the National School Lunch Act, the Committee would like to make clear its intent on the question of the participation of Headstart programs. It has come to the Committee's attention that Headstart projects are being denied participation in that program by the U.S. Department of Agriculture. This policy was put into place at a time when the appropriation for Section 13 was only $9 million and when the Headstart budget appeared adequate to meet local projects' food needs. That situation is no longer the case. Headstart projects are under severe economic pressures, forced to meet higher operating costs, including food price increases, on existing or reduced budgets. On the other hand, Section 13 appropriations have increased to $80 million, and a large number of States are now returning part of their allotment to USDA, even though there are Headstart projects in those States eager to participate in the program.

This arbitrary denial of available funds to Headstart is a clear violation of Congressional intent. There can be no question that Headstart projects meet the definition of "service institution" contained in the Act (Section 13(a)). Furthermore, at the time of enactment of the Section 13 program in 1968, and in subsequent debates over the extension of the Act, the Congress has made specific and repeated reference to Headstart as a program eligible for funds.

The Committee wishes to point out to USDA the unquestionable legislative authority for Headstart participation in the Section 13 program. Moreover the Committee wishes to emphasize that coverage under Section 13 is designed to provide an added resource to local projects. It is not intended to result in a transfer of Headstart funds to USDA nor in a reduction of the Headstart budget. Availability of USDA funds for food programs in Headstart centers should free appropriated Headstart funds for other project uses—to supplement the USDA programs to institute new nutrition-related programs and to restore other program activities which have been cut in order to meet higher food costs.

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

The CHAIRMAN. The gentleman from Wisconsin (Mr. STEIGER) makes the point of order that a quorum is not present.

Does the gentleman from Wisconsin insist on his point of order?

Mr. STEIGER of Wisconsin. I do, Mr. Chairman.

The CHAIRMAN. The Chair will count.

Mr. STEIGER of Wisconsin. Mr. Chairman, I will not insist on my point of order at this moment.

The CHAIRMAN. The gentleman from Wisconsin withdraws his point of order.

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

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

The CHAIRMAN. There being no further requests for time, pursuant to the rule, the Clerk will now read the substitute committee amendment printed in the reported bill as an original bill for the purpose of amendment.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National School Lunch and Child Nutrition Act Amendments of 1973".

REIMBURSEMENT

SEC. 2. (a) Section 4 of the National School Lunch Act is amended to delete the phrase "8 cents per lunch" as it appears in said section and substitute the phrase "10 cents per lunch".

(b) Section 8 of the National School Lunch Act is amended by inserting before the last sentence thereof the following new sentence: "In any fiscal year in which the national average payment per lunch determined under section 4 is increased above the amount prescribed in the previous fiscal year, the maximum Federal food-cost contribution rate, for the type of lunch served, shall be increased by a like amount."

SPECIAL ASSISTANCE FUNDS

SEC. 3. (a) Section 11 of the National School Lunch Act is amended by redesignating subsections (g) and (h) as subsections (d) and (e), respectively, and by striking out subsections (a), (b), (c), (d), (e), and (f), and inserting in lieu thereof the following:

"(a) Except as provided in section 10 of this Act, in each fiscal year each State educational agency shall receive special-assistance payments in an amount equal to the sum of the product obtained by multiplying the number of lunches (consisting of a combination of foods which meet the minimum nutritional requirements prescribed by the Secretary pursuant to subsection 9(a) of this Act) served free to children eligible for such lunches in schools within that State during such fiscal year by the special-assistance factor for free lunches prescribed by the Secretary for such fiscal year and the product obtained by multiplying the number of lunches served at a reduced price to children eligible for such reduced-price lunches in schools within that State during such fiscal year by the special-assistance factor for reduced-price lunches prescribed by the Secretary for such fiscal year. For the fiscal year beginning July 1, 1973, the Secretary shall prescribe a special-assistance factor for free lunches of not less than 45 cents and a special-assistance factor for reduced-price lunches which shall be 10 cents less than the special-assistance factor for free lunches.

"(b) Except as provided in section 10 of the Child Nutrition Act of 1966, the special-assistance payments made to each State agency during each fiscal year under the provisions of this section shall be used by such State agency to assist schools of that State in financing the cost of providing free and reduced-price lunches served to children pursuant to subsection 9(b) of this Act. The amount of such special assistance funds that a school shall from time to time receive, within a maximum per lunch amount established by the Secretary for all States, shall be based on the need of the school for such special assistance. Such maximum per lunch amount established by the Secretary shall not be less than 60 cents.

"(c) Special assistance payments to any State under this section shall be made as provided in the last sentence of section 7 of this Act."

(b) The proviso of section 10 of the National School Lunch Act is amended by inserting "and section 11" after "section 4".

SCHOOL BREAKFAST PROGRAMS

SEC. 4. (a) The first sentence of section 4(c) of the Child Nutrition Act of 1966 is amended to read as follows: "Funds apportioned and paid to any State for the purpose of this section shall be disbursed by the State educational agency to schools selected by the State educational agency to assist such schools in financing the costs of operating a breakfast program and for the purpose of subsection (d)."

(b) The second sentence of section 4(c) of the Child Nutrition Act of 1966 is deleted.

(c) Section 4(b) of the Child Nutrition Act of 1966 is amended by adding the following sentences at the end of such section: "The national average payment established by the Secretary for all breakfasts served to eligible children shall not be less than 8 cents; an amount of not less than 15 cents shall be added for each reduced-price breakfast; and an amount of not less than 20 cents shall be added for each free breakfast. In cases of severe need, a payment of up to 45 cents may be made for each breakfast served to children qualifying for a free breakfast."

CASH IN LIEU OF COMMODITIES

SEC. 5. (a) Section 6 of the National School Lunch Act is amended by striking the present subsections (b), (c), and (d) and by substituting in lieu thereof the following new subsections;

"(b) As of February 15 of each fiscal year, the Secretary shall make an estimate of the value of agricultural commodities and other foods that will be delivered during that fiscal year to States for school food service programs under the provisions of this section, section 416 of the Agricultural Act of 1949, and section 32 of the Act of August 24, 1935. If such estimated value is less than 90 percentum of the value of such deliveries initially programed for that fiscal year, the Secretary shall pay to State educational agencies, by not later than March 15 of that fiscal year, an amount of funds that is equal to the difference between the value of such deliveries initially programed for such fiscal year and the estimated value as of February 15 of such fiscal year of the commodities and other foods to be delivered in such fiscal year. The share of such funds to be paid to each State educational agency shall bear the same ratio to the total of such payment to all such agencies as the number of meals served under the provisions of section 9(a) of this Act and section 4(e) of the Child Nutrition Act of 1966 during the preceding fiscal year bears to the total of all such meals served in all the States during such fiscal year: Provided, That in any State in which the Secretary directly administers school food service programs in the nonprofit private schools of such State, the Secretary shall withhold from the funds to be paid to any such State under the provisions of this subsection an amount that bears the same ratio to the total of such payment as the number of meals served in nonprofit private schools under the provisions of section 9(a) of this Act and section 4(e) of the Child Nutrition Act of 1966 during that fiscal year bears to the total of such meals served in all the schools in such State in such fiscal year. Each State educational agency, and the Secretary in the case of nonprofit private schools in which he directly administers school food service programs, shall promptly and equitably disburse such funds to schools participating in the lunch and breakfast programs under this Act and the Child Nutrition Act of 1966 and such disbursements shall be used by such schools to obtain agricultural commodities and other foods for their food service program. Such food shall be limited to the requirements for lunches and breakfasts for children as provided for in the regulations by the Department of Agriculture under title 7, subtitle (b), chapter II, subchapter (a), parts 210 and 220.

"(c) Notwithstanding any other provision of law, the Secretary, until such time as a supplemental appropriation may provide additional funds for the purpose of subsection (b) of this section, shall use funds appropriated by section 32 of the Act of August 24, 1935 (7 U.S.C. 612c) to make any payments to States authorized under such subsection. Any section 32 funds utilized to make such payments shall be reimbursed out of any supplemental appropriation hereafter enacted for the purpose of carrying out subsection (b) of this section and such reimbursement shall be deposited into the fund established pursuant to section 32 of the Act of August 24, 1935, to be available for the purposes of said section 32.

"(d) Any funds made available under subsection (b) or (c) of this section shall not be subject to the State matching provisions of section 7 of this Act."

SPECIAL SUPPLEMENTAL FOOD PROGRAM EXTENSION

SEC. 6. (a) The first sentence of section 17(a) of the Child Nutrition Act of 1966 is amended by striking out "and June 30, 1974," and inserting in lieu thereof the following: "June 30, 1974, and June 30, 1975,". The second sentence of such section 17(a) is amended by striking out "two-year" and inserting in lieu thereof "three-year".

(b) The second sentence of section 17(b) of such Act is amended to read as follows: "In order to carry out such program during the fiscal year ending June 30, 1974, and during the fiscal year ending June 30, 1975, there is authorized to be appropriated for each such fiscal year the sum of $20,000,000, but in the event that such sum has not been appropriated for such purpose by August 1, 1973, for the fiscal year ending June 30, 1974, and by August 1, 1974, for the fiscal year ending June 30, 1975, the Secretary shall use $20,000,000, or, if any amount has been appropriated for such program for the fiscal year concerned, the difference, if any, between the amount directly appropriated for such purpose and $20,000,000, out of funds appropriated by section 32 of the Act of August 24, 1935 (7 U.S.C. 612(c))."

(c) The second sentence of section 17(e) of such Act is amended by striking out "October 1, 1973" and "March 30, 1974" and inserting in lieu thereof "October 1, 1974" and "March 30, 1975", respectively.

Mr. PERKINS (during the reading). Mr. Chairman, I ask unanimous consent that the committee amendment in the nature of a substitute be considered as read, printed in the RECORD, and open to amendment at any point.

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

There was no objection.

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

The CHAIRMAN. The Chair will count; 69 Members are present, not a quorum. The call will be taken by electronic device.

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

[Roll No. 454]

Anderson, Ill.	Evins, Tenn.	Mollohan
Archer	Fish	Passman
Ashley	Gettys	Patman
Barrett	Guyer	Pepper
Bell	Hammer-schmidt	Reid
Biaggi	Hanrahan	Rooney, N.Y.
Blackburn	Harvey	Runnels
Blatnik	Hastings	St Germain
Burke, Calif.	Hays	Sandman
Carey, N.Y.	Hébert	Shoup
Clark	Kuykendall	Sikes
Clawson, Del	Landrum	Stratton
Cleveland	Lujan	Teague, Tex.
Collins, Ill.	McEwen	Tiernan
Conyers	McSpadden	Wilson, Charles H., Calif.
Crane	Mathis, Ga.	
Davis, Ga.	Metcalfe	
Davis, S.C.	Mills, Ark.	
Eckhardt		

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. ZABLOCKI, 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. 9639, and finding itself without a quorum, he had directed the Members to record their presence by electronic device, whereupon 382 Members recorded their presence, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. When the Committee rose, the committee amendment in the nature of a substitute was considered as read and open to amendment at any point.

AMENDMENT OFFERED BY MR. QUIE

Mr. QUIE. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. QUIE: Page 8, line 6, strike out everything following "SEC. 2." through line 9, and in line 10 strike out "(b)".

Mr. QUIE. Mr. Chairman, I should like to review briefly the arguments I made in general debate for those Members who are present now.

What this amendment would do is to leave the section 4 payment, the subsidy that is made for the lunch for every child, at 8 cents, the way it is in the present law, rather than to go up to 10 cents. This would save $84 million. This money is a subsidy for the lunches of children of parents who can pay for them.

I propose to make no change in the nickel increase in the subsidy for free and reduced cost lunches.

If Members will look at the priorities of expenditures by the Federal Government—and the Federal revenue is not limitless—I ask whether we should use this $84 million to pay a subsidy for the lunches of children of parents who can afford to pay, or whether we should use it for some other purpose, as I mentioned before. I gave one suggestion, the vocational rehabilitation conference report is coming back. The $84 million spent for handicapped people to be rehabilitated would be certainly a much wiser expenditure than to pay an additional subsidy for those children whose parents can afford to pay.

Mr. Chairman, the subsidy for the lunches of all children is not put at 8 cents; it is at 8 cents as set in section 4, plus the commodities which are received. Under the language of this bill, if the Department of Agriculture does not make the commodities available, then cash will be made available amounting to 7.6 cents.

So the subsidy for every lunch will be 15.6 cents if we do not increase the payment from 8 to 10 cents.

As far as the young people participating in the program are concerned, when one looks at the cost of food today and the opportunity to buy food that is subsidized by the Federal Government to the tune of 15.6 cents per lunch and the school is able to buy its food at wholesale while the mothers and fathers buy their food at retail, one can see that there is a substantial saving.

Mr. Chairman, the question was raised as to whether the young people would buy lunches if the cost went up some. All during this summer the parents paid more money for their food in order to feed their children. Now, if they can afford to pay more during the summer, I imagine that they could pay some additional amount of money for food during the school year.

The analogy was used that the school lunch program is like the bus company which has fixed costs whether or not it has fewer passengers. It is not like the bus company. The schools do not buy the food if they do not have as many people participating and there is a variation in costs operating all the time. If there is less participation, then there is no proof that there will be higher prices because of less participation. That is just a guess somebody is making because the cost of school lunches is going up. But if there is a reduction in the number of participants it is more like the analogy of using a lower-priced car that does not use as much gasoline rather than using the bus company. The free lunch program and the bus company is not a good analogy.

I point out again that there is a saving to the parents of the children I have referred to which has already been made available through the subsidy for the school lunch program. Therefore, it does not seem to make sense to me that we should have increased this by $84 million when there are tremendous other areas of human concern, areas in which we should be able to make an additional expenditure from Federal funds in order to help people out.

Look at the need of some of our older people in this country who are poor and whose taxes are driving them from their homes. Look at their need to participate in "Meals on Wheels" and other programs of nutrition for the elderly and the poor. That money is much more wisely spent.

Then again, as I point cut, we should not pay an additional subsidy for children's lunches when their parents can afford to pay for them.

Mr. Chairman, I do not propose to change the free and reduced cost lunches and breakfasts. I believe we ought to increase that. That is the Federal Government's responsibility, because we imposed it on the schools, and that will assist them by $16 million on the breakfast program and $29 million on the free and reduced cost lunches.

That is the increase in authorization which I do support in this legislation.

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

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

Mr. SMITH of New York. Mr. Chairman, as I understand the gentleman, there are three classes of school lunches which are subsidized?

Mr. QUIE. That is right.

Mr. SMITH of New York. One is providing for a reduced price for those parents of children who need some help, and another is providing for free lunches for those who need a lot of help?

Mr. QUIE. That is right.

Mr. SMITH of New York. And then there is some subsidy for children whose parents can afford to pay?

Mr. QUIE. The gentleman is correct.

Mr. SMITH of New York. Mr. Chairman, if I understand the gentleman's amendment, it would delete any increased subsidy for those who can afford to pay?

Mr. QUIE. The gentleman is correct.

Mr. SMITH of New York. Leaving it at 15.6 cents?

Mr. QUIE. That is what it totals. Leaving it at 8 cent, for the section 4 payment, which totals 15.6 cents, with the commodity figure.

Mr. SMITH of New York. The gentleman's amendment would leave alone the present requirement for increased subsidy for reduced price lunches and free lunches?

Mr. QUIE. That is right. On reduced price lunches the bill raises this from 20 to 25 cents, and this, I believe, we should do. And for free lunches we would raise it from 40 to 45 cents, and this, I believe, we should do also.

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

Mr. Chairman, the argument made by the distinguished gentleman from Minnesota, to my way of thinking, was confusing. The amendment to strike the reimbursement rate from 8 to 10 cents applies to all the children, the disadvantaged as well as to the section 4 children.

In fact, according to the statistics of the Department of Agriculture we had 24,401,000 participants in May of this year, and the number of needy children reached with a free or reduced price lunch was 8.6 million children. So his amendment takes from the 8.6 million children the 2 cents.

Looking at the figures of the Bureau of Labor Statistics Consumer-Finished Food Index, we find in August 1972 the index was 123.1. In August 1973 the index was 158.6. The cost of food to institu-

tional buyers in the last year has gone up 28 percent.

There is no earthly way we can justify the amendment of the gentleman from Minnesota unless we want to destroy to a great degree the school lunch program in this country.

Now, what has happened in the past year? A year ago we had 25,119,000 participants. In May this year we had 24,401,000 participants. The reasons have been inflation and the increase in the cost of school lunches at the local level. The parents have to pay those increased costs, and as a result we are pricing the marginal middle-class child out of the school lunchroom, and these paying children constitute the bulwark of the school lunch program in this country.

I say to you that we could easily argue for 12 cents instead of the 8-cent reimbursement rate.

The gentleman from Minnesota was correct when he stated that under section 4 we presently reimburse 8 cents in addition to 7 cents for commodities. But just compare that 15 cents with the cost of a lunch today. The cost of producing a lunch today is in the area of 60 to 70 cents. I have here a letter from the school food service director in Iowa stating the cost has even gone up to 73 cents during the past year.

We will be doing mighty little by increasing this reimbursement rate from 8 to 10 cents, but it will give the school lunchrooms in this country some stability and they will be able to endure and survive.

In my judgment, with all the effort that is being put into the school lunchrooms, what deserves greater priority than feeding these children?

I am not quarreling in the least because some middle-income families participate. That is the way it should be. It is really difficult for a middle-income breadwinner with five or six or seven children to pull out 50 cents for each child for school lunch. But what we are going to do here, if we do not give this reimbursement rate, is to send the lunch prices soaring to 70, 75, and maybe 80 cents in certain sections of the country.

And we in the Congress will be responsible for destroying the best school lunch program in the world.

I say to the Members in all candor that it is our duty and responsibility to increase this reimbursement rate from 8 cents to 10 cents, and let the school lunch programs fulfill their goal of providing nutritious lunches to all children.

Mr. ESCH. Mr. Chairman, I move to strike the last word.

Mr. Chairman and members of the committee, I think it is very important to put this amendment in perspective because the real concern here is a policy of whether or not we are going to continue to support all school lunch programs at an ever-increasing level, or are we going to set a priority and target in the funds into those children who are the most needy?

That is really the issue at hand.

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

Mr. ESCH. I will not yield to the gentleman at the present time.

The question, then, of this amendment, is if we believe that it is our responsibility as Members of Congress to set priorities in this country and to target limited funds which all of us voted for in terms of a total ceiling, then the Members will support this amendment.

Make no mistake, the bill with the amendment will provide increased subsidy for those children who need it most, who cannot afford the school lunch program, but to the children who are not eligible for subsidy it does not provide increased funds.

The real question is this: Should we at this time, when even today there is talk of a possible tax increase, be subsidizing the general school lunch program, that is, the taxpayer, to the tune of $84 million a year, and then at the same time be talking about taking it out of his other pocket with a tax increase?

I would suggest to the Members that that is the height of folly. If the Members support the amendment, those children who need subsidy funds, who are the most needy, who do need a hot breakfast and a good lunch, will receive that additional cost, but you will not be fooling your constituents and fooling your taxpayers by subsidizing our childrens' lunch program on the one hand and then debating whether or not we are going to take it away in terms of increased taxes on the other.

I would suggest to the Members this one point; if we are honest with ourselves and responsible, and there is a lot of talk about this Congress setting priorities, then we have to follow a hard line in setting priorities. My priority is to make sure that every child in this country who needs a good lunch will get one if they cannot afford it themselves. But this country should not be in the business of giving every child, regardless of need, a hot lunch in this country. So I urge the Members to vote for the amendment offered by the gentleman from Minnesota (Mr. QUIE).

Mr. MEEDS. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman and members of the committee, the purpose of almost all of the amendments which are being considered today, the amendments to the basic bill, is to provide an increase in funding for the school lunch program, either the basic program or the free program, or the reduced program or the breakfast program, to keep up with the cost-of-living increase, and particularly the increased cost of food which has transpired since we last considered this legislation almost 1 year ago to the day in this Chamber.

If the Members read the Washington Post this morning, they read that farm products, processed foods, and feeds have increased at the wholesale level 49 percent; that farm products alone have increased 66.4 percent; and processed foods and feeds alone have increased 37.4 percent. The 2-cent increase that we are talking about in this amendment represents a modest 20-percent increase measured against the increases in food costs which I just iterated.

It is very strange that the gentleman from Minnesota and the gentleman from Michigan are not in any way concerned that there is an increase for free lunches for poverty children or reduced lunches for people who are not in quite a necessitous circumstance, but they are concerned about the 2 cents, the 20 percent increase, for all children in the United States. This ought to be amply clear. This is not a poverty program; this is a school lunch program that will provide a nutritional meal for somewhere in the area of 24 million American schoolchildren every day, a program which one of the gentlemen on the other side noted provides in some instances the only nutritional meal children will get all day long.

The gentleman from Michigan said that he wants to keep a program where it is necessary to provide food for children. That is why he is for the free and reduced-price increase. I say to him, and I say to all of the Members, that if we do not provide an increase in the basic lunch, in the basic program, then we will not have a program which ultimately can provide free and reduced-price lunches. Approximately 16 million of the children in this program are paying their own way. The balance are not. If we, as history indicates, increase the price of lunches, and more and more children get off the program because of the increase, the remaining children will have to bear—and consequently middle-income parents—a bigger and bigger share of the cost, and more and more will get off the program, and there is more and more cost for the remaining, and so on. That is precisely what is happening today. Again, if the Members read the New York Times this morning, they will have read that a study by a Senate investigating committee indicates 800,000 children, middle-income children, dropped off of the school lunch program this year alone because they could not afford this program.

Over the last 4 years we have lost 1,600,000 middle-income children, and if we lose more and more, the remaining parents are going to have to pay more for school lunches, and we will have fewer.

So I support the gentleman from Michigan who said he will vote for a program which makes lunches available only to those children who need it, because I say to the Members if we do not increase this basic 2 cents, the basic lunch, if we do not have for middle-America something, for the middle-income people, which will keep them involved in this lunch program, we not only will not have a program for them, we will not have a program for the poor, which the other side of the aisle is showing so much concern about.

I say we must keep this basic 2 cents increase.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota (Mr. QUIE).

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

RECORDED VOTE

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

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 127, noes 272, not voting 35, as follows:

[Roll No. 455]

AYES—127

Archer	Frelinghuysen	O'Brien
Arends	Goldwater	Owens
Armstrong	Goodling	Parris
Ashbrook	Green, Oreg.	Pickle
Bafalis	Gross	Pritchard
Baker	Gubser	Quie
Bauman	Hansen, Idaho	Railsback
Bennett	Harsha	Rarick
Bray	Hillis	Regula
Brown, Mich.	Hinshaw	Rhodes
Brown, Ohio	Hogan	Robinson, Va.
Broyhill, Va.	Holt	Robison, N.Y.
Buchanan	Hosmer	Rousselot
Burgener	Huber	Satterfield
Butler	Hudnut	Scherle
Camp	Hunt	Schneebeli
Cederberg	Hutchinson	Sebelius
Chamberlain	Ichord	Shuster
Clancy	Jarman	Skubitz
Cleveland	Jones, Okla.	Smith, N.Y.
Cochran	Keating	Snyder
Cohen	Kemp	Spence
Collins, Tex.	Ketchum	Steelman
Conable	King	Steiger, Ariz.
Conlan	Landgrebe	Steiger, Wis.
Conte	Long, La.	Symms
Daniel, Robert W., Jr.	Lott	Taylor, Mo.
	McCollister	Teague, Calif.
Davis, Wis.	McKay	Towell, Nev.
Dellenback	Madigan	Treen
Dennis	Mallary	Ware
Derwinski	Martin, Nebr.	Whitehurst
Devine	Martin, N.C.	Wiggins
Dickinson	Mathias, Calif.	Williams
Edwards, Ala.	Mayne	Wilson, Bob
Erlenborn	Michel	Wyatt
Esch	Miller	Wyman
Evans, Colo.	Minshall, Ohio	Young, Alaska
Findley	Montgomery	Young, Fla.
Fisher	Moorhead, Calif.	Young, Ill.
Flynt		Young, S.C.
Ford, Gerald R.	Myers	Zion
Forsythe	Nelsen	Zwach

NOES—272

Abdnor	Carter	Foley
Abzug	Casey, Tex.	Ford, William D.
Adams	Chappell	
Addabbo	Chisholm	Fountain
Alexander	Clark	Fraser
Anderson, Calif.	Clausen, Don H.	Frenzel
		Frey
Andrews, N.C.	Clay	Froehlich
Andrews, N. Dak.	Collier	Fulton
	Conyers	Fuqua
Annunzio	Corman	Gaydos
Ashley	Cotter	Gettys
Aspin	Coughlin	Giaimo
Badillo	Cronin	Gibbons
Barrett	Culver	Gilman
Beard	Daniel, Dan	Ginn
Bergland	Daniels, Dominick V.	Gonzalez
Bevill		Grasso
Biester	Danielson	Gray
Bingham	de la Garza	Green, Pa.
Blatnik	Delaney	Griffiths
Boggs	Dellums	Grover
Boland	Denholm	Gude
Bolling	Dent	Gunter
Bowen	Diggs	Haley
Brademas	Dingell	Hamilton
Brasco	Donohue	Hanley
Breaux	Dorn	Hanna
Breckinridge	Downing	Hansen, Wash.
Brinkley	Drinan	Harrington
Brooks	Dulski	Hastings
Broomfield	Duncan	Hawkins
Brotzman	du Pont	Hébert
Brown, Calif.	Eckhardt	Hechler, W. Va.
Broyhill, N.C.	Edwards, Calif.	Heckler, Mass.
Burke, Fla.	Eilberg	Heinz
Burke, Mass.	Eshleman	Helstoski
Burleson, Tex.	Evins, Tenn.	Henderson
Burlison, Mo.	Fascell	Hicks
Burton	Fish	Holifield
Byron	Flood	Holtzman
Carney, Ohio	Flowers	Horton
Howard	Nedzi	Smith, Iowa
Hungate	Nichols	Staggers
Johnson, Calif.	Nix	Stanton, J. William
Johnson, Colo.	Obey	
Johnson, Pa.	O'Hara	Stanton, James V.
Jones, Ala.	O'Neill	
Jones, N.C.	Passman	Stark
Jones, Tenn.	Patman	Steed
Jordan	Patten	Steele
Karth	Pepper	Stephens
Kastenmeier	Perkins	Stokes
Kazen	Pettis	Stubblefield
Kluczynski	Peyser	Stuckey
Koch	Pike	Studds
Kyros	Poage	Sullivan
Latta	Podell	Symington
Leggett	Powell, Ohio	Talcott
Lehman	Preyer	Taylor, N.C.
Lent	Price, Ill.	Thompson, N.J.
Litton	Price, Tex.	Thomson, Wis.
Long, Md.	Randall	Thone
McClory	Rangel	Thornton
McCloskey	Rees	Udall
McCormack	Reid	Ullman
McDade	Reuss	Van Deerlin
McFall	Riegle	Vander Jagt
McKinney	Rinaldo	Vanik
Macdonald	Roberts	Veysey
Madden	Rodino	Vigorito
Mahon	Roe	Waggonner
Mailliard	Rogers	Waldie
Mann	Roncalio, Wyo.	Walsh
Maraziti	Roncalio, N.Y.	Wampler
Matsunaga	Rooney, Pa.	Whalen
Mazzoli	Rose	White
Meeds	Rosenthal	Whitten
Melcher	Rostenkowski	Widnall
Mezvinsky	Roush	Wilson, Charles H., Calif.
Milford	Roy	
Minish	Roybal	
Mink	Ruppe	Wilson, Charles, Tex.
Mitchell, Md.	Ruth	
Mitchell, N.Y.	Ryan	Winn
Mizell	Sarasin	Wolff
Moakley	Sarbanes	Wright
Moorhead, Pa.	Saylor	Wydler
Morgan	Schroeder	Wylie
Mosher	Seiberling	Yates
Moss	Shipley	Yatron
Murphy, Ill.	Shriver	Young, Ga.
Murphy, N.Y.	Sisk	Young, Tex.
Natcher	Slack	Zablocki

NOT VOTING—35

Anderson, Ill.	Hammer-schmidt	Mills, Ark.
Bell		Mollohan
Biaggi	Hanrahan	Quillen
Blackburn	Harvey	Rooney, N.Y.
Burke, Calif.	Hays	Runnels
Carey, N.Y.	Kuykendall	St Germain
Clawson, Del	Landrum	Sandman
Collins, Ill.	Lujan	Shoup
Crane	McEwen	Sikes
Davis, Ga.	McSpadden	Stratton
Davis, S.C.	Mathis, Ga.	Teague, Tex.
Guyer	Metcalfe	Tiernan

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. The question is on the committee amendment in the nature of a substitute.

The committee amendment in the nature of a substitute was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair Mr. ZABLOCKI, 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. 9639) to amend the National School Lunch and Child Nutrition Acts for the purpose of providing additional Federal financial assistance to the school lunch and school breakfast programs, pursuant to House Resolution 543, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

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

The question is on the amendment.

The amendment was agreed to.

engrossment and third reading of the bill.

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

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

Mr. QUIE. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 389, nays, 4, not voting 41, as follows:

[Roll No. 456]

YEAS—389

Abdnor	Daniel, Dan	Hastings
Abzug	Daniel, Robert W., Jr.	Hawkins
Adams		Hébert
Addabbo	Daniels, Dominick V.	Hechler, W. Va.
Alexander		Heckler, Mass.
Anderson, Calif.	Danielson	Heinz
	Davis, Wis.	Helstoski
Andrews, N.C.	de la Garza	Henderson
Andrews, N. Dak.	Delaney	Hicks
	Dellenback	Hillis
Annunzio	Dellums	Hinshaw
Archer	Denholm	Holifield
Arends	Dennis	Holt
Armstrong	Dent	Holtzman
Ashbrook	Derwinski	Horton
Ashley	Devine	Hosmer
Aspin	Dickinson	Howard
Badillo	Diggs	Huber
Bafalis	Dingell	Hudnut
Baker	Donohue	Hungate
Barrett	Dorn	Hunt
Bauman	Downing	Hutchinson
Beard	Drinan	Ichord
Bennett	Dulski	Jarman
Bergland	Duncan	Johnson, Calif.
Bevill	du Pont	Johnson, Colo.
Biester	Eckhardt	Johnson, Pa.
Bingham	Edwards, Ala.	Jones, Ala.
Blatnik	Edwards, Calif.	Jones, N.C.
Boggs	Eilberg	Jones, Okla.
Boland	Erlenborn	Jones, Tenn.
Bolling	Esch	Jordan
Bowen	Eshleman	Karth
Brademas	Evans, Colo.	Kastenmeier
Brasco	Evins, Tenn.	Kazen
Bray	Fascell	Keating
Breaux	Findley	Kemp
Breckinridge	Fish	Ketchum
Brinkley	Fisher	King
Brooks	Flood	Kluczynski
Broomfield	Flowers	Koch
Brotzman	Flynt	Kyros
Brown, Calif.	Foley	Latta
Brown, Mich.	Ford, Gerald R.	Leggett
Brown, Ohio	Ford, William D.	Lehman
Broyhill, N.C.		Lent
Broyhill, Va.	Forsythe	Long, La.
Buchanan	Fountain	Long, Md.
Burgener	Fraser	Lott
Burke, Fla.	Frelinghuysen	McClory
Burke, Mass.	Frenzel	McCloskey
Burleson, Tex.	Frey	McCollister
Burlison, Mo.	Froehlich	McCormack
Burton	Fulton	McDade
Butler	Fuqua	McFall
Byron	Gaydos	McKay
Camp	Gettys	McKinney
Carney, Ohio	Giaimo	Macdonald
Carter	Gibbons	Madden
Casey, Tex.	Gilman	Madigan
Cederberg	Ginn	Mahon
Chamberlain	Goldwater	Mailliard
Chappell	Gonzalez	Mallary
Chisholm	Goodling	Mann
Clancy	Grasso	Maraziti
Clark	Gray	Martin, N.C.
Clausen, Don H.	Green, Oreg.	Mathias, Calif.
	Green, Pa.	Matsunaga
Clay	Griffiths	Mayne
Cleveland	Gross	Mazzoli
Cochran	Grover	Meeds
Cohen	Gubser	Melcher
Collier	Gude	Mezvinsky
Collins, Tex.	Gunter	Michel
Conable	Haley	Milford
Conlan	Hamilton	Miller
Conte	Hanley	Minish
Conyers	Hanna	Mink
Corman	Hansen, Idaho	Minshall, Ohio
Cotter	Hansen, Wash.	Mitchell, Md.
Cronin	Harrington	Mitchell, N.Y.
Culver	Harsha	Mizell

Moakley	Rodino	Taylor, N.C.
Montgomery	Roe	Teague, Calif.
Moorhead, Calif.	Rogers	Thompson, N.J.
	Roncalio, Wyo.	Thomson, Wis.
Moorhead, Pa.	Roncalio, N.Y.	Thone
Morgan	Rooney, Pa.	Thornton
Mosher	Rose	Towell, Nev.
Moss	Rosenthal	Treen
Murphy, Ill.	Rostenkowski	Udall
Murphy, N.Y.	Roush	Ullman
Myers	Roy	Van Deerlin
Natcher	Roybal	Vander Jagt
Nedzi	Ruppe	Vanik
Nelsen	Ruth	Veysey
Nichols	Ryan	Vigorito
Obey	Sarasin	Waggonner
O'Brien	Sarbanes	Waldie
O'Hara	Satterfield	Walsh
O'Neill	Saylor	Wampler
Owens	Scherle	Ware
Parris	Schneebeli	Whalen
Passman	Schroeder	White
Patman	Sebelius	Whitehurst
Patten	Seiberling	Whitten
Pepper	Shipley	Widnall
Perkins	Shriver	Wiggins
Pettis	Shuster	Williams
Peyser	Sisk	Wilson, Bob
Pickle	Skubitz	Wilson, Charles H., Calif.
Pike	Slack	
Poage	Smith, Iowa	
Podell	Smith, N.Y.	Wilson, Charles, Tex.
Powell, Ohio	Snyder	
Preyer	Spence	Winn
Price, Ill.	Staggers	Wolff
Price, Tex.	Stanton, J. William	Wright
Pritchard		Wyatt
Quie	Stanton, James V.	Wydler
Railsback		Wylie
Randall	Stark	Wyman
Rangel	Steed	Yates
Rarick	Steele	Yatron
Rees	Steiger, Ariz.	Young, Alaska
Regula	Steiger, Wis.	Young, Fla.
Reid	Stokes	Young, Ga.
Reuss	Stubblefield	Young, Ill.
Rhodes	Stuckey	Young, S.C.
Riegle	Studds	Young, Tex.
Rinaldo	Sullivan	Zablocki
Roberts	Symington	Zion
Robinson, Va.	Talcott	Zwach
Robison, N.Y.	Taylor, Mo.	

NAYS—4

Landgrebe	Rousselot	Symms
Martin, Nebr.		

NOT VOTING—41

Anderson, Ill.	Hanrahan	Quillen
Bell	Harvey	Rooney, N.Y.
Biaggi	Hays	Runnels
Blackburn	Hogan	St Germain
Burke, Calif.	Kuykendall	Sandman
Carey, N.Y.	Landrum	Shoup
Clawson, Del	Litton	Sikes
Collins, Ill.	Lujan	Steelman
Coughlin	McEwen	Stephens
Crane	McSpadden	Stratton
Davis, Ga.	Mathis, Ga.	Teague, Tex.
Davis, S.C.	Metcalfe	Tiernan
Guyer	Mills, Ark.	
Hammer-schmidt	Mollohan	
	Nix	

So the bill was passed.

The Clerk announced the following pairs:

Mr. Hays with Mr. Anderson of Illinois.
Mr. Rooney of New York with Mr. Harvey.
Mrs. Burke of California with Mr. Litton.
Mr. McSpadden with Mr. Quillen.
Mr. Nix with Mr. Runnels.
Mr. Carey of New York with Mr. Lujan.
Mr. St Germain with Mr. Hogan.
Mr. Stratton with Mr. Sandman.
Mr. Davis of Georgia with Mr. Steelman.
Mr. Metcalfe with Mr. Kuykendall.
Mr. Landrum with Mr. Hanrahan.
Mr. Teague of Texas with Mr. Bell.
Mr. Mills of Arkansas with Mr. Shoup.
Mr. Sikes with Mr. Blackburn.
Mr. Biaggi with Mr. Del Clawson.
Mr. Tiernan with Mr. Coughlin.
Mr. Mathis of Georgia with Mr. Crane.
Mr. Mollohan with Mr. Hammerschmidt.
Mrs. Collins of Illinois with Mr. McEwen.
Mr. Davis of South Carolina with Mr. Stephens.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. PERKINS. 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.

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

There was no objection.

CONFERENCE REPORT ON H.R. 8070, GRANTS FOR VOCATIONAL REHABILITATION SERVICES

Mr. PERKINS submitted the following conference report and statement on the bill (H.R. 8070) to authorize grants for vocational rehabilitation services, and for other purposes:

CONFERENCE REPORT (H. REPT. No. 93-500)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 8070) to authorize grants for vocational rehabilitation services, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate to the text of the bill and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

That this Act, with the following table of contents, may be cited as the "Rehabilitation Act of 1973":

TABLE OF CONTENTS

DECLARATION OF PURPOSE

SEC. 2. The purpose of this Act is to provide a statutory basis for the Rehabilitation Services Administration, and to authorize programs to—

(1) develop and implement comprehensive and continuing State plans for meeting the current and future needs for providing vocational rehabilitation services to handicapped individuals and to provide such services for the benefit of such individuals, serving first those with the most severe handicaps, so that they may prepare for and engage in gainful employment;

(2) evaluate the rehabilitation potential of handicapped individuals;

(3) conduct a study to develop methods of providing rehabilitation services to meet the current and future needs of handicapped individuals from whom a vocational goal is not possible or feasible so that they may improve their ability to live with greater independence and self-sufficiency;

(4) assist in the construction and improvement of rehabilitation facilities;

(5) develop new and innovative methods of applying the most advanced medical technology, scientific achievement, and psychological and social knowledge to solve rehabilitation problems and develop new and innovative methods of providing rehabilitation services to handicapped individuals through research, special projects, and demonstrations;

(6) initiate and expand services to groups of handicapped individuals (including those who are homebound or institutionalized) who have been underserved in the past;

(7) conduct various studies and experiments to focus on long neglected problem areas;

(8) promote and expand employment opportunities in the public and private sectors for handicapped individuals and to place such individuals in employment;

(9) establish client assistance pilot projects;

(10) provide assistance for the purpose of increasing the number of rehabilitation per-

sonnel and increasing their skills through training; and

(11) evaluate existing approaches to architectural and transportation barriers confronting handicapped individuals, develop new such approaches, enforce statutory and regulatory standards and requirements regarding barrier-free construction of public facilities and study and develop solutions to existing architectural and transportation barriers impeding handicapped individuals.

REHABILITATION SERVICES ADMINISTRATION

SEC. 3. (a) There is established in the Department of Health, Education, and Welfare a Rehabilitation Services Administration which shall be headed by a Commissioner (hereinafter in this Act referred to as the "Commissioner") appointed by the President. Except for titles IV and V and as otherwise specifically provided in this Act, such Administration shall be the principal agency for carrying out this Act. The Secretary shall not approve any delegation of the functions of the Commissioner to any other officer not directly responsible to the Commissioner unless the Secretary shall first submit a plan for such delegation to the Congress. Such delegation is effective at the end of the first period of sixty calendar days of continuous session of Congress after the date on which the plan for such delegation is transmitted to it: *Provided, however,* That within thirty days of such transmittal, the Secretary shall consult with the Committee on Labor and Public Welfare of the Senate and the Committee on Education and Labor of the House of Representatives respecting such proposed delegation. For the purposes of this section, continuity of session is broken only by an adjournment of Congress sine die, and the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of the thirty-day and sixty-day periods.

(b) The Secretary, through the Commissioner in coordination with other appropriate programs in the Department of Health, Education, and Welfare, in carrying out research under this Act shall establish the expertise and technological competence to, and shall, in consultation with, the National Science Foundation and the National Academy of Sciences develop and support, and stimulate the development and utilization (including production and distribution of new and existing devices) of, innovative methods of applying advanced medical technology, scientific achievement, and psychological and social knowledge to solve rehabilitation problems, and be responsible for carrying out the activities described in section 202(b)(2).

(c) The Secretary shall take whatever action is necessary to insure that funds appropriated pursuant to this Act, as well as unexpended appropriations for carrying out the Vocational Rehabilitation Act (29 U.S.C. 31–42), are expended only for the programs, personnel, and administration of programs carried out under this Act.

ADVANCE FUNDING

SEC. 4. (a) For the purpose of affording adequate notice of funding available under this Act, appropriations under this Act are authorized to be included in the appropriation Act for the fiscal year preceding the fiscal year for which they are available for obligation.

(b) In order to effect a transition to the advance funding method of timing appropriation action, the authority provided by subsection (a) of this section shall apply notwithstanding that its initial application will result in the enactment in the same year (whether in the same appropriation Act or otherwise) of two separate appropriations, one for the then current fiscal year and one for the succeeding fiscal year.

JOINT FUNDING

SEC. 5. Pursuant to regulations prescribed by the President, and to the extent consistent with the other provisions of this Act, where funds are provided for a single project by more than one Federal agency to an agency or organization assisted under this Act, the Federal agency principally involved may be designated to act for all in administering the funds provided, and, in such cases, a single non-Federal share requirement may be established according to the proportion of funds advanced by each agency. When the principal agency involved is the Rehabilitation Services Administration, it may waive any grant or contract requirement (as defined by such regulations) under or pursuant to any law other than this Act, which requirement is inconsistent with the similar requirements of the administering agency under or pursuant to this Act.

CONSOLIDATED REHABILITATION PLAN

SEC. 6. (a) In order to secure increased flexibility to respond to the varying needs and local conditions within the State, and in order to permit more effective and interrelated planning and operation of its rehabilitation programs, the State may submit a consolidated rehabilitation plan which includes the State's plan under section 101(a) of this Act and its program for persons with developmental disabilities under the Developmental Disabilities Services and Facilities Construction Amendments of 1970: *Provided,* That the agency administering such State's program under such Act concurs in the submission of such a consolidated rehabilitation plan.

(b) Such a consolidated rehabilitation plan must comply with, and be administered in accordance with, all the requirements of this Act and the Developmental Disabilities Services and Facilities Construction Amendments of 1970. If the Secretary finds that all such requirements are satisfied, he may approve the plan to serve in all respects as the substitute for the separate plans which would otherwise be required with respect to each of the programs included therein, or he may advise the State to submit separate plans for such programs.

(c) Findings of noncompliance in the administration of an approved consolidated rehabilitation plan, and any reductions, suspensions, or terminations of assistance as a result thereof, shall be carried out in accordance with the procedures set forth in subsections (c) and (d) of section 101 of this Act.

DEFINITIONS

SEC. 7. For the purposes of this Act:

(1) The term "construction" means the construction of new buildings, the acquisition, expansion, remodeling, alteration, and renovation of existing buildings, and initial equipment of such buildings, and the term "cost of construction" includes architects' fees and acquisition of land in connection with construction but does not include the cost of off site improvements.

(2) The term "criminal act" means any crime, including an act, omission, or possession under the laws of the United States or a State or unit of general local government which poses a substantial threat of personal injury, notwithstanding that by reason of age, insanity, intoxication or otherwise the person engaging in the act, omission, or possession was legally incapable of committing a crime.

(3) The term "establishment of a rehabilitation facility" means the acquisition, expansion, remodeling, or alteration of existing buildings necessary to adapt them to rehabilitation facility purposes or to increase their effectiveness for such purposes (subject, however, to such limitations as the Secretary may determine, in accordance with regulations he shall prescribe, in order to prevent impairment of the objectives of, or duplication of, other Federal laws providing Federal assistance in the construction of such facilities), and the initial equipment for such buildings, and may include the initial staffing thereof.

(4) The term "evaluation of rehabilitation potential" means, as appropriate in each case:

(A) a preliminary diagnostic study to determine that the individual has a substantial handicap to employment, and that vocational rehabilitation services are needed;

(B) a diagnostic study consisting of a comprehensive evaluation of pertinent medical, psychological, vocational, educational, cultural, social, and environmental factors which bear on the individual's handicap to employment and rehabilitation potential including, to the degree needed, an evaluation of the individual's personality, intelligence level, educational achievements, work experience, vocational aptitudes and interests, personal and social adjustments, employment opportunities, and other pertinent data helpful in determining the nature and scope of services needed;

(C) an appraisal of the individual's patterns of work behavior and ability to acquire occupational skill, and to develop work attitudes, work habits, work tolerance, and social and behavior patterns suitable for successful job performance, including the utilization of work, simulated or real, to assess and develop the individual's capacities to perform adequately in a work environment;

(D) any other goods or services provided for the purpose of ascertaining the nature of the handicap and whether it may reasonably be expected that the individual can benefit from vocational rehabilitation services;

(E) referral;

(F) the administration of these evaluation services; and

(G) (i) the provision of vocational rehabilitation services to any individual for a total period not in excess of eighteen months for the purpose of determining whether such individual is a handicapped individual, a handicapped individual for whom a vocational goal is not possible or feasible (as determined in accordance with section 102(c)), or neither such individual; and (ii) an assessment, at least once in every ninety-day period during which such services are provided, of the results of the provision of such services to an individual to ascertain whether any of the determinations described in subclause (i) may be made.

(5) The term "Federal share" means 80 per centum, except that it shall mean 90 per centum for the purposes of part C of title I of this Act and as specifically set forth in section 301(b)(3): *Provided,* That with respect to payments pursuant to part B of title I of this Act to any State which are used to meet the costs of construction of those rehabilitation facilities identified in section 103(b)(2) in such State, the Federal share shall be the percentages determined in accordance with the provisions of section 301(b)(3) applicable with respect to that State and that, for the purpose of determining the non-Federal share with respect to any State, expenditures by a political subdivision thereof or by a local agency shall, subject to such limitations and conditions as the Secretary shall by regulation prescribe, be regarded as expenditures by such State.

(6) The term "handicapped individual" means any individual who (A) has a physical or mental disability which for such individual constitutes or results in a substantial handicap to employment and (B) can reasonably be expected to benefit in terms of employability from vocational rehabilitation services provided pursuant to titles I and III of this Act.

(7) The term "local agency" means an agency of a unit of general local government or of an Indian tribal organization (or combination of such units or organizations)

which has an agreement with the State agency designated pursuant to section 101(a)(1) to conduct a vocational rehabilitation program under the supervision of such State agency in accordance with the State plan approved under section 101. Nothing in the preceding sentence of this paragraph or in section 101 shall be construed to prevent the local agency from utilizing another local public or nonprofit agency to provide vocational rehabilitation services: *Provided*, That such an arrangement is made part of the agreement specified in this paragraph.

(8) The term "nonprofit", when used with respect to a rehabilitation facility, means a rehabilitation facility owned and operated by a corporation or association, no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual and the income of which is exempt from taxation under section 501(c)(3) of the Internal Revenue Code of 1954.

(9) The term "public safety officer" means a person serving the United States or a State or unit of general local government, with or without compensation, in any activity pertaining to—

(A) the enforcement of the criminal laws, including highway patrol, or the maintenance of civil peace by the National Guard or the Armed Forces,

(B) a correctional program, facility, or institution where the activity is potentially dangerous because of contact with criminal suspects, defendants, prisoners, probationers, or parolees,

(C) a court having criminal or juvenile delinquent jurisdiction where the activity is potentially dangerous because of contact with criminal suspects, defendants, prisoners, probationers, or parolees, or

(D) firefighting, fire prevention, or emergency rescue missions.

(10) The term "rehabilitation facility" means a facility which is operated for the primary purpose of providing vocational rehabilitation services to handicapped individuals, and which provides singly or in combination one or more of the following services for handicapped individuals: (A) vocational rehabilitation services which shall include, under one management, medical, psychological, social, and vocational services, (B) testing, fitting, or training in the use of prosthetic and orthotic devices, (C) prevocational conditioning or recreational therapy, (D) physical and occupational therapy, (E) speech and hearing therapy, (F) psychological and social services, (G) evaluation of rehabilitation potential, (H) personal and work adjustment, (I) vocational training with a view toward career advancement (in combination with other rehabilitation services), (J) evaluation or control of specific disabilities, (K) orientation and mobility services to the blind, and (L) extended employment for those handicapped individuals who cannot be readily absorbed in the competitive labor market, except that all medical and related health services must be prescribed by, or under the formal supervision of, persons licensed to prescribe or supervise the provision of such services in the State.

(11) The term "Secretary", except when the context otherwise requires, means the Secretary of Health, Education, and Welfare.

(12) The term "severe handicap" means the disability which requires multiple services over an extended period of time and results from amputation, blindness, cancer, cerebral palsy, cystic fibrosis, deafness, heart disease, hemiplegia, mental retardation, mental illness, multiple sclerosis, muscular dystrophy, neurological disorders (including stroke and epilepsy), paraplegia, quadriplegia and other spinal cord conditions, renal failure, respiratory or pulmonary dysfunction, and any other disability specified by the Secretary in regulations he shall prescribe.

(13) The term "State" includes the District of Columbia, the Virgin Islands, Puerto Rico, Guam, American Samoa, and the Trust Territory of the Pacific Islands, and for the purposes of American Samoa and the Trust Territory of the Pacific Islands, the appropriate State agency designated as provided in section 101(a)(1) shall be the Governor of American Samoa or the High Commissioner of the Trust Territory of the Pacific Islands, as the case may be.

(14) The term "vocational rehabilitation services" means those services identified in section 103 which are provided to handicapped individuals under this Act.

ALLOTMENT PERCENTAGE

SEC. 8. (a)(1) The allotment percentage for any State shall be 100 per centum less that percentage which bears the same ratio to 50 per centum as the per capita income of such State bears to the per capita income of the United States, except that (A) the allotment percentage shall in no case be more than 75 per centum or less than 33⅓ per centum, and (B) the allotment percentage for the District of Columbia, Puerto Rico, Guam, the Virgin Islands, American Samoa, and the Trust Territory of the Pacific Islands shall be 75 per centum.

(2) The allotment percentages shall be promulgated by the Secretary between July 1 and September 30 of each even-numbered year, on the basis of the average of the per capita incomes of the States and of the United States for the three most recent consecutive years for which satisfactory data are available from the Department of Commerce. Such promulgation shall be conclusive for each of the two fiscal years in the period beginning on the July 1 next succeeding such promulgation.

(3) The term "United States" means (but only for purposes of this subsection) the fifty States and the District of Columbia.

(b) The population of the several States and of the United States shall be determined on the basis of the most recent data available, to be furnished by the Department of Commerce by October 1 of the year preceding the fiscal year for which funds are appropriated pursuant to statutory authorizations.

AUDIT

SEC. 9. Each recipient of a grant or contract under this Act shall keep such records as the Secretary may prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such grant or contract, the total cost of the project or undertaking in connection with which such grant or contract is made or funds thereunder used, the amount of that portion of the cost of the project or undertaking supplied by other sources, and such records as will facilitate an effective audit. The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of the recipient of any grant or contract under this Act which are pertinent to such grant or contract.

NONDUPLICATION

SEC. 10. In determining the amount of any State's Federal share of expenditures for planning, administration, and services incurred by it under a State plan approved in accordance with section 101, there shall be disregarded (1) any portion of such expenditures which are financed by Federal funds provided under any other provision of law, and (2) the amount of any non-Federal funds required to be expended as a condition of receipt of such Federal funds. No payment may be made from funds provided under one provision of this Act relating to any cost with respect to which any payment is made under any other provision of this Act.

TITLE I—VOCATIONAL REHABILITATION SERVICES

PART A—GENERAL PROVISIONS

DECLARATION OF PURPOSE; AUTHORIZATION OF APPROPRIATIONS

SEC. 100. (a) The purpose of this title is to authorize grants to assist States to meet the current and future needs of handicapped individuals, so that such individuals may prepare for and engage in gainful employment to the extent of their capabilities.

(b)(1) For the purpose of making grants to States under part B of this title to assist them in meeting costs of vocational rehabilitation services provided in accordance with State plans under section 101, there is authorized to be appropriated $650,000,000 for the fiscal year ending June 30, 1974, and $680,000,000 for the fiscal year ending June 30, 1975.

(2) For the purpose of carrying out part C of this title (relating to grants to States and public and nonprofit agencies to assist them in meeting the cost of projects to initiate or expand services to handicapped individuals, especially those with the most severe handicaps) and part D of this title (relating to the study of comprehensive service needs of individuals with the most severe handicaps), there is authorized to be appropriated $37,000,000 for the fiscal year ending June 30, 1974, and $39,000,000 for the fiscal year ending June 30, 1975, and there is further authorized to be appropriated for such purposes for each such year such additional sums as the Congress may determine to be necessary. Of the sums appropriated under this paragraph for each such fiscal year, $1,000,000 in each such year shall be available only for the purpose of carrying out part D of this title.

STATE PLANS

SEC. 101. (a) For each fiscal year in which a State desires to participate in programs under this title, a State shall submit to the Secretary for his approval an annual plan for vocational rehabilitation services which shall—

(1)(A) designate a State agency as the sole State agency to administer the plan, or to supervise its administration by a local agency, except that (i) where under the State's law the State agency for the blind or other agency which provides assistance or services to the adult blind, is authorized to provide vocational rehabilitation services to such individuals, such agency may be designated as the sole State agency to administer the part of the plan under which vocational rehabilitation services are provided for the blind (or to supervise the administration of such part by a local agency) and a separate State agency may be designated as the sole State agency with respect to the rest of the State plan, and (ii) the Secretary, upon the request of a State, may authorize such agency to share funding and administrative responsibility with another agency of the State or with a local agency in order to permit such agencies to carry out a joint program to provide services to handicapped individuals, and may waive compliance with respect to vocational rehabilitation services furnished under such programs with the requirement of clause (4) of this subsection that the plan be in effect in all political subdivisions of that State.

(B) provide that the State agency so designated to administer or supervise the administration of the State plan, or (if there are two State agencies designated under subclause (A) of this clause) to supervise or administer the part of the State plan that does not relate to services for the blind, shall be (i) a State agency primarily concerned with vocational rehabilitation, or vocational and other rehabilitation, of handicapped in-

dividuals, (ii) the State agency administering or supervising the administration of education or vocational education in the State, or (iii) a State agency which includes at least two other major organizational units each of which administers one or more of the major public education, public health, public welfare, or labor programs of the State;

(2) provide, except in the case of agencies described in clause (1)(B)(i)—

(A) that the State agency designated pursuant to paragraph (1) (or each State agency if two are so designated) shall include a vocational rehabilitation bureau, division, or other organizational unit which (i) is primarily concerned with vocational rehabilitation, or vocational and other rehabilitation, of handicapped individuals, and is responsible for the vocational rehabilitation program of such State agency, (ii) has a full-time director, and (iii) has a staff employed on such rehabilitation work of such organizational unit all or substantially all of whom are employed full time on such work; and

(B)(i) that such unit shall be located at an organizational level and shall have an organizational status within such State agency comparable to that of other major organizational units of such agency, or (ii) in the case of an agency described in clause (1)(B)(ii), either that such unit shall be so located and have such status, or that the director of such unit shall be the executive officer of such State agency; except that, in the case of a State which has designated only one State agency pursuant to clause (1) of this subsection, such State may, if it so desires, assign responsibility for the part of the plan under which vocational rehabilitation services are provided for the blind to one organizational unit of such agency, and assign responsibility for the rest of the plan to another organizational unit of such agency, with the provisions of this clause applying separately to each of such units;

(3) provide for financial participation by the State, or if the State so elects, by the State and local agencies to meet the amount of the non-Federal share;

(4) provide that the plan shall be in effect in all political subdivisions, except that in the case of any activity which, in the judgment of the Secretary, is likely to assist in promoting the vocational rehabilitation of substantially larger numbers of handicapped individuals or groups of handicapped individuals the Secretary may waive compliance with the requirement herein that the plan be in effect in all political subdivisions of the State to the extent and for such period as may be provided in accordance with regulations prescribed by him, but only if the non-Federal share of the cost of such vocational rehabilitation services is met from funds made available by a local agency (including, to the extent permitted by such regulations, funds contributed to such agency by a private agency, organization, or individual);

(5)(A) contain the plans, policies, and methods to be followed in carrying out the State plan and in its administration and supervision, including a description of the method to be used to expand and improve service to handicapped individuals with the most severe handicaps; and, in the event that vocational rehabilitation services cannot be provided to all eligible handicapped individuals who apply for such services, show (i) the order to be followed in selecting individuals to whom vocational rehabilitation services will be provided, and (ii) the outcomes and service goals, and the time within which they may be achieved, for the rehabilitation of such individuals, which order of selection for the provision of vocational rehabilitation services shall be determined on the basis of serving first those individuals with the most severe handicaps and shall be consistent with priorities in such order of selection so determined, and outcome and service goals for serving handicapped individuals, established in regulations prescribed by the Secretary; and

(B) provide satisfactory assurances to the Secretary that the State has studied and considered a broad variety of means for providing services to individuals with the most severe handicaps;

(6) provide for such methods of administration, other than methods relating to the establishment and maintenance of personnel standards, as are found by the Secretary to be necessary for the proper and efficient administration of the plan;

(7) contain (A) provisions relating to the establishment and maintenance of personnel standards, which are consistent with any State licensure laws and regulations, including provisions relating to the tenure, selection, appointment, and qualifications of personnel, and (B) provisions relating to the establishment and maintenance of minimum standards governing the facilities and personnel utilized in the provision of vocational rehabilitation services, but the Secretary shall exercise no authority with respect to the selection, method of selection, tenure of office, or compensation of any individual employed in accordance with such provision;

(8) provide, at a minimum, for the provision of the vocational rehabilitation services specified in clauses (1) through (3) of subsection (a) of section 103, and the remainder of such services specified in such section after full consideration of eligibility for similar benefits under any other program, except that, in the case of the vocational rehabilitation services specified in clauses (4) and (5) of subsection (a) of such section, such consideration shall not be required where it would delay the provision of such services to any individual;

(9) provide that (A) an individualized written rehabilitation program meeting the requirements of section 102 will be developed for each handicapped individual eligible for vocational rehabilitation services under this Act, (B) such services will be provided under the plan in accordance with such program, and (C) records of the characteristics of each applicant will be kept specifying, as to those individuals who apply for services under this title and are determined not to be eligible therefor, the reasons for such determinations;

(10) provide that the State agency will make such reports in such form, containing such information (including the data described in subclause (C) of clause (9) of this subsection, periodic estimates of the population of handicapped individuals eligible for services under this Act in such State, specifications of the number of such individuals who will be served with funds provided under this Act and the outcomes and service goals to be achieved for such individuals in each priority category specified in accordance with clause (5) of this subsection, and the service costs for each such category), and at such time as the Secretary may require to carry out his functions under this title, and comply with such provisions as he may find necessary to assure the correctness and verification of such reports;

(11) provide for entering into cooperative arrangements with, and the utilization of the services and facilities of, the State agencies administering the State's public assistance programs, other programs for handicapped individuals, veterans programs, manpower programs, and public employment offices, and the Social Security Administration of the Department of Health, Education, and Welfare, the Veterans' Administration, and other Federal, State, and local public agencies providing services related to the rehabilitation of handicapped individuals;

(12) provide satisfactory assurances to the Secretary that, in the provision of vocational rehabilitation services, maximum utilization shall be made of public or other vocational or technical training facilities or other appropriate resources in the community;

(13)(A) provide that vocational rehabilitation services provided under the State plan shall be available to any civil employee of the United States disabled while in the performance of his duty on the same terms and conditions as apply to other persons, and

(B) provide that special consideration will be given to the rehabilitation under this Act of a handicapped individual whose handicapping condition arises from a disability sustained in the line of duty while such individual was performing as a public safety officer and the proximate cause of such disability was a criminal act, apparent criminal act, or a hazardous condition resulting directly from the officer's performance of duties in direct connection with the enforcement, execution, and administration of law or fire prevention, firefighting, or related public safety activities;

(14) provide that no residence requirement will be imposed which excludes from services under the plan any individual who is present in the State;

(15) provide for continuing statewide studies of the needs of handicapped individuals and how these needs may be most effectively met (including the State's needs for rehabilitation facilities) with a view toward the relative need for services to significant segments of the population of handicapped individuals and the need for expansion of services to those individuals with the most severe handicaps;

(16) provide for (A) periodic review and reevaluation of the status of handicapped individuals placed in extended employment in rehabilitation facilities (including workshops) to determine the feasibility of their employment, or training for employment, in the competitive labor market, and (B) maximum efforts to place such individuals in such employment or training whenever it is determined to be feasible;

(17) provide that where such State plan includes provisions for the construction of rehabilitation facilities—

(A) the Federal share of the cost of construction thereof for a fiscal year will not exceed an amount equal to 10 per centum of the State's allotment for such year,

(B) the provisions of section 306 shall be applicable to such construction and such provisions shall be deemed to apply to such construction, and

(C) there shall be compliance with regulations the Secretary shall prescribe designed to assure that no State will reduce its efforts in providing other vocational rehabilitation services (other than for the establishment of rehabilitation facilities) because its plan includes such provisions for construction;

(18) provide satisfactory assurances to the Secretary that the State agency designated pursuant to clause (1) (or each State agency if two are so designated) and any sole local agency administering the plan in a political subdivision of the State will take into account, in connection with matters of general policy arising in the administration of the plan, the views of individuals and groups thereof who are recipients of vocational rehabilitation services (or, in appropriate cases, their parents or guardians), working in the field of vocational rehabilitation, and providers of vocational rehabilitation services; and

(19) provide satisfactory assurances to the Secretary that the continuing studies required under clause (15) of this subsection, as well as an annual evaluation of the effectiveness of the program in meeting the goals and priorities set forth in the plan, will form the basis for the submission, from time to time as the Secretary may require, of appropriate amendments to the plan.

(b) The Secretary shall approve any plan which he finds fulfills the conditions specified in subsection (a) of this section, and he

shall disapprove any plan which does not fulfill such conditions. Prior to such disapproval, the Secretary shall notify a State of his intention to disapprove its plan, and he shall afford such State reasonable notice and opportunity for hearing.

(c) Whenever the Secretary, after reasonable notice and opportunity for hearing to the State agency administering or supervising the administration of the State plan approved under this section, finds that—

(1) the plan has been so changed that it no longer complies with the requirements of subsection (a) of this section; or

(2) in the administration of the plan there is a failure to comply substantially with any provision of such plan.

the Secretary shall notify such State agency that no further payment will be made to the State under this title (or, in his discretion, that such further payments will be reduced, in accordance with regulations the Secretary shall prescribe, or that further payments will not be made to the State only for the projects under the parts of the State plan affected by such failure), until he is satisfied there is no longer any such failure. Until he is so satisfied, the Secretary shall make no further payments to such State under this title (or shall limit payments to projects under those parts of the State plan in which there is no such failure).

(d) If any State is dissatisfied with the Secretary's action under subsection (b) or (c) of this section, such State may appeal to the United States district court for the district where the capital of such State is located and judicial review of such action shall be on the record in accordance with the provisions of chapter 7 of title 5, United States Code.

INDIVIDUALIZED WRITTEN REHABILITATION PROGRAM

SEC. 102. (a) The Secretary shall insure that the individualized written rehabilitation program required by section 101(a)(9) in the case of each handicapped individual is developed jointly by the vocational rehabilitation counselor or coordinator and the handicapped individual (or, in appropriate cases, his parents or guardians), and that such program meets the requirements set forth in subsection (b) of this section. Such written program shall set forth the terms and conditions, as well as the rights and remedies, under which goods and services will be provided to the individual.

(b) Each individualized written rehabilitation program shall be reviewed on an annual basis at which time each such individual (or, in appropriate cases, his parents or guardians) will be afforded an opportunity to review such program and jointly redevelop its terms. Such program shall include, but not be limited to (1) a statement of long-range rehabilitation goals for the individuals and intermediate rehabilitation objectives related to the attainment of such goals, (2) a statement of the specific vocational rehabilitation services to be provided, (3) the projected date for the initiation and the anticipated duration of each such service, (4) objective criteria and an evaluation procedure and schedule for determining whether such objectives and goals are being achieved, and, (5) where appropriate, a detailed explanation of the availability of a client assistance project established in such area pursuant to section 112.

(c) The Secretary shall also insure that (1) in developing and carrying out individualized written rehabilitation program required by section 101 in the case of each handicapped individual primary emphasis is placed upon the determination and achievement of a vocational goal for such individual, (2) a decision that such an individual is not capable of achieving such a goal and thus not eligible for vocational rehabilitation services provided with assistance under this part, is made only in full consultation with such individual (or, in appropriate cases, his parents or guardians), and only upon the certification, as an amendment to such written program, that the evaluation of rehabilitation potential has demonstrated beyond any reasonable doubt that such individual is not then capable of achieving such a goal, and (3) any such decision shall be reviewed at least annually in accordance with the procedure and criteria established in this section.

SCOPE OF VOCATIONAL REHABILITATION SERVICES

SEC. 103. (a) Vocational rehabilitation services provided under this Act are any goods or services necessary to render a handicapped individual employable, including, but not limited to, the following:

(1) evaluation of rehabilitation potential, including diagnostic and related services, incidental to the determination of eligibility for, and the nature and scope of, services to be provided, including, where appropriate, examination by a physician skilled in the diagnosis and treatment of emotional disorders, or by a licensed psychologist in accordance with State laws and regulations, or both.

(2) counseling, guidance, referral, and placement services for handicapped individuals, including followup, follow-along, and other postemployment services necessary to assist such individuals to maintain their employment and services designed to help handicapped individuals secure needed services from other agencies, where such services are not available under this Act;

(3) vocational and other training services for handicapped individuals, which shall include personal and vocational adjustment, books, and other training materials, and services to the families of such individuals as are necessary to the adjustment or rehabilitation of such individuals: *Provided*, That no training services in institutions of higher education shall be paid for with funds under this title unless maximum efforts have been made to secure grant assistance, in whole or in part, from other sources to pay for such training;

(4) physical and mental restoration services, including, but not limited to, (A) corrective surgery or therapeutic treatment necessary to correct or substantially modify a physical or mental condition which is stable or slowly progressive and constitutes a substantial handicap to employment, but is of such nature that such correction or modification may reasonably be expected to eliminate or substantially reduce the handicap within a reasonable length of time, (B) necessary hospitalization in connection with surgery or treatment, (C) prosthetic and orthotic devices, (D) eyeglasses and visual services as prescribed by a physician skilled in the diseases of the eye or by an optometrist, whichever the individual may select, (E) special services (including transplantation and dialysis), artificial kidneys, and supplies necessary for the treatment of individuals suffering from end-stage renal disease, and (F) diagnosis and treatment for mental and emotional disorders by a physician or licensed psychologist in accordance with State licensure laws;

(5) maintenance, not exceeding the estimated cost of subsistence, during rehabilitation;

(6) interpreter services for deaf individuals, and reader services for those individuals determined to be blind after an examination by a physician skilled in the diseases of the eye or by an optometrist, whichever the individual may select;

(7) recruitment and training services for handicapped individuals to provide them with new employment opportunities in the fields of rehabilitation, health, welfare, public safety, and law enforcement, and other appropriate service employment;

(8) rehabilitation teaching services and orientation and mobility services for the blind;

(9) occupational licenses, tools, equipment, and initial stocks and supplies;

(10) transportation in connection with the rendering of any vocational rehabilitation service; and

(11) telecommunications, sensory, and other technological aids and devices.

(b) Vocational rehabilitation services, when provided for the benefit of groups of individuals, may also include the following:

(1) in the case of any type of small business operated by individuals with the most severe handicaps the operation of which can be improved by management services and supervision provided by the State agency, the provision of such services and supervision, along or together with the acquisition by the State agency of vending facilities or other equipment and initial stocks and supplies; and

(2) the construction or establishment of public or nonprofit rehabilitation facilities and the provision of other facilities and services which promise to contribute substantially to the rehabilitation of a group of individuals but which are not related directly to the individualized rehabilitation written program of any one handicapped individual.

NON-FEDERAL SHARE FOR CONSTRUCTION

SEC. 104. For the purpose of determining the amount of payments to States for carrying out part B of this title, the non-Federal share, subject to such limitations and conditions as may be prescribed in regulations by the Secretary, shall include contributions of funds made by any private agency, organization, or individual to a State or local agency to assist in meeting the costs of construction or establishment of a public or nonprofit rehabilitation facility, which would be regarded as State or local funds except for the condition, imposed by the contributor, limiting use of such funds to construction or establishment of such facility.

PART B—BASIC VOCATIONAL REHABILITATION SERVICES

STATE ALLOTMENTS

SEC. 110. (a) For each fiscal year, each State shall be entitled to an allotment of an amount bearing the same ratio to the amount authorized to be appropriated under subsection (b)(1) of section 100 for allotment under this section as the product of (1) the population of the State and (2) the square of its allotment percentage bears to the sum of the corresponding products for all the States. The allotment to any State (other than Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands) under the first sentence of this subsection for any fiscal year which is less than one-quarter of 1 per centum of the amount appropriated under subsection (b)(1) of section 100, or $2,000,000, whichever is greater, shall be increased to that amount, the total of the increases thereby required being derived by proportionately reducing the allotments to each of the remaining such States under the first sentence of this subsection, but with such adjustments as may be necessary to prevent the allotment of any such remaining States from being thereby reduced to less than that amount.

(b) If the payment to a State under section 111(a) for a fiscal year is less than the total payments such State received under section 2 of the Vocational Rehabilitation Act for the fiscal year ending June 30, 1973, such State shall be entitled to an additional payment (subject to the same terms and conditions applicable to other payments under this part) equal to the difference between such payment under section 111(a) and the amount so received by it. Payments attributable to the additional payment to a State under this subsection shall be made

only from appropriations specifically made to carry out this subsection, and such additional appropriations are hereby authorized.

(c) Whenever the Secretary determines, after reasonable opportunity for the submission to him of comments by the State agency administering or supervising the program established under this title, that any payment of an allotment to a State under section 111(a) for any fiscal year will not be utilized by such State in carrying out the purposes of this title, he shall make such amount available for carrying out the purposes of this title to one or more other States to the extent he determines such other State will be able to use such additional amount during such year for carrying out such purposes. Any amount made available to a State for any fiscal year pursuant to the preceding sentence shall, for the purposes of this part, be regarded as an increase of such State's allotment (as determined under the preceding provisions of this section) for such year.

PAYMENTS TO STATES

SEC. 111. (a) From each State's allotment under this part for any fiscal year (including any additional payment to it under section 110(b)), the Secretary shall pay to such State an amount equal to the Federal share of the cost of vocational rehabilitation services under the plan for such State approved under section 101, including expenditures for the administration of the State plan, except that the total of such payments to such State for such fiscal year may not exceed its allotment under subsection (a) (and its additional payment under subsection (b), if any) of section 110 for such year and such payments shall not be made in an amount which would result in a violation of the provisions of the State plan required by clause (17) of section 101(a), and except that the amount otherwise payable to such State for such year under this section shall be reduced by the amount (if any) by which expenditures from non-Federal sources during such year under this title are less than expenditures under the State plan for the fiscal year ending June 30, 1972, under the Vocational Rehabilitation Act.

(b) The method of computing and paying amounts pursuant to subsection (a) shall be as follows:

(1) The Secretary shall, prior to the beginning of each calendar quarter or other period prescribed by him, estimate the amount to be paid to each State under the provisions of such subsection for such period, such estimate to be based on such records of the State and information furnished by it, and such other investigation, as the Secretary may find necessary.

(2) The Secretary shall pay, from the allotment available therefor, the amount so estimated by him for such period, reduced or increased, as the case may be, by any sum (not previously adjusted under this paragraph) by which he finds that his estimate of the amount to be paid the State for any prior period under such subsection was greater or less than the amount which should have been paid to the State for such prior period under such subsection. Such payment shall be made prior to audit or settlement by the General Accounting Office, shall be made through the disbursing facilities of the Treasury Department, and shall be made in such installments as the Secretary may determine.

CLIENT ASSISTANCE

SEC. 112. (a) From funds appropriated under section 304 for special projects and demonstrations in excess of an amount equal to the amount obligated for expenditure for carrying out such projects and demonstrations from appropriations under the Vocational Rehabilitation Act in the fiscal year ending June 30, 1973, the Secretary shall set aside up to $1,500,000, but no less than $500,000 for the fiscal year ending June 30, 1974 and up to $2,500,000 but no less than $1,000,000 for the fiscal year ending June 30, 1975, to establish in no less than 7 nor more than 20 geographically dispersed regions client assistance pilot projects (hereinafter in this section referred to as "projects") to provide counselors to inform and advise all clients and client applicants in the project area of all available benefits under this Act, and, upon request of such client or client applicant, to assist such clients or applicants in their relationships with projects, programs, and facilities providing services to them under this Act.

(b) The Secretary shall prescribe regulations which shall include the following requirements:

(1) No employees of such projects shall be presently serving as staff or consultants or receiving benefits of any kind directly or indirectly from any rehabilitation project, program, or facility receiving assistance under this Act in the project area.

(2) Each project shall be afforded reasonable access to policymaking and administrative personnel in State and local rehabilitation programs, projects, and facilities.

(3) The project shall submit an annual report, through the State agency designated pursuant to section 101, to the Secretary on the operation of the project during the previous year, including a summary of the work done and a uniform statistical tabulation of all cases handled by such project. A copy of each such report shall be submitted to the appropriate committees of the Congress by the Secretary, together with a summary of such reports and his evaluation of such projects, including appropriate recommendations.

(4) Each State agency may enter into cooperative arrangements with institutions of higher education to secure the services in such projects of graduate students who are undergoing clinical training activities in related fields. No compensation with funds appropriated under this Act shall be provided to such students.

(5) Reasonable assurance shall be given by the appropriate State agency that all clients or client applicants within the project area shall have the opportunity to receive adequate service under the project and shall not be pressured against or otherwise discouraged from availing themselves of the services available under such project.

(6) The project shall be funded, administered, and operated directly by and with the concurrence of the State agency designated pursuant to section 101.

PART C—INNOVATION AND EXPANSION GRANTS

STATE ALLOTMENTS

SEC. 120. (a)(1) From the sums available pursuant to section 100(b)(2) for any fiscal year for grants to States to assist them in meeting the costs described in section 121, each State shall be entitled to an allotment of an amount bearing the same ratio to such sums as the population of the State bears to the population of all the States. The allotment to any State under the preceding sentence for any fiscal year which is less than $50,000 shall be increased to that amount, and for the fiscal year ending June 30, 1974, no State shall receive less than the amount necessary to cover up to 90 per centum of the cost of continuing projects assisted under section 4(a)(2)(A) of the Vocational Rehabilitation Act, except that no such project may receive financial assistance under both the Vocational Rehabilitation Act and this Act for a total period of time in excess of three years. The total of the increase required by the preceding sentence shall be derived by proportionately reducing the allotments to each of the remaining States under the first sentence of this section, but with such adjustments as may be necessary to prevent the allotment of any of such remaining States from thereby being reduced to less than $50,000.

(b) Whenever the Secretary determines that any amount of an allotment to a State for any fiscal year will not be utilized by such State in carrying out the purposes of this section, he shall make such amount available for carrying out the purposes of this section to one or more other States which he determines will be able to use additional amounts during such year for carrying out such purposes. Any amount made available to a State for any fiscal year pursuant to the preceding sentence shall, for purposes of this part, be regarded as an increase of such State's allotment (as determined under the preceding provisions of this section) for such year.

PAYMENTS TO STATES

SEC. 121. (a) From each State's allotment under this part for any fiscal year, the Secretary shall pay to such State or, at the option of the State agency designated pursuant to section 101(a)(1), to a public or nonprofit organization or agency, a portion of the cost of planning, preparing for, and initiating special programs under the State plan approved pursuant to section 101 to expand vocational rehabilitation services, including programs to initiate or expand such services to individuals with the most severe handicaps, or of special programs under such State plan to initiate or expand services to classes of handicapped individuals who have unusual and difficult problems in connection with their rehabilitation, particularly handicapped individuals who are poor, and responsibility for whose treatment, education, and rehabilitation is shared by the State agency designated in section 101 with other agencies. The Secretary may require that any portion of a State's allotment under this section, but not more than 50 per centum of such allotment, may be expended in connection with only such projects as have first been approved by the Secretary. Any grant of funds under this section which will be used for direct services to handicapped individuals or for establishing or maintaining facilities which will render direct services to such individuals must have the prior approval of the appropriate State agency designated pursuant to section 101.

(b) Payments under this section with respect to any project may be made for a period of not to exceed three years beginning with the commencement of the project as approved, and sums appropriated for grants under this section shall remain available for such grants through the fiscal year ending June 30, 1976. Payments with respect to any project may not exceed 90 per centum of the cost of such project. The non-Federal share of the cost of a project may be in cash or in kind and may include funds spent for project purposes by a cooperating public or nonprofit agency provided that it is not included as a cost in any other federally financed program.

(c) Payments under this section may be made in advance or by way of reimbursement for services performed and purchases made, as may be determined by the Secretary, and shall be made on such conditions as the Secretary finds necessary to carry out the purposes of this section.

PART D—COMPREHENSIVE SERVICE NEEDS

SPECIAL STUDY

SEC. 130. (a) The Secretary shall conduct a comprehensive study, including research and demonstration projects of the feasibility of methods designed (1) to prepare individuals with the most severe handicaps for entry into programs under this Act who would not otherwise be eligible to enter such programs due to the severity of their handicap, and (2) to assist individuals with the most severe handicaps who, due to the severity of their handicaps or other factors such as their age, cannot reasonably be expected

to be rehabilitated for employment but for whom a program of rehabilitation could improve their ability to live independently or function normally within their family and community. Such study shall encompass the extent to which other programs administered by the Secretary do or might contribute to the objectives set forth in clauses (1) and (2) of the preceding sentence and the methods by which all such programs can be coordinated at Federal, State, and local levels with those carried out under this Act to the end that individuals with the most severe handicaps are assured of receiving the kinds of assistance necessary for them to achieve such objectives.

(b) The Secretary shall report the findings of the study, research, and demonstrations directed by subsection (a) of this section to the Congress and to the President together with such recommendations for legislative or other action as he may find desirable, not later than February 1, 1975.

TITLE II—RESEARCH AND TRAINING

DECLARATION OF PURPOSE

SEC. 200. The purpose of this title is to authorize Federal assistance to State and public or nonprofit agencies and organizations to—

(a) plan and conduct research, demonstrations, and related activities in the rehabilitation of handicapped individuals, and

(b) plan and conduct courses of training and related activities designed to provide increased numbers of trained rehabilitation personnel, to increase the levels of skills of such personnel, and to develop improved methods of providing such training.

AUTHORIZATION OF APPROPRIATIONS

SEC. 201. (a) In order to make grants and contracts to carry out the purposes of this title, there is authorized to be appropriated:

(1) For the purpose of carrying out section 202 of this title, $25,000,000 each for the fiscal years ending June 30, 1974 and June 30, 1975; and there is further authorized to be appropriated for such purpose for each such year such additional sums as the Congress may determine to be necessary. Of the sums appropriated under this paragraph, 20 per centum, and 25 per centum of the amounts appropriated in the first and second such fiscal years, respectively, shall be available only for the purpose of carrying out activities under section 202(b)(2).

(2) For the purpose of carrying out section 203 of this title, there is authorized to be appropriated $27,700,000 each for the fiscal years ending June 30, 1974, and June 30, 1975; and there is further authorized to be appropriated for such purpose for each such year such additional sums as the Congress may determine to be necessary.

(b) Funds appropriated under this title shall remain available until expended.

RESEARCH

SEC. 202. (a) The Secretary, through the Commissioner, and in coordination with other appropriate programs in the Department of Health, Education, and Welfare, is authorized to make grants to and contracts with States and public or nonprofit agencies and organizations, including institutions of higher education, to pay part of the cost of projects for the purpose of planning and conducting research, demonstrations, and related activities which bear directly on the development of methods, procedures, and devices to assist in the provision of vocational rehabilitation services to handicapped individuals, especially those with the most severe handicaps, under this Act. Such projects may include medical and other scientific, technical, methodological, and other investigations into the nature of disability, methods of analyzing it, and restorative techniques; studies and analyses of industrial, vocational, social, psychological, economic, and other factors affecting rehabilitation of handicapped individuals; special problems of homebound and institutionalized individuals; studies and analyses of architectural and engineering design adapted to meet the special needs of handicapped individuals; and related activities which hold promise of increasing knowledge and improving methods in the rehabilitation of handicapped individuals and individuals with the most severe handicaps.

(b) In addition to carrying out projects under subsection (a) of this section, the Secretary, through the Commissioner, and in coordination with other appropriate programs in the Department of Health, Education, and Welfare, is authorized to make grants to pay part or all of the cost of the following specialized research activities:

(1) Establishment and support of Rehabilitation Research and Training Centers to be operated in collaboration with institutions of higher education for the purpose of providing coordinated and advanced programs of research in rehabilitation and training of rehabilitation research personnel, including, but not limited to, graduate training. Grants may include funds for services rendered by such a center to handicapped individuals in connection with such research and training activities.

(2) Establishment and support of Rehabilitation Engineering Research Centers to (A) develop innovative methods of applying advanced medical technology, scientific achievement, and psychological and social knowledge to sole rehabilitation problems through planning and conducting research, including cooperative research with public or private agencies and organizations, designed to produce new scientific knowledge, equipment, and devices suitable for solving problems in the rehabilitation of handicapped individuals and for reducing environmental barriers, and to (B) cooperate with State agencies designated pursuant to section 101 in developing systems of information exchange and coordination to promote the prompt utilization of engineering and other scientific research to assist in solving probems in the rehabilitation of handicapped individuals.

(3) Conduct of a program for spinal cord injury research, to include support of spinal cord injuries projects and demonstrations established pursuant to section 303(b), which will (A) insure dissemination of research findings among all such centers, (B) provide encouragement and support for initiatives and new approaches by individual and institutional investigators, and (C) establish and maintain close working relationships with other governmental and voluntary institutions and organizations engaged in similar efforts, in order to unify and coordinate scientific efforts, encourage joint planning, and promote the interchange of data and reports among spinal cord injury investigators.

(4) Conduct a program for end-stage renal disease research, to include support of projects and demonstrations for providing special services (including transplantation and dialysis), artificial kidneys, and supplies necessary for the rehabilitation of individuals suffering from such disease and which will (A) insure dissemination of research findings, (B) provide encouragement and support for initiatives and new approaches by individual and institutional investigators, and (C) establish and maintain close working relationships with other governmental and voluntary institutions and organizations engaged in similar efforts, in order to unify and coordinate scientific efforts, encourage joint planning, and promote the interchange of data and reports among investigators in the field of endstage renal disease. No person shall be selected to participate in such program who is eligible for services for such disease under any other provision of law.

(5) Conduct of a program for international rehabilitation research, demonstration, and training for the purpose of developing new knowledge and methods in the rehabilitation of handicapped individuals in the United States, cooperating with and assisting in developing and sharing information found useful in other nations in the rehabilitation of handicapped individuals, and initiating a program to exchange experts and technical assistance in the field of rehabilitation of handicapped individuals with other nations as a means of increasing the levels of skill of rehabilitation personnel.

(c) The provisions of section 306 shall apply to assistance provided under this section, unless the context indicates to the contrary.

TRAINING

SEC. 203. (a) The Secretary, through the Commissioner, in coordination with other appropriate programs in the Department of Health, Education, and Welfare, is authorized to make grants to and contracts with States and public or nonprofit agencies and organizations, including institutions of higher education, to pay part of the cost of projects for training, traineeships, and related activities designed to assist in increasing the numbers of personnel trained in providing vocational services to handicapped individuals and in performing other functions necessary to the development of such services.

(b) In making such grants or contracts, funds made available for any year will be utilized to provide a balanced program of assistance to meet the medical, vocational, and other personnel training needs of both public and private rehabilitation programs and institutions, to include projects in rehabilitation medicine, rehabilitation nursing, rehabilitation counseling, rehabilitation social work, rehabilitation psychology, physical therapy, occupational therapy, speech pathology and audiology, workshop and facility administration, prosthetics and orthotics, specialized personnel in providing services to blind and deaf individuals, recreation for ill and handicapped individuals, and other fields contributing to the rehabilitation of handicapped individuals, including homebound and institutionalized individuals and handicapped individuals with limited English-speaking ability. No grant shall be made under this section for furnishing to an individual any one course of study extending for a period in excess of four years.

REPORTS

SEC. 204. There shall be included in the annual report to the Congress required by section 404 a full report on the research and training activities carried out under this title and the extent to which such research and training has contributed directly to the development of methods, procedures, devices, and trained personnel to assist in the provision of vocational rehabilitation services to handicapped individuals and those with the most severe handicaps under this Act.

TITLE III—SPECIAL FEDERAL RESPONSIBILITIES

DECLARATION OF PURPOSE

SEC. 300. The purpose of this title is to—

(1) authorize grants and contracts to assist in the construction and initial staffing of rehabilitation facilities;

(2) authorize grants and contracts to assist in the provision of vocational training services to handicapped individuals;

(3) authorize grants for special projects and demonstrations which hold promise of expanding or otherwise improving rehabilitation services to handicapped individuals, including individuals with spinal cord injuries, older blind individuals, and deaf individuals whose maximum vocational potential has not been reached, which experiment with new types of patterns of services

or devices for the rehabilitation of handicapped individuals (including opportunities for new careers for handicapped individuals, and for other individuals in programs serving handicapped individuals) and which provide vocational rehabilitation services to handicapped migratory agricultural workers or seasonal farmworkers;

(4) establish and operate a National Center for Deaf-Blind Youths and Adults; and

(5) establish uniform grant and contract requirements for programs assisted under this title and certain other provisions of this Act.

GRANTS FOR CONSTRUCTION OF REHABILITATION FACILITIES

SEC. 301. (a) For the purpose of making grants and contracts under this section for construction of rehabilitation facilities, initial staffing, and planning assistance, there is authorized to be appropriated such sums as may be necessary for the fiscal years ending June 30, 1974, and June 30, 1975. Amounts so appropriated shall remain available for expenditure with respect to construction projects funded or initial staffing grants made under this section prior to July 1, 1977.

(b)(1) The Secretary is authorized to make grants to assist in meeting the costs of construction of public or nonprofit rehabilitation facilities. Such grants may be made to States and public or nonprofit organizations and agencies for projects for which applications are approved by the Secretary under this section.

(2) To be approved, an application for a grant for a construction project under this section must conform to the provisions of section 306.

(3) The amount of a grant under this section with respect to any construction project in any State shall be equal to the same percentage of the cost of such project as the Federal share which is applicable in the case of rehabilitation facilities (as defined in section 645(g) of the Public Health Service Act (42 U.S.C. 291o(a))), in such State, except that if the Federal share with respect to rehabilitation facilities in such State is determined pursuant to subparagraph (b)(2) of section 645 of such Act (42 U.S.C. 291o(b)(2)), the percentage of the cost for purposes of this section shall be determined in accordance with regulations prescribed by the Secretary designed to achieve as nearly as practicable results comparable to the results obtained under such subparagraph.

(c) The Secretary is also authorized to make grants to assist in the initial staffing of any public or nonprofit rehabilitation facility constructed after the date of enactment of this section (whether or not such construction was financed with the aid of a grant under this section) by covering part of the costs (determined in accordance with regulations the Secretary shall prescribe) of compensation of professional or technical personnel of such facility during the period beginning with the commencement of the operation of such facility and ending with the close of four years and three months after the month in which such operation commenced. Such grants with respect to any facility may not exceed 75 per centum of such costs for the period ending with the close of the fifteenth month following the month in which such operation commenced, 60 per centum of such costs for the first year thereafter, 45 per centum of such costs for the second year thereafter, and 30 per centum of such costs for the third year thereafter.

(d) The Secretary is also authorized to make grants upon application approved by the State agency designated under section 101 to administer the State plan, to public or nonprofit agencies, institutions, or organizations to assist them in meeting the cost of planning rehabilitation facilities and the services to be provided by such facilities,

VOCATIONAL TRAINING SERVICES FOR HANDICAPPED INDIVIDUALS

SEC. 302. (a) For the purpose of making grants and contracts under this section, there is authorized to be appropriated such sums as may be necessary for the fiscal years ending June 30, 1974, and June 30, 1975.

(b)(1) The Secretary is authorized to make grants to States and public or nonprofit organizations and agencies to pay up to 90 per centum of the cost of projects for providing vocational training services to handicapped individuals, especially those with the most severe handicaps, in public or nonprofit rehabilitation facilities.

(2)(A) Vocational training services for purposes of this subsection shall include training with a view toward career advancement; training in occupational skills; related services, including work evaluation, work testing, provision of occupational tools and equipment required by the individual to engage in such training, and job tryouts; and payment of weekly allowances to individuals receiving such training and related services.

(B) Such allowances may not be paid to any individual for any period in excess of two years, and such allowances for any week shall not exceed $30 plus $10 for each of the individual's dependents, or $70, whichever is less. In determining the amount of such allowances for any individual, consideration shall be given to the individual's need for such an allowance, including any expenses reasonably attributable to receipt of training services, the extent to which such an allowance will help assure entry into and satisfactory completion of training, and such other factors, specified by the Secretary, as will promote such individual's capacity to engage in gainful and suitable employment.

(3) The Secretary may make a grant for a project pursuant to this subsection only on his determination that (A) the purpose of such project is to prepare handicapped individuals, especially those with the most severe handicaps, for gainful and suitable employment; (B) the individuals to receive training services under such project will include only those who have been determined to be suitable for and in need of such training services by the State agency or agencies designated as provided in section 101(a)(1) of the State in which the rehabilitation facility is located; (C) the full range of training services will be made available to each such individual, to the extent of his need for such services; and (D) the project, including the participating rehabilitation facility and the training services provided, meet such other requirements as he may prescribe in regulations for carrying out the purposes of this subsection.

(c)(1) The Secretary is authorized to make grants to public or nonprofit rehabilitation facilities, or to an organization or combination of such facilities, to pay the Federal share of the cost of projects to analyze, improve, and increase their professional services to handicapped individuals, their management effectiveness, or any other part of their operations affecting their capacity to provide employment and services for such individuals.

(2) No part of any grant made pursuant to this subsection may be used to pay costs of acquiring, constructing, expanding, remodeling, or altering any building.

MORTGAGE INSURANCE FOR REHABILITATION FACILITIES

SEC. 303. (a) It is the purpose of this section to assist and encourage the provision of urgently needed facilities for programs for handicapped individuals.

(b) For the purpose of this section the terms "mortgagee", "maturity date", and "State" shall have the meanings respectively set forth in section 207 of the National Housing Act.

(c) The Secretary, in consultation with the Secretary of Housing and Urban Development, and subject to the provisions of section 306, is authorized to insure up to 100 per centum of any mortgage (including advances on such mortgage during construction) in accordance with the provisions of this section upon such terms and conditions as he may prescribe and make commitments for insurance of such mortgage prior to the date of its execution or disbursement thereon, except that no mortgage of any public agency shall be insured under this section if the interest from such mortgage is exempt from Federal taxation.

(d) In order to carry out the purpose of this section, the Secretary is authorized to insure any mortgage which covers construction of a public or nonprofit rehabilitation facility, including equipment to be used in its operation, subject to the following conditions:

(1) The mortgage shall be executed by a mortgagor, approved by the Secretary, who demonstrates ability successfully to operate one or more programs for handicapped individuals. The Secretary may in his discretion require any such mortgagor to be regulated or restricted as to minimum charges and methods of financing, and, in addition thereto, if the mortgagor is a corporate entity, as to capital structure and rate of return. As an aid to the regulation or restriction of any mortgagor with respect to any of the foregoing matters, the Secretary may make such contracts, with and acquire for not to exceed $100 such stock of interest in, such mortgagor as he may deem necessary. Any stock or interest so purchased shall be paid for out of the Rehabilitation Facilities Insurance Fund (established by subsection (h) of this section), and shall be redeemed by the mortgagor at par upon the termination of all obligations of the Secretary under the insurance.

(2) The mortgage shall involve a principal obligation in an amount not to exceed 90 per centum of the estimated replacement cost of the property or project, including equipment to be used in the operation of the rehabilitation facility, when the proposed improvements are completed and the equipment is installed, but not including any cost covered by grants in aid under this Act or any other Federal Act.

(3) The mortgage shall—

(A) provide for complete amortization by periodic payments within such term as the Secretary shall prescribe, and

(B) bear interest (exclusive of premium charges for insurance and service charges, if any) at not to exceed such per centum per annum on the principal obligation outstanding at any time as the Secretary finds necessary to meet the mortgage market.

(e) The Secretary shall fix and collect premium charges for the insurance of mortgages under this section which shall be payable annually in advance by the mortgagee, either in cash or in debentures of the Rehabilitation Facilities Insurance Fund (established by subsection (h) of this section) issued at par plus accrued interest. In the case of any mortgage such charge shall be not less than an amount equivalent to one-fourth of 1 per centum per annum nor more than an amount equivalent to 1 per centum per annum of the amount of the principal obligation of the mortgage outstanding at any one time, without taking into account delinquent payments or prepayments. In addition to the premium charge herein provided for, the Secretary is authorized to charge and collect such amounts as he may deem reasonable for the appraisal of a property or project during construction, but such charges for appraisal and inspection shall not aggregate

more than 1 per centum of the original principal face amount of the mortgage.

(f) The Secretary may consent to the release of a part or parts of the mortgaged property or project from the lien of any mortgage insured under this section upon such terms and conditions as he shall by regulation prescribe.

(g)(1) The Secretary shall have the same functions, powers, and duties (insofar as applicable) with respect to the insurance of mortgages under this section as the Secretary of Housing and Urban Development has with respect to the insurance of mortgages under title II of the National Housing Act. The Secretary may, pursuant to a formal delegation agreement containing regulations prescribed by him, delegate to the Secretary of Housing and Urban Development authority to administer this section in accordance with such delegation agreement.

(2) The provisions of subsections (e), (g), (h), (i), (j), (k), (l), and (n) of section 207 of the National Housing Act shall apply to mortgages insured under this section; except that, for the purposes of their application with respect to such mortgages, all references in such provisions to the General Insurance Fund shall be deemed to refer to the Rehabilitation Facilities Insurance Fund (established by subsection (h) of this section) and all references in such provisions to "Secretary" shall be deemed to refer to the Secretary of Health, Education, and Welfare.

(h)(1) There is hereby created a Rehabilitation Facilities Insurance Fund which shall be used by the Commissioner as a revolving fund for carrying out all the insurance provisions of this section. All mortgages insured under this section shall be insured under and be the obligation of the Rehabilitation Facilities Insurance Fund.

(2) The general expenses of the operations of the Rehabilitation Services Administration relating to mortgages insured under this section may be charged to the Rehabilitation Facilities Insurance Fund.

(3) Moneys in the Rehabilitation Facilities Insurance Fund not needed for the current operations of the Rehabilitation Services Administration with respect to mortgages insured under this section shall be deposited with the Treasurer of the United States to the credit of such fund, or invested in bonds or other obligations of, or in bonds or other obligations guaranteed as to principal and interest by, the United States. The Commissioner may, with the approval of the Secretary of the Treasury, purchase in the open market debentures issued as obligations of the Rehabilitation Facilities Insurance Fund. Such purchases shall be made at a price which will provide an investment yield of not less than the yield obtainable from other investments authorized by this section. Debentures so purchased shall be canceled and not reissued.

(4) Premium charges, adjusted premium charges, and appraisals and other fees received on account of the insurance of any mortgage under this section, the receipts derived from property covered by such mortgages and from any claims, debts, contracts, property, and security assigned to the Secretary in connection therewith, and all earnings as the assets of the fund, shall be credited to the Rehabilitation Facilities Insurance Fund. The principal of, and interest paid and to be paid on, debentures which are the obligation of such fund, cash insurance payments, and adjustments, and expense incurred in the handling, management, renovation, and disposal of properties acquired, in connection with mortgages insured under this section, shall be charged to such fund.

(5) There are authorized to be appropriated to provide initial capital for the Rehabilitation Facilities Insurance Fund, and to assure the soundness of such fund thereafter, such sums as may be necessary, except that the total amount of outstanding mortgages insured shall not exceed $200,000,000.

SPECIAL PROJECTS AND DEMONSTRATIONS

SEC. 304. (a)(1) For the purpose of making grants under this section for special projects and demonstrations (and research and evaluation connected therewith), there is authorized to be appropriated $15,000,000 for the fiscal year ending June 30, 1974, and $17,000,000 for the fiscal year ending June 30, 1975; and there is further authorized to be appropriated for such purposes for each such year such additional sums as the Congress may determine to be necessary.

(2) Of the amounts appropriated pursuant to paragraph (1) of this subsection, 5 per centum in each such fiscal year shall be available only for the purpose of making grants under subsection (c) of this section, and there is authorized to be appropriated in each such fiscal year such additional amount as may be necessary to equal, when added to the amount made available for the purpose of making grants under such subsection an amount of $5,000,000 to be available for each such fiscal year.

(b) The Secretary, subject to the provisions of section 306, shall make grants to States and public or nonprofit agencies and organizations for paying part or all of the cost of special projects and demonstrations (and research and evaluation in connection therewith) (1) for establishing programs and facilities for providing vocational rehabilitation services which hold promise of expanding or otherwise improving rehabilitation services to handicapped individuals (especially those with the most severe handicaps) including individuals with spinal cord injuries, older blind individuals, and deaf individuals, whose maximum vocational potential has not been reached, and (2) for applying new types or patterns of services or devices (including opportunities for new careers for handicapped individuals for other individuals in programs servicing handicapped individuals). Projects and demonstrations providing services to individuals with spinal cord injuries shall include provisions to—

(A) establish, on an appropriate regional basis, a multidisciplinary system of providing vocational and other rehabilitation services, specifically designed to meet the special needs of individuals with spinal cord injuries, including acute care as well as periodic inpatient or outpatient followup and services;

(B) demonstrate and evaluate the benefits to individuals with spinal cord injuries served in, and the degree of cost effectiveness of, such a regional system;

(C) demonstrate and evaluate existing, new, and improved methods and equipment essential to the care, management, and rehabilitation of individuals with spinal cord injuries; and

(D) demonstrate and evaluate methods of community outreach for individuals with spinal cord injuries and community education in connection with the problems of such individuals in areas such as housing, transportation, recreation, employment, and community activities.

(c) The Secretary, subject to the provisions of section 306, is authorized to make grants to any State agency designated pursuant to a State plan approved under section 101, or to any local agency participating in the administration of such a plan, to pay up to 90 per centum of the cost of projects or demonstrations for the provision of vocational rehabilitation services to handicapped individuals, as determined in accordance with rules prescribed by the Secretary of Labor, are migratory agricultural workers or seasonal farmworkers, and to members of their families (whether or not handicapped) who are with them, including maintenance and transportation of such individuals and members of their families where necessary to the rehabilitation of such individuals. Maintenance payments under this section shall be consistent with any maintenance payments made to other handicapped individuals in the State under this Act. Such grants shall be conditioned upon satisfactory assurance that in the provision of such services there will be appropriate cooperation between the grantee and other public or nonprofit agencies and organizations having special skills and experience in the provision of services to migratory agricultural workers, seasonal farmworkers, or their families. This subsection shall be administered in coordination with other programs serving migrant agricultural workers and seasonal farmworkers, including programs under title I of the Elementary and Secondary Education Act of 1965, section 311 of the Economic Opportunity Act of 1964, the Migrant Health Act, and the Farm Labor Contractor Registration Act of 1963.

(d) The Secretary is authorized to make contracts or jointly financed cooperative arrangements with employers and organizations for the establishment of projects designed to prepare handicapped individuals for gainful and suitable employment in the competitive labor market under which handicapped individuals are provided training and employment in a realistic work setting and such other services (determined in accordance with regulations prescribed by the Secretary) as may be necessary for such individuals to continue to engage in such employment.

(e)(1) The Secretary is authorized, directly or by contract with State vocational rehabilitation agencies or experts or consultants or groups thereof, to provide technical assistance (A) to rehabilitation facilities, and (B) for the purpose of removal of architectural and transportation barriers, to any public or nonprofit agency, institution, organization or facility.

(2) Any such experts or consultants shall, while serving pursuant to such contracts, be entitled to receive compensation at rates fixed by the Secretary, but not exceeding the pro rata pay rate for a person employed as a GS–18, under section 5332 of title 5, United States Code, including traveltime, and while so serving away from their homes or regular places of business, they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons in the Government service employed intermittently.

NATIONAL CENTER FOR DEAF-BLIND YOUTHS AND ADULTS

SEC. 305. (a) For the purpose of establishing and operating a National Center for Deaf-Blind Youths and Adults, there is authorized to be appropriated such sums as may be necessary for construction, which shall remain available until expended, and such sums as may be necessary for operations for the fiscal years ending June 30, 1974, and June 30, 1975.

(b) In order—

(1) to demonstrate methods of (A) providing the specialized intensive services, and other services, needed to rehabilitate handicapped individuals who are both deaf and blind, and (B) training the professional and allied personnel needed adequately to staff facilities specifically designed to provide such services and training to such personnel who have been or will be working with deaf-blind individuals;

(2) to conduct research in the problems of, and ways of meeting the problems of rehabilitating, deaf-blind individuals; and

(3) to aid in the conduct of related activities which will expand or improve the services for or help improve public understanding of the problems of deaf-blind individuals;

the Secretary, subject to the provisions of section 306, is authorized to enter into an

agreement with any public or nonprofit agency or organization for payment by the United States of all or part of the costs of the establishment and operation, including construction and equipment, of a center for vocational rehabilitation of handicapped individuals who are both deaf and blind, which center shall be known as the National Center for Deaf-Blind Youths and Adults.

(c) Any agency or organization desiring to enter into such agreement shall submit a proposal therefor at such time, in such manner, and containing such information as may be prescribed in regulations by the Secretary. In considering such proposals the Secretary shall give preference to proposals which (1) give promise of maximum effectiveness in the organization and operation of such Center, and (2) give promise of offering the most substantial skill, experience, and capability in providing a broad program of service, research, training, and related activities in the field of rehabilitation of deaf-blind individuals.

GENERAL GRANT AND CONTRACT REQUIREMENTS

SEC. 306. (a) The provisions of this section shall apply to all projects approved and assisted under this title. The Secretary shall insure compliance with this section prior to making any grant or entering into any contract or agreement under this title, except projects authorized under section 302.

(b) To be approved, an application for assistance for a construction project under title must—

(1) contain or be supported by reasonable assurances that (A) for a period of not less than twenty years after completion of construction of the project it will be used as a public or nonprofit facility, (B) sufficient funds will be available to meet the non-Federal share of the cost of construction of the project, and (C) sufficient funds will be available, when construction of the project is completed, for its effective use for its intended purpose;

(2) provide that Federal funds provided to any agency or organization under this title will be used only for the purposes for which provided and in accordance with the applicable provisions of this section and the section under which such funds are provided;

(3) provide that the agency or organization receiving Federal funds under this title will make an annual report to the Secretary, which he shall summarize and comment upon in the annual report to the Congress submitted under section 404;

(4) be accompanied or supplemented by plans and specifications in which due consideration shall be given to excellence of architecture and design, and to the inclusion of works of art (not representing more than 1 per centum of the cost of the project), and which comply wtih regulations prescribed by the Secretary related to minimum standards of construction and equipment (promulgated with particular emphasis on securing compliance with the requirements of the Architectural Barriers Act of 1968 (Public Law 90–480)), and with regulations of the Secretary of Labor relating to occupational health and safety standards for rehabilitation facilities; and

(5) contain or be supported by reasonable assurance that any laborer or mechanic employed by any contractor or subcontractor in the performance of work on any construction aided by payments pursuant to any grant under this section will be paid wages at rates not less than those prevailing on similiar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a—276a–5); and the Secretary of Labor shall have, with respect to the labor standards specified in this paragraph, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176) and section 2 of the Act of of June 13, 1934, as amended (40 U.S.C. 276c).

(c) Upon approval of any application for a grant or contract for a project under this title, the Secretary shall reserve, from any appropriation available therefore, the amount of such grant or contract determined under this title. In case an amendment to an approved application is approved or the estimated cost of a project is revised upward, any additional payment with respect thereto may be made from the appropriation from which the original reservation was made or the appropriation for the fiscal year in which such amendment or revision is approved.

(d) If, within twenty years after completion of any construction project for which funds have been paid under this title, the facility shall cease to be a public or nonprofit facility, the United States shall be entitled to recover from the applicant or other owner of the facility the amount bearing the same ratio to the then value (as determined by agreement of the parties or by action brought in the United States district court for the district in which such facility is situated) of the facility, as the amount of the Federal participation bore to the cost of construction of such facility.

(e) Payment of assistance or reservation of funds made pursuant to this title may be made (after necessary adjustment on account of previously made overpayments or underpayments) in advance or by way of reimbursement, and in such installments and on such conditions, as the Secretary may determine.

(f) A project for construction of a rehabilitation facility which is primarily a workshop may, where approved by the Secretary as necessary to the effective operation of the facility, include such construction as may be necessary to provide residential accommodations for use in connection with the rehabilitation of handicapped individuals.

(g) No funds provided under this title may be used to assist in the construction of any facility which is or will be used for religious worship or any sectarian activity.

(h) When in any State, funds provided under this title will be used for providing direct services to handicapped individuals or for establishing facilities which will provide such services, such services must be carried out in a manner not inconsistent with the State plan approved pursuant to section 101.

(i) Prior to making any grant or entering into any contract under this title, the Secretary shall afford reasonable opportunity to the appropriate State agency or agencies designated pursuant to section 101 to comment on such grant or contract.

TITLE IV—ADMINISTRATION AND PROGRAM AND PROJECT EVALUATION

ADMINISTRATION

SEC. 400. (a) In carrying out his duties under this Act, the Secretary shall—

(1) cooperate with, and render technical assistance (directly or by grant or contract) to States in matters relating to the rehabilitation of handicapped individuals;

(2) provide short-term training and instruction in technical matters relating to vocational rehabilitation services, including the establishment and maintenance of such research fellowships and traineeships, with such stipends and allowances (including travel and subsistence expenses), as he may deem necessary, except that no such training or instruction (or fellowship or scholarship) shall be provided any individual for any one course of study for a period in excess of four years, and such training, instruction, fellowships, and traineeships may be in the fields of rehabilitation medicine, rehabilitation nursing, rehabilitation counseling, rehabilitation social work, rehabilitation psychology, physical therapy, occupational therapy, speech pathology and audiology, prosthetics and orthotics, recreation for ill and handicapped individuals, and other specialized fields contributing to the rehabilitation of handicapped individuals; and

(3) disseminate information relating to vocational rehabilitation services, and otherwise promote the cause of the rehabilitation of handicapped individuals and their greater utilization in gainful and suitable employment.

(b) The Secretary is authorized to make rules and regulations governing the administration of this title and titles I through III of this Act, and, except as otherwise provided in this Act, to delegate to any officer or employee of the United States such of his powers and duties under such titles, except the making of rules and regulations, as he finds necessary to carry out the provisions of such titles. Such rules and regulations shall be published in the Federal Register, on at least an interim basis, no later than ninety days after the date of enactment of this Act.

(c) The Secretary is authorized (directly or by grants or contracts) to conduct studies, investigations, and evaluation of the programs authorized by this Act, and to make reports, with respect to abilities, aptitudes, and capacities of handicapped individuals, development of their potentialities, their utilization in gainful and suitable employment, and with respect to architectural, transportation, and other environmental and attitudinal barriers to their rehabilitation, including the problems of homebound, institutionalized, and older blind individuals.

(d) There is authorized to be included for each fiscal year in the appropriation for the Department of Health, Education, and Welfare such sums as are necessary to administer the provisions of this Act.

(e) In carrying out his duties under this Act, the Secretary shall insure the maximum coordination and consultation, at both national and local levels, with the Administrator of Veterans' Affairs and his designees with respect to programs for and relating to the rehabilitation of disabled veterans carried out under title 38, United States Code.

PROGRAM AND PROJECT EVALUATION

SEC. 401. (a) (1) The Secretary shall measure and evaluate the impact of all programs authorized by this Act, in order to determine their effectiveness in achieving stated goals in general, and in relation to their cost, their impact on related programs, and their structure and mechanisms for delivery of services, including, where appropriate, comparisons with appropriate control groups composed of persons who have not participated in such programs. Evaluations shall be conducted by persons not immediately involved in the administration of the program or project evaluated.

(2) In carrying out his responsibilities under this subsection, the Secretary, in the case of research, demonstrations, and related activities carried out under section 202, shall, after taking into consideration the views of State agencies designated pursuant to section 101, on an annual basis—

(A) reassess priorities to which such activities should be directed; and

(B) review present research, demonstration, and related activities to determine, in terms of the purpose specified for such activities by subsection (a) of section 202, whether and on what basis such activities shall be continued, revised, or terminated.

(3) The Secretary shall, within 12 months after the date of enactment of this Act, and on each April 1 thereafter, prepare and furnish to the appropriate committees of the Congress a complete report on the determination and review carried out under paragraph (2) of this subsection, together with such recommendations, including any recommendations for additional legislation, as he deems appropriate.

(b) Effective July 1, 1974, before funds for the programs and projects covered by this Act are released, the Secretary shall develop and publish general standards for evaluation of the programs and project effectiveness in achieving the objectives of this Act. He shall consider the extent to which such standards have been met in deciding, in accordance with procedures set forth in subsections (b), (c), and (d) of section 101, whether to renew or supplement financial assistance authorized under any section of this Act. Reports submitted pursuant to section 404 shall describe the actions taken as a result of these evaluations.

(c) In carrying out evaluations under this title, the Secretary shall, whenever possible, arrange to obtain the specific views of persons participating in and served by programs and projects assisted under this Act about such programs and projects.

(d) The Secretary shall publish the results of evaluative research and summaries of evaluations of program and project impact and effectiveness no later than ninety days after the completion thereof. The Secretary shall submit to the appropriate committees of the Congress copies of all such research studies and evaluation summaries.

(e) The Secretary shall take the necessary action to assure that all studies, evaluations, proposals, and data produced or developed with assistance under this Act shall become the property of the United States.

OBTAINING INFORMATION FROM FEDERAL AGENCIES

SEC. 402. Such information as the Secretary may deem necessary for purposes of the evaluations conducted under this title shall be made available to him, upon request, by the agencies of the executive branch.

AUTHORIZATION OF APPROPRIATIONS

SEC. 403. There is authorized to be appropriated for the fiscal years ending June 30, 1974, and June 30, 1975, such sums as the Secretary may require, but not to exceed an amount equal to one-half of 1 per centum of the funds appropriated under titles I, II, and III of this Act, or $1,000,000, whichever is greater, to be available to conduct program and project evaluations as required by this title.

REPORTS

SEC. 404. Not later than one hundred and twenty days after the close of each fiscal year, the Secretary shall prepare and submit to the President and to the Congress a full and complete report on the activities carried out under this Act. Such annual reports shall include (1) statistical data reflecting, with the maximum feasible detail vocational rehabilitation services provided handicapped individuals during the preceding fiscal year, (2) specifically distinguish among rehabilitation closures attributable to physical restoration, placement in competitive employment, extended or terminal employment in a sheltered workshop or rehabilitation facility, employment as a homemaker or unpaid family worker, and provision of other services, and (3) include a detailed evaluation of services provided with assistance under title I of this Act, especially services to those with the most severe handicaps.

SECRETARIAL RESPONSIBILITIES

SEC. 405. (a) It shall be the function of the Secretary, with the assistance of agencies within the Department, other departments and agencies within the Federal Government, handicapped individuals, and public and private agencies and organizations, through the Office of the Secretary, to—

(1) prepare for submission to the Congress within eighteen months after the date of enactment of this Act, a long-range projection for the provision of comprehensive services to handicapped individuals and for programs of research, evaluation, and training related to such services and individuals;

(2) analyze on a continuing basis and include in his report submitted under section 404, a report on the results of such analysis, program operation to determine consistency with applicable provisions of law, progress toward meeting the goals and priorities set forth in the projection required under clause (1), and the effectiveness of all programs providing services to handicapped individuals, and the elimination of unnecessary duplication and overlap in such programs under the jurisdiction of the Secretary;

(3) encourage coordinated and cooperative planning designed to produce maximum effectiveness, sensitivity, and continuity in the provision of services for handicapped individuals by all programs;

(4) develop means of promoting the prompt utilization of engineering and other scientific research to assist in solving problems in education (including promotion of the development of curriculums stressing barrier free design and the adoption of such curriculums by schools of architecture, design, and engineering), health, employment, rehabilitation, architectural, housing, and transportation barriers, and other areas so as to bring about full integration of handicapped individuals into all aspects of society;

(5) provide a central clearinghouse for information and resource availability for handicapped individuals through (A) the evaluation of systems within the Department of Health, Education, and Welfare, other departments and agencies of the Federal Government, public and private agencies and organizations, and other sources, which provide (i) information and data regarding the location, provision, and availability of services and programs for handicapped individuals, regarding research and recent medical and scientific developments bearing on handicapping conditions (and their prevention, amelioration, causes and cures), and regarding the current numbers of handicapped individuals and their needs, and (ii) any other such relevant information and data which the Secretary deems necessary; and (B) utilizing the results of such evaluation and existing information systems, the development within such Department of a coordinated system of information and data retrieval, which will have the capacity and responsibility to provide general and specific information regarding the information and data referred to in subclause (A) of this clause to the Congress, public and private agencies and organizations, handicapped individuals and their families, professionals in fields serving such individuals, and the general public.

(b) In selecting personnel to assist in the performance of the functions assigned in subsection (a) of this section, the Secretary shall give special emphasis to qualified handicapped individuals.

(c) The functions assigned to the Secretary by this section shall not be delegated to any persons not assigned to and operating in the Office of the Secretary, except that he may establish an Office for the Handicapped in the office of an appropriate Assistant Secretary of the Department of Health, Education, and Welfare to carry out such functions.

(d) There are authorized to be appropriated for carrying out this section $500,000 each for the fiscal years ending June 30, 1974, and June 30, 1975.

(e) Not later than thirty days after the appropriation Act containing sums for carrying out the provisions of this Act is enacted for each fiscal year, the Secretary shall set aside out of sums available to carry out this section or otherwise available pursuant to any other Act, an amount which he determines is necessary and appropriate to enable him to carry out the provisions of this section and shall notify the appropriate committees of the Congress of the amount so set aside, the number of personnel necessary for such purpose, and the basis for his determination under this subsection and his reasons therefor.

SHELTERED WORKSHOP STUDY

SEC. 406. (a) The Secretary shall conduct an original study of the role of sheltered workshops in the rehabilitation and employment of handicapped individuals, including a study of wage payments in sheltered workshops. The study shall incorporate guidelines which are consistent with criteria provided in resolutions adopted by the Committee on Labor and Public Welfare of the United States Senate or the Committee on Education and Labor of the United States House of Representatives, or both.

(b) The study shall include site visits to sheltered workshops, interviews with handicapped trainees or clients, and consultations with interested individuals and groups and State agencies designated pursuant to section 101.

(c) Any contracts awarded for the purpose of carrying out all or part of this study shall not be made with individuals or groups with a financial or other direct interest in sheltered workshops.

(d) The Secretary shall report to the Congress his findings and recommendations with respect to such study within twenty-four months after the date of enactment of this Act.

STATE ALLOCATION STUDY

SEC. 407. (a) The Secretary shall conduct a thorough study of the allotment of funds among the States for grants for basic vocational rehabilitation services authorized under part B of title I of this Act, including a consideration of—

(1) the needs of individuals requiring vocational rehabilitation services;

(2) the financial capability of the States to furnish vocational rehabilitation assistance including, on a State-by-State basis, per capita income, per capita costs of services rendered, State tax rates, and the ability and willingness of a State to provide the non-Federal share of the costs of rendering such services;

(3) the continuing demand upon the States to furnish vocational rehabilitation services, together with a consideration of the factor that no State would receive less Federal financial assistance under such part than it received under section 2 of the Vocational Rehabilitation Act in the fiscal year immediately prior to the enactment of this Act.

(b) Not later than June 30, 1974, the Secretary shall report to the Congress his findings and recommendations, including recommendations for additional legislation, with respect to the study required by this section, which report shall include recommendations with respect to allotment of Federal funds among the States and the Federal share of the cost of furnishing vocational rehabilitation services by the States.

TITLE V—MISCELLANEOUS

EFFECT ON EXISTING LAW

SEC. 500. (a) The Vocational Rehabilitation Act (29 U.S.C. 31 et seq.) is repealed ninety days after the date of enactment of this Act and references to such Vocational Rehabilitation Act in any other provision of law shall, ninety days after such date, be deemed to be references to the Rehabilitation Act of 1973. Unexpended appropriations for carrying out the Vocational Rehabilitation Act may be made available to carry out this Act, as directed by the President. Approved State plans for vocational rehabilitation, approved projects, and contractual arrangements authorized under the Vocational Rehabilitation Act will be recognized under comparable provisions of this Act so that there is no disruption of ongoing activities for which there is continuing authority.

(b) The authorizations of appropriations in the Vocational Rehabilitation Act are

hereby extended at the level specified for the fiscal year 1972 for the fiscal year 1973.

EMPLOYMENT OF HANDICAPPED INDIVIDUALS

SEC. 501. (a) There is established within the Federal Government an Interagency Committee on Handicapped Employees (hereinafter in this section referred to as the "Committee"), comprised of such members as the President may select, including the following (or their designees whose positions are Executive Level IV or higher): the Chairman of the Civil Service Commission, the Administrator of Veterans' Affairs, and the Secretaries of Labor and Health, Education, and Welfare. The Secretary of Health, Education, and Welfare and the Chairman of the Civil Service Commission shall serve as co-chairmen of the Committee. The resources of the President's Committee on Employment of the Handicapped and on Mental Retardation shall be made fully available to the Committee. It shall be the purpose and function of the Committee (1) to provide a focus for Federal and other employment of handicapped individuals, and to review, on a periodic basis, in cooperation with the Civil Service Commission, the adequacy of hiring, placement, and advancement practices with respect to handicapped individuals, by each department, agency, and instrumentality in the executive branch of Government, and to insure that the special needs of such individuals are being met; and (2) to consult with the Civil Service Commission to assist the Commission to carry out its responsibilities under subsections (b) (c), and (d) of this section. On the basis of such review and consultation, the Committee shall periodically make to the Civil Service Commission such recommendations for legislative and administrative changes as it deems necessary or desirable. The Civil Service Commission shall timely transmit to the appropriate committees of Congress any such recommendations.

(b) Each department, agency, and instrumentality (including the United States Postal Service and the Postal Rate Commission) in the executive branch shall, within one hundred and eighty days after the date of enactment of this Act, submit to the Civil Service Commission and to the Committee an affirmative action program plan for the hiring, placement, and advancement of handicapped individuals in such department, agency, or instrumentality. Such plan shall include a description of the extent to which and methods whereby the special needs of handicapped employees are being met. Such plan shall be updated annually, and shall be reviewed annually and approved by the Commission, if the Commission determines, after consultation with the Committee, that such plan provides sufficient assurances, procedures and commitments to provide adequate hiring, placement, and advancement opportunities for handicapped individuals.

(c) The Civil Service Commission, after consultation with the Committee, shall develop and recommend to the Secretary for referral to the appropriate State agencies, policies and procedures which will facilitate the hiring, placement, and advancement in employment of individuals who have received rehabilitation services under State vocational rehabilitation programs, veterans' programs, or any other program for handicapped individuals, including the promotion of job opportunities for such individuals. The Secretary shall encourage such State agencies to adopt and implement such policies and procedures.

(d) The Civil Service Commission, after consultation with the Committee, shall, on June 30, 1974, and at the end of each subsequent fiscal year, make a complete report to the appropriate committees of the Congress with respect to the practices of and achievements in hiring, placement, and advancement of handicapped individuals by each department, agency, and instrumentality and the effectiveness of the affirmative action programs required by subsection (b) of this section, together with recommendations as to legislation which have been submitted to the Civil Service Commission under subsection (a) of this section, or other appropriate action to insure the adequacy of such practices. Such report shall also include an evaluation by the Committee of the effectiveness of the Civil Service Commission's activities under subsections (b) and (c) of this section.

(e) An individual who, as a part of his individualized written rehabilitation program under a State plan approved under this Act, participates in a program of unpaid work experience in a Federal agency, shall not, by reason thereof, be considered to be a Federal employee or to be subject to the provisions of law relating to Federal employment, including those relating to hours of work, rates of compensation, leave, unemployment compensation, and Federal employee benefits.

(f)(1) The Secretary of Labor and the Secretary of Health, Education, and Welfare are authorized and directed to cooperate with the President's Committee on Employment of the Handicapped in carrying out its functions.

(2) In selecting personnel to fill all positions on the President's Committee on Employment of the Handicapped, special consideration shall be given to qualified handicapped individuals.

ARCHITECTURAL AND TRANSPORTATION BARRIERS COMPLIANCE BOARD

SEC. 502. (a) There is established within the Federal Government the Architectural and Transportation Barriers Compliance Board (hereinafter referred to as the "Board") which shall be composed of the heads of each of the following departments or agencies (or their designees whose positions are Executive Level IV or higher):

(1) Department of Health, Education, and Welfare;

(2) Department of Transportation;

(3) Department of Housing and Urban Development;

(4) Department of Labor;

(5) Department of the Interior;

(6) General Services Administration;

(7) United States Postal Service; and

(8) Veterans' Administration.

(b) It shall be the function of the Board to: (1) insure compliance with the standards prescribed by the General Services Administration, the Department of Defense, and the Department of Housing and Urban Development pursuant to the Architectural Barriers Act of 1968 (Public Law 90-480), as amended by the Act of March 5, 1970 (Public Law 91-205); (2) investigate and examine alternative approaches to the architectural, transportation, and attitudinal barriers confronting handicapped individuals, particularly with respect to public buildings and monuments, parks and parklands, public transportation (including air, water, and surface transportation whether interstate, foreign, intrastate, or local), and residential and institutional housing; (3) determine what measures are being taken by Federal, State, and local governments and by other public or nonprofit agencies to eliminate the barriers described in clause (2) of this subsection; (4) promote the use of the International Accessibility Symbol in all public facilities that are in compliance with the standards prescribed by the Administrator of the General Services Administration, the Secretary of Defense, and the Secretary of Housing and Urban Development pursuant to the Architectural Barriers Act of 1968; (5) make to the President and to Congress reports which shall describe in detail the results to its investigations under clauses (2) and (3) of this subsection; and (6) make to the President and to the Congress such recommendations for legislation and administration as it deems necessary or desirable to eliminate the barriers described in clause (2) of this subsection.

(c) The Board shall also (1) (A) determine how and to what extent transportation barriers impede the mobility of handicapped individuals and aged handicapped individuals and consider ways in which travel expenses in connection with transportation to and from work for handicapped individuals can be met or subsidized when such individuals are unable to use mass transit systems or need special equipment in private transportation, and (B) consider the housing needs of handicapped individuals; (2) determine what measures are being taken, especially by public and other nonprofit agencies and groups having an interest in and a capacity to deal with such problems, (A) to eliminate barriers from public transportation systems (including vehicles used in such systems), and to prevent their incorporation in new or expanded transportation systems and (B) to make housing available and accessible to handicapped individuals or to meet sheltered housing needs; and (3) prepare plans and proposals for such further actions as may be necessary to the goals of adequate transportation and housing for handicapped individuals, including proposals for bringing together in a cooperative effort, agencies, organizations, and groups already working toward such goals or whose cooperation is essential to effective and comprehensive action.

(d) In carrying out its functions under this section, the Board shall conduct investigations, hold public hearings, and issue such orders as it deems necessary to insure compliance with the provisions of the Acts cited in subsection (b). The provisions of subchapter II of chapter 5, and chapter 7 of title 5, United States Code, shall apply to procedures under this section, and an order of compliance issued by the Board shall be a final order for purposes of judicial review.

(e) The Board is authorized to appoint as many hearing examiners as are necessary for proceedings required to be conducted under this section. The provisions applicable to hearing examiners appointed under section 3105 of title 5, United States Code, shall apply to hearing examiners appointed under this subsection.

(f) The departments or agencies specified in subsection (a) of this section shall make available to the Board such technical, administrative, or other assistance as it may require to carry out its functions under this section, and the Board may appoint such other advisers, technical experts, and consultants as it deems necessary to assist it in carrying out its functions under this section. Special advisory and technical experts and consultants appointed pursuant to this subsection shall, while performing their functions under this section, be entitled to receive compensation at rates fixed by the Secretary, but not exceeding the daily pay rate, for a person employed as a GS-18 under section 5332 of title 45, United States Code, including traveltime; and while serving away from their homes or regular places of business they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of such title 5 for persons in the Government service employed intermittently.

(g) The Board shall, at the end of each fiscal year, report its activities during the preceding fiscal year to the Congress. Such report shall include an assessment of the extent of compliance with the Acts cited in subsection (b) of this section, along with a description and analysis of investigations made and actions taken by the Board, and the reports and recommendations described in clauses (5) and (6) of subsection (b) of this section. The Board shall prepare two final reports of its activities under subsection (c). One such report shall be on its ac-

tivities in the field of transportation barriers to handicapped individuals, and the other such report shall be on its activities in the field of the housing needs of handicapped individuals. The Board shall, prior to January 1, 1975, submit each such report, together with its recommendations, to the President and the Congress. The Board shall also prepare for such submission an interim report of its activities in each such field within 18 months after the date of enactment of this Act.

(h) There are authorized to be appropriated for the purpose of carrying out the duties and functions of the Board under this section $1,000,000 each for the fiscal years ending June 30, 1974, and June 30, 1975.

EMPLOYMENT UNDER FEDERAL CONTRACTS

SEC. 503. (a) Any contract in excess of $2,500 entered into by any Federal department or agency for the procurement of personal property and nonpersonal services (including construction for the United States) shall contain a provision requiring that, in employing persons to carry out such contract the party contracting with the United States shall take affirmative action to employ and advance in employment qualified handicapped individuals as defined in section 7(6). The provisions of this section shall apply to any subcontract in excess of $2,500 entered into by a prime contractor in carrying out any contract for the procurement of personal property and nonpersonal services (including construction) for the United States. The President shall implement the provisions of this section by promulgating regulations within ninety days after the date of enactment of this section.

(b) If any handicapped individual believes any contractor has failed or refuses to comply with the provisions of his contract with the United States, relating to employment of handicapped individuals, such individual may file a complaint with the Department of Labor. The Department shall promptly investigate such complaint and shall take such action thereon as the facts and circumstances warrant, consistent with the terms of such contract and the laws and regulations applicable thereto.

(c) The requirements of this section may be waived, in whole or in part, by the President with respect to a particular contract or subcontract, in accordance with guidelines set forth in regulations which he shall prescribe, when he determines that special circumstances in the national interest so require and states in writing his reasons for such determination.

NONDISCRIMINATION UNDER FEDERAL GRANTS

SEC. 504. No otherwise qualified handicapped individual in the United States, as defined in section 7(6), shall, solely by reason of his handicap, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate to the title of the bill, and agree to the same.

CARL D. PERKINS,
JOHN BRADEMAS,
PATSY T. MINK,
ALBERT H. QUIE,
EDWIN D. ESHLEMAN,
Managers on the Part of the House.

JENNINGS RANDOLPH,
ALAN CRANSTON,
HARRISON WILLIAMS,
CLAIBORNE PELL,
EDWARD M. KENNEDY,
WALTER F. MONDALE,
BILL HATHAWAY,
ROBERT STAFFORD,
ROBERT TAFT, JR.,
RICHARD S. SCHWEIKER,
J. GLENN BEALL, JR.,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 8070) to authorize grants for vocational rehabilitation services, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The Senate amendment strikes all of the House bill after the enacting clause and inserts a substitute. The House recedes from its disagreement to the amendment of the Senate, with an amendment which is a substitute for both the House bill and the Senate amendment. The differences between the House bill and the Senate amendment and the substitute agreed to in conference are noted in the following outline, except for conforming, clarifying, and technical changes.

SECTION 2. DECLARATION OF PURPOSE

Both the House bill and the Senate amendment contained declarations of purpose reflecting their respective provisions. The conference agreement contains a declaration of purpose reflecting the agreements reached in conference.

SECTION 3. REHABILITATION SERVICES ADMINISTRATION

The Senate amendment requires that the Commissioner of the Rehabilitation Services Administration be appointed by the President. The House bill contains no comparable provision. The House recedes.

The House bill provides that the Secretary shall establish, within the Rehabilitation Services Administration, a Center for Technological Assessment and Application. Such Center, in consultation with the National Science Foundation and the National Academy of Science, will be responsible for developing, supporting and stimulating the development, utilization and application of technical, medical and scientific achievement and psychological and social knowledge to solve rehabilitation problems.

The Senate amendment provides that the Secretary, through the Commissioner in coordination with other programs in HEW, in carrying out research under this Act, shall establish the expertise and technical competence, in consultation with the National Science Foundation and the National Academy of Science, to develop and support the development and utilization and application of advanced medical technology, scientific achievement and psychological and social knowledge to solve rehabilitation problems.

The conference report adopts the Senate provision.

The Senate amendment provides that funds appropriated pursuant to this Act, as well as unexpended appropriations for carrying out the existing Vocational Rehabilitation Act, are to be expended only for programs, personnel, and the administration of programs carried out under this Act. The House bill contains no comparable provision. The House recedes.

SECTION 7. DEFINITIONS

In the definition of "establishment of a rehabilitation facility", the House bill provides that the Commissioner shall prescribe regulations with regard to rehabilitation facilities and the expenditure of funds. The Senate amendment provides that the Secretary shall prescribe these regulations. The House recedes.

In the definition of "Federal share", the House bill provides that the Commissioner shall prescribe regulations with respect to the expenditures of political subdivisions of States which may be treated as State expenditures. The Senate amendment provides that the Secretary shall prescribe these regulations. The House recedes.

The House bill defines the term "handicapped individual" to mean any individual who (A) has a physical or mental disability which for such individual constitutes or results in a substantial handicap to employment and (B) can reasonably be expected to benefit from vocational rehabilitation services.

The Senate amendment provides that the term "handicapped individual" means any individual who (A) has a physical or mental disability which for such individual constitutes or results in a substantial handicap to employment and (B) can reasonably be expected to benefit in terms of employability from vocational rehabilitation services provided pursuant to titles I and III of this Act.

The conference agreement includes the Senate provision, but the Conferees note that the phrase "in terms of employability" is merely clarifying in nature and does not differ substantially from the House provision.

SECTION 8. ALLOTMENT PERCENTAGE

The House bill provides that the Commissioner, while the Senate amendment provides that the Secretary, shall promulgate the allotment percentages. The House recedes.

SECTION 100. AUTHORIZATION OF APPROPRIATIONS FOR VOCATIONAL REHABILITATION SERVICES—BASIC PROGRAM

[In millions]

	House	Senate
Fiscal year 1973	----	$590
Fiscal year 1974	$600	610
Fiscal year 1975	690	640

The Senate amendment further provides that additional sums may be appropriated if Congress deems necessary. The House bill contains no comparable provision.

The Conference agreement adopts the House provision, but with an amendment reducing the amounts authorized to be appropriated to $650,000,000 for fiscal year 1974 and $680,000,000 for fiscal year 1975.

Authorization of Appropriations for Innovation and Expansion Grants.

	House	*Senate*
Fiscal year 1973		$35,860,000
Fiscal year 1974	Such sums	37,000,000
Fiscal year 1975	Such sums	39,000,000

The Senate amendment further provides that Congress may appropriate such additional sums for each such year as deemed necessary. Of the sums appropriated under this paragraph, $1,000,000 each year is to be available only for the purpose of carrying out part D of title I (relating to the study of services to severely handicapped individuals).

The House bill provides for Congress to appropriate such sums as necessary to carry out the study separate from the funds authorized to carry out the innovation and expansion grants under section 120.

The House recedes with respect to fiscal years 1974 and 1975. With respect to FY 1973, see the explanation of section 500(b).

SECTION 101. STATE PLANS

Throughout section 101, the House invests authority in the Commissioner, whereas the Senate amendment invests authority in the Secretary. The House recedes.

The House bill requires that the State plan show the order of selection of individuals to insure that services are provided first to those individuals with the most severe handicaps.

The Senate amendment requires a method of selection insuring special emphasis to those individuals with the most severe handicaps.

The Senate recedes. The Conferees retained the House language which declares that those individuals with the most severe handi-

caps shall be served first by State rehabilitation agencies. However, the Conferees wish to make clear that it is not their intention that the Rehabilitation Services Administration or any State rehabilitation agency discontinue or refuse services to any handicapped individual because of the type of disability the person has. Moreover, the Conferees stress that this provision and those provisions governing eligibility for services in the basic program are intended to emphasize services to those individuals who have severe physical or mental disabilities and that persons with social disadvantages or handicaps are not by virtue thereof made eligible for services under this program.

SECTION 102. INDIVIDUALIZED WRITTEN REHABILITATION PROGRAM

The House bill provides that the written program shall set forth the terms and conditions under which goods and services will be provided to individuals.

The Senate amendment specifies that, in addition to the terms and conditions, the "rights and remedies" under which goods and services will be provided to individuals shall also be set forth.

The House recedes.

The House bill provides that each written program will be reviewed annually at which time each individual will be afforded an opportunity to review and reconsider its terms.

The Senate amendment provides that the individual may have an opportunity to review such program and renegotiate its terms annually.

The conference agreement, in lieu of "reconsider" in the House bill and "renegotiate" in the Senate amendment, inserts the words "jointly redevelop".

In addition, the Senate amendment provides that the program shall include, where appropriate, a detailed explanation of the availability of a client assistant project.

The House bill has no comparable provision.

The House recedes.

SECTION 104. NON-FEDERAL SHARE FOR CONSTRUCTION

The House bill provides that the non-Federal share is subject to such limitation as may be prescribed in regulations issued by the Commissioner. The Senate amendment provides this authority to the Secretary. The House recedes.

SECTION 110. STATE ALLOTMENTS

Existing law provides that the allotment to the States be based on the amount authorized to be appropriated.

The House bill provides no change in this provision.

The Senate amendment would base the allotment on the amount of money appropriated.

The Senate recedes.

Existing law provides that the allotment to any State shall be at least $1,000,000. This minimum is provided by reducing each State's allotment proportionately.

The House bill provides that a State shall receive no less than $2,000,000 or ¼ of 1% of the amount appropriated, whichever is greater.

The Senate amendment provides that each State shall receive ¼ of 1% or the alternative minimum amount ($2,000,000 unless adequate funds are not appropriated in which event a $1,000,000 minimum would apply to assure that each State receive the same amount as received for the Basic Program under section 2 for FY 1973).

The Senate recedes.

The House bill, but not the Senate amendment, provides that in the event a state allotment is less than the total payments received under section 2 of the Vocational Rehabilitation Act for FY 1973, such State shall be entitled to such additional amounts as necessary to prevent such decrease in payments.

The Senate amendment provides that if adequate funds are not appropriated to permit payment of the $2 million minimum to each State entitled to such minimum without reducing any other State's allotment below its FY 1973 amount, the minimum shall remain at $1 million.

The Senate recedes, subject to technical changes in the House provision to clarify the meaning.

The House bill provides that whenever the Commissioner determines that a State will not utilize its allotment, he shall make such amount available to one or more States. The Senate amendment provides similar authority, after reasonable opportunity for the State agency involved to submit comments. The House recedes.

SECTION 111. PAYMENTS TO STATES

The House bill provides that the Commissioner, whereas the Senate amendment provides that the Secretary, shall make the payment to the States. The House recedes.

SECTION 112. CLIENT ASSISTANCE

The Senate amendment, but not the House bill, requires the Secretary to set aside a portion of the funds appropriated for special projects and demonstrations (section 304 in the Conference report) to carry out client assistance demonstration projects.

The amount set aside was up to $1.5 million, but not less than $500,000 for FY 1973; and up to $2.5 million but not less than $1 million for FY 1974 and FY 1975.

There were to be no less than 10 and no more than 20 geographically dispersed projects.

The purpose would be to provide counselors to inform and advise clients and client applicants in the project area of all available benefits and to assist them in their relationships with projects, programs and facilities.

The project staff was to be afforded reasonable access to policy-making and administrative personnel of State and local rehabilitation programs.

The project must submit an annual report, through the State agency, to the Secretary and the Congress.

A State agency must not discourage individuals from availing themselves of the project services.

The project shall be funded, administered and operated by the State agency.

The Conference agreement contains the Senate provision with the following modifications:

(1) The amount set aside is to be up to $1.5 million, but not less than $500,000 for FY 1974, and up to $2.5 million, but not less than $1 million, for FY 1975, but funds authorized to carry out this program will be made available only if new dollars are added to section 304 funding for special projects and demonstrations above the amount obligated for such projects from appropriations under the Vocational Rehabilitation Act in fiscal year 1973. It is the understanding of the Conferees that no funds will be taken from other sections to pay for client assistance projects and that the level of funding of existing programs under section 304 will not be reduced to provide funding for those projects.

(2) Assistance in relationships with projects, programs, and facilities would be provided clients and client applicants only upon request of a client or client applicant.

(3) The number of such projects and demonstrations would be not less than 7 nor more than 20.

(4) The employees of the projects may not be presently serving as staff or consultants or receiving benefits of any kind from a rehabilitation project, program, or facility funded under this Act in the project area.

(5) Each project is to be afforded reasonable access to policy-making and administration personnel in State and local rehabilitation programs, projects, and facilities.

(6) Projects may be carried on only with the concurrence of the appropriate State agency.

SECTION 120. STATE ALLOTMENTS

The House bill establishes, for innovation and expansion grants, a minimum of $50,000 or such other amount specified as a minimum allotment in an appropriations Act.

The Senate amendment establishes the same minimum, but with no reference to an appropriations Act.

The House bill provides authority to the Commissioner under this part, whereas the Senate amendment provides authority to the Secretary.

In both instances, the conference report includes the language of the Senate amendment.

SECTION 121 PAYMENTS TO STATES

The House bill provides that funds appropriated shall remain available through FY 1976. The Senate amendment provides that funds shall remain available through FY 1975. The Senate recedes.

SECTION 130. SPECIAL STUDY

The House bill requires the Commissioner to conduct a special study of the needs of severely handicapped individuals which would include research and demonstration projects, whereas the Senate amendment provides that the study may include such projects. The Senate recedes.

The House bill authorizes the appropriation of such sums as are necessary to carry out the purposes of the special study. The Senate amendment would earmark funds appropriated for innovation and expansion grants (section 100(b)(2)) to carry out the purposes of this provision. The House recedes.

The Senate amendment requires the report to be submitted no later than January 1, 1975. The House bill requires the report no later than June 30, 1975. The conference agreement requires the report to be submitted no later than February 1, 1975.

SECTION 200. DECLARATION OF PURPOSE

The Senate amendment, but not the House bill, contains a declaration of purpose for a research and training title. The House recedes.

SECTION 201. AUTHORIZATION OF APPROPRIATIONS FOR RESEARCH AND TRAINING GRANTS

RESEARCH

	House	Senate
Fiscal year 1973	--	[1] $20,346,000
Fiscal year 1974	Such sums	[1] 25,000,000
Fiscal year 1975	Such sums	[1] 25,000,000

[1] Plus for each such year such additional sums. Of the funds appropriated 15% in FY 1973, 20% in FY 1974, and 25% in FY 1975 are to be expended pursuant to section 202(b)(2) (Establishment and support of Rehabilitation Engineering Research Centers).

TRAINING

	House	Senate
Fiscal year 1973	--	[2] $27,700,000
Fiscal year 1974	Such sums	[2] 27,700,000
Fiscal year 1975	Such sums	[2] 27,700,000

[2] Plus for each such year such additional sums.

The Senate amendment, but not the House bill, provides that funds appropriated under this title shall remain available until expended.

The House recedes on both items with respect to FY 1974 and 1975. With respect to FY 1973, see explanation of section 500(b).

SECTION 202. RESEARCH

The House bill provides that the Commissioner, whereas the Senate amendment authorizes the Secretary through the Commissioner in coordination with other appropriate HEW programs, to make research grants and contracts. The House recedes.

The House bill, but not the Senate amend-

ment, includes a program for end-stage renal disease research. The Senate recedes.

SECTION 203. TRAINING

The House bill provides that the Commissioner, whereas the Senate amendment provides that the Secretary through the Commissioner in coordination with the other appropriate HEW program, is authorized to make training grants and contracts. The House recedes.

SECTION 204. REPORTS

The Senate amendment, but not the House bill, requires a full report on research and training activities. The House bill contains no comparable provision. The House recedes.

The Senate amendment creates a separate title (title II) for the research and training provisions. The comparable provisions are contained in the House bill among those in title II. The House recedes.

SECTION 300. DECLARATION OF PURPOSE

The Senate amendment contains a declaration of purpose for a title III—Special Federal Responsibilities. The comparable title in the House bill does not. The House recedes.

SECTION 301. AUTHORIZATION OF APPROPRIATIONS FOR CONSTRUCTION OF REHABILITATION FACILITIES

	House	Senate
Fiscal year 1973	----------	[1] $550,000
Fiscal year 1974	Such sums	[1] 500,000
Fiscal year 1975	Such sums	

[1] Plus for each such year such additional sums.

The Senate recedes.

SECTION 302. AUTHORIZATION OF APPROPRIATIONS FOR VOCATIONAL TRAINING SERVICES

	House	Senate
Fiscal year 1973	----------	[1] $10,300,000
Fiscal year 1974	Such sums	[1] 10,300,000
Fiscal year 1975	Such sums	[1] 12,000,000

[1] Plus for each such year such additional sums.

The Senate recedes.

The House bill authorizes the Commissioner, whereas the Senate amendment authorizes the Secretary, to make grants to pay up to 90% of the cost of projects for providing vocational training services to handicapped individuals. The House recedes.

SECTION 303. MORTGAGE INSURANCE

The House bill authorizes a program to provide mortgage insurance for rehabilitation facilities to insure up to 100 percent of any mortgage which covers construction of a public or nonprofit private rehabilitation facility. Administration of the program may be delegated to HUD. Total outstanding mortgages insured may not exceed $250 million. The Senate amendment has no comparable provision. The Senate recedes, except that the $250 million limit is reduced to $200 million.

SECTION 205 OF THE HOUSE BILL. ANNUAL INTEREST GRANTS

The House bill authorizes the payment of annual interest grants to States and public or nonprofit agencies to reduce the cost of borrowing for construction of rehabilitation facilities.

The interest grant will be sufficient to reduce by 4 percentage points the interest rate otherwise payable or by one-half of such rate, whichever is the lesser.

The section authorizes necessary appropriations for the grants and provides that the amount of grants payable will not exceed $1 million in fiscal year 1974, and $4 million in fiscal year 1975. It also provides that no more than 15 percent of the funds provided for interest grants may be used in any one State.

The Senate amendment contains no comparable provision.

The Conference substitute does not include this provision.

SECTION 304. AUTHORIZATION OF APPROPRIATIONS FOR SPECIAL PROJECTS AND DEMONSTRATIONS

	House	Senate
Fiscal year 1973	----------	[1] $12,000,000
Fiscal year 1974	Such Sums	[1] 15,000,000
Fiscal year 1975	Such Sums	[1] 17,000,000

[1] Plus for each such year such additional sums.

The house recedes with respect to fiscal years 1974 and 1975. With respect to fiscal year 1973, see the explanation of section 500 (b).

The Senate amendment, but not the House bill, would require a specific set-aside of 10% of the funds appropriated under this section for services for migratory agricultural workers and further authorizes additional appropriations specifically for such services if necessary to bring the amount available up to $5,000,000. The House recedes with an amendment reducing the set-aside to 5%.

The House bill authorizes the Commissioner, whereas the Senate amendment authorizes the Secretary, to make grants for special projects for handicapped individuals with special problems (spinal cord injured, older blind, and deaf persons, migratory agricultural workers, etc.) The House recedes.

Under the House bill, special project grants for establishing programs and facilities are to be made only to individuals with spinal cord injuries, older blind individuals, and deaf individuals whose maximum potential has not been achieved.

Under the Senate amendment, such grants are to be made to all handicapped individuals for the provisions of services which hold promise of expanding or otherwise improving services to handicapped individuals on such grants shall include grants for services for the individuals mentioned above. The House recedes.

The Senate amendment includes in section 303(b)(2) in clauses (A), (B), (C), and (D) provisions which shall be included in project and demonstration grants for providing services to individuals with spinal cord injuries. The House bill contains no comparable provision. The House recedes.

Both the House bill and the Senate amendment provide that services are to be provided to the families of migratory workers; however, the House bill, but not the Senate amendment, specifies that this is to be the case whether or not such family members are themselves handicapped. The Senate recedes.

Both the House bill and the Senate amendment authorize agreements with employers to prepare handicapped persons for suitable and gainful employment and the provision of technical assistance to rehabilitation facilities and for the removal of architectural and transportation barriers. The House bill gives authority under this section to the Commissioner, while the Senate amendment gives the authority to the Secretary. The House recedes.

The House bill authorizes the appropriation of such sums as may be necessary for each of FY 1974 and FY 1975 for construction and operation of the Center. The Senate amendment authorizes the appropriation of $1,200,000 for the 3-year period—FY 1973, FY 1974 and FY 1975—plus such additional sums for construction and such sums as may be necessary for operation of the Center. The Senate recedes.

SECTION 306. GENERAL GRANT AND CONTRACT REQUIREMENTS

The House bill places authority for carrying out this section in the Commissioner, whereas the Senate amendment places authority in the Secretary. The House recedes.

SECTION 400. ADMINISTRATION

The House bill authorizes the Secretary to make such rules and regulations governing the administration of title III, Administration and Program and Project Evaluation; title IV, Office for the Handicapped; and title V, Miscellaneous. The House bill further authorizes the Secretary to delegate this authority.

The Senate amendment authorizes the Secretary to make such rules and regulations as he finds necessary to carry out the provisions of title I, Vocational Rehabilitation Services: title II, Research and Training; title III, Special Federal Responsibilities; and title IV, Administration of Program and Project Evaluation. The Senate amendment authorizes only such delegations of authority as are otherwise provided for in the Act.

The House recedes.

SECTION 403. AUTHORIZATION OF APPROPRIATIONS FOR EVALUATION

The House bill and the Senate amendment authorize the appropriation of such sums as may be necessary for program and project evaluation.

The Senate amendment limits the amount which may be appropriated to an amount equal to one-half of 1% of funds appropriated for titles I, II and III, or $1,000,000—whichever is greater. The House bill contains no comparable provision. The House recedes.

SECTION 404. ANNUAL REPORT

The Senate amendment, but not the House bill, specifically requires the report on title I to include detailed evaluation of service to those with the most severe handicaps.

The House bill requires the report to include a detailed evaluation of all persons receiving assistance under title I.

The Senate recedes with an amendment requiring that the report on title I services stress evaluation of services to those persons with the most severe handicaps.

SECTION 405. SECRETARIAL RESPONSIBILITIES

The House bill in a separate title IV would establish an Office for the Handicapped in the Office of the Secretary of HEW to perform a number of general coordinating functions such as long-range planning, program analysis and evaluation, and an information and resource clearinghouse.

The Senate amendment requires that the same functions be performed by the Office of the Secretary, but permits without specifically mandating a structural component to carry them out.

The Conference agreement includes the Senate provision.

The Senate amendment requires the Secretary to give special emphasis to qualified handicapped individuals in selecting personnel to assist in the performance of the function assigned to the Secretary. The House bill contains no comparable provision. The House recedes.

AUTHORIZATIONS OF APPROPRIATIONS

	House	Senate
Fiscal year 1973	----	Such sums
Fiscal year 1974	Such sums	$500,000
Fiscal year 1975	Such sums	500,000

The House recedes with respect to fiscal year 1974 and 1975. With respect to fiscal year 1973, see the explanation of section 500(b).

The Senate amendment requires the Secretary to set aside out of sums available to carry out the Act or available pursuant to any other Act, an amount which he determines is necessary and appropriate to enable him to carry out the provisions of this section. He is required also to notify the appropriate committees of Congress of the amounts so set aside. The House bill con-

tains no comparable provision. The House recedes, with a clarifying amendment.

SECTION 407. STATE ALLOCATION STUDY

The Senate amendment requires a thorough study of the allotment of funds among the States of grants for basic vocational rehabilitation services authorized under title I. The House bill has no comparable provision. The House recedes.

SECTION 500. EFFECT ON EXISTING LAW

The House bill in subsection (a) repeals the Vocational Rehabilitation Act effective July 1, 1973, whereas the Senate amendment repeals it 90 days after the enactment of this Act. The House recedes.

The House bill in subsection (b) extends to FY 1973 the authorizations in the Vocational Rehabilitation Act at the level specified for FY 1972. The Senate amendment contains no comparable provision. The Senate recedes.

The House bill in subsection (c) makes the Act effective July 1, 1973, except subsection (b) of this section, which it makes effective July 1, 1972. The Senate amendment contains no comparable provision. The House recedes.

SECTION 501. EMPLOYMENT OF HANDICAPPED INDIVIDUALS

The Senate amendment, but not the House bill, establishes an Interagency Committee on Handicapped Employees.

The purpose of the Committee is to provide a focus for Federal and other handicapped employment, provide for review and approval by the Civil Service Commission of the adequacy of hiring, placement, and advancement practices of Federal agencies with respect to handicapped persons, and for consultation by the Committee with the Civil Service Commission and the making of recommendations by the Committee.

Each Federal department and agency in the executive branch of government (and the Postal Service and Rate Commission) is required to submit to the Civil Service Commission within 180 days after enactment an affirmative action program plan for the hiring, placement, and advancement of handicapped individuals.

The Civil Service Commission is required on June 30, 1974, and at the end of each subsequent fiscal year, to make a complete report to the appropriate committees of Congress on the hiring, placement, and advancement of handicapped individuals in the Federal government, including its recommendations as to legislation or other action to insure the adequacy of such practices, which report shall include the Interagency Committee's evaluation of the Commission's activities.

The House recedes.

SECTION 502. ARCHITECTURAL AND TRANSPORTATION BARRIERS COMPLIANCE BOARD

The House bill, but not the Senate amendment, directs the Board to undertake a study of transportation and housing needs and problems for handicapped individuals. The Senate recedes.

AUTHORIZATIONS OF APPROPRIATIONS FOR ARCHITECTURAL AND TRANSPORTATION BARRIERS COMPLIANCE BOARD

	House	*Senate*
Fiscal year 1973		Such sums.
Fiscal year 1974	Such sums	$1,250,000
Fiscal year 1975	Such sums	$1,500,000

The conference report authorizes the appropriation of $1,000,000 each for fiscal years 1974 and 1975.

SECTION 503. EMPLOYMENT UNDER FEDERAL CONTRACTS

The House bill permits the President to waive the requirements of this section relative to affirmative action programs for employment of handicapped individuals by Government contractors, when he determines that special circumstances in the national interest so require. The Senate amendment contains no comparable provision. The Senate recedes.

Title Amendment.

The Senate amendment, but not the House bill, contains a title amendment. The House recedes.

CARL D. PERKINS,
JOHN BRADEMAS,
PATSY T. MINK,
ALBERT H. QUIE,
EDWIN D. ESHLEMAN,
Managers on the Part of the House.

JENNINGS RANDOLPH,
ALAN CRANSTON,
HARRISON WILLIAMS,
CLAIBORNE PELL,
EDWARD M. KENNEDY,
WALTER F. MONDALE,
BILL HATHAWAY,
ROBERT STAFFORD,
ROBERT TAFT, JR.,
RICHARD S. SCHWEIKER,
J. GLENN BEALL, JR.,
Managers on the Part of the Senate.

PERMISSION FOR COMMITTEE ON MERCHANT MARINE AND FISHERIES TO FILE REPORT ON H.R. 9293

Mrs. SULLIVAN. Mr. Speaker, I ask unanimous consent that the Committee on Merchant Marine and Fisheries have until midnight tonight to file a report on H.R. 9293, to amend certain laws affecting the Coast Guard.

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

There was no objection.

PROVIDING FOR CONSIDERATION OF H.R. 9553, PROFESSIONAL SPORTS—TV BLACKOUTS

Mr. MADDEN from the Committee on Rules reported the following privileged resolution (H. Res. 544, Rept. No. 93–501), which was referred to the House Calendar and ordered to be printed:

H. RES. 544

Resolved, That upon the adoption of this resolution it shall be in order to move, clause 27(d)(4) of Rule XI to the contrary notwithstanding, that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 9553) to amend the Communications Act of 1934 for one year with regard to the broadcasting of certain professional home games. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the amendment in the nature of a substitute recommended by the Committee on Interstate and Foreign Commerce now printed in the bill. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions. After the passage of H.R. 9553, the Committee on Interstate and Foreign Commerce shall be discharged from the further consideration of the bill S. 1841, and it shall then be in order in the House to move to strike out all after the enacting clause of the said Senate bill and insert in lieu thereof the provisions contained in H.R. 9553 as passed by the House.

Mr. MADDEN. Mr. Speaker, I call up House Resolution 544 and ask for its immediate consideration.

The SPEAKER. The Clerk will report the resolution.

The Clerk read the resolution.

The SPEAKER. The question is, Will the House now consider House Resolution 544?

The question was taken; and (two-thirds having voted in favor thereof) the House agreed to consider House Resolution 544.

The SPEAKER. The gentleman from Indiana (Mr. MADDEN) is recognized for 1 hour.

Mr. MADDEN. Mr. Speaker, I yield 30 minutes to the gentleman from Ohio (Mr. LATTA), pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 544 provides for an open rule with 1 hour of general debate on the bill (H.R. 9553) to amend the Communications Act of 1934 for 1 year with regard to the broadcasting of certain professional home games, that is home professional sporting events. The resolution (H. Res. 544) provides for a waiver of clause 27(d) of rule XI of the rules of the House of Representatives, the 3-day rule.

It also provides that after the passage of H.R. 9553, the Committee on Interstate and Foreign Commerce shall be discharged from the further consideration of the bill S. 1841 and it shall then be in order in the House to move to strike out all after the enacting clause of the said Senate bill and insert in lieu thereof the provisions contained in H.R. 9553 as passed by the House.

The bill H.R. 9553 provides that if any game of a professional sports club is to be televised pursuant to a league television contract and all tickets made available 5 days or more before the scheduled beginning time of the game have been purchased 3 days or more before such time, no agreement preventing the televising of such game at the same time and in the area in which the game is being played will be valid.

Mr. Speaker, at the hearings before the Rules Committee it was brought out that the promoters of professional football and possibly baseball, basketball, and hockey have developed into something possibly converging on or becoming a promoter's bonanza to unreasonably profiteer on the sports loving public.

I used to attend football regularly when one could see the best games for $3 possibly, or at the most $4. Testimony was brought out before the Rules Committee that tickets have gone up and in some locations in the major part of the stadium the cost for a seat is $15, $20, and in some stadium locations $25.

The airwaves belong, as far as ownership is concerned, to the people of this country. Besides these high prices that the promoters of professional athletics pertaining to football, basketball, and

hockey are charging, they are probably taking advantage of and violating all the price freezes, regulations of price control, and they are profiteering beyond all degree of imagination.

In fact, it was brought out, Mr. Speaker, that some of our big corporations in the country are buying up blocks of football and basketball season tickets, and they are distributing them out to their customers, friends, and the public, and they are securing tax exemptions on the same. Unless something is done to curtail this profiteering on sporting events millions of our youth will be denied the viewing and participation of recreation and athletic events which was enjoyed in former years. I fear possibly when Watergate closes, we may have stadium gate.

Mr. Speaker, I want to compliment and thank the Interstate and Foreign Commerce Committee and thank the Senate for passing this legislation, as I think it is high time for the Congress to do something about profiteering in professional sport.

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

Mr. LATTA. Mr. Speaker, I do not know whether I have anything else to say because I think the gentleman from Indiana has covered everything except Chappaquidick and the Bobby Baker case. I do not think professional football is a racket.

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

Mr. LATTA. I yield to the gentleman from Indiana.

Mr. MADDEN. Mr. Speaker, I did not say professional football was a racket, but some of the promoters are making a racket out of it.

Mr. LATTA. Mr. Speaker, I am glad the gentleman has clarified that.

I think it is a clean sport, and I think the man at the head of it, Pete Rozelle, plays a pretty clean game. I think the American public is pleased with what they are getting. If they were not, we would not have this bill here today and there would not be the demand on the part of the American people to see these games that produced this bill.

I do not think I have ever seen in my time on the Rules Committee a bill get such a quick hearing in my life as this bill. As I understand from the chairman of the committee, they are going to rush this right down to the President today so that come Sunday, the American public can see these football games.

I think, even though I might disagree with some of the language in the bill, I think it is a good bill, a good rule, and I intend to vote for it.

Mr. Speaker, I am going to have to yield 5 minutes to the gentleman from New York, a former football player, Mr. KEMP.

(Mr. KEMP asked and was given permission to revise and extend his remarks and include extraneous matter.)

Mr. KEMP. Mr. Speaker, I appreciate the gentleman's yielding. I hope that I do not come before the House as a professional football player. I come before the House as a colleague.

I hope the Members will recognize that I am taking this time during debate on the rule to make some points which under general debate I may not have the time to make in detail.

I do not oppose the rule. I am glad it is an open rule and that the bill will be open to amendment. I will have something to say at appropriate moments during the general debate.

I join my distinguished colleague from Ohio (Mr. LATTA), a member of the Rules Committee, in amazement over the dispatch with which this legislation is moving through the Congress and the speed with which we are handling an issue of such great national import. I believe in retrospect that only the Gulf of Tonkin resolution moved equally fast.

I take the floor today to speak in opposition to the legislation. Lest anyone say at the outset, "Jack Kemp has a vested interest," I will say, "Yes, I do." I am a player. I played professional football for 13 years. I have a vested interest in the pension plan.

I am a fan, like all other Members. I discuss football. I watch it with my children. I want to see more of it.

I have friends playing the game. I have owners as friends. The commissioner is a friend of mine.

I could not have, I guess, a more vested interest in all sides of it. I own season tickets for which I paid. I go to all the games I can.

But I oppose the legislation because, very sincerely, I do not believe it is going to be in the interest of professional football fans. I do not believe it is right for Congress to radically alter the merchandising of NFL TV policy which, over the years, has led to such a tremendous growth of the game, in the interest not just of owners, but of the players and fans as well.

The growth of professional football in the past decade has led to unprecedented job opportunities. There are more people playing football. There are better salaries and better fringe benefits than ever before in the game. Television has helped to contribute to that.

Rather than being "promoters" or "racketeers," as they have been so intemperately called, NFL owners are businessmen interested in maximizing their profits. At the same time they have brought a product to the consumer today that is popular and popularly priced. I might add, more people are watching football today than ever before because of a TV policy that provides for nearly 75 games a year to be broadcast into each league city each season.

When I started out in pro football in 1957, in the National Football League, there were only 12 teams, with few jobs, and salaries that were ridiculously low. One did not get any football games in his hometown when the hometown team was playing, and when they went on the road fans did not get road games telecast back home.

The basic argument to be used today, in favor of this legislation is well-known. Because there have been limited antitrust concessions made to pro football in 1961 and 1965, pro football owes the public a quid pro quo.

I am suggesting that the TV policy of the National Football League is now and has been in the public interest. It has been bringing more football games to more people than ever before, and it has also been in the interest of the players for it maximizes stadia attendance which in the final analysis is the lifeblood of the game.

The limited exemption to the antitrust laws that Congress granted, in 1961, had nothing to do with the blackout issue. That was granted to professional football in 1961, so that the NFL could pool their TV rights and sell them as a package. That had already been done in baseball, hockey, and basketball it had been done in the American Football League.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. LATTA. Mr. Speaker, I am glad to yield the gentleman an additional 3 minutes.

Mr. KEMP. Mr. Speaker, the 1961 exemption was not any blanket exemption from antitrust. Pro football is not exempt from antitrust; it is very much under the antitrust laws.

This is a very limited exemption. Did it work out to the interest of the fans? Yes. I will tell you why it did. What that 1961 exemption did was to allow the clubs to pool their rights in the TV product and offer it as a package, as the owners in the AFL and the other pro sports were already doing at that time.

It allowed them to turn around and broadcast to small markets: For instance, Green Bay, Wis.; Buffalo, N.Y.; Denver, Colo., and other areas of the country that could not compete with Los Angeles or Chicago in the TV market area.

Mr. Speaker, this was the NFL policy. So our games were being broadcast; the away games were being broadcast back to the home town. There was no blackout.

It is unprecedented, I believe, for Congress to tell someone how to merchandise his product, and in such a way as perhaps to radically alter what one feels is in the best interest of the continued growth of the game. And the growth of the game, I would suggest, has been in the best interest, not just of the owner, but it has been in the best interest certainly of the player and of the fan.

Mr. Speaker, I can speak with great passion on this subject, having come from the American Football League of 1960, when people were not attending the games in numbers that would allow the AFL to operate solvently.

Now they are making money for the first time in a long time. Second, there are more jobs, unprecedented jobs, and more people are watching TV than ever before.

Mr. Speaker, I will have more to say on the subject, but I do hope that my colleagues will give due consideration to this legislation.

I realize, as the National Football League realizes, that we are faced with a fait accompli. The Committee on Rules recommends passage.

The passage of the bill in the other body was overwhelming, and we are going

to be asked today, I hope, to look at this on an experimental basis. I hope that we can come back in a year and take a look objectively and fairly at what has happened to pro football by this unprecedented action.

I believe fan interest will be reduced. The legislation will increase no-shows—that is, people who would buy tickets will remain home on a rainy or cold day and they will say, "I think it is just too much trouble to go to the stadium and see a game today, I'll stay home."

Mr. Speaker, I talked to the Buffalo Stadium authorities and other stadium authorities, and they tell me their construction bonds are being amortized by the revenue from the concessions. Concession revenues and consequently construction bond amortization payments will be reduced or jeopardized by no-shows.

In my opinion, the intent of legislation under consideration, while quite sincere is misguided. As one who opposes congressional action forcing pro football to radically alter the merchandising of their TV package, I am distressed to hear my position narrowly interpreted as pro business, or antiplayer, or even anti-fan. I believe those labels to be ad hominem. I submit that the TV policy of the NFL is more progressive today than ever before and that it is now and has been in the past an integral part of the tremendous growth of the game. This growth, I am persuaded, is as much in the interest of the fans and the players as it is for NFL owners.

Professional football is a very special kind of business venture. It requires the existence of a sports league, comprised of individual teams of competitive and approximate strengths and skills. Each team's financial stability is inextricably bound to the economic success of the other teams in the league. So in that sense it is a cooperative business enterprise, while at the same time, teams must be competitive on the field. It is this understanding which prompted, I believe, the Congress to extend two selective exemptions to pro football during the past 15 years—in 1961 covering the joint sale of TV contracts so as to allow all teams equal access to TV revenues, and in 1966 allowing the AFL–NFL to merge.

The effect of the exemption of 1961 has been, I believe, misunderstood. The pooling arrangement was to further equalize the resources of the NFL member clubs by having each team share on an equal basis in the TV revenues and also to provide that each team's away games be televised back to the home city. These two things the AFL, of which I was a member at the time, had already been allowed to do legally.

This was particularly important to cities with small TV markets which otherwise would not have been able to see their team play games on the road. I mention this because I have heard much criticism of the TV policy of the NFL for not serving the public interest, particularly in light of the two selective antitrust exemptions they have been given.

In actuality, the television policy of the NFL has, to a large extent, helped create the amazing market which it presently enjoys, the phenomenal growth of the sport over the past 15 years is unquestionable. Accessability to more teams, visibility on television, coverage in the news media, instant analysis by Howard Cosell are just a few examples of the mushrooming interest in the NFL and pro football. Attendance has grown from 3 million in 1957 to more than 15 million in 1972. More than 74 telecasts of NFL games reach into each league city on each Sunday afternoon. Average attendance has risen from 39,000 to over 60,000 per game. It seems to me that for Congress to upset the TV policy which has made much of this growth possible, would be a mistake which could precipitate serious problems.

It is obvious from the mood of the Congress that some form of this legislation will surely pass in the near future. I would hope that it would be on a 1-year experimental basis and that we come back here in a year and look fairly and objectively at the results. Some recent experiences, I believe, portend trouble.

My wife and I attended the most recent Super Bowl game in Los Angeles. Commissioner Rozelle lifted the TV blackout in Los Angeles when the game became a sellout 10 days in advance. Then, as some anticipated, almost 9,000 of those who purchased tickets did not bother to come to the game. It was a beautiful day. Sunny, warm and comfortable. But 8,746 persons decided it was more convenient to watch the game on their TV sets.

Suppose they had played the game the following day when the rain drenched Los Angeles. Half the seats in the Coliseum might have been empty. What would happen in the winter to cities and teams who have vested interests in concession, parking and radio revenues?

Football stadia would be cold places without people in the seats. Take away the spectators and the game will deteriorate. As the commissioner has said:

> What is most important is that as many fans as possible attend the games. Their presence vitally affects the competitive atmosphere. Fan dedication once lost may never be regained. We would far prefer to be criticized by crowds than to be ignored by empty seats.

During the 1972 season, a total of 624,686 tickets were purchased but not used. And this occurred in areas where home games were blacked out. To an extent, pro football is at the mercy of the weather. On two cold but clear December days in Kansas City, where the Chiefs play in a new facility, Arrowhead Stadium, more than 50,000 ticket purchasers did not attend the games. A December game between the New York Jets and Cleveland Browns was technically a sellout but 17,530 persons owning tickets did not show up in Shea Stadium.

In opposing these bills, Commissioner Rozelle has made an interesting point:

> We hear this proposal continually referred to as a "blackout" issue. The fact is that it is not a blackout issue at all. NFL home territories are no longer blacked out on Sunday afternoon even when the home team is playing a game at home; two or three NFL games are telecast in each home territory each Sunday afternoon. This proposal therefore does not deal with blackouts—it is an effort to prescribe by statute which NFL games must be telecast in what area on what occasion.

Pro football TV policy has been continually upheld in the courts. The legal right of the home team to black out games in its territory was first upheld by Federal Judge Allan K. Grim as long ago as 1953.

In 1962, a Federal judge in the city of New York upheld the legality of the NFL's TV blackout within a 75-mile radius, denying an injunction to compel a live telecast of the championship game in the New York area.

A Federal district court in California dismissed a suit to compel the NFL to telecast the 1967 Super Bowl game live in the Los Angeles area.

A Federal court in Florida dismissed a suit to force a live local telecast of the 1971 Super Bowl game in the Miami area.

A Federal district court in Louisiana upheld a local blackout of the 1972 super bowl game in New Orleans.

A Federal judge in Washington, D.C., upheld the local blackout of a national conference divisional playoff game at Robert F. Kennedy Stadium. Then the U.S. Court of Appeals, the ninth court to consider the issue since 1962, refused to overturn the findings of the lower court.

Pro football is experiencing unprecedented prosperity precisely because it has exercised restraint in its television programing. It learned from the example of the Los Angeles Rams in 1950. That was the year the Rams televised home games locally under the sponsorship of Admiral TV. Admiral guaranteed an annual gate revenue based on attendance of the five previous seasons. The result: even though the Rams won a conference championship, attendance declined by 46 percent. Admiral got stuck with a big tab.

Yet the game is not so strong as to be invulnerable. It is a game that cannot be played very often, thus league competition is limited to just 14 weekends. The NFL must attract maximum attendance within a short period; capacity crowds for each of seven home games is a minimum and necessary objective.

The two teams competing in a local football contest are not obligated to make their entertainment event available on free home television in the area where the game is being played any more than the producers of any other form of entertainment.

The practice is wholly without antitrust implications, since it has nothing to do with competition among the member clubs of the league, testimony of the Justice Department in behalf of the administration to the contrary notwithstanding.

As we discuss this issue in which professional football and Congress become embroiled, it is incumbent upon us to understand those conditions which make possible the continued fan involvement and enjoyment of the game, consistent with the rights and best interests of the players but, at the same time, we must not forget the need for continued growth of the game.

There exists a good deal of empirical evidence to support the contention that

pro football has been a resounding success with players and fans. Attendance has grown from 3 million in 1957, when I was a 17th round draftee of the Detroit Lions, to more than 15 million in 1972. Average attendance has risen from 39,000 to 58,000 per game. Since 1957, 13 stadiums have been constructed, 3 more are in construction. In addition, stadium plans are under consideration in both Baltimore and Detroit.

So, too, television football fans have enjoyed increasing TV coverage of pro football. On any given Sunday afternoon, at least three pro grames can be seen in major cities.

From the players' vantage point, the picture is of course debatable but in my view the picture is impressive. Average salaries have jumped from $9,500 in 1957 to more than $30,000 in 1972, not including fringe benefits, insurance, and medical coverage valued at about $8,000 annually. In 1957, players had no pension plan. In 1972, a rookie who plays for 5 years and who starts to collect his pension at age 55 will receive $500 a month. If he starts to collect at 65, he will receive $1,250 a month. My pension after 10 years in the AFL will be around $650 a month at age 55 and $1,700 a month at age 65 whereas in 1965 it was $50 a month at age 65.

The number of jobs available in the ranks of pro football has grown from 396 in 1957 to 1222 in 1972.

Let me explain the central issue which sets pro football and other pro team sports apart from traditional business. Competition in professional football is not naturally derived. A sports league itself is an artificial conception kept alive by elaborate rules designed to develop an economic potential and provide stable employment opportunities. Without such rules, professional football would rapidly deteriorate into mere casual exhibitions of athletic prowess without an economic base and without widespread employment potential.

In the second place, the relationsip which exists between member clubs of a single football league is wholly unique. If a league is to be successful, it must take steps to insure substantial equalization of opportunity among all clubs of its league. Failure to do so jeopardizes the league itself. This follows because the economic relationship between member clubs of a league is like no other relationship found on the American scene. Every club plays one-half of its games on the roads. Thus almost one-half of each club's gate income is directly dependent on the successful operation of every other franchise of the league. The home-away TV split is 60–40 percent. Because of the limited number of games possible in pro football, near capacity crowds are important to all clubs. A "sick" franchise is almost as much a problem for the other clubs of its league as it is for the club itself. Indeed, it has on occasion been necessary for the remaining clubs of a league to contribute financially to, or take over the operations of, individual clubs simply to insure the league's continued operation. The rules and practices of the sport make it less likely that "sick" franchises will exist. The draft and the option clause—those practices which make possible a greater equalization of talent—have made the professional football industry much more stable and more attractive to the public.

The courts have considered the rightful relationship of professional sports to the law on numerous occasions. In 1953, the Supreme Court in *U.S. v. National Football League* (116 F. Supp. 319) (E.D. Pa. 1953), said:

> Professional football is a unique type of business. Like other professional sports which are organized on a league basis it has problems which no other business has. The ordinary business makes every effort to sell as much of its product or services as it can. In the course of doing this it may and often does put many of its competitors out of business.
>
> Professional teams in a league, however, must not compete too well with each other in a business way. On the playing field, of course, they must compete as hard as they can all the time. But it is not necessary and indeed it is unwise for all the teams to compete as hard as they can against each other in a business way. If all the teams should compete as hard as they can in a business way, the stronger teams would be likely to drive the weaker ones into financial failure. If this should happen not only would the weaker teams fail, but eventually the whole league, both the weaker and the stronger teams, would fail, because without a league no team can operate profitably.
>
> The winning teams usually are the wealthier ones and unless restricted by artificial rules the rich get richer and the poor get poorer (as Commissioner Bell put it). Winning teams draw larger numbers of spectators to their games than do losing teams and from the larger gate receipts they make greater profits than do losing teams. With this greater wealth they can spend more money to obtain new players, they can pay higher salaries, and they can have better spirit among their players than can the weaker teams. With these better and happier players they will continue to win most of their games while the weaker teams will continue to lose most of their games. The weaker teams share in the prosperity of the stronger teams to a certain extent, since as visiting teams they share in the gate receipts of the stronger teams. But in time, even the most enthusiastic fans of strong home teams will cease to be attracted to home games with increasingly weaker visiting teams. Thus, the net effects of allowing unrestricted business competition among the clubs are likely to be, first, the creation of greater and greater inequalities in the strength of the teams; second, the weaker teams being driven out of business; and third, the destruction of the entire league.—116 F. Supp. at 323–24.

What Congress must consider, and what I hope the league and the players and fans will recognize is that limited antitrust exemptions which I think are properly within the purview of congressional action, stem from a need to preserve the "nature of the sport, and not a need to preserve the nature of the business." In other words, the exemptions are required to maintain the high degree of competitiveness in pro football, and not to give the pro football business any particular business advantages over any other kind of business enterprise.

While I am on the subject, and for the record, proposals have been put forth in the Congress as early as 1958 to accomplish these goals. Senator Hart introduced legislation which sought the same objectives in 1965. What must be done is to clearly place all professional sports firmly within the antitrust laws and then proceed to define with particularlity those areas where exemptions are necessary to allow team sports to operate effectively within leagues; to take actions aimed at balancing playing strength and to preserve the integrity of the sport.

As a player in the AFL and as the president of the AFL Player's Association at the time of the AFL–NFL merger, I supported that move because I could foresee the day when the continued competition for talent between the AFL and the NFL would lead to the destruction of several AFL–NFL teams. The AFL could have died as the All-American Conference did in the early 1950's. It seemed logical to me, and in the best interest of the players I represented, to encourage participation in a 26-team league—stable, financially solvent, with greater employment for more football players all over the country, increased TV gates and boosted player pension plans and salaries. In retrospect, that was a wise decision. The deleterious effects some warned of did not come about. In fact, I believe the NFL players benefited as well, but most of all, I think, the fans of pro football have benefited.

Mr. MADDEN. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, in answer to some of the statements which were just made, I do not think anybody is opposed to football or professional football, but I have said before that we are opposed, I say advisedly, to the unreasonable increase in the prices of tickets and also the multimillions of dollars which are being paid by the networks for just a few minutes of television time.

The question at issue here is: Why is it that these promoters are against people living within a short distance of cities and towns where the games are being played and when the stadium is sold out.

Mr. Speaker, the people living within a short radius of those stadiums certainly are entitled to tune in and witness the event.

That is all this bill does. It gives the people in these areas an opportunity to sit in their homes and watch the games, when the stadiums are sold out.

I hope this antiblackout bill is passed by a large majority.

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

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. STAGGERS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 9553) to amend the Communications Act of 1934 for 1 year with regard to the broadcasting of certain professional home games.

The SPEAKER. The question is on the motion offered by the gentleman from West Virginia (Mr. STAGGERS).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 9553, with Mr. ZABLOCKI in the chair.

The Clerk read the title of the bill.

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

The CHAIRMAN. Under the rule, the gentleman from West Virginia (Mr. STAGGERS) will be recognized for 30 minutes and the gentleman from Ohio (Mr. BROWN) will be recognized for 30 minutes.

The Chair recognizes the gentleman from West Virginia (Mr. STAGGERS).

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

Mr. Chairman, before I start I would like to indulge in a little bit of levity. If the House will listen to this for just a moment, I would like to read something. I was just handed a release which came over the wire service here, which reads as follows:

WASHINGTON.—The House passed legistion today to lift the local television blackouts on home pro football games if they are sold out 72 hours in advance of the opening kickoff.

House action followed approval of the bill by its Rules Committee.

Mr. Chairman, that is pretty fast action. It really is. There are a lot of people who have faith that we will pass this legislation, and I hope their prediction is true.

The Senate passed a bill on this matter last Thursday by a vote of 76 to 6. The Subcommittee on Communications and Power brought the bill before the House (H.R. 9553) with one dissenting vote, a voice vote, and the full committee then debated it, and it came out of the full committee with one dissenting voice vote.

This affects pro football, baseball, basketball, and hockey.

Here is the big thing I want all of you to remember. They have to be sold out 72 hours in advance.

We want to be fair with all of the professional sports leagues. I cannot see where anybody can complain if they are sold out 72 hours in advance. I cannot see why anybody would kick against this at all.

We say the ticket offices must be open 5 days ahead of time so they cannot wait until a day or 2 beforehand and say, "We have not sold two or three tickets here." I do not see why the people who pay the taxes to build these stadiums should not have an opportunity to see what they paid for and the sold out games which are played inside the stadium.

That is all we are doing here. We are permitting the citizens who paid the taxes to build some of these stadiums and arenas to see the sold out professional football, baseball, basketball, and hockey games that are played inside and televised elsewhere under a league television contract.

I do not think anybody can disagree with that in any way.

The Senate is standing by right now, waiting for this legislation, and I hope that we can vote right away. I talked with Senator PASTORE, and he said to me that he was having a hard time keeping some of the Members of the Senate around there to vote on the bill this afternoon. They are waiting for us to send it over. I hope that we can get through with the bill shortly.

The committee has one amendment, and perhaps two. One of them is to agree with something that was discussed in talking with Senator PASTORE. This would terminate the legislation on December 31, 1975. The other is a technical amendment.

There are a lot of people who want to speak on this because I know it affects the constituents of most everyone in this House. I am going to ask unanimous consent for everyone to have the privilege of revising and extending their remarks on the legislation. I hope we will not have too much debate on it. I hope that within the next 15 to 20 minutes we can go into the amending stage.

The Justice Department is for the bill, and the President has stated publicly that he is in favor of the bill.

With those remarks, I will be glad to answer any questions. That is just how simple the bill is. It provides that if the stadiums are sold out 72 hours in advance then the people in the city which would otherwise be blacked out would have an opportunity to see that game. I do not see where anyone could disagree with that. It is just that simple a proposition.

Mr. Chairman, I will now yield such time as he may consume to the chairman of the subcommittee, the gentleman from Massachusetts (Mr. MACDONALD). H.R. 9553 is his bill.

Mr. MACDONALD. Mr. Chairman, I appreciate the Chairman, the gentleman from West Virginia (Mr. STAGGERS) yielding to me. I intend to be just as brief as I possibly can.

I think we all understand the bill, more or less. I am sure everyone has their mind made up. But in order to comply with the rules of evidence, and have something in the record that can be shown, if anyone appeals to the Supreme Court, I think we ought to present just a little legislative history.

I would like to point out that those Members who have taken the time to read the bill find that we have bent over backward as far as our committee was concerned to be fair to everybody concerned.

I have no quarrel with the gentleman from Indiana, but I do not agree with the gentleman that this sport has in any way, shape or form been taken over by racketeers or that it is operated as a racket, or anything else. It is a good sport; it is a great sport. We are trying to help it, and to see it prosper.

As a matter of fact, we have helped it prosper. As the Members know, when we gave them the antitrust exemption in 1961, it went to network contracts, negotiated between the league and a network. That was a violation of the antitrust laws without our exemption. I believe we did so wisely, and that it was in the interest of the public as well as the interest of the owners of those teams in giving them this. And, believe it or not, the figures that are available show that the NFL's income received from TV has gone up 700 percent since that time. Now they rely very heavily on the revenue that comes from radio and TV.

I believe that we asked very politely for 2 years running if they would please take into consideration a lifting of the blackouts in a situation where all of the tickets had been sold out.

I personally thought that a 48-hour sellout was enough, but they made a case, and the committee—Mr. STAGGERS and the rest of us—went along with 72 hours. That is 3 days before the game. Everyone is saying that this is going to adversely affect football. It is not going to adversely affect football—if the Members listen to the people who are saying we are hurting football—because when the sale of these tickets drops off, this bill becomes inoperative. They have to have a sellout 3 days in advance before the sanctions this bill become operative.

Personally, I see nothing unfavorable to football in that.

People have talked about the no-shows. I think one reason that there were no-shows at the Super Bowl—where Mr. Rozelle and others had reference to straws in the wind and things that might come about—was the fact that, as we saw in this week's paper here in Washington, scalpers were trying to unload their tickets and scalpers would never show anyway, because they just went into it as a commercial venture. So even before the bill has taken effect we have done some good for the people of Washington in eliminating the scalpers' market.

But to go into details of how the bill operates, in addition to the blackout, we have provided for injunctive relief in the event that the league tries to get around the prohibitions that this bill contains. Any interested person can seek injunctive relief at the nearest court. I might say, parenthetically, that having listened to the owners of some of the clubs and to Pete Rozelle, the commissioner of football, I am personally convinced that they will not try to contravene either the spirit or the intent of the legislation that I hope will come out of this House and has already come out of the Senate.

As reported by the subcommittee and subsequently by the committee, H.R. 9553 is in the form of permanent legislation. It is my firm belief, and the belief of the overwhelming majority of the committee members, that permanent legislation is entirely justified. There was no indication in any of the testimony before the subcommittee that the conditions affecting the telecasing of professional sporting events were likely to change within the foreseeable future in light of the legislative action proposed by H.R. 9553. Thus, the subcommittee decided to approach the problem on a permanent basis.

The alternative suggested by National Football League commissioner, Pete Rozelle and that contained in the Senate bill is a 1-year experiment beginning this season. However, as Commissioner Rozelle testified, the validity of a 1-year approach is seriously compromised inas-

much as tickets have already been sold and policies already determined for the season which begins next Sunday; and obviously, therefore, the 1973 season would not be a fair trial.

Thus, in an effort to avoid a time-consuming conference with the Senate which would delay the final enactment of this important legislation beyond the opening of the new season, I have proposed to the sponsor of the Senate bill, Senator JOHN PASTORE, that we agree on a bill which would be in effect until December 31, 1975. Senator PASTORE has agreed to abandon his 1-year experimental legislation in favor of the approach embodied in H.R. 9553 with the amendment which I proposed to him. He has assured me that such a bill will be acceptable to the Senate, thereby avoiding the necessity of a conference on this legislation.

The legislation before us is a bill which truly serves the public interest and which merits the support of every Member of the House. I ask that we move with all possible speed to adopt H.R. 9553 with the amendment which will be offered by either Mr. STAGGERS or myself.

We have been fair, in my judgment, to the league. The league is well run; the league has prospered; the American people have supported football; they will continue to do so, in my judgment; and I feel that those fans who would like to purchase tickets to go see the games that are sold out should also be considered. This is no free ride. This is not telling the National Football League that they have to give away their product. They are selling a product; it is a good product. The American people buy it. Many of us here buy it.

I urge that we all get together about this. I do not personally share the remarks against football, as the gentleman from New York (Mr. KEMP) knows, having testified before our subcommittee.

I feel it is a great sport; it is a well-run sport; and I hope that the Members will have an opportunity to read the bill to see what it does and will see that this is a good idea. Let us pass this bill.

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

Mr. BROWN of Ohio. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, an overwhelming majority of my colleagues and I urge prompt and full support of H.R. 9553, the bill which lifts local television blackouts of home games of professional football, hockey, baseball, and basketball. Our rapid and virtually unanimous committee action on the bill was the result of widespread interest in the issue, full and thorough hearings and past congressional help for professional sports.

In 1961, Congress granted the four major leagues exemption from anitrust provisions so each league, acting on behalf of their member teams, could negotiate and collectively sell leaguewide broadcast rights to network media. Congressional intent at that time was to help professional sports attain financial stability and viability. Our goal was achieved, especially in professional football.

In 1961, primarily all of NFL revenues were derived from gate receipts, whereas presently about one-third of NFL revenue is derived from television contracts. In 1962, the first year under the exemptions, the television contract amounted to $4.6 million or $332,000 for each of the 14 existing NFL clubs. The eight AFL clubs received about $212,000 each. Presently, the television contract for the league is reported to amount to $46 million or $1.8 million for each club.

Furthermore, professional football also gained unprecedented popularity. Four additional club franchises have been granted. Additional games are being played by each team. Most clubs have obtained new or enlarged stadiums.

Attendance has more than doubled. In recent years, this increased attendance has resulted in a great many sold-out games. In 1972, a total of 12 clubs sold out all of their games prior to the beginning of the season; 124 of the 182 games played in 1972 were sold out; 95 percent of the games played had 95 percent or more capacity crowds.

The league and the teams have benefited.

The wealthy investors and owners have profited further.

The season ticketholder has benefited.

But, a tremendous number of local fans cannot even watch their home team play. About 35 percent of the Nation's population resides in blacked-out areas.

In view of these factors, and in view of the fact that the blackouts no longer seem necessary, the obviously appropriate action for league officials was to lift the blackouts. But the response of the NFL and the other power brokers was a not-too-subtle "Public be damned." Apparently the wealthy cannot appreciate the needs of those without season tickets and without the resources to buy them.

Their attitude left no choice for Congress. Your committee reported H.R. 9553 which lifts blackouts but also protects the teams affected. Under its provision, a home game has to be sold out 72 hours in advance, before the local blackout can be lifted. And, under its provisions, the FCC will study the effect of the legislation, reporting to Congress once annually. As the ranking Republican on the Communications and Power Subcommittee I know our committee will give the utmost annual scrutiny to the effect of our legislation.

The legislation, indeed, has adequate safeguards.

It is needed.

And the need for H.R. 9553, as the chairman of our subcommittee pointed out, is now.

I urge your suppport of this legislation.

Mr. Chairman, I would like to clarify one point with the chairman of the subcommittee, the gentleman from Massachusetts (Mr. MACDONALD). I want to make clear in legislative history this point, that on games where it has been previously agreed that the blackout will be lifted and they would appear on free TV, all free TV would have the opportunity to bid on those games?

Mr. MACDONALD. Commercial TV, all commercial TV.

Mr. BROWN of Ohio. Ordinarily we do not, by arranging for that, bar the possibility of pay TV also having an opportunity to show those games although not with priority over free TV.

Mr. MACDONALD. That is correct. That is under the present setup of CATV.

Mr. MURPHY of New York. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from New York.

Mr. MURPHY of New York. Mr. Chairman, the House is acting now on this legislation which is of an experimental nature over a period of 3 years.

One thing concerns me. While I do not expect it to happen, it is conceivable that in a few years the FCC, which is to study this issue, or the leagues could present Congress with convincing evidence demonstrating that the blackout is essential to the continued viability of pro sports. If after thorough reexamination we decide not to renew the legislation, I would hope today's legislation would have no precedential influence or effect on future league arrangements for the sale of game rights or FCC regulations dealing with such. Is this a correct interpretation?

Mr. BROWN of Ohio. I am not sure I got what the gentleman's effort to make legislative history is aimed at. What does he mean by not being a precedential?

Certainly, what we have established is precedent in the law.

Mr. MURPHY of New York. Would this be purely limited to free television, or if we repealed this at a future time, would the opportunity for cable or commercial systems have the ability to bid with the teams over the league?

Mr. BROWN of Ohio. I assume that decision would have to be made at the time of whatever decision the Congress would have to make when it failed to renew this legislation, or to repeal it.

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

Mr. BROWN of Ohio. I yield to the chairman of the subcommittee for his comment.

Mr. MACDONALD. Mr. Chairman, it is quite a way down the pike and sort of an iffy question. I can answer the gentleman directly by saying that this legislation is not aimed to affect the operating process or competitive open market. But this would not preclude anybody from entering into businesslike negotiations for the league with whomever they want to deal with. The league contract has another year to run. They have initialed a contract which will extend for a 4-year period, which is much longer than this bill has effect. They will be locked into that agreement and it has already been initialed and is just awaiting the regular procedure of signature. That will be done very quickly, and that contract covers commercial TV.

Mr. MURPHY of New York. Mr. Chairman, I am happy that the legislation will not be prejudicial in this instance.

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

Mr. BROWN of Ohio. I yield to the gentleman from Indiana.

Mr. HUDNUT. Mr. Chairman, I would like to associate myself with the remarks of the gentleman from Ohio and in support of the legislation.

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

Mr. BROWN of Ohio. I yield to the gentleman from New York.

Mr. KEMP. Mr. Chairman, I do not think the gentleman in the well wants to leave the impression that football fans are not now able to see their own hometown team.

Mr. BROWN of Ohio. They are, where those games are blacked out, unless they want to travel to a location where it is on television.

Mr. KEMP. Could the gentleman tell me if he remembers when the telecasting of road games back to hometown territory became NFL policy?

Mr. BROWN of Ohio. In all professional sports there was a reluctance to accept television because nobody was quite sure what the impact was going to be. That reluctance apparently still exists by the resistance we have had to this legislation.

The point I have tried to make in my comments is that football—in particular football—has benefited. So has baseball and presumably basketball and hockey, because those professional teams are doing better since they have been televising games.

Mr. KEMP. Will the gentleman concede that fans in a hometown territory are, because of that 1961 limited exemption, now able to see their team on TV even when they are on the road?

Mr. BROWN of Ohio. Yes. We would like for them to see the home games too.

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

Mr. BROWN of Ohio. I yield to the gentleman from Massachusetts.

Mr. MACDONALD. Mr. Chairman, for the benefit of the gentleman from New York (Mr. KEMP) I also did not get a chance to go into the second exemption in the antitrust exemption which we gave the league in 1966 when we permitted a merger tacked on by the Senate of a nongermane amendment to a tax bill coming over here. It was also in 1966 that away from home games were piped back on a continuous basis including for the first time other games when the home team was itself playing at home.

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

Mr. BROWN of Ohio. I am glad to yield to the gentleman from Florida.

Mr. FREY. I should like to point out that televising back of the away games of the NFL was not an altruistic thing. That was because the AFL was coming on. It was only the competition that moved them finally to do it.

Mr. BROWN of Ohio. Mr. Chairman, I yield 5 minutes to the gentleman from Texas (Mr. COLLINS), a member of the subcommittee.

Mr. COLLINS of Texas. Mr. Chairman, this piece of legislation has been handled most fairly by our chairman.

I want to comment on one of the most important features of the legislation, and that is this addition of putting a date certain for termination of this transition type legislation. Under the bill now, we include 1973, 1974, and 1975 for the test period.

Mr. MACDONALD. That is correct.

Mr. COLLINS of Texas. During these years our committee plans to review it, for any possible problems that can arise because of this legislation on the TV blackout being lifted.

Mr. MACDONALD. That is correct. In the meantime, the FCC is directed to report to the Commerce Committee of the Senate and the Interstate and Foreign Commerce Committee of the House by April 15 of each year on the progress under this bill.

Mr. COLLINS of Texas. Our chairman is probably the best qualified and certainly the best informed man of any of those who are in the Chamber. He was the best halfback that Harvard ever had. As I watch the Boston Patriots play today, sometimes I feel he should take up that pursuit again.

I should like to point out that there are some three or four special matters I should like to see us keep an eye on.

In the first place, the number of people who show will definitely be off at these ballgames. That will affect the concessions. They make an average of 60 cents for every person at a game, as a net profit, so if they are off 20,000 fans that would be $12,000 less margin.

If they are off 20,000 fans, the parking will be off probably $20,000, also.

There are other phases of it that are going to be hurt, such as the season ticket sales. We cannot estimate the impact, as to what this is going to do with respect to season ticket sales. That is why it is so important that the chairman placed a termination date of 3 years. In 1975, we can review the results and fairly evaluate it.

This year the Washington Redskins are sold out. However, when the fans know that they can see the games at home next season, there will be a strong hesitancy to buy the season tickets, since the fans can stay at home and see the game at home, warm, and dry.

There is another thing that will have a strong impact on ticket sales. That is the fact that fans will wait until 3 days before the game. They will delay buying the ticket to see if the game is a sellout and they can see it free at home on television. When they have waited until the last 3 days—the chances are that they will wait those last 3 days—it will be hard to sell the remainder of the tickets. The net loss from ticket sales might be a great factor to the operating income of the team.

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

Mr. COLLINS of Texas. I yield to the gentleman from New York.

Mr. KEMP. I appreciate the gentleman yielding.

It is interesting to consider the effect of attendance being reduced to 10,000 to 12,000 per game over a season. We have to remember that pro football only has seven games at home and seven on the road. A diminution of net attendance of 10,000 to 12,000 per game over the season would almost reduce the club's income the same amount as the whole TV package for 1 year. That is what we are talking about. This is a very dangerous attempt, which will radically alter the TV package and may very well reduce radically the attendance at games. It could do considerable harm over a full year of the schedule.

Mr. COLLINS of Texas. That is certainly right.

All of us are interested in providing television for our hometown people. I know in my hometown we watch the Cowboys, and that is the highlight event every week. But, above that, we are interested in our team being a success, not only today but also tomorrow, and we are interested in seeing pro football be a success in the future. That is why we need to reevaluate this legislation on a year-to-year review.

Mr. MACDONALD. I should like to recommend to the gentleman that if Dallas wants to sell out they should remove the $300 bond one has to post in order to become eligible to buy a ticket.

Mr. COLLINS of Texas. I am sure in the future they will continue to have an aggressive ticket sales program, as the Cowboys look forward to every game being exciting.

Mr. BROWN of Ohio. Mr. Chairman, I yield 3 minutes to the gentleman from Florida (Mr. FREY) a member of the committee.

Mr. FREY. Mr. Chairman, I want to pay my respects to the chairman of the committee. I believe we had a tremendous range of testimony from witnesses representing all viewpoints.

I would also like to pay my respects to the gentleman from New York (Mr. KEMP) who, I believe, has most adequately presented one side of this issue. I wish to emphasize that there is more than one side of this issue.

For instance, Mr. Chairman, when the networks appeared in front of us, of course, they sounded very altruistic, but they wanted more advertising revenue. As in any business, they were interested in making every dollar they can out of their business, and rightly so.

After listening to the hearings for a number of days, I believe the one factor that swayed me in favor of this bill is the public interest. There is no question that there is some danger to the clubs. The effect of this bill has to be watched carefully. We do not want to turn football into a studio sport. We do not want the problems arising from a great loss of revenue.

Mr. Chairman, I do not think this is going to happen.

I might add, from a very personal standpoint, that there are potentially four new franchises in the league, and there are at least 24 cities around the Nation which are fighting to get these franchises. They are fighting to get those franchises today, with the knowledge that this bill is being considered here and will probably pass. These people do no want to lose money; they obviously think they are going to make money.

So I do not think that the future of pro football is in jeopardy at all, as do potential investors.

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

Mr. FREY. I yield to the gentleman from Massachusetts.

Mr. MACDONALD. Mr. Chairman, I wish to say that I appreciate the gentleman's contribution. He is a very hard worker on the subcommittee.

I wish to point out that this is not directed toward the gentleman from Florida (Mr. FREY) but I have just been informed that the Senate is about to close up shop unless we get this bill completed.

Mr. STAGGERS. Mr. Chairman, I yield myself 1 minute here to give the Members some facts, and then I do want to get this thing finished up right away.

Mr. Chairman, I just wish to show the House a report that our Special Subcommittee on Investigations started on 1 year ago today, on this very day, and I wish to point out what the result of this was.

We made a survey of every professional football team in America and their season ticketholders. We went to the Bureau of Census for advice so the techniques we used would be entirely fair. They suggested how many names we should get from each football team, and we went to each team then and asked them to supply us with a specified number of names. In all, 8,200 season ticket holders were polled.

Mr. Chairman, we asked them about TV blackouts, whether they would be in favor of it or not. Sixty-nine percent of the ticketholders said they would be in favor of ending the blackout. The other 31 percent said they were not in favor of it and would surrender their tickets.

The CHAIRMAN. The time of the gentleman from West Virginia (Mr. STAGGERS) has expired.

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

Mr. Chairman, I just wish to make this clear: That there has been a survey made of every pro football team in America and their season ticketholders.

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

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

Mr. KEMP. Mr. Chairman, will the gentleman restate how many people there were in that poll who did say they would not buy a season ticket?

Mr. STAGGERS. Thirty-one percent.

Mr. KEMP. Thirty-one percent.

Mr. STAGGERS. That is 31 percent but the other 69 percent said——

Mr. KEMP. Mr. Chairman, I wish to thank the gentleman for making my point for me.

Mr. STAGGERS. No; that is not correct. I said that the other 69 percent said that they would buy the tickets of the 31 percent who would not buy.

Mr. KEMP. Mr. Chairman, it is not the 69 percent we are worried about; it is the 31 percent that bothers us. If we take 31 percent of the National Football League games into consideration, that is a serious decline in revenue.

Mr. STAGGERS. The gentleman did not understand me. Perhaps the gentleman cannot understand me.

I will repeat. Sixty-nine percent said they would buy the ones that were left, that if 31 percent said they would give them up, they would buy them.

Mr. Chairman, this is a copy of the report. The Members can see how large it is. We made a complete survey across America. I believe everyone in the House ought to be for this bill.

I just hope that we do not have any more debate on the bill and that we can get into the amendment stage so the legislation can be passed.

Mr. BROWN of Ohio. Mr. Chairman, I agree heartily with my distinguished colleague, the chairman of the committee, the gentleman from West Virginia, that we want to try to get this legislation over to the Senate this afternoon so that it can be acted on by them and hopefully passed today.

However, I do have a couple of other requests for time and one of them I feel I must absolutely recognize is the obligation to Mr. PARRIS, the gentleman from Virginia, who introduced this legislation on the 19th of July and who has been very persistent before the committee to get us to act on this and bring it before this body so that some of us in the Washington, D.C., area might have an opportunity to see some of the sold out games of the Redskins.

So at this time, Mr. Chairman, I yield 4 minutes to the distinguished gentleman from Virginia (Mr. PARRIS).

Mr. PARRIS. Mr. Chairman, I would like to make a few brief comments at this time in connection with the so-called antiblackout legislation which comes before this body today. As you may recall, I was the chief sponsor of the original legislation under H.R. 9420 which was cosponsored by more than 60 Members of this House. The legislation is designed to prevent future television blackouts of the home games of professional sports teams when the games are sold out with no tickets remaining available for purchase by the general public. I would like to take just a brief moment to point out to my colleagues the merits of this measure.

This legislation is designed to assist the literally millions of Americans across this Nation who each fall are denied the right of viewing their favorite local National Football League team on television because of arbitrary action by the league which blacks out local television coverage of home football games even though those games may have been sold out months in advance.

The legislation would also cover any sold out and blacked out home games of the National Basketball Association, the American Basketball Association, the National and American Baseball Leagues, and professional hockey. However, since teams in those sports are not at this time flagrantly abusing their right to broadcast over the public air waves, the primary target of this legislation will admittedly be the National Football League, and the primary beneficiary of its passage will be the professional football fan.

The National Football League is the most prosperous professional sports organization in America today. It has obtained that status through the hard work and dedication of both athletes and owners because of the devotion of the American public and because Congress granted it an exemption from the antitrust laws!

Mr. Chairman, I do not question the hard work of the men who own and operate the individual teams which make up the National Football League. I do not doubt the dedication of the many gifted athletes who play in the NFL, but I do doubt and question the league's collective action to prohibit millions of devoted fans from seeing on television those games that are sold out, and I believe the league's action in this regard is a violation of the spirit if not the letter of the exemption agreement with Congress.

The National Football League's action in this matter is frankly, a slap in the face to the very people who helped make the league what it is today, and since officials of the league have repeatedly refused to voluntarily correct this situation, I believe we have no alternative but to correct it by the adoption of this legislation.

This measure would accomplish this purpose by amending the Communications Act of 1934 to prevent television broadcast stations, network broadcast organizations, or cable television systems from entering into or carrying out any agreement, express or implied, under which a station, network or system would be prevented from broadcasting the home games of any professional athletic team when tickets to the game have been sold out at least 72 hours in advance.

The 72-hour provision is an improvement to the original bill which I introduced—an improvement provided after hearings before the House Subcommittee on Communications and Power and a considerable amount of toil by our distinguished colleague from Massachusetts, Mr. MACDONALD, who is chairman of that subcommittee.

The subcommittee and the full Commerce Committee approved this legislation after making those changes which were necessary and I am confident the overall bill is one which is acceptable to the majority of my colleagues in both intent and substance.

A companion measure to this legislation, authored by the Honorable JOHN PASTORE of Rhode Island, has already passed the other body with only six dissenting votes and if passage is obtained here today, I have been assured by the White House that the President will quickly sign the enactment, so that relief may be provided as soon as possible for those fans who have been unable to obtain tickets for the regular season opening games to be held in the next few days.

In closing, Mr. Chairman, let me say

that the only argument which the NFL has presented against passage of this bill, other than a few self-serving declarations, has been the argument that the measure will result in financial disaster for league teams from coast to coast.

I do not happen to believe that is the case. Studies in the 26-team areas now covered by the league indicate that a great majority of those persons who purchased season tickets this year would have done so even if this bill had been enacted this time last year. What minimal losses might be actually realized in parking and concessions in the event of bad weather could, in my opinion, be more than made up by the addition of new television revenues which might be available if this legislation passes.

However, if I am mistaken, if the subcommittee was mistaken, and if a majority of my colleagues are mistaken, and as a result of this legislation there is any proven permanent significant financial damage to professional football, any of the other professional sports, or to the members of their teams, I will, next year be at the front of the fight to repeal this legislation—just as enthusiastically as I am now anxious to see it enacted, today.

Mr. LENT. Will the gentleman yield?

Mr. PARRIS. I yield to the gentleman.

Mr. LENT. Mr. Chairman, I rise in support of the measure. The situation in my native New York points up some of the inequities fostered by television blackouts.

One of the byproducts of the antitrust exemption tendered to the National Football League is that the New York Jets have been able to increase attendance at their regular season games by a whopping 300-plus percent in just 10 years. The present ratio of season ticket sales to paid attendance is better than 94 percent for the Jets while 90 percent of the Giants turnstile receipts are gobbled up by season ticket holders.

There are Jets and Giants fans who while away a decade on waiting lists for season tickets because individual game tickets are seldom available, save through scalpers.

Television has been a major factor in the skyrocketing popularity of football and rather than cut into attendance as some have contended a blackout lift would do—TV has increased gate receipts by increasing the number of fans who enjoy the game.

Claims by promoters that televising home games will hurt paid attendance are unproven and especially weak when, in fact, games are already sold out.

Mr. Chairman, I urge passage of this measure and am hopeful that it will further open major sporting events to public viewing. I know I speak for a vast majority of Long Islanders who will be grateful for the enactment of this legislation.

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

Mr. PARRIS. I yield to the gentleman.

Mr. McKINNEY. Mr. Chairman, I feel the present policy on sports blackout reflects a blatant disregard for the millions of avid fans in this country whose support keeps professional sports alive and profitable. It is an unnecessarily rigid, self-serving policy of arbitrary limitation of the use of public airwaves to insure large profits. It is in fact an arrogant mistreatment of the public.

As an example, let me describe to you the plight of the Connecticut football fan. Without a home team of his or her own, many Connecticut fans support the New York Giants, the New York Jets, or the New England Patriots.

Connecticut's Fourth Congressional District, which I represent, is in the southwestern part of the State, bordering on New York. For many years, the Giants held their training camp in my hometown.

Through their close association with many of my constituents and for a variety of other reasons, they gained a large number of loyal enthusiasts in the Fairfield County area. I would add that Joe Namath and the New York Jets are not without wide support in this area as well.

However, the vast majority of these people are prevented from seeing their heroes because of distance, the high number of season ticketholders and the obviously finite capacities of Yankee Stadium and Shea Stadium, the respective homes of the Giants and Jets. In all, the Connecticut fan suffers the same fate as the New York City dweller.

The only way a Connecticut fan can see the Giants or Jets is to drive outside the arbitrary 75-mile blackout area. This season, the Giants will play five home games in New Haven, Conn., at the Yale Bowl. It is my understanding that right now, just a few weeks before the opening of the season, an estimated 60,000 of the 70,000 seats at Yale Bowl have already been sold for the entire five-game series, mostly to season ticketholders. Therefore, the Connecticut fan will be further victimized by the blackout policy.

In assessing this deplorable situation, I keep asking, "Why the blackout?" The answers that come from league officials and club owners are a disgraceful affront to the public which, through the Congress, granted professional sports an anti-trust exemption in 1961. Do clubs really need the threat of a blackout to sell tickets? Are professional sports teams waiting for more lucrative paycable arrangements to broadcast contests to home fans?

These are questions which I believe can only be answered in good faith by the action of professional sports officials in supporting a program of no blackouts proposed in this legislation. If, after that time, ticket sales are down, then some other means to enlarge America's sports viewing audience can be investigated. I am confident, however, that this will not be the case.

I should add that a very important feature in this bill is that it does not apply to games which are not sold out. In other words, it only becomes operative and allows a local telecast if the game is a stadium sellout 72 hours before the kickoff.

There is no conclusive evidence that lifting the blackout will damage gate receipts. On the contrary, the telecast of sold-out home games will increase a team's local exposure and raise additional revenues through the sale of local television rights.

I hope my colleagues will also consider the fact that in many cities, sports arenas and stadiums are financed by local taxes and bonds. This fact, as well as professional sports' overall dependence upon the support of local fans for success, gives the fans a right to follow their favorite team.

Athletes of all kinds, from little league to olympic medalists, will testify to the enthusiasm of American sports fans.

It is the spirit of a competitive, winning people whose loyalty and fervor often provide the margin of victory in a close contest. These fans deserve much more than blackouts in return for their support. Therefore, I hope that this legislation will be passed.

Mr. BROWN of Ohio. Mr. Chairman, I yield 4 minutes to the distinguished gentleman from New York (Mr. KEMP).

Mr. KEMP. Mr. Chairman, I am not going to take all of my time.

Much was made of the fact that this legislation is not aimed solely at pro football. Let us face it, this bill is aimed at pro football. Pro football has only seven home games in one season; that is the same number of games as there are in the World Series. Pro football has to do in its season of 7 games what baseball can do in 160 or 170 games. So it is pro football that we are talking about, and let us not kid ourselves about that.

We talked about the 1961 exemption. I tried to make the point earlier to my colleagues that the exemption also applied to every other sport, and the American Football League was under the exemption and the NFL only wanted to be treated like every other sport. It did not affect the blackout. The 1966 exemption which allowed a merger of the American and the National Football Leagues—and I speak from experience, because I was president of the players association at that time—I can say that it was in the interest of the fans and the players alike to merge the two leagues, because I guarantee you, that without that exemption that we in the Congress wisely granted to them—and I was not here at that time—there would not be any teams in pro football today. And perhaps the Buffalo Bills or the San Diego Chargers or Denver or Cincinnati or perhaps the Pittsburgh Steelers who were having trouble in the 1960s and in 1965 at the time of the merger.

The NFL TV policy is not arbitrary or a product of greed, as some charge. It is derived from a conviction shared by all of the member clubs that television is an adjunct to stadium attendance but should never become a substitute for stadium attendance.

I believe that the heart of professional football is to personally witness the games and to enjoy the excitement that is conveyed in a stadium. This excitement is engendered by millions and mil-

lions of people, and it cannot be done in any other way.

I would hope, as I am sure all of the Members do, and I know the sincerity of the gentleman whose legislation this is, that none of us ever want professional football to go the way of a studio sport, and that was boxing.

Mr. BROWN of Ohio. Mr. Chairman, I yield 3 minutes to the gentleman from New York (Mr. PEYSER).

Mr. PEYSER. Mr. Chairman, I am taking the floor at this time because I have long learned that in the world of sport your big trouble comes when you think the game is over, and you believe that you have won. Here is an opportunity to win one for sport fans all over the country.

I love sports, as I am sure every Member of this House does. I would never knowingly take any action that would hurt the world of sports, the participants or anybody involved in sports. I think it is of the utmost importance that we enact this legislation now so that we can give the public a real opportunity to share this world of sports without hurting the professional world of sports at all.

We have not yet touched upon a point in this discussion that I think is important we consider, and that is the young kids who are involved in the thickly urban areas such as my own city of New York, who will never have the price of a ticket to one of the Giant games or one of the Jet games, the way the cost of tickets is going these days. This legislation will make it possible for these kids to watch these games on television, which they would not have a chance otherwise to see. It may mean that they can watch all of the games. I think these kids should be entitled to do this.

I have been a season ticket holder of football tickets for over 15 years with the Giants. Now, with the Giants moving out of New York, I and many others who are in that city and on the so-called subway alumni, would just never get a chance to see those games. I think that this legislation gives the fans an opportunity to have a day in court; this is it, right now, and it is a chance for the Members of Congress to make a real touchdown for the public.

I hope we pass this legislation by an overwhelming majority.

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

Mr. PEYSER. I yield to the gentleman from New Jersey.

Mr. RINALDO. Mr. Chairman, during my testimony last week to the House Subcommittee on Power and Communication, which handled this legislation, I suggested that the final bill include an enforcement mechanism to guarantee an accurate report on attendance at games.

Although the committee has taken a slightly different approach from the one I recommended, the bill we are considering here on the floor today satisfies my desires for safeguards against inaccurate reports on game attendance.

Under the provisions of this bill, each team is required to submit to the commissioner of the National Football League detailed reports on attendance at all games. The league commissioner must then file these reports with the Federal Communications Commission, which in turn will prepare annual reports for the Congress.

Because my desires to see fans protected have been satisfied by the provisions of the bill as reported, I shall refrain from introducing amendments I had planned to offer today.

I wholeheartedly favor adoption of this legislation, which restores to football fans the free access to the airwaves that they have been denied for so many years.

I do not believe that this bill will harm the National Football League. I do believe that it will add to the enjoyment of millions of fans who will now have the opportunity to see the games that have been blacked out on their home television screens for so many years.

I know that the football fans of the 12th Congressional District of New Jersey are wholeheartedly in favor of the adoption of this legislation. This point was made by Milt Farb, the distinguished sports editor of the Daily Journal of Elizabeth, N.J. In a column on this subject that appeared on Saturday, September 8, Farb observed that news of this pending legislation "came as gratifying news to the armchair rooters who in the past have been forced to listen to radio coverage of the Giants and Jets when they played at home." Farb also added a point that is just as valid in San Francisco, Miami, and many other NFL cities as it is in Elizabeth, N.J.:

Thousands of Elizabeth area sports fans are unable to purchase tickets for the Giant and Jets home games because of the sellouts.

I cannot accept the National Football League's contention that home television will prompt fans to stay at home. Last year, only about 6 percent of the season tickets purchasers in the NFL were "no shows," and one-third of these stayed home during the last two games when the weather was bad.

Knowing the diehard New York Giants and New York Jets fans in New Jersey as I do, I cannot buy the NFL arguments that this legislation might prompt season ticket holders to stay at home.

I am not one of the fortunate few in my district to have season tickets to either the New York Giants or the Jets. But I know that when I have been offered a ticket to one of their games, I have jumped at the chance. And, home television or not, I would jump at the chance to see either of these teams play in person. I am certain the same can be said for the majority of fans in this country.

Therefore, I urge my colleagues to vote yea on final passage of this, the fans' bill.

Mr. HARRINGTON. Mr. Chairman, I rise in support of H.R. 9553, a bill modifying television blackout rules for sold-out sporting events.

The legislation has three basic provisions. Most importantly, it prohibits local television blackouts of all professional baseball, basketball, football, and hockey events that sell out 72 hours prior to a scheduled national telecast involving a league contract. Further, it directs the Federal Communications Commission to conduct annual studies of the ramifications of the bill, with particular emphasis on stadium crowds, and to give its judgment as to whether Congress should renew the measure next year. Finally, Mr. Chairman, the bill permits any individual sports fan to file suit with a U.S. district court to enforce these blackout rules.

My reasons for favoring H.R. 9553 are quite simple. The public has given sports leagues a number of highly valuable special privileges: An exemption from the antitrust laws, so that all the teams in a given league can join together to sell television rights to the networks; access to a scarce public resource, the airwaves; and in many cases, sports complexes, paid for out of the pockets of taxpayers, which enable these teams to accrue healthy profits.

The results of the first privilege are easy to document. Before Congress enacted the antitrust exemption, each sports team had to bargain and sell its television rights individually, which is the way the marketplace is supposed to function in a system of free and competitive enterprise. As a result, in 1961, the last season before the exemption took effect, the median level of revenues from television rights was under $300,000 per team in the National Football League. A year later, each NFL team's revenues rose to an average of $332,000, and the contract recently signed for the 1974–76 seasons grants each team $2.1 million—a rise of 630 percent since 1962. This rise in profits as a consequence of noncompetition is the classic outcome for oligopolies, whether in petroleum, automobiles, or athletics.

The original antitrust exemption also granted teams the right to use the airways selectively—to blackout telecasts in areas where they desired to do so. This made some sense in 1961, when many teams were struggling to fill stadium seats and stay alive financially. It makes no sense in 1973, when over 95 percent of all stadium seats for all regular season NFL games get sold out, and, as the above figures demonstrate, teams are living high on the hog.

Finally, Mr. Chairman, let me point out that under this new law, blackouts will be automatically reimposed whenever a team genuinely needs them—the legislation lifts blackouts only when all tickets to a given game are sold 72 hours in advance of the event. This generous provision has reduced NFL Commissioner Pete Rozelle to invoking two questionable points in his opposition to the bill. First, in testimony before Congress, he offered a moving elegy for the hot dog and soda pop concessionaires—who may suffer if seats are sold out but their intended occupants opt for catching the game on their televisions instead. Second, he darkly suggested that lifting the blackout would signify the start of the "erosion" of financial stability for professional sports—which is the "creeping catastrophe" argument usually advanced for positions in whose favor nothing more concrete can be said.

Mr. Chairman, I do not buy the com-

missioner's reasoning, and I urge my colleagues to support this bill.

Mr. MILLER. Mr. Chairman, while my rural constituency in southeastern Ohio is not affected by professional sports blackouts, I nevertheless strongly support H.R. 9553 and urge its quick enactment.

To me it is patently unfair to deny millions of people from viewing a nationally televised football, baseball, basketball, or hockey game when the event is already a box office sellout simply because they reside in the club's hometown area.

Urban sports fans who in some areas actually subsidize the construction and maintenance of the stadiums in which professional teams play have been unjustly discriminated against. It is time we lift this antitrust exemption and allow the hometown fans to enjoy the game along with the rest of the country.

Mr. LANDRUM. Mr. Chairman, this resolution, in my judgment, is a most unwise proposal. Such action by the Congress places us dangerously near an act of taking private property without due process.

People have supplied massive sums of capital to establish professional football franchises, added additional millions to acquire and develop professional football players; hundreds of thousands of dollars are invested in equipment, management personnel and coaching personnel. Moreover, literally thousands of taxpayers have taken local actions to provide public funds for the construction of stadiums in which these football enterprises will appear. Many cities and county governments are bonded to pay for stadiums, and we move dangerously close, in my judgment, to removing a substantial part of the capacity of these local governments to pay off this public indebtedness.

It appears to me that the Congress may be riding a wave of mass hysteria toward the takeover of private property. One might say even that the chief difference between what we do here riding a wave of hysteria and what Jesse James did is only that Jesse rode a horse.

Mr. DONOHUE. Mr. Chairman, I urge and hope that this bill before us, designed to amend the Federal Communications Act, to provide that no agreement preventing the televising of any professional sports contest at the same time and in the same area in which the contest is taking place would be valid if all tickets for the scheduled contest were purchased 3 days before the date and time of such contest.

In other words, Mr. Chairman, television blackouts of certain professional sport contests could not be instituted in home contest areas where and when the event is a complete sellout 3 days before the contest. It is very clear that contrary to certain criticism the purpose of this proposal is not to offer home fans the option of paying to see professional sport contests in person or seeing them free through television, while tickets remain unsold, but rather to permit home game television when such sporting events are totally sold out 72 hours before the game time, and at no other time.

In effect, this proposal would grant untold numbers of nonseason ticketholders their only possible opportunity to watch their favorite teams and players in action. In substance, Mr. Chairman, this bill simply extends well-deserved and long-delayed reasonable consideration to millions of sport-minded citizens whose wholesome interest should be, by every reasonable standard, encouraged and not denied. It is rather ironic that the very people who oppose the extension of a limited measure of consideration to professional sport fans are themselves the ones who requested and obtained special legislation to exempt them, for additional profit, from the application of the Federal antitrust laws.

Let us emphasize that this proposed legislation would not apply at any time and in any event that contest seat tickets were available for purchase within 72 hours before scheduled game time; that this legislation would be enacted only for a limited period; and that this bill requires the Federal Communications Commission to conduct a continuing study of the effect of the bill upon professional sports and report the results of its study back to the appropriate committees of the Congress annually so that any revelation of unanticipated, inequitable treatment or unusual hardhip could be promptly corrected.

In view of all these circumstances, Mr. Chairman, there is no question at all that the proposal is in the health and wholesome national interest and merits the resounding approval of this House.

Mr. BROOMFIELD, Mr. Chairman, I rise in support of H.R. 9553, a bill to ban local television blackouts for professional sporting events that are sold out at least 3 days in advance.

Last year almost 70 percent of all pro football games were sold out. Eighty-two percent of the 182 regular season games had attendance of at least 95 percent seating capacity.

In most cities fortunate enough to have an NFL franchise, the chances of attending a regular season home game are almost nonexistent. Scalping of tickets, at greatly inflated prices, has become a lucrative and common practice.

When you consider that most stadiums in this country are financed and owned by the city and its taxpayers, it is ironic that these same taxpayers cannot even get into their own park and are denied the simple pleasure of viewing the game on television.

Due to the increased popularity of sports, the same trend of sold-out games and local blackouts is becoming more frequent in hockey and other sports.

It makes little sense for the owners to deny their hometown fans the opportunity of seeing their favorite teams once they have sold all of their tickets.

Why should my constituents in Oakland County who will soon be welcoming the Lions to a brandnew stadium in Pontiac have to watch a relatively meaningless game from the west coast; especially when the game is being broadcast nationally?

There was a time, to be sure, when local blackouts could be justified. In 1961, the financial status of the then separate National and American football leagues was uncertain. There was a fear that free television exposure would keep fans away from the park. Some feared that even televising distant games while the home team was playing might kill football the same way too much television exposure hurt professional boxing.

Today, nothing could be farther from the truth. Football has become, if not the new national pastime, one of the most popular sports in this country.

Some objection has been made to the bill on the grounds that once the games are broadcast, people will stay home reducing parking and concession revenues for the teams and the cities. I think the true fans will still want to go to the park and judging by the long waiting lists for season tickets in Washington and other cities for every fan who decides to stay home there will be two to take his place.

Mr. Chairman, with the opening of the regular season only 3 days away, this legislation comes not a bit too soon. As you know, it was almost exactly a year ago at this time that many of us in Congress sought to rescind this same blackout policy.

Twelve years ago Congress gave professional football a break by letting the teams blackout their home games. The shoe is on the other foot now and it is the average fan who deserves consideration. I urge the House to pass this bill and end unnecessary blackouts once and for all.

Mr. VAN DEERLIN. Mr. Chairman, I think it important that we spell out very clearly what constitutes a "sellout" under terms of this bill.

It was made abundantly clear during subcommittee hearings that the football club owners and their commissioner, Pete Rozelle, have no intent of evading the will of Congress in carrying out the bill's provisions. Mr. Rozelle went so far as to assure us that passage of the legislation by both houses would prompt him to trigger its provisions, even in advance of the President's signing it.

Though league officials opposed the new law, they are public spirited men who will not feel inclined to provoke public wrath by withholding tickets from advance sale or otherwise seeking loopholes.

The legislation before the House focuses very clearly on the problem of determining a sellout. It provides a narrow time frame beginning 5 days before each game and ending 3 days or 72 hours before game time. If all tickets for seats which were available for sale to the public 5 days before the game have been sold out 72 hours before the game, the blackout must be lifted.

By approaching the definition of a sellout in this manner, we will protect against the situation where a team, in good faith, seeks to reserve a certain number of tickets for sale on the day of the game, while at the same time, will protect against any likelihood that a team would reserve a large block of tickets which would be put on sale so close to the 72-hour deadline as to purposely frustrate the intent of the legislation.

In addition, the approach in this legis-

lation will not affect the current practice in the NFL of allocating a block of tickets for sale in the city of the visiting team. These tickets, to the extent that they were not available in the home city 5 days before the game, would not be considered in determining a sellout for the purposes of lifting the blackout.

In the interest of local taxpayers who built most of those fine stadiums, let us pass this bill.

Mr. PEPPER. Mr. Chairman, I strongly support this legislation as I did earlier today in the Committee on Rules. I some months ago introduced a comparable bill and submitted a statement in support of my bill, H.R. 9620, before the Subcommittee on Communications and Power of the Committee on Interstate and Foreign Commerce. The people demand that they be able to see important football, baseball, basketball, and hockey games in their own area when others can see them outside the area of the game on television. This is an experimental bill for three seasons. It protects the sports organizations by taking effect only if the events to be televised are sold out 72 hours before the game. I believe that this will add popularity to the games to be televised in the home areas and that attendance at the events will not be diminished by the public broadcast of the game in the home area. If we do find it detrimental or unfair to the sports industries I am sure Congress will be ready to make appropriate adjustments in the law because, of course, Congress wants to be fair to those who make these great games possible as well as to the public which wishes to see them, most of whom cannot get tickets to see them now even in their own areas.

I want to commend the distinguished chairman, Mr. STAGGERS, of West Virginia, and his committee for the promptness with which they have brought this matter to the attention of the Rules Committee and the House.

I also wish to commend Pete Rozelle, NFL commissioner, who has announced the NFL would not wait for the House and Senate even to develop one bill in conference or for the President to sign the bill agreed upon by the Congress. He has said when the House acts on this matter, since Senate action previously taken reflects the sentiment of the Congress, the intent of the legislation will be put into effect immediately so as to permit the televising of games this Sunday in the home areas of the games. This is a splendid example of cooperation with the Congress and the public by Mr. Rozelle in the interest of the lovers of the sports in question.

Pursuant to permission obtained by Chairman STAGGERS, I submit with this statement copy of my statement of September 5 before the Subcommittee of the Committee on Interstate and Foreign Commerce of the House handling this measure.

STATEMENT OF HON. CLAUDE PEPPER, OF FLORIDA, BEFORE THE SUBCOMMITTEE ON COMMUNICATIONS AND POWER

I would like to thank the Subcommittee on Communications and Power for the opportunity to testify in favor of H.R. 9620 which would remove the right of a major sports league to impose a television blackout in the home territory of a team playing at home when its game is sold out. This bill would affect the major sports, including football, basketball, baseball and hockey. The teams comprising the leagues in these four major professional sports were granted an exemption by the enactment of Public Law 87-331 in 1961 from the applicability of the antitrust laws to the pooling of the rights to televise their games. The law provides that the exemption will not apply to any joint agreement which would place a limitation on where the games may be shown *except* within the home territory of a league member on a day when that team is playing at home.

The 1961 law was rushed through the Congress on the eve of the 1961 football season to counteract an adverse judgment which had been rendered against the National Football League by a Federal district court. In the haste to enact that law too great an exemption from the antitrust laws was given professional sports. Changing conditions certainly no longer justify all of the protection which that exemption confers. Indeed, the National Football League voluntarily suspended part of their blackout privilege in 1966 by allowing games of other teams to be shown in the home territories of teams on days when they were playing at home. The NFL made the concession because professional football had become so popular and attendance so strong that home attendance was no longer endangered by the same day telecasting of other games.

Since 1966 the sport of professional football has continued to prosper; many teams have been able to sell out their tickets for the entire season; and communities have been willing to go into great debt in order to build lavish stadiums to house their teams and paying customers. Despite that prosperity, the National Football League made no modification of its practice of blacking out home games even though the inequities and unfairness of unrestricted use of the blackout have become increasingly evident. In the last two years we have seen important championship games denied to fans in the home territory even though all tickets have been sold out. The Miami fan has suffered greatly in this regard. In addition, tickets to playoff games are not made available to the general fan until after the season ticket holder has been given first opportunity. The playoff games in Miami have been easily sold out, but even so, the games were still blacked out in the Miami area.

In several cities, all games are sold out months before the season begins, but even in those cities, the NFL has never allowed the blackout to be lifted. Many of these teams sell out all of their games to season ticket holders who are granted renewal rights year after year; in effect season ticket holders are granted rights-in-perpetuity to their seats. Furthermore, many of the teams in the NFL play in stadiums heavily subsidized by the taxpayer. As a result, the price the season ticket holder pays for his tickets does not cover the full cost of operation when the playing facilities are included; therefore, the taxpayer is actually subsidizing the season ticket holder who already enjoys rights-in-perpetuity to his seat. In a city where all seats are sold out as season tickets, the average taxpayer is unlikely ever to gain admission to a game since the holders of the rights-in-perpetuity will not relinquish their subsidized tickets. The fact that a limited black market exists for the transfer of season tickets at exorbitant prices is of no consolation to the taxpayer-fan.

One solution, which would make everyone happy when a game is sold out, would be to make the game available to all who wish to see it through the technology of television. Unfortunately, the lure of the pot of gold, which pay cable seems to hold out, has made sports' leagues unwilling to modify their blackout practices. Professional sports owe a great deal of their popularity and prosperity to television. Professional football alone will receive $46 million this year for the television rights to their games. Since Congress has made much of this wealth possible by granting an antitrust exemption to professional sports, it is our duty not to let the quest for gain in these sports to run rampant over that exemption. The American fan has given great support to professional sports and deserves something in return for that loyalty. Congress can reward the fan by modifying the antitrust exemption. Therefore, I support H.R. 9620 which would remove the blackout privilege for teams in the major sports whenever their home games are sold out 48 hours prior to game time.

Mr. ZWACH. Mr. Chairman, I rise to speak for H.R. 9553, an effort to lift the blackout on television broadcasts of sports events that are sold out.

As a cosponsor of H.R. 9621 with Congressman STAN PARRIS and others, I went on record in support of an amendment to the Communications Act of 1934.

This measure provides that no television broadcast licensee, network television broadcast organization, or cable television system shall contract or make an arrangement to prevent it from broadcasting or carrying the home games of any professional football, baseball, basketball, or hockey team when tickets are no longer available for purchase by the general public 48 hours or more before game time.

H.R. 9553 has been amended to give the owners, managers, and TV networks more time to prepare for TV coverage. The 72 hours that are now required before a TV ban can be lifted is plenty of time for TV stations to set up their equipment for game coverage. More importantly it enables the ban to be lifted even earlier, if games are sold out months in advance. The bill offers the best compromise possible.

There are millions of Americans across this Nation who have been denied the right of viewing their favorite local professional football games on television because of arbitrary action by the league which blacks out home games even though they are sold out months in advance. There is no need for this type of situation to exist.

Americans love sports. They always have. The ban in the stand is a big part of the game. Nothing is better for a city or metropolitan area than a good professional sports team. A good professional team provides an exciting afternoon or evening for thousands of fans.

The trouble is that there is not always room for all the fans. It has gotten to the point where games in most sports are sold out days, even months, in advance. But the owners and leagues have continued to impose a blackout on sold games. What more do they want? If all seats are sold, why punish the thousands of individuals who are unable to buy tickets?

This legislation would remedy this situation. I can see no possible justification for a blackout of sold out games. I wholeheartedly support the lifting of the blackout ban.

Mr. MIZELL. Mr. Speaker, I rise at this

time to ask my colleagues not to make a mistake they will regret sooner or later.

I want to ask my colleagues to think of their constituents' real best interests, and to think through a bit more carefully this proposal that is being railroaded through the House in time for the Sunday kickoff.

As my colleague JACK KEMP of New York said a few minutes ago, the only other bill this House ever considered so quickly was the Tonkin Gulf resolution.

There is an old adage that "haste makes waste," but haste in passing the Tonkin Gulf resolution invited tragedy, and haste in enacting this legislation before us today will serve us no better.

The issue before us today is whether or not we intend to let millions of American football fans see more football. The popular idea is that if we vote for this bill, we will accomplish that objective.

But if we would just take a moment or two to think, we would realize the exact opposite is true.

The way things are now, football fans throughout the country have the opportunity of seeing absolutely free—three and sometimes four football games a week. That is quite a bonanza—or quite an ordeal—depending on whether you ask a football fan or a football fan's wife.

To pass the legislation before us today is to jeopardize that opportunity in a most serious way.

If we say today to the NFL owners, "you have to sell your product," then those owners are quite rightly going to sell it to the highest bidder. We may well see the day, not too long from now, when the only way a professional football game is telecast is on a pay-as-you-see basis.

Then the fans who want this bill enacted so quickly today will want it repealed twice as quickly.

The argument that the law does not apply except where games are sold out 72 hours in advance is in the nature of a self-fulfilling prophecy. Enact this bill, and in little more time than it takes to say "Sonny Jurgenson" you are not going to find so many clubs capable of selling out their games 72 hours in advance. Perhaps not even the Redskins.

And between our situation now and the situation then, you will also find a great many more paid-for seats going empty at game time. And that development is not good for any sport.

My colleagues kid JACK KEMP and me quite a bit about our background in professional sports, and that is fine. But if there is one thing our background qualifies us to speak on, it is the issue before us today.

JACK KEMP sees this bill as unwise and self-defeating, and I see it the same way.

I urge my colleagues not to act in haste and in great error. This legislation is filled with good intentions, but it is destined for tragic results, both for football and the fans.

Mr. BROWN of Ohio. Mr. Chairman, I have no further requests for time.

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

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

H.R. 9553

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That part I of title III of the Communications Act of 1934 is amended by adding at the end thereof the following new section:

"BROADCAST OF SOLDOUT PROFESSIONAL HOME GAMES

"SEC. 31. (a) If (1) during the one-year period which begins on the date of enactment of this section, any professional football, baseball, basketball, or hockey game is broadcast under the authority of a league television contract, and (2) tickets of admission to such game are no longer available for purchase by the general public forty-eight hours or more before the scheduled beginning time of such game, then television broadcast rights shall be made available for television broadcasting of such game at the time at which and in the area in which such game is being played.

"(b) For the purposes of this section, the term 'league television contract' means any joint agreement by or among persons engaging in or conducting the organized professional team sports of football, baseball, basketball, or hockey, by which any league of clubs participating in professional football, baseball, basketball, or hockey contest sells or otherwise transfers all or any part of the rights of such league's member clubs in the sponsored telecasting of the games of football, baseball, basketball, or hockey, as the case may be, engaged in or conducted by such clubs.".

With the following committee amendment in the nature of a substitute:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That part I of title III of the Communications Act of 1934 is amended by adding at the end thereof the following new section:

"BROADCAST OF GAMES OF PROFESSIONAL SPORTS CLUBS

"SEC. 331. (a) If any game of a professional sports club is to be broadcast by means of television pursuant to a league television contract and all tickets of admission for seats at such game which were available for purchase by the general public one hundred and twenty hours or more before the scheduled beginning time of such game have been purchased seventy-two hours or more before such time, no agreement which would prevent the broadcasting by means of television of such game at the same time and in the area in which such game is being played shall be valid or have any force or effect. The right to broadcast such game by means of television at such time and in such area shall be made available, by the person or persons having such right, to a television broadcast license on reasonable terms and conditions.

"(b) If any person violates subsection (a) of this section, any interested person may commence a civil action for injunctive relief restraining such violation in any United States district court for a district in which the defendant resides or has an agent. In any such action, the court may award the costs of the suit including reasonable attorneys' fees.

"(c) For the purposes of this section:

"(1) The term 'professional sports club' includes any professional football, baseball, basketball, or hockey club.

"(2) The term 'league television contact' means any joint agreement by or among professional sports clubs by which any league of such clubs sells or otherwise transfers all or any part of the rights of such league's member clubs in the sponsored telecasting of the games engaged in or conducted by such clubs.

"(3) The term 'agreement' includes any contract, arrangement, or other understanding.

"(4) The term 'available for purchase by the general public', when used with respect to tickets of admission for seats at a game or games to be played by a professional sports club, means only those tickets on sale at the stadium where such game or games are to be played, or, if such tickets are not sold at such stadium, only those tickets on sale at the box office closest to such stadium.

"(d) The Commission shall conduct a continuing study of the effect of this section and shall, not later than April 15 of each year, submit a report to the Committee on Commerce of the Senate and the Committee on Interstate and Foreign Commerce of the House of Representatives with respect thereto. Such report shall include pertinent statistics and data and any recommendations for legislation relating to the broadcasting of professional football, baseball, basketball, and hockey games which the Commission determines would serve the public interest.".

Mr. STAGGERS (during the reading). Mr. Chairman, I ask unanimous consent that the committee amendment in the nature of a substitute be considered as read, printed in the RECORD, and open to amendment at any point.

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

There was no objection.

AMENDMENT OFFERED BY MR. STAGGERS TO THE COMMITTEE AMENDMENT IN THE NATURE OF A SUBSTITUTE

Mr. STAGGERS. Mr. Chairman, I offer an amendment to the committee amendment in the nature of a substitute.

The Clerk read as follows:

Amendment offered by Mr. STAGGERS to the committee amendment in the nature of a substitute: Page 4, insert after line 22 the following:

SEC. 2. Section 331 of the Communications Act of 1934 (as added by the first section of this Act) is repealed effective December 31, 1975.

Mr. STAGGERS. Mr. Chairman, I will not take 1 minute, and probably less than 1 minute.

We have said that we are not going to make this permanent legislation; that we will go along with the Senate-passed bill and make it for a short period of time. And as the amendment reads, that it will be repealed on December 31, 1975. This gives us three football seasons in which to find out if the legislation is working properly. I hope the amendment is agreed to.

Mr. JAMES V. STANTON. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would like to ask the chairman of the subcommittee, Mr. MACDONALD, a question.

What constitutes a sellout under this proviso?

Mr. MACDONALD. Language regarding a sellout under this proviso of the bill is contained on page 2 starting with line 22, which I will read:

SEC. 331. (a) If any game of a professional sports club is to be broadcast by means of television pursuit to a league television contract and all tickets of admission for seats at such game which were available for purchase by the general public.

Mr. JAMES V. STANTON. Mr. Chairman, then it is my understanding that, for example, in the Cleveland stadium

that has a capacity of 80,000 seats, if the 5,000 standing room tickets, up to 5,000 that are available in that stadium, are sold out, then these will not be counted as seats.

Mr. MACDONALD. It is true, not just in Cleveland but in every one of the 26 league cities that unless they are totally sold out, that is, totally sold out for paid admission for seats, the blackout is not lifted. In the Browns case Mr. Modell, who I know relies heavily on the selling of standing room, and who appeared before the committee voluntarily indicated that while this has been a continued source of revenue, as far as the sellout of Cleveland is concerned, the standing room will not be counted.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. JAMES V. STANTON. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. I think the chairman of the subcommittee misspoke. If the seats are sold out, never mind whether the standing room is sold out, the blackout is lifted.

Mr. MACDONALD. If there is no sellout of all available seats, there is a blackout, and vice versa.

Mr. BROWN of Ohio. And the blackout is lifted whether or not the standing room is sold out?

Mr. MACDONALD. Yes. That we discussed for a period of about 2 weeks, and I might say this was no Gulf of Tonkin resolution. We had 2 weeks of hearings.

Mr. JAMES V. STANTON. Mr. Chairman, I appreciate the consideration given by the subcommittee and the Members, and I appreciate their thoughtfulness on the proposition. I should just like to point out that there are clubs that are not sold out, who will have some real difficulties with this legislation.

For example, there are 52,000 season tickets sold in Cleveland in an 80,000-seat stadium. We do not know 2 years from now or a year and a half from now the impact on season ticket sales this will have, whether they will go down or up. I want to advise the House—and I have the assurance of the chairmen of the committee and the subcommittee—that if it has an adverse effect economically on the club, this committee will reconsider the legislation before the time of expiration, as proposed by the subcommittee. Is that correct?

Mr. MACDONALD. That is correct. According to the legislation, the FCC reports to our committee on or before April 15 of each year.

Mr. JAMES V. STANTON. I thank the gentleman very much. I yield back the balance of my time.

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

Mr. Chairman, I had intended to offer a 1-year limitation on this bill. But in view of the limitation being offered by the committee chairman, Mr. STAGGERS, I will withhold my amendment and support his limitation. I hope that the Senate compromises this down to 1 or 2 years in conference.

Mr. Chairman, I have the privilege of representing a district in northeastern Wisconsin that includes the city of Green Bay. Hardly a man is now alive who does not associate this community with its professional football team—the Green Bay Packers.

The Packers are very important to Green Bay, and this bill is important to the Packers. They are deeply concerned about the impact of this bill on their future operations.

I realize that this bill will be tremendously popular with millions of people. It will give them something they desparately want—and give it to them for nothing. I am not against sharing the wealth in this instance with nonticket-holding fans. But, I want an assurance that professional football will not be the loser, and thus in the end, that professional football fans will be the loser.

The committee report on this bill proudly states:

> Enactment of this legislation will not involve any costs to the Federal Government.

But we should not delude ourselves with the notion that this bill has no costs.

It is going to cost professional football big money, if not immediately, at least over a period of time. Will it also affect the quality of professional football directly or indirectly?

We cannot be certain today about all the interests that will be affected and perhaps hurt by this bill. That is why we should require ourselves to consider this bill 10 or 11 months from now, We should do more than simply commit ourselves to "study" the evidence.

We have some evidence now that has been virtually ignored.

Pete Rozelle contends that—

> If the public becomes accustomed to receiving without charge the same product which it is being asked to buy, there will inevitably be a steady erosion of ticket-buying interest. Ultimately, ticket-buying habits and actual game attendance will be significantly affected . . .

The committee has evidence to support this contention. It took a poll of present season ticketholders.

It asked the question: "If a law were enacted providing for televising your team's home games in your area, would you continue to purchase a season ticket?"

Sixty-eight percent of the respondents from Green Bay said "yes." Thirty-two percent said "no" or "undecided."

Of the respondents from Kansas City, 40 percent of the season ticketholders said "no" or "undecided."

The committee asked the question: "Was the fact that NFL home games are not televised locally an important reason in your original decision to purchase season tickets?"

Twenty-one percent of the respondents from Green Bay said "yes"—32 percent of the respondents from Kansas City said "yes"—49 percent of the respondents from Dallas said "yes."

Already some season ticketholders have called the Green Bay business office and asked to turn in their tickets.

Is it any wonder that pro football is concerned about the potential impact of this bill on game attendance.

Pete Rozelle contends that even if a game is completely sold out, "no shows" will constitute a problem—first, because attendance for home games is an essential ingredient in competitive sports, and, second, because the revenues from concessions depend upon attendance.

In Green Bay, the revenues from concessions go—not to the club—but to the city of Green Bay.

In Green Bay, the revenues from parking go—not to the club—but to the city of Green Bay.

When people do not show up at the stadium, the city of Green Bay loses money.

The House should know that the committee's study revealed that in Green Bay 65 percent of the respondents had to drive more than 30 minutes to get to the stadium—17 percent had to drive more than 90 minutes.

Forty-seven percent lived more than 25 miles from the stadium.

Obviously, in Green Bay, many patrons do not live a mile or two from the stadium.

In Green Bay, the weather is often cold—very cold. Many of you remember the game that was played at 13 below.

The conclusion is inescapable that when vast numbers of fans have to drive long distances to get to the stadium on days when the weather is inclement and perhaps bitterly cold—and people have the option of watching the action from the comfort of their own living rooms—the potential for massive "no shows" is very great. An empty stadium, itself, will affect the game quality to some extent.

"No shows" could cost the city of Green Bay a bundle of money—and the same thing could happen in many other communities.

The truth is that last January in Los Angeles—when the Miami Dolphins played the Washington Redskins in the Super Bowl—the game was sold out, the temperature was in the mid-80's, the weather was fine—but 10 percent of the seats were unoccupied.

A third concern relates to the radio revenues that come to the pro football clubs. When home games are not televised, many people listen to those home games on the radio. In Green Bay, radio contracts are an important part of the club's revenues. But the value of these radio contracts will plummet dramatically if the home games are broadcast on television. This year's contracts are signed and sealed. If home games are broadcast on television, the sponsors and advertisers of the radio games will take the loss. However, next year, when the contracts must be renegotiated, the Green Bay club will not be able to sign an $85,000 contract for radio rights. The contract will necessarily be much smaller. The club will lose income.

These are three reasons why I feel uneasy about the impact of this bill on the Green Bay Packers. The Packers are a nonprofit corporation. Their margin in the black last year was only $480,203.

I think the very least that a responsible Congress should do is to put a 1-year termination date on this bill so that we force ourselves to consider a new bill in light of the experience that develops.

A 1-year clause is in the Senate bill. A 1-year clause was in the Parris bill that had about 60 cosponsors. A 1-year

clause will not hurt any football fan in this country.

I appeal to the House to incorporate a limitation in this bill so that we do not go too far too fast, to the detriment of professional sports. I hope there is a conference committee and that the 3-year limitation be reduced to 1 or 2 years.

Mr. Chairman, some of my fears are derived from articles as recently appeared in the Green Bay Press-Gazette and the Washington Post, which I include for the information of the Members:

[From the Green Bay Post-Gazette]

OUT OF BOUNDS?

(By Len Wagner)

It's beginning to look as though all you people out there in Packerland who have been waiting five or 10 years for season tickets to Lambeau Field are not going to have to wait much longer.

In fact, you may have the best seat available for the Pack's Green Bay opener against the Detroit Lions Sept. 23. Your sitter will be comfortably passed. The sun won't be in your eyes. If it's raining, you'll be dry. And the beer will be both handy and relatively inexpensive. Your field of vision may be crowded a bit but instant replay more than offsets that.

Yup, you may very well be able to watch that game right on your own television, even if you live on Ridge Road, within punting distance of the stadium.

It appears that congress is about to zap through a bill which would lift the NFL-imposed blackout on home game television when the stadium is sold out 72 hours in advance. And President Nixon's pen is already drooling in anticipation of signing the measure.

There will be some NFL cities where the bill will be meaningless. Not all stadiums are sold out for every game, particularly 72 hours in advance. But in Green Bay, judging by the 12,000 people on the waiting list for season tickets, the stadium has been sold out for 72 years.

I suspect that once the bill is passed . . . and reports from Washington indicate there is little doubt that it will pass . . . there will be some devout thanks offered by many hometown fans. The politicians will be heroes.

But I also suspect that Pete Rozelle and the NFL will not give in very easily. Neither will the thousands of fans who purchased season tickets at exhorbitant prices with the understanding that there would be no home television available.

Might not there be some legal question about this type of action? Don't you think there will be a series of injunctions and rulings and appeals on this whole question?

If there isn't there darn well ought to be!

As a season ticket buyer, I would be up in arms . . . particularly considering the schedule the Packers have this year. Home games on Nov. 4, Nov. 11 and Dec. 8. It's going to be a lot warmer in front of my TV set than it will be in the stadium on those days. I would consider myself bilked . . . not by the NFL this time, but by my own elected representatives, my own government.

Government stepping into private business is hardly news. Price controls have sent the entire country into an uproar. But in this case, the government is stepping into the marketing procedures of a product. In effect, it is saying that after you sell so much of your product, you must give it away free. Imagine your local grocery store being ordered to sell only to the first 100 customers Monday and then to give away groceries to the rest of the people coming in that day. Let me ask a couple other questions . . .

After this first step, how long do you think it will take before the 72 hour sellout restriction is removed?

And then how long do you think it will be before the stadiums are turned into oversized TV studios and you are required to drop a quarter into a little box attached to your television set every half hour in order to see a football game? Or Basketball game? Or baseball game? or Miss America Pageant? Or All in the Family?

Before you slobber your thanks all over Pastore and Proxmire and the other blackout lifters, maybe you should consider the alternatives the future . . . even the near future . . . may offer.

[From the Washington Post, Sept. 12, 1973]

BLACKOUT BAN BIDS TO DARKEN NFL FUTURE

(By Bob Addie)

It perhaps is only coincidental that football, one of President Nixon's favorite sports, should provide the diversion from Watergate than he continually urges on Congress.

The House now is involved in a "two-minute drill" in trying to get the ban on television blackouts approved before opening of the National Football League season Sunday. The bill passed the Commerce Committee yesterday and is due full House consideration Thursday.

The first of the "ban-the-blackout" bills was introduced April 14, 1971, according to attorney Philip A. Hochberg who wrote a detailed study on "The Legislative Attack in the 92d Congress on Sports Broadcasting Practices," for the New York Law Review. Hochberg, a communications lawyer, doubles as Redskin press box announcer. Sen. William Proxmire (D-Wis.) was the one who opened the sluice gates on the sports bills.

Proxmire was trying to lift home blackouts by lifting the antitrust exemption of the league's pooling contract after the 1971 Super Bowl blackout in Miami was not lifted. Perhaps that's one decision NFL commissioner Pete Rozelle rules today.

Rozelle had plenty of precedent from baseball, which never has blacked out World Series or All-Star games. However, there is evidence baseball commissioner Bowie Kuhn, noting empty seats at playoff games, was about to institute his own home blackcut.

Sen. John O. Pastore (D-R.I.) finally got Rozelle to lift the blackout for this year's Super Bowl in Los Angeles after the Miami Dolphins and Redskins sold out.

The results were interesting and could point to a problem for owners. Despite a fine day in Los Angeles, with the temperature in the mid-80s, some 10 per cent of the seats were unoccuped. Possibly more serious than lost concessions revenue, a Rozelle complaint is the fact that people preferred to give up paid seats to watch the game on television.

The blackout bill, which should sail through the House as it did in the Senate, undoubtedly is being watched closely by baseball and could affect the vote by the National League next Wednesday on the shift of the San Diego franchise to Washington.

Rep. B. F. Sisk (D-Calif.), who quarterbacked the baseball franchise shift, did not attempt subtlety at the baseball winter meetings in Phoenix in 1971. Armed with a "mandate" from his House colleagues, Sisk bluntly suggested that if Washington did not get another franchise, Congress would take a "closer look" at the antitrust exemption enjoyed by baseball.

The threat sufficiently worried Kuhn that he has worked quietly with Sisk in trying to get another franchise. Most baseball people feel Congress is bluffing. But the television blackout bill now speeding through the House should give baseball people pause.

Twelve of the 26 teams in the NFL have season-ticket sellouts. These include the Redskins and both New York teams. The House bill would prohibit local blackouts if the game is sold out 72 hours in advance. The Senate bill, passed by a 76–6 margin last week, would limit the blackout ban to one year as an experiment. The House bill has no limit.

Congress' absorption with sports is apparent in this remarkable statistic supplied by Hochberg: 47 bills were introduced in the 92d Congress which would have had repercussions on sports and telecasting policies.

Some complain the antiblackout bill is the result of personal pique by legislators who cannot get Redskin tickets. The lawmakers have plenty of support because few people will turn down anything free.

But it seems to be conveniently forgotten by Congress that pro football had a long struggle to get where it is and the owners have run their business with admirable efficiency. Are they really "greedy" or do they have the right, in a system of free enterprise (which doesn't mean giving away home games) to a profit?

Pro football, like everything else, has been hit by spiraling costs. Ticket prices have been raised, preseason schedules have been expanded, and other economy measures have been instituted. But nobody ain't fooling nobody. TV still is the golden crutch.

My personal feeling is that if the ban on local TV blackouts is enacted, more than half of all season ticket-holders will stay home and watch the tube.

Any eventually the government may find itself passing new legislation—to subsidize the sport.

The CHAIRMAN. The question is on the amendment offered by the gentleman from West Virginia (Mr. STAGGERS) to the committee amendment in the nature of a substitute.

The amendment to the committee amendment in the nature of a substitute was agreed to.

AMENDMENT OFFERED BY MR. MACDONALD TO THE COMMITTEE AMENDMENT IN THE NATURE OF A SUBSTITUTE

Mr. MACDONALD. Mr. Chairman, I offer an amendment to the committee amendment in the nature of a substitute.

The Clerk read as follows:

Amendment offered by Mr. MACDONALD to the committee amendment in the nature of a substitute: Page 3, insert immediately before the period at the end of line 11 the following: "unless the broadcasting by means of television of such game at such time and in such area would be a telecasting which section 3 of Public Law 87–331, as amended (15 U.S.C. 1293), is intended to prevent".

Mr. MACDONALD. Mr. Chairman, this amendment is a very simple one. All it really does is clarify existing law already on the books to protect high school and college football from the leagues. So this has been contained in the reports, both in the Senate and the House reports, but it was felt in order to make this perfectly clear we had better make this technical change.

Mr. Chairman, I urge adoption of the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts (Mr. MACDONALD) to the committee amendment in the nature of a substitute.

The amendment to the committee amendment in the nature of a substitute was agreed to.

AMENDMENT OFFERED BY MR. CARNEY OF OHIO TO THE COMMITTEE AMENDMENT IN THE NATURE OF A SUBSTITUTE

Mr. CARNEY of Ohio. Mr. Chairman, I offer an amendment to the committee amendment in the nature of a substitute.

The Clerk read as follows:

Amendment offered by Mr. CARNEY of Ohio in the nature of a substitute: Page 2, line 22, insert "(1)" immediately after "(a)". Page 3, insert after line 11 the following:

"(2) The right to broadcast any game of a professional sports club by means of television shall be made available, by the person or persons having such right and on reasonable terms and conditions, to television broadcast licensees the transmitters of which are located more than fifty miles from the main post office of the city in which such game is to be played.

Mr. CARNEY of Ohio. Mr. Chairman, I want to express my wholehearted support of legislation permitting local television stations to broadcast a professional sports event involving their home team whenever the event is sold out 72 hours before it is scheduled to begin. I believe that this is a fair and reasonable proposal which should be adopted. However, it is inadequate in its present form.

Mr. Chairman, I strongly recommend that this legislation be amended to prohibit television blackouts of professional sports events from extending for more than 50 miles of the main post office of the city in which the game is played. A 50-mile limit on television blackouts should be established for all professional sports events, regardless of whether they are sold out in advance or not.

The "home territory" of a professional team is not defined by law. The National Football League has defined "home territory" as "the surrounding territory to the extent of 75 miles in every direction from the exterior corporate limits of a home city." Consequently, a community, any part of which is within 75 miles of a professional football game, is subject to a television blackout. Some cities which are more than 75 miles away also are subject to a television blackout.

Mr. Chairman, the city of Youngstown, Ohio, which I represent, has no professional football, baseball, basketball, or hockey teams. Youngstown lies approximatey 65 miles southeast of Cleveland, Ohio and approximately 65 miles west of Pittsburgh, Pa. At the present time, professional games played by the Cleveland Browns in Cleveland, and by the Pittsburgh Steelers in Pittsburgh, are not televised in the Youngstown area even though Youngstown is not the home community of either of these teams. The Youngstown area is the only area in the country which is caught both ways. Television blackouts of the Youngstown area are imposed by both the Cleveland Browns and the Pittsburgh Steelers professional football teams.

Mr. Chairman, there are thousands of Cleveland Browns' fans and Pittsburgh Steelers' fans in the Youngstown area who are unable to purchase tickets for these games or to travel the approximately 125 to 150 miles roundtrip to attend these games. There is no practical way for these fans to see their team play.

The area blacked out for Baltimore and Washington games extends far beyond the respective neighboring city. The closest stations televising the Washington games are in Richmond, Va., and York, Pa.—129 and 75 air miles away. The stations in Hagerstown and Salisbury, Md., 64 and 84 miles from Washington, although not designated for blackout, are unable to televise the games.

Philadelphia games are blacked out in the Harrisburg-Lancaster-Lebanon area and the Scranton–Wilkes-Barre area. These areas are 98 and 107 air miles respectively from Philadelphia. An official from a Scranton television station testified that less than one busload of people from Scranton go to Philadelphia games.

The 75-mile limitation is not applied to the Denver area. Consequently, no resident in the State of Colorado can see any of the Denver home games. The NFL designated the stations in Colorado Springs, and Pueblo, Colo., for blackouts. These stations are 70 and 98 air miles respectively from Denver.

The survey of season ticket patrons disclosed that only 9 percent of the patrons responding came from distances exceeding 50 miles. Moreover, only 13 percent of these patrons—1 percent of the total patrons—indicate that if a law is enacted providing for televising home games in local areas, they would not continue to purchase season tickets. It is, therefore, obvious that blacking out stations outside the home city of the club is particularly unwarranted.

Mr. Chairman, I believe that a 50-mile limit for television blackouts of professional sports events is sufficient to protect the interests of professional sports and at the same time guarantee the rights of the viewing public.

The Federal Communications Commission would be required to study the effect of this provision and to report to the Congress by April of each year.

Mr. Chairman, I urge the House to agree to this amendment.

Mr. Chairman, yesterday I wrote a "Dear Colleague" letter to the 434 Members of the House of Representatives soliciting support for an amendment to H.R. 9553 which would limit television blackouts of professional games to not more than 50 miles from the main post office of the city in which the game is played. This amendment would prohibit television blackouts of professional sports events from extending beyond 50 miles even if a professional game is not sold out 72 hours before it is scheduled to begin.

A copy of my amendment together with a tentative list of the cities which would benefit from this amendment was attached to my letter. Mr. Chairman, I insert a copy of my letter and attachment in the RECORD at this time:

HOUSE OF REPRESENTATIVES,
Washington, D.C., September 12, 1973.

DEAR COLLEAGUE: On Thursday, September 13, 1973, the House will consider H.R. 9553, a bill to prohibit television blackouts of professional games which are sold out more than 72 hours before such games are scheduled to begin.

I will offer an amendment to H.R. 9553 which would limit television blackouts of professional games to not more than 50 miles from the main post office of the city in which the game is played, regardless of whether the game is sold out in advance or not.

Presently, the "home territory" of a professional team is not defined by law. However, the National Football League has defined "home territory" to include a community any part of which is within 75 miles of the site of a game.

For example, Youngstown, Ohio, which lies 65 miles southeast of Cleveland, Ohio, and 65 miles west of Pittsburgh, Pennsylvania, is blacked-out by both the Cleveland Browns and the Pittsburgh Steelers.

Clearly, Youngstown is not the home community of either of these teams. Football fans in the Youngstown area often are unable to purchase tickets for the Browns' or Steelers' games, or to travel the approximately 125-to-150 miles roundtrip to see these games. Many other American cities are in a similar situation with respect to at least one professional football team.

A 50-mile limit on television blackouts of home professional football games is sufficient to protect the interests of the National Football League, and is necessary to guarantee the rights of the viewing public. Therefore, I respectfully request your support of this amendment.

With best wishes, I am

Sincerely yours,

CHARLES J. CARNEY,
Member of Congress,
19th Ohio District.

P.S.—A copy of the amendment together with a tentative list of the cities benefitting from this amendment is attached.

AMENDMENT OFFERED BY MR. CARNEY

"The right to broadcast any game of a professional sports club by means of television shall be made available, by the person or persons having such right and on reasonable terms and conditions, to television broadcast licensees the transmitters of which are located more than fifty miles from the main post office of the city in which such game is to be played."

TENTATIVE LIST OF CITIES BENEFITING FROM 50-MILE TELEVISION BLACKOUT LIMIT*

Team Home City and Cities Benefiting

Baltimore—Hagerstown, Harrisburg, and Lancaster.
Boston—Providence and Manchester, N.H.
Buffalo—Rochester and Erie.
Cincinnati—Lexington.
Cleveland—Youngstown and Canton.
Denver—Pueblo.
Dallas—Waco, Tyler, and Sherman.
Detroit—Lansing, Toledo, and Flint.
Green Bay—Wausau and Milwaukee.
Houston—Lufkin, Bryan, and Beaumont.
Kansas City—Topeka and St. Joseph.
Los Angeles—San Diego.
Miami—West Palm Beach.
Minneapolis/St. Paul—Mankato, Mason City, Alexandria, Rochester, and Austin.
New Orleans—Baton Rouge.
Oakland—Sacramento and Salinas/Monterey.
Philadelphia—Harrisburg, Scranton, Lancaster, and Wilkes-Barre.
Pittsburgh—Altoona, Steubenville, Johnstown, Youngstown, Wheeling, and Clarksburg/Weston.
San Francisco—(Same as Oakland).
San Diego—Los Angeles.

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*Tentative List of Cities was hastily prepared and may not be complete or entirely accurate.

SCHEDULE C–1

TOTAL ATTENDANCE AT NFL REGULAR-SEASON GAMES, 1958–72

Season	Games played	Total attendance	Average	
			Per game	Per club
1958	72	3,006,124	41,752	250,510
1959	72	3,140,409	43,617	261,700
1960	134	4,047,452	30,204	192,735
1961	154	4,985,756	32,375	226,625
1962	154	5,150,722	33,446	234,124
1963	154	5,405,384	35,100	245,699
1964	154	6,010,924	39,032	273,224
1965	154	6,571,156	42,670	253,234
1966	168	7,497,413	44,627	312,392
1967	175	8,304,784	47,456	332,191
1968	182	8,516,817	46,796	327,569
1969	182	8,939,577	49,119	343,829
1970	182	9,533,333	52,381	366,666
1971	182	10,076,035	55,363	383,693
1972	182	10,445,827	57,395	401,762

ATTENDANCE AT NFL REGULAR-SEASON GAMES BY CLUB, 1970–72

Club	Attendance			Difference	
	1970	1971	1972	1970–71	1971–72
Atlanta	396,191	403,289	403,578	7,098	289
Baltimore	408,275	400,782	392,320	(7,493)	(8,462)
Buffalo	274,498	270,808	309,814	(3,690)	39,006
Chicago	315,288	381,191	385,906	65,903	4,715
Cincinnati	399,813	408,773	403,616	8,960	(5,157)
Cleveland	543,110	517,147	505,360	(25,963)	(11,787)
Dallas	387,866	439,428	431,751	51,562	(7,677)
Denver	349,802	353,347	355,693	3,545	2,346
Detroit	388,503	375,196	374,053	(13,307)	(1,143)
Green Bay	361,737	361,473	361,302	(264)	(171)
Houston	285,441	283,763	276,291	(1,678)	(7,472)
Kansas City	334,543	332,683	546,124	(1,860)	213,441
Los Angeles	473,212	477,184	473,914	3,972	(3,270)
Miami	413,422	464,658	544,162	51,236	79,504
Minnesota	320,006	329,220	329,037	9,214	(183)
New England	233,800	396,946	421,243	163,146	24,297
New Orleans	456,750	525,586	444,075	68,836	(81,511)
New York Giants	437,977	438,000	438,669	23	669
New York Jets	428,373	428,916	430,442	543	1,526
Oakland	368,946	369,915	367,078	969	(2,837)
Philadelphia	381,147	450,100	455,013	68,953	4,913
Pittsburgh	318,698	318,472	335,335	(226)	16,863
St. Louis	323,406	341,718	337,545	18,312	(4,173)
San Diego	298,646	326,886	347,349	28,240	20,463
San Francisco	287,154	316,560	410,811	29,406	94,251
Washington	346,729	363,994	365,346	17,265	1,352
Total	9,533,333	10,076,035	10,445,827	542,702	369,792
Capacity	10,456,331	10,562,397	10,941,447	106,066	379,050
Percent of capacity in attendance	91.0	95.0	95.0		
Percent of increase in attendance		5.7	3.7		
Percent of increase in capacity		1.0	3.6		

SCHEDULE C–3

POPULATION GROWTH IN NFL HOME TERRITORIES

Club[1]	Metropolitan area population		Percent change
	1970	1960	
Baltimore	2,070,670	1,803,745	14.8
Buffalo	1,349,211	1,306,927	3.2
Chicago	6,978,947	6,220,913	12.2
Cleveland	2,064,194	1,909,483	8.1
Dallas	1,555,950	1,119,410	39.0
Denver	1,227,529	929,383	32.1
Detroit	4,199,931	3,762,360	11.6
Green Bay	158,244	125,082	26.5
Milwaukee	1,403,688	1,278,850	9.8
Houston	1,985,031	1,418,323	40.0
Kansas City	1,253,916	1,092,545	14.8
Los Angeles	7,032,075	6,038,771	16.4
Boston (New England)	2,753,700	2,595,481	6.1
New York	11,571,899	10,694,633	8.2
Philadelphia	4,817,914	4,342,897	10.9
Pittsburgh	2,401,245	2,405,435	−.02
St. Louis	2,363,017	2,104,669	12.3
San Diego	1,357,854	1,033,011	31.4
San Francisco/Oakland	3,109,519	2,648,762	17.4
Washington	2,861,123	2,076,610	37.8
Total	62,515,657	54,907,350	12.2

[1] Considered only clubs in existence in 1960.

Source: Compiled from "Number of Inhabitants, U.S. Summary, U.S. Department of Commerce, Bureau of the Census, December 1971."

SCHEDULE C–4

INCREASE IN ATTENDANCE, 1960–70

Club[1]	1960	1970	Percent change
Baltimore	333,031	408,275	22.5
Buffalo	111,800	274,498	145.5
Chicago	257,443	315,288	22.5
Cleveland	316,247	543,110	71.7
Dallas	64,302	387,866	503.2
Denver	91,333	349,802	283.0
Detroit	288,558	388,503	34.7
Green Bay/Milwaukee	282,892	361,737	27.9
Houston	140,137	283,441	102.3
Kansas City	171,500	334,543	95.1
Los Angeles	331,477	473,212	42.8
New England	110,260	233,800	112.0
New York Giants	353,035	437,977	24.1
New York Jets	114,628	428,373	273.7
Oakland	69,122	368,946	433.8
Philadelphia	254,017	381,147	50.1
Pittsburgh	155,677	318,698	104.7
St. Louis	133,627	323,406	142.0
San Diego	110,376	298,646	170.6
San Francisco	297,516	287,154	−3.5
Washington	144,621	346,729	139.8
Total	4,131,869	7,545,151	82.6

[1] Considered only clubs in existence in 1960.

SCHEDULE C-5

POPULATION GROWTH IN NATIONAL FOOTBALL LEAGUE HOME TERRITORIES

Club	Metropolitan area population			Percent change		
	1970	1960	1950	1960-70	1950-60	1950-70
Atlanta	1,390,164	1,017,188	726,989	36.7	39.9	91.2
Baltimore	2,070,670	1,803,745	1,457,181	14.8	23.8	42.1
Buffalo	1,349,211	1,306,957	1,089,230	3.2	20.0	23.9
Chicago	6,978,947	6,220,913	5,177,868	12.2	20.1	34.8
Cincinnati	1,384,851	1,268,479	1,023,245	9.2	24.0	35.3
Cleveland	2,064,194	1,909,483	1,532,574	8.1	24.6	34.7
Dallas	1,555,950	1,119,410	780,827	39.0	43.4	99.3
Denver	1,227,529	929,383	612,128	32.1	51.8	100.5
Detroit	4,199,931	3,762,360	3,016,197	11.6	24.7	39.2
Green Bay	158,244	125,082	98,314	26.5	27.2	61.0
Milwaukee	1,403,688	1,278,850	1,014,211	9.8	26.1	38.4
Houston	1,985,031	1,418,323	935,539	40.0	51.6	112.2
Kansas City	1,253,916	1,092,545	848,655	14.8	28.7	47.8
Los Angeles	7,032,075	6,038,771	4,151,687	16.4	45.5	69.4
Miami	1,267,792	935,047	495,084	35.6	88.9	157.0
Minneapolis	1,813,647	1,482,030	1,151,053	22.4	28.8	57.6
Boston (New England)	2,753,700	2,595,481	2,414,368	6.1	7.5	14.1
New Orleans	1,045,809	907,123	712,393	15.3	27.3	46.8
New York	11,571,899	10,694 633	9,555,943	8.2	11.9	21.1
Philadelphia	4,817,914	4,342,897	3,671,048	10.9	18.3	31.2
Pittsburgh	2,401,245	2,405,435	2,213,236	—.02	8.7	8.5
St. Louis	2,363,017	2,104,669	1,755,334	12.3	19.9	34.6
San Diego	1,357,854	1,033,011	556,808	31.4	85.5	143.9
San Francisco/Oakland	3,109,519	2,648,762	2,135,934	17.4	24.0	45.6
Washington	2,861,123	2,076,610	1,507,848	37.8	37.7	89.7
Total	69,417,920	60,517,217	48,633,694	14.7	24.4	42.7

Source: Compiled from "Number of Inhabitants, U.S. Summary", U.S. Department of Commerce, Bureau of the Census, December 1971.

SCHEDULE C-6

INCREASE IN ATTENDANCE AT NFL REGULAR-SEASON GAMES, 1961-72

[From enactment of antitrust exemption to date]

Club [1]	1961	1972	Increase 1961-72	Percent of increase 1961-72
Baltimore	381,429	392,320	10,891	2.9
Buffalo	133,408	309,814	176,406	132.2
Chicago	298,063	385,906	87,843	29.5
Cleveland	403,961	505,360	101,399	25.1
Dallas	95,487	431,751	336,264	352.2
Denver	74,508	355,693	281,185	377.4
Detroit	327,698	374,053	46,355	14.2
Green Bay	282,892	361,302	78,410	27.7
Houston	197,016	276,291	79,275	40.2
Kansas City	123,000	546,124	423,124	344.0
Los Angeles	306,406	473,914	167,508	54.7
Minnesota	239,849	329,037	89,188	37.2
New England	116,510	421,243	304,733	261.6
New York Giants	423,819	438,669	14,850	3.5
New York Jets	106,619	430,442	323,823	303.7
Oakland	53,582	367,078	313,496	585.1
Philadelphia	395,246	455,013	59,767	15.1
Pittsburgh	153,010	335,335	182,325	119.2
St. Louis	139,242	337,545	198,303	142.4
San Diego	195,014	347,349	152,335	78.1
San Francisco	340,754	410,811	70,057	20.6
Washington	198,243	365,346	167,103	84.3
Total	4,985,756	8,650,396	3,664,640	73.5

[1] Considered only clubs in existence in 1961.

MISCELLANEOUS FACTS

(1) Today over 95 percent of all stadium seats for all NFL regular season games are sold, and in some cases the entire season is sold out.

(2) In 1971, over 10 million people attended the 364 regular season games of the 26 national football league teams. That attendance figure increased for the 1972 season.

(3) In 1972, the privilege of using the public airwaves to broadcast regular season NFL games meant an additional $1.5 million for each of the 26 member clubs or $39 million total.

(4) Total professional football game attendance increased from 4,153,000 in 1960, to 9,913,000 in 1970. This does not include the preseason games.

(5) This amendment would not be telling the NFL how to run its affairs. This amendment merely modifies a special exemption from the anti-trust laws which Congress granted professional football, baseball, basketball, and hockey sport leagues in 1961.

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

Mr. Chairman, I do so reluctantly. This amendment was raised in the committee and we all understand the difficulty that the geographical situation of Youngstown presents. It is within the 75-mile limit, but there are two difficulties about changing that at this point in this bill.

No. 1, I could have made a point of order, I believe, against it as being nongermane inasmuch as we are amending the Communications Act and this limit of incursion by television is established in the National Football League constitution. The Congress has had nothing to do with its formation, unlike the antitrust exemption for the network negotiations.

Mr. CARNEY of Ohio is understandably upset, and we appreciate it. I think he would be better served by talking with the owners of the two clubs to which he referred, because they could by mutual agreement solve his problem. First of all, it is not our business, and secondly, we would be opening ourselves up to the charge—and I think a very valid one—that if this amendment were adopted, Youngstown stations which can be seen in Pittsburgh and Cleveland could advertise, "Do not buy Cleveland Browns' tickets; do not buy Pittsburgh Steelers' tickets, stay at home and watch it on your home TV over the Youngstown station even though your home stations are blacked out."

We want to be fair with the NFL. They have their rules and regulations. They have a lawful constitution. I think it would be a matter of the Congress inserting itself in the internal workings of the league.

I urge that the amendment, however helpful it might be on behalf of Mr. CARNEY, be defeated.

Mr. FLYNT. Mr. Chairman, I move to strike the last word. I ask unanimous consent to speak out of order.

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

There was no objection.

Mr. FLYNT. Mr. Chairman, I have some serious reservations about this bill. At the same time I have these reservations, I recognize the desire of people who live within the local area to see home games. Yet, I am concerned about this bill, because I feel that it may be an unwarranted intrusion of the powers of Government into an ongoing and viable section of private enterprise which, after many years of hard, lean times, is now doing a good job and is in a sound financial position.

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

Mr. FLYNT. Of course, I yield to the gentleman from West Virginia.

Mr. STAGGERS. Mr. Chairman, would the gentleman agree that in his State the people of the State were taxed in order to build the stadium, and they certainly should enjoy some of the fruits of their taxation?

Mr. FLYNT. Mr. Chairman, I respond to that question, although I do not think it is germane to this bill that is under consideration. The people of Atlanta built the stadium, not the people of the State of Georgia. They did a good job of it and they attracted there a major league baseball team and a major league football team. Both of them, I might add, are doing a good job not only for themselves and their clubs locally, but for the entire city and State as well.

I know many of my colleagues join in resenting the statements made earlier by certain Members who stated or implied that professional football is owned and controlled by a bunch of racketeers. That is certainly not true with the Atlanta Falcons, who would be included in this categorical indictment.

The Falcons recently came into the National Football League. They came in, of course, with uncertainties, but they have made it work. Rankin Smith and his associates are as fine a group of people as there are in our State or in

the country. I resent, on their behalf, the allegation that they and others in the industry are a bunch of racketeers and gangsters. It is simply not so.

I believe the same thing has been said and could well be said about club owners in other cities.

One secret of the success of professional football is that it has been able to attract sellout crowds. I do not know whether they will continue to be able to attract sellout crowds once this law is passed. What I am afraid of is that once the door is open, even though they may be able to sell out the tickets, they may find their teams playing to half-filled stadiums, which would not be in the best interests either of the team or of organized football.

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

Mr. FLYNT. I yield to the gentleman from Massachusetts.

Mr. MACDONALD. There are two points about that I would point out to the gentleman from Georgia.

In the first place, if the stadium is not sold out, the blackout will be in effect.

Mr. FLYNT. But I said that the tickets could be sold, but they might still have a half-empty stadium, which could happen and has happened. I will cite examples of that in just a minute. Football clubs in certain cold weather cities in the northern part of the country would suffer from this situation more than the club in Atlanta, but clubs in cold weather cities under this legislation if enacted would definitely suffer sharp drops in attendance, greatly magnify the "no show" problem and turn a well attended sports event into a studio show.

I believe that would be detrimental not only for the owners, but also for professional football.

I yield further to the gentleman from Massachusetts.

Mr. MACDONALD. I agree with the gentleman. I do not believe that will happen. Of course, it is a possibility.

As an example, here in Washington I believe there are many innercore city people who are great fans who cannot afford the $8, here in Washington. I do not know what is the cheapest ticket in Atlanta.

If the stadium were sold out, and if the people were not showing up, would it not be a great thing to distribute these tickets to the innercore city people, who cannot afford to go? I guarantee they would have the most enthusiastic crowd they had ever had.

Mr. FLYNT. At the same time, they might, as a result of that, say, "The sale of season tickets is the economic lifeblood of professional football." These tickets must be sold if a football club is to prosper. If the entire operation is to be the success that it presently is, they need well-attended games as well as good ticket sales.

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

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

Mr. KEMP. I appreciate the gentleman yielding and I appreciate his remarks.

I should like to make a point to my colleagues. What the gentleman in the well is saying is extremely important, because the economic lifeblood of professional football rests with maximum attendance in the stadium.

The point was made earlier in the colloquy on the floor that somehow or other, because the stadiums are built with public funds in many instances, it rests with the Congress to take the responsibility to bring these events to the public over free TV.

I would simply say that we built the Kennedy Center with public funds. No one is suggesting, I believe, that if they have sold out a performance at the Kennedy Center somehow it should be covered by TV in the same way this legislation treats professional football.

Mr. FLYNT. If I may interrupt the gentleman from New York, I shall yield back later gladly. I believe the gentleman has made a good point.

One might say that if some enterprising motion picture theater owner in his hometown had such attractions that simply because he sold out seats at every performance, somebody should introduce a bill to require that local motion picture theater owner to televise free the motion pictures he brings in. I believe the situation is analogous.

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

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

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

Mr. FLYNT. I yield to the gentleman from Pennsylvania.

Mr. SAYLOR. I want to commend my colleague from Georgia, who has had the courage to stand up here and present a defense of the owners of these football teams.

It is true that today they are riding on a high plane of popularity, with the stadiums full, but many a day went by when they did not have the stadiums full, and they lost money, and the people who were interested in professional football kept on, because of their faith in the game.

Merely because they have done this, is no reason to persecute them now when things are going well.

I cite as a shining example the Pittsburgh Steelers, who for many years had a considerable amount of trouble making ends meet. Now they have a good team. They are run by a very fine family, Mr. Art Rooney and his sons. They are a tremendous credit to our community, and to the game of professional football.

Mr. FLYNT. I thank my friend from Pennsylvania.

Let me make one more point.

Mr. Chairman, most people seem to think that this proposal is an innovation. It is nothing new at all. In 1950—now, that might seem like ancient history, but I will come next to an example in December 1970—in 1950 the Los Angeles Rams permitted home game television, with the television sponsor agreeing to underwrite the club's home game attendance at previous levels. At that time, in that season, the Rams had a 9–3 record and held the Western Conference championship, and television was new.

Despite this, regular season home game attendance dropped by 46 percent, and the sponsors bore heavy financial penalties, and the attendance at professional football in the Los Angeles area suffered as a result of televising home games.

One might say that is 1950 and it is too far back to get the true perspective of it.

All right, let us go to December of 1970, when the Baltimore Colts' games were televised, a team which had had 51 consecutive sellouts and had had extremely successful seasons.

When the televising of the Baltimore Colts' games became available over a Washington television station, the Baltimore Colts fell 16,000 seats short of selling out division playoff and conference championship games in Baltimore.

Mr. Chairman, this could happen to an industry which has done an excellent job in coming through many, many hard years before it became the successful industry that it is today.

I do not know that the results of the passage of this legislation will be adverse to professional football. I simply do not know whether it will be or not. I hope it will not be. But the people who know a lot more about professional football than we do believe that it would be adverse to them, in spite of the short-range benefits which they would desire from television revenue as a result of broadcasting home games. I do not believe that the club owners and the Commissioner of professional football are being selfish about this in their opposition to this bill. I just believe that they are being realistic.

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

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

Mr. McCLORY. Mr. Chairman, I believe the gentleman from Georgia has made some very fine points, and I concur in the position taken by the gentleman from Georgia.

It seems to me that we should oppose this.

This is interference at its worst by the Congress into private enterprise, it seems to me, and I hope that this measure is defeated.

Mr. FLYNT. Mr. Chairman, I believe that the committee amendment, which would change it to an experimental period of three football seasons, is far preferable to the original bill. I am concerned about what this could do to an industry which has proven itself to be operating in the public interest.

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

Mr. FLYNT. I yield to my friend from Alabama.

Mr. FLOWERS. Mr. Chairman, I would like to identify myself with the remarks made by the gentleman from Georgia and I concur totally with them.

Mr. FLYNT. I thank my colleague from Alabama for his remarks.

Mr. DULSKI. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in enthusiastic

support of H.R. 9553 to prohibit television blackouts of home National Football League games which are sold out 72 hours in advance of game time.

I have considered carefully the objections raised by the football commissioner, team owners, and players, present and former.

The public interest, in my view, falls squarely in support of a change in the law. The objections are at best flimsy, if indeed they hold any water at all.

The current hometown blackout provision represents a relatively rare exemption from the antitrust law which professional football was given in its early days as a struggling enterprise. It is no longer a commercial weakling.

We are not proposing to cancel the blackout exemption completely. All we do is to modify the exemption so that it does not apply to home games that are sellouts in advance.

I believe that this is a completely reasonable modification of the law at this time. I might add, however, that I believe that a periodic look should be taken at this basic exemption from the law. It could well be that it has served its purpose and can be eliminated entirely.

I have the honor of representing a community which is truly sports-minded. The people of Buffalo, Lackawanna, Erie County and the entire Niagara Frontier are solid sports fans.

Just last month, the Washington Redskins travelled to Erie County to help the Buffalo Bills baptize a $22 million football stadium that seats 88,000 persons. Yes, it was a sellout crowd.

The county placed its citizens under heavy financial responsibility in approving construction of this new stadium. It is a beautiful structure and layout of which the county can be proud.

There is an important risk which the county has assumed because it will take many years to pay off the building costs. Its success therefore requires not only the strong patronage of games, but also full faith of all our citizens.

Our people appreciate and support our Buffalo Bills football team, but there is reason to be frustrated too often by the actions of team ownership and management.

Professional football is a business as well as a sport. The business side of the Buffalo team sometimes seems to forget that the local citizens are having to fork up two ways for the financial success of the team, by patronage at the gate and by their annual taxes.

In this context it is difficult to understand the thinking of the Buffalo team's management in its recent adamant effort to prevent the county, which built it, from installing the name of the stadium on its wall.

To get the best deal is the name of any game, but it involves a limit on both sides. The Buffalo team ownership did neither itself nor the league any good with its refusal to acknowledge the county's rights and contribution to the new stadium.

Mr. Chairman, I urge passage of H.R. 9553 and I include a recent local editorial as part of my remarks:

[From the Buffalo Evening News, Sept. 8, 1973]

EASE TV FOOTBALL BLACKOUTS

The Buffalo Bills may not field a powerhouse able to fill Erie County's new 80,000-seat Rich Stadium to screaming, cheering capacity in every game this season. But that doesn't diminish the wisdom of congressional action to repeal, for a trial period, the special exemption now allowing team owners to black out local television coverage of even sold-out home games.

These blackouts result from an exemption to the nation's anti-trust laws won by pro football a dozen years ago when this now-prosperous commercial enterprise was still in its infancy.

The special privilege cements a system under which the owners can hardly lose but loyal hometown fans often can. Many of these same fans, as taxpayers, help pay for the stadium in which the blacked-out team plays and from which the owners profit, partly through the pooled sale of their games to television networks for lucrative fees.

NFL owners and Commissioner Pete Rozelle argue that requiring telecasts of local games will empty stadium seats and fill living rooms with stay-at-homes. This is a possibility, to be sure, and certainly Erie County, with a new stadium to pay for, doesn't want acres of vacant seats. But under a Senate-passed bill (which would apply not only to football but to other professional sports as well), the blackouts would be lifted only for games sold out 72 hours in advance, and the repeal plan would be carefully limited to a one-year experiment. If disaster follows, blackouts can always be restored.

In the meantime, pro-football is big business and its claims for special shelters from anti-trust laws are much less persuasive than they were years ago. More in need of this break right now are the deserving, loyal fans.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. CARNEY) to the committee amendment in the nature of a substitute.

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

Mr. CARNEY of Ohio. Mr. Chairman, I demand a recorded vote.

A recorded vote was refused.

So the amendment to the committee amendment in the nature of a substitute was rejected.

Mr. RANDALL. Mr. Chairman, I rise in support of this bill.

Mr. Chairman, I enthusiastically support H.R. 9553, which will amend the Communications Act of 1934 to require the broadcast of games of certain professional sports when tickets of admission for seats at such games, available for purchase by the public 120 hours before the beginning of the game, have all been purchased 72 hours before game time. H.R. 9553 is best known as the antiblackout bill or "ban the blackout" bill.

Last Friday the Senate passed similar but not identical legislation by a vote of 76 to 6. On H.R. 9553 there was only one dissenting vote in subcommittee and only one dissenting vote in the full committee.

As we consider this bill a few questions should be asked: How can there be a justified complaint against this legislation? How can there be a logical disagreement with this bill?

The answer to both of these questions should be that no one has a really valid complaint and no one can make a very strong case in disagreement. The reason is that the bill very simply and quite plainly provides that 5 days or 120 hours before the beginning of the game all available and unsold tickets must be put on sale and then at the point of 72 hours before game time, if all seats have been sold, the game must be televised locally, provided it is to be televised anywhere else in the country.

The Congress does not attempt to say to the owners that it has any authority to make them or to force them to install TV cameras and send out pictures of the game while it is in progress. No, that cannot be done. But, because the public owns the airways Congress can say by this legislation that if they choose to telecast the game, they must telecast it locally when the conditions of this legislation apply.

The distinguished chairman of the subcommittee, the gentleman from Massachusetts (Mr. MACDONALD), in my judgment, quite properly offered an amendment to change the bill as it came from the committee as open end or permanent legislation to make it effective for only 3 years and to terminate or repeal this amendment to the Communications Act of 1934. This means that the bill will cover parts of 3 calendar years and two full football seasons, and the remainder of this season.

Such an amendment is most meritorious, in my opinion, because had the House followed the Senate version of lifting the blackout as a sort of experiment for 1 year, then such a testing period could have been an implied invitation to the owners to fudge and finagle in an effort to prove the experiment was unworkable. With a 3-year period we may very well be saving the owners from themselves. We are saying the owners must give this thing ample time to be tested and if they attempt to fudge or evade the provisions of this bill, then, of course, there are means of enforcing it. For my part, I hope the several owners comply with the spirit of the law.

Mr. Chairman, it has been so expressed that I do not apologize for the repetition when I say that there is just no way for this legislation to hurt the game. There are those who argue that it will adversely affect professional football. It would seem that kind of result is almost impossible. I strongly dislike the use of the words "operative" and "inoperative" because they have been used so frequently in the Watergate hearings but in the context of this legislation, I will use one of these words to say that if the sale of seats fall off, this bill simply becomes inoperative. There is no way this legislation can hurt the game.

Mr. Chairman, the House has provided some built-in safeguards which will prevent any possible injury or damage to professional football from this legislation. Having reduced the status of this from permanent legislation to a 3-year period, we have gone further to provide that the Federal Communications Commission shall conduct a continuing study of the effect of this amendment to

the Communications Act, and not later than April 15 of each and every year submit to the Commerce Committee on the Senate and at the House a report which contains pertinent statistics and data and any recommendations for amending this legislation which will serve the public interest.

How can we be any fairer than that? I get so impatient with men like Pete Rozelle who comes before the committee and cries great crocodile tears that this kind of bill will be the end of professional football. For that matter, I have been impatient for quite some time with a gentleman by the name of Robert N. Cochran who heads telecommunications under Mr. Rozelle, who back in July, said:

In this society people are always wanting to get something that shouldn't be necessary for them to get—they are so spoiled.

It was this kind of arrogance that forced the Congress to act on legislation of this kind today.

Think what has happened since the 1961 amendment to the Communications Act. The eight clubs received less than $300,000 for their electronic media rights, that today the 26 clubs receive $46 million, or over $1.8 million apiece. About 95 percent of all teams, taken collectively, play before 95 percent capacity crowds and yet 35 percent of the people of this Nation reside in blacked out areas. With the prosperity that prevails throughout all of professional football, there is no more need for blackout. The owners who spoke through their commissioner, Mr. Rozelle, at the hearings have opposed this legislation at every turn and like the words of Mr. Cochran, head of telecommunications under Mr. Rozelle, have in effect said, "The public be damned," notwithstanding the fact these gentlemen do not own the airways which are the property of every citizen in the United States. That is why the Congress had no choice but to enact the legislation we are about to pass today.

In the mail received in our office from the franchise owner in our district, the worst complaint is directed against the alleged loss to concessionaires—those who sell hot dogs and beer and those who sell parking space. They say that lifting the blackout will result in an increase in the "no shows": That the loss to these concessionaires will be so great that they simply cannot make the payments on their revenue bonds that have built so many of the stadiums. The answer to this argument is contained in one word, "Hogwash." If the financial arrangements of the different stadiums are so thin that they must depend on the income from concessionaires, then they should have never been built in the first place.

When this legislation is enacted, and it will be, and signed by the President, a new day will dawn for the sporting fans of this country. It will be a far cry from the situation in Dallas where now you have to post a $300 bond even to get the right to buy a ticket and yet that area is blacked out to the local fans. But, I am not worried about Dallas. I mention this only as an example of just one of the high-handed arrangements that exist among the owners of professional football teams.

In my own area of Kansas City where a State line runs through part of the metropolitan area, for some reason more ticketholders live on the Kansas side than those who live in Jackson County, Mo. Although the Missourians are paying taxes to finance Arrowhead Stadium, they cannot buy any tickets. Now, with this legislation on the books, at least the people who pay the taxes will have a chance to see the game on TV. A privilege that they have been denied up until now.

This legislation has not been hurried or hastily considered. Exactly 1 year ago today the Interstate and Foreign Commerce Committee of the House sent out scores of investigators all across the land to determine the possible effect of this legislation. All franchised teams were contacted. They were all asked for the list of their season ticket holders.

From a sample poll which was fed into a computer to try to arrive at an accurate sampling of opinion, as a result, 69 percent of the season ticket holders said that if the blackout were lifted they would still attend the games in person. In today's evening edition of the Washington Star-News, released on the streets at about the very hour we were debating this bill, in the sports section there is a story which reveals the results of a local poll by one of the Star-News staff writers. He found that the consensus of the Redskin fans who were polled stated that there was just no way they will give up their season tickets. Those polls were of the Washington season ticket holders. They all said they prefer to see the real thing. Nearly everyone of those polled said that the lifting of the TV blackout will not keep them from attending in person as a cheering fan at all of the Redskin games.

The timing of this bill is most important. I have just learned that the other body on the north side of the Capitol are waiting for our action. It is my understanding that they are willing to accept the House amendment to this bill to extend it three years. If the Senate adopts the language of our bill and passes it as a Senate bill, there is no need for a conference on this legislation. It could be on the way to the White House tonight for the President to sign. He has promised to affix his signature immediately. This entire legislation can become law in plenty of time to become effective for the games on Sunday, September 16.

Mr. Chairman, this is the kind of legislation that should be passed without any opposition. It will give the public opportunities that they have never enjoyed before. There is simply no conceivable way that this can injure or damage the professional sports involved. The safeguards are built in. This bill should be passed forthwith and the word sent over to the other body as quickly as possible so they can act and the measure sent downtown for the signature of the President. Today, every Member of Congress can help score a touchdown for the public.

Mr. HOGAN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in support of H.R. 9553, the bill that is presently before us on the floor.

In 1953, in the case of the United States against the National Football League, Judge Allen K. Grim held that certain broadcasting practices of the National Football League were outside the scope of the antitrust laws. Judge Grim found that it was illegal for local teams to restrict telecasts of the games of other teams into the local home territories when the local team was on the road and it was televising its games back to its local area.

To reverse this decision, the NFL sought congressional relief and, in response, the Congress enacted what has commonly been called the "Sports Broadcasting Act." This act allows professional football, baseball, basketball, and hockey teams to jointly sell the rights of the member clubs in sponsored telecasts; it limits the antitrust exemption "except within the home territory of a member club of a league on a day when such club is playing a game at home"; and it provides protection for intercollegiate football games from the telecasts of professional football games.

I now feel that the time has come for Congress to reevaluate the financial necessity of sports blackouts. The 1961 legislative blackout was taken at a time when the financial position of major sports leagues, football in particular, was much more precarious than is the case today.

According to a recent survey taken by the Special Subcommittee on Investigations of the Interstate and Foreign Commerce Committee, 69 percent of those people who hold season tickets in all NFL cities would continue to purchase season tickets if legislation were enacted to televise home games. However, the NFL continues to support the practice of television blackouts on the grounds of financial necessity.

The original purpose of the legislative antitrust exemption has been achieved and there are no new or alternative justifications for its existence. The arrogant inflexibility of the NFL on the question of television blackouts should no longer be permitted by Congress. It is time the fans got a break as well as the owners of the clubs.

Mr. Chairman, the bill before us today would provide for live television broadcasting within the home territory of professional football, baseball, basketball and hockey clubs of the games played by such clubs at home, providing the games are sold out 72 hours before game time. This would give the professional teams the assurance that they will have a sell-out crowd and it allows the hometown fans the opportunity to see their home team at home when no tickets are available.

The Washington Redskins is a prime example of how the hometown fans have been denied the privilege and right to see their club at home. Every seat in Kennedy Stadium is committed to season ticket holders long before the season ever begins.

In Baltimore, all but a few thousand seats are also held by season ticket purchasers, and these are also sold out long before game time. And I am sure that if the Colts decided to fill their entire stadium with season ticket holders, they could easily do so.

The same or similar situations exist in virtually every one of the home team cities. Professional football tickets have become prized possessions. According to some reports, it has even reached the point where they are among the most coveted assets in some decedents' estates.

Mr. Chairman, this bill would remedy a gross injustice now being perpetrated against thousands upon thousands of professional football fans in every National Football League city in the country. I urge my colleagues to take the initiative in the blackout problem by passing this bill so that hometown fans can watch home team football this season.

The CHAIRMAN. The question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. ZABLOCKI, 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. 9553) to amend the Communications Act of 1934 for 1 year with regard to the broadcasting of certain professional home games, pursuant to House Resolution 544, he reported the bill back to the House with an amendment 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 to the committee amendment in the nature of a substitute adopted in the Committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

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

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

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

Mr. KEMP. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 336, nays 37, answered "present" 1, not voting 60, as follows:

[Roll No. 457]

YEAS—336

Abzug	Ashley	Biester
Adams	Aspin	Bingham
Addabbo	Badillo	Blatnik
Alexander	Bafalis	Boggs
Andrews, N.C.	Baker	Boland
Andrews, N. Dak.	Barrett	Bolling
Annunzio	Bauman	Bowen
Archer	Beard	Brademas
Arends	Bennett	Brasco
Ashbrook	Bergland	Breaux
	Bevill	Breckinridge
Brinkley	Hamilton	Podell
Brooks	Hanley	Powell, Ohio
Broomfield	Hanna	Preyer
Brotzman	Hansen, Idaho	Price, Ill.
Brown, Calif.	Hansen, Wash.	Quie
Brown, Mich.	Harrington	Railsback
Brown, Ohio	Hastings	Randall
Broyhill, N.C.	Hawkins	Rangel
Broyhill, Va.	Hébert	Rees
Buchanan	Hechler, W. Va.	Regula
Burgener	Heckler, Mass.	Reid
Burke, Fla.	Heinz	Reuss
Burke, Mass.	Helstoski	Riegle
Burleson, Tex.	Hinshaw	Rinaldo
Burlison, Mo.	Hogan	Roberts
Burton	Holifield	Robinson, Va.
Butler	Holt	Robison, N.Y.
Byron	Holtzman	Rodino
Camp	Horton	Roe
Carney, Ohio	Hosmer	Rogers
Carter	Howard	Roncallo, N.Y.
Casey, Tex.	Huber	Rooney, Pa.
Cederberg	Hungate	Rose
Chamberlain	Hunt	Rosenthal
Chappell	Ichord	Rostenkowski
Clancy	Jarman	Roush
Clark	Johnson, Calif.	Roy
Clausen, Don H.	Johnson, Colo.	Sarasin
Cleveland	Johnson, Pa.	Sarbanes
Cochran	Jones, Ala.	Scherle
Cohen	Jones, N.C.	Schneebeli
Collier	Jones, Okla.	Schroeder
Collins, Tex.	Jones, Tenn.	Sebelius
Conable	Karth	Seiberling
Conte	Kastenmeier	Shipley
Conyers	Kazen	Shriver
Corman	Keating	Shuster
Cotter	Ketchum	Sisk
Coughlin	Kluczynski	Skubitz
Cronin	Koch	Slack
Culver	Kyros	Smith, Iowa
Daniel, Dan	Latta	Snyder
Daniel, Robert W., Jr.	Leggett	Spence
Daniels, Dominick V.	Lehman	Staggers
Danielson	Lent	Stanton, J. William
Davis, Wis.	Long, La.	Stanton, James V.
de la Garza	Long, Md.	Stark
Dellums	Lott	Steed
Dent	McCloskey	Steele
Derwinski	McCollister	Steelman
Devine	McDade	Steiger, Wis.
Dickinson	McFall	Stephens
Diggs	McKay	Stokes
Dingell	McKinney	Stubblefield
Donohue	Macdonald	Studds
Dorn	Madden	Sullivan
Downing	Madigan	Symington
Drinan	Mahon	Talcott
Dulski	Mailliard	Taylor, Mo.
du Pont	Mallary	Taylor, N.C.
Eckhardt	Maraziti	Teague, Calif.
Edwards, Ala.	Martin, Nebr.	Thompson, N.J.
Erlenborn	Martin, N.C.	Thomson, Wis.
Esch	Mathias, Calif.	Thone
Eshleman	Matsunaga	Thornton
Evans, Colo.	Mazzoli	Towell, Nev.
Evins, Tenn.	Meeds	Treen
Fascell	Melcher	Ullman
Findley	Mezvinsky	Van Deerlin
Fish	Michel	Vander Jagt
Fisher	Milford	Vanik
Flood	Miller	Veysey
Foley	Minish	Vigorito
Ford, Gerald R.	Mink	Waggonner
Ford, William D.	Minshall, Ohio	Waldie
Forsythe	Mitchell, Md.	Walsh
Fraser	Mitchell, N.Y.	Wampler
Frelinghuysen	Moakley	Ware
Frey	Montgomery	White
Froehlich	Moorhead, Pa.	Whitehurst
Fuqua	Morgan	Whitten
Gaydos	Mosher	Widnall
Gettys	Moss	Wiggins
Giaimo	Murphy, Ill.	Williams
Gibbons	Murphy, N.Y.	Wilson, Charles, Tex.
Gilman	Myers	Winn
Ginn	Natcher	Wolff
Goldwater	Nedzi	Wright
Gonzalez	Nelsen	Wydler
Goodling	Nichols	Wylie
Grasso	Nix	Wyman
Gray	Obey	Yates
Green, Oreg.	O'Brien	Yatron
Green, Pa.	O'Hara	Young, Fla.
Gross	Parris	Young, Ga.
Grover	Passman	Young, Ill.
Gubser	Patman	Young, S.C.
Gude	Patten	Young, Tex.
Gunter	Pepper	Zablocki
Haley	Perkins	Zion
	Pettis	
	Peyser	
	Pickle	
	Pike	

NAYS—37

Abdnor	Hicks	Satterfield
Conlan	Jordan	Saylor
Dellenback	Kemp	Smith, N.Y.
Dennis	Landgrebe	Steiger, Ariz.
Duncan	McClory	Stuckey
Edwards, Calif.	Mayne	Symms
Eilberg	Mizell	Teague, Tex.
Flowers	Poage	Udall
Flynt	Pritchard	Whalen
Fountain	Rarick	Wilson, Bob
Fulton	Rhodes	Young, Alaska
Harsha	Rousselot	
Henderson	Ruth	

ANSWERED "PRESENT"—1

Armstrong

NOT VOTING—60

Anderson, Calif.	Hanrahan	Price, Tex.
Anderson, Ill.	Harvey	Quillen
Bell	Hays	Roncallo, Wyo.
Biaggi	Hillis	Rooney, N.Y.
Blackburn	Hudnut	Roybal
Bray	Hutchinson	Runnels
Burke, Calif.	King	Ruppe
Carey, N.Y.	Kuykendall	Ryan
Chisholm	Landrum	St Germain
Clawson, Del	Litton	Sandman
Clay	Lujan	Shoup
Collins, Ill.	McCormack	Sikes
Crane	McEwen	Stratton
Davis, Ga.	McSpadden	Tiernan
Davis, S.C.	Mann	Wilson, Charles H., Calif.
Delaney	Mathis, Ga.	Wyatt
Denholm	Metcalfe	Zwach
Frenzel	Mills, Ark.	
Griffiths	Mollohan	
Guyer	Moorhead, Calif.	
Hammer-schmidt	O'Neill	
	Owens	

So the bill was passed.

The Clerk announced the following pairs:

Mr. Hays with Mr. Landrum.

Mr. Rooney of New York with Mr. Anderson of Illinois.

Mrs. Burke of California with Mr. Ruppe.

Mr. Carey of New York with Mr. Quillen.

Mr. Charles H. Wilson of California with Mr. Runnels.

Mr. McSpadden with Mr. Lujan.

Mr. St Germain with Mr. Sandman.

Mr. Stratton with Mr. Bray.

Mr. Davis of South Carolina with Mr. Kuykendall.

Mr. Metcalfe with Mr. Hanrahan.

Mr. Davis of Georgia with Mr. Bell.

Mr. Mills of Arkansas with Mr. Shoup.

Mr. Sikes with Mr. Blackburn.

Mr. Tiernan with Mr. Del Clawson.

Mr. Biagggi with Mr. Roncallo of New York.

Mr. Mathis of Georgia with Mr. Crane.

Mr. Mollohan with Mr. Hammerschmidt.

Mrs. Collins of Illinois with Mr. McEwen.

Mr. O'Neill with Mr. Frenzel.

Mr. Anderson of California with Mr. Guyer.

Mrs. Chisholm with Mr. Hillis.

Mr. Delaney with Mr. Wyatt.

Mr. Denholm with Mr. King.

Mrs. Griffiths with Mr. Hudnut.

Mr. Litton with Mr. Zwach.

Mr. Roybal with Mr. Hutchinson.

Mr. Clay with Mr. McCormack.

Mr. Mann with Mr. Owens.

Mr. Ryan with Mr. Moorhead of California.

Mr. Price of Texas with Mr. Harvey.

The result of the vote was announced as above recorded.

The title was amended so as to read: "A bill to amend the Communications Act of 1934 with regard to the broadcasting of certain professional sports clubs' games."

A motion to reconsider was laid on the table.

The SPEAKER. Pursuant to the provisions of House Resolution 544, the Committee on Interstate and Foreign Commerce is discharged from further consideration of the Senate bill (S. 1841) 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.

The Clerk read the title of the Senate bill.

MOTION OFFERED BY MR. STAGGERS

Mr. STAGGERS. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. STAGGERS moves to strike out all after the enacting clause of the bill S. 1841 and insert in lieu thereof the provisions of H.R. 9553, as passed, as follows:

That part I of title III of the Communications Act of 1934 is amended by adding at the end thereof the following new section:

"BROADCAST OF GAMES OF PROFESSIONAL SPORTS CLUBS

"SEC. 331. (a) If any game of a professional sports club is to be broadcast by means of television pursuant to a league television contract and all tickets of admission for seats at such game which were available for purchase by the general public one hundred and twenty hours or more before the scheduled beginning time of such game have been purchased seventy-two hours or more before such time, no agreement which would prevent the broadcasting by means of television of such game at the same time and in the area in which such game is being played shall be valid or have any force or effect. The right to broadcast such game by means of television at such time and in such area shall be made available, by the person or persons having such right, to a television broadcast license on reasonable terms and conditions unless the broadcasting by means of television of such game at such time and in such area would be a telecasting which section 3 of Public Law 87-331, as amended, (15 U.S.C. 1293) is intended to prevent.

"(b) If any person violates subsection (a) of this section, any interested person may commence a civil action for injunctive relief restraining such violation in any United States district court for a district in which the defendant resides or has an agent. In any such action, the court may award the costs of the suit including reasonable attorneys' fees.

"(c) For the purposes of this section:

"(1) The term 'professional sports club' includes any professional football, baseball, basketball, or hockey club.

"(2) The term 'league television contract' means any joint agreement by or among professional sports clubs by which any league of such clubs sells or otherwise transfers all or any part of the rights of such league's member clubs in the sponsored telecasting of the games engaged in or conducted by such clubs.

"(3) The term 'agreement' includes any contract, arrangement, or other understanding.

"(4) The term 'available for purchase by the general public', when used with respect to tickets of admission for seats at a game or games to be played by a professional sports club, means only those tickets on sale at the stadium where such game or games are to be played, or, if such tickets are not sold at such stadium, only those tickets on sale at the box office closest to such stadium.

"(d) The Commission shall conduct a continuing study of the effect of this section and shall, not later than April 15 of each year, submit a report to the Committee on Commerce of the Senate and the Committee on Interstate and Foreign Commerce of the House of Representatives with respect thereto. Such report shall include pertinent statistics and data and any recommendations for legislation relating to the broadcasting of professional football, baseball, basketball, and hockey games which the Commission determines would serve the public interest.".

SEC. 2. Section 331 of the Communications Act of 1934 (as added by the first section of this Act) is repealed effective December 31, 1975.

Amend the title so as to read: "An Act to amend the Communications Act of 1934 with regard to the broadcasting of certain professional sports clubs' games."

The motion was agreed to.

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

The title was amended so as to read: "A bill to amend the Communications Act of 1934 with regard to the broadcasting of certain professional sports clubs' games."

A motion to reconsider was laid on the table.

A similar House bill (H.R. 9553) was laid on the table.

GENERAL LEAVE

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous matter on the bill just passed.

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

There was no objection.

LEGISLATIVE PROGRAM

Mr. GERALD R. FORD. Mr. Speaker, I take this time for the purpose of asking the distinguished majority whip if there is any program remaining for this week and the schedule for next week.

Mr. McFALL. Mr. Speaker, if the distinguished minority leader will yield, I will be happy to respond.

Mr. GERALD R. FORD. I yield to the distinguished gentleman from California.

Mr. McFALL. Mr. Speaker, there is no further legislative business for today, and upon announcement of the program for next week, I will ask unanimous consent that the House adjourn until Monday.

The program for the House of Representatives for next week is as follows:

Monday, Consent Calendar and suspensions, four bills:

H.R. 7265, Domestic Volunteer Service Act;

H.R. 7352, Federal prisoners furlough;

H.R. 5943, OAS diplomatic immunity; and

H.J. Res. 719, HUD loan insurance.

Tuesday, Private Calendar and Suspensions, eight bills:

H.R. 37, Endangered and Threatened Species Conservation Act;

H.R. 7395, merchant marine amendment;

H.R. 9293, Coast Guard omnibus bill;

H.R. 9575, women in Coast Guard Reserve;

H.R. 5384, vessel loadlines requirement;

H.R. 7730, San Carlos, Ariz., mineral strip purchase;

H.R. 7976, historical restoration of Fort Scott, Kans.; and

H. Res. 420, congressional intern program.

Wednesday and the balance of the week:

H.R. 7935, Fair Labor Standards Act amendments, vote on veto override;

H.R. 9715, USIA authorization, subject to a rule being granted;

S. 1914, Radio Free Europe, subject to a rule being granted;

H.R. 9281, law enforcement and firefighter personnel retirement, subject to a rule being granted; and

H.R. 9256, Federal employees health benefits, subject to a rule being granted.

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

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. McFALL. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

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

There was no objection.

AUTHORIZING CLERK TO RECEIVE MESSAGES FROM THE SENATE AND SPEAKER TO SIGN ENROLLED BILLS AND JOINT RESOLUTIONS NOTWITHSTANDING ADJOURNMENT

Mr. McFALL. Mr. Speaker, I ask unanimous consent that, notwithstanding the adjournment of the House until Monday, September 17, 1973, the Clerk be authorized to receive messages from the Senate, and that the Speaker be authorized to sign any enrolled bills and joint resolutions duly passed by the two Houses and found truly enrolled.

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

There was no objection.

ADJOURNMENT TO MONDAY, SEPTEMBER 17, 1973

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

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

There was no objection.

THE PRESIDENT'S LEGISLATIVE PRIORITIES

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

Mr. HUNGATE. Mr. Speaker, on Monday, the President focused the attention of the Congress and the Nation on some 50 legislative measures which he characterized as being "of the highest priority."

Of particular interest to me as chair-

man of the Subcommittee on Criminal Justice of the House Judiciary Committee, was the President's reference to legislation to reform the Federal Criminal Code.

The administration's bill, H.R. 6046, is pending with my subcommittee. This bill is a variation of recommendations proposed in 1971 by the National Commission on Reform of Federal Criminal Laws, popularly known as the Brown Commission, a bipartisan Commission of Members of Congress, judges, and lay persons, created by act of Congress in 1966. Another variation, reported to be the largest bill ever introduced in the Senate, is S. 1, introduced by Senators McCLELLAN, ERVIN, and HRUSKA. The Commission's recommendations were recently introduced as H.R. 10047 by Congressmen KASTENMEIER and EDWARDS of California, both of whom were members of the Commission and are members of the Subcommittee on Criminal Justice.

I would hope that the President includes this highly complex, controversial, voluminous legislation among the bills about which he said in his message:

> I realize that it will not be possible for the Congress to act this year on all of the legislation which I have submitted.

The Commission which developed the parent proposal labored for more than 3 years. The Senate Judiciary Subcommittee on Criminal Laws and Procedures printed 7 volumes of hearings, totaling over 4,000 pages, during the 92d Congress, and is continuing its hearings in the current Congress. As the President said in his message—

> A prudent Congress will still wish to study this matter carefully.

As you know, the able chairman of the Judiciary Committee, our colleague from New Jersey, the Honorable PETER W. RODINO, Jr., recognized the importance of this project at the outset of the Congress. In organizing the Judiciary Committee, he established our subcommittee with a mandate to direct its energies and attention to two major projects—reform of the Federal Criminal Code, and review of rules of evidence proposed by the Supreme Court for use in the Federal courts throughout the country.

The Senate having undertaken the initial study of the proposed code, our subcommittee has devoted its attention to the equally important proposed rules of evidence. Extensive hearings were followed by 17 mark-up sessions at which a tentative draft was developed. This draft was printed and circulated nationwide for comment. Since the reconvening of the Congress on September 5, the subcommittee has continued to meet to consider the draft in the light of the comments received. We are scheduled to meet each week until a final draft is ready for the full committee and then the House.

To date, the work of the subcommittee on the proposed rules of evidence—rules such as those pertaining to relationships between husbands and wives and doctors and patients, and rules calculated to improve the administration of justice in criminal and civil litigation in the Federal courts—has proceeded as free as possible of partisan consideration. I do not believe the American public would want the rules, or a Federal Criminal Code, shaped in any other way.

Although primarily moving forward with the development of the rules of evidence, we have been examining the code recommendations of the National Commission and the variations which have been proposed. Furthermore, the subcommittee has had three informal briefing sessions at which representatives of the Justice Department have begun the presentation of an overview of the administration bill. The quality of these briefings has been excellent, but the sheer enormity and complexity of this legislation H.R. 6046 consists of 336 pages—requires a substantial amount of time even to summarize if it is to receive the thorough consideration this important subject matter deserves. To perform this task adequately, the subcommittee must do a comparative analysis of the three major bills—H.R. 6046, H.R. 10047, and S. 1, which together total 1,200 pages—as a predicate to the conduct of such hearings as may be indicated.

Since the submission of the administration's legislation, a new Attorney General has taken office. It is my understanding that Attorney General Richardson is currently reexamining the administration's bill to determine what changes, if any, he may wish to make. We would certainly want the benefit of his views before recommending legislation to the floor.

To my way of thinking, the congressional approach to these two major projects has been most responsible—the Senate having taken the lead in inquiring into the code provisions, and the House having done the same with the rules of evidence. Hopefully, by the end of the session, the rules will be in the Senate, with the Judiciary Committee there having the benefit of our hearings, discussions, and comments. Also, by the end of the first session, whether or not the Senate has been able to act on the Criminal Code legislation, our subcommittee will have completed its informal briefings and have begun its hearings, having the benefit of those already held in the Senate.

In my six terms in Congress, I have never worked with a more diligent and more conscientious group of Members than those who serve with me on the Subcommittee on Criminal Justice.

Mr. Speaker, the reform of the entire Federal Criminal Code has been referred to by both legal scholars and Government officials as one of the most monumental tasks in the history of our Republic. The members of my subcommittee and I welcome the challenge before us and have already rolled up our sleeves and begun our work.

We are prepared to work as rapidly as possible and to devote our full energies to the task. If I felt that it would serve the national interest, we would accelerate our schedule and insist on completing our work in this Congress. However, I must advise my colleagues that in my judgment such rapid action would do our Nation a disservice. The events of recent months have demonstrated dramatically the need for a long and careful look at some of the more controversial questions raised in the various proposals. Many of these questions are now the subject of court cases which may affect the very heart of our democracy. Let me cite just a few examples:

The administration bill raises questions involving State secrets and the confidentiality of communications between Government officials. It also raises that question of just what our national policy ought to be concerning wiretapping, bugging, and other investigatory techniques which may impinge upon the right of privacy.

I am convinced that Congress will act with more wisdom with respect to these momentous questions after we know the outcome of a number of court decisions.

In addition, a completion of the entire code would also involve a complete reevaluation of the national policy involving such questions as: gun control, capital punishment, the insanity defense, and obscenity—just to name a few. These are questions which require the most balanced and the most carefully considered legislative judgments.

For all of these reasons, Mr. Speaker, it would be unwise for us to view the adjournment of this session of Congress as the time within which this project must, or should be completed. With the exception of Moses, no great legal code has been written that quickly. Nevertheless, we shall proceed diligently.

Knowing that Representatives KASTENMEIER, EDWARDS of California, MANN, HOLTZMAN, SMITH of New York, DENNIS, MAYNE, and HOGAN, are on the subcommittee should assure my colleagues that there will be no foot dragging in the future, just as there has been none in the past.

THE LATE GEORGE THAYER

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, it was with great sadness that I learned of the death of a member of my staff, George Thayer, on August 13.

George joined my staff in June, and worked chiefly as a researcher and speech writer on military affairs. He had a small desk in our office stacked high with books surrounding a typewriter. Those were his tools and he used them well. I enjoyed his company and his counsel in the months he was with us.

Prior to joining us, George was on the staff of Representative COUGHLIN of Pennsylvania. He had also worked for New York Governor Rockefeller and Rhode Island Senator CLAIBORNE PELL.

George was the author of three books: "The British Political Fringe" published in 1965, "The Farther Shores of Politics" published in 1967, and "The International Trade in Armaments," published in 1969.

A fourth book, "Who Shakes the Money Tree," will be published this November. It is an examination of political campaign financing.

In a review in the Washington Post

of "The International Trade in Armaments," George was described as a "political scientist by training and a journalist, in the best sense of the word, by inclination." In addition, George was a man of tremendous intellect, integrity, and humor who won the respect and affection of all who worked with him.

My family and staff join me in sending our heartfelt condolences to his wife, Carol, and his family.

THE HIGH COST OF PRODUCT LIABILITY

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

Mr. MILFORD. Mr. Speaker, I would like to take this opportunity to bring a very serious problem to the attention of this body. In recent years, due to some unfair court rulings, the cost of product liability has soared to astronomical levels. For a number of years before attaining this office, I operated a nationwide aviation consulting firm working in virtually every phase of research and investigation concerning air crashes—many of these having much involvement in the liability of the product. Some of the more recent and arbitrary court rulings have very nearly forced our aircraft manufacturers to be responsible for a product manufactured 20 to 30 years ago. This, gentlemen, is an intolerable situation. I have just read an excellent article outlining this unfortunate problem, "The High Cost of Product Liability," by David Smith, and would like to include it in the RECORD at this time:

THE HIGH COST OF PRODUCT LIABILITY—PRODUCTS LIABILITY LAW WORKS IN CURIOUS WAYS

(By David Smith)

The president of a general aviation company once told a story about a VFR pilot who, after an evening on the town, loaded his airplane over gross and, without checking weather, flew off into a raging snowstorm, iced up and crashed. His widow sued the manufacturer of the airplane, claiming that the craft was defective, and collected $1,000,000. This sum was paid by an insurance company as provided by the manufacturer's product liability insurance policy. After the trial, the president asked a juror why the jury had made the award when the fault was clearly the pilot's. The juror replied, "Well, someone was hurt, so we felt someone had to pay."

If you recently purchased a new single-engine airplane, you paid about $1,000 of that $1,000,000. And if the present trend in product liability law continues, in time there conceivably might not be a new single-engine retractable around for you to buy.

The $1,000 is roughly the amount an airplane manufacturer must pay in product liability insurance for each single-engine retractable aircraft sold. (The amount varies with the price of the airplane.) Because product liability insurance premiums are buried in the manufacturers' financial statements, the dramatic increase in these costs has gone largely unnoticed by the general aviation public. But what would the public's reaction be if, at the bottom of the bill of sale the following item were added "Product Liability Insurance: $1,000."

Insofar as $1,000 represents part of an autopilot, DME or IFR avionics, the answers to the following questions should be of more than passing interest: What does product liability law accomplish, and is it fair? Why is product liability insurance so costly, and how might the cost be lowered?

The primary goal of product liability law is to allocate costs between manufacturer and the consumer for injuries caused by defective products. Underlying the concept of products liability is the principle that injuries should be paid for by those legally responsible for the damage. Not surprisingly, the key issues in products liability law are the definition and determination of responsibility, discussed in further detail below.

Beyond providing inherent equity through the compensation of those injured by those responsible for the injury, the law serves a useful social function, providing an additional incentive for manufacturers to design and manufacture their products with due regard for the consumer's safety. The more the manufacturer spends on safety the fewer the accidents likely to result from defective products and the less he will have to pay to injured customers. So far so good. But is it working that way in general aviation? Looking into the causes of the recent rise in costs associated with aircraft product liability, we find evidence to suggest that airplane manufacturers, and therefore, aircraft users, are paying exceedingly high damage awards for injuries for which manufacturers were not, in an equitable sense, responsible.

Some fairly understandable reasons come readily to mind in accounting for the rising costs associated with product liability: inflation, the expanding number of aircraft users, their greater earning power (upon which the size of awards is based), the increasing average load carried by present-day private aircraft. All these factors tend to augment the size and frequency of damage awards arising out of aircraft accident litigation. Another factor, more controversial than those already mentioned, is the present judicial environment which makes it progressively easier for an injured party to pin the blame for an accident on a manufacturer, and, having done so, to receive outsized damage awards.

The evolution of U.S. product liability law—*caveat emptor* to "strict liability."

Over the past 80 years there has been a tremendous change, not so much in products liability law as legislated, but rather in the court interpretations of the law. Before the turn of the century, consumers struggled along in a world where *caveat emptor*, "let the buyer beware," was the prevailing doctrine. Gradually the courts imposed additional requirements on manufacturers: "reasonable care," "warranties—express or implied" are concepts which arose out of landmark cases establishing a reasonably equitable relationship between consumer and manufacturer. Included in that equitable relationship was the notion that a plaintiff could not collect if the manufacturer had not been negligent in producing the product or if the plaintiff had been negligent in using it.

The advent of the legal concept of "strict liability" removed negligence from products liability law in many states. Strict liability essentially holds the maker of a faulty product responsible for the damage it causes no matter how careful he may have been in making it. Courts now appear to be willing to go even further, holding that a manufacturer may sometimes be liable for injuries even though there is *no defect* in the product, no negligence on the part of the manufacturer. Underlying this interpretation of the law is the apparent assumption that a manufacturer is capable of producing a perfect product, one the customer can use under almost any circumstances without risk of injury.

Failing to produce the perfect product, the manufacturer should be penalized for any injuries stemming from its use. This unreasonable assumption unbalances the previously equitable relationship between manufacturer and consumer by unduly easing manufacturer legally responsible for injuries, and lessening the presumption that the user is required both to assume normal risks in using the product and to use the product intelligently.

The courts have been moved in this direction by understandable humanitarian impulses; they reason someone has been hurt and should therefore be helped. When the plaintiffs are a widow and fatherless children, and the defendant a prosperous corporation, it is easy for the courts to discern how they might be an instrument of such assistance. Helping the injured then takes precedence over fixing responsibility for the injury. Not surprisingly, juries are inclined to seek recovery from those best able to pay, the "deep pocket," rather than those responsible for causing the damage. Accordingly, the interpretation of the law is rewritten to accomplish this end.

California Chief Justice Roger Traynor, an instrumental figure in the rewriting of products liability law, summarized the "deep pocket" philosophy in 1965: "The cost of an injury and the loss of time or health may be an overwhelming misfortune to the person injured, and a needless one, for the risk of injury can be insured by the manufacturer and distributed among the public as a cost of doing business." (Sealy v. White Motor Co.) Evidently news of personal accident and health insurance had not reached the good judge.

This interpretation of the law penalizes manufacturers (and therefore the public) for the manufacturer's foresight in obtaining insurance, while rewarding the plaintiff for failing to do so. In sum while the intent of the "deep pocket" remedy is laudable, it fails to adhere to the principle of losses being incurred by those responsible for them, and thereby penalizes other aviation users for accidents caused by pilot error.

"Guest statutes" which in some states prohibit a guest passenger from suing his host pilot, often add to the inequity of the "deep pocket" mechanism in cases where the pilot is at fault. When a guest plaintiff is unable to collect from the pilot, a jury can often be persuaded to find some excuse to blame the manufacturer because his is the *only* pocket available.

In defending themselves in suits where product defect is alleged, general aviation manufacturers, in particular, face rather unique difficulties. Most judges and jurors do not fly, nor do they understand aerodynamics, electronics or many of the other scientific disciplines inherent in airplane design and construction. In many cases, then, the technical issues upon which the determination of fault hinge, are beyond the court's comprehension. Samuel Butler once observed "the public does not know enough to be experts, yet knows enough to decide between them."

Lacking a solid basis for fixing responsibility for an accident, jurors often fall back on their emotions and look for the "deep pocket." Furthermore, intentionally or not, courts tend to apply present-day standards in judging the safety of a product built many years ago. Given the progressive advances in the "state of the art" in aircraft design and the longevity inherent in airplanes, it is easy to envision the situation wherein a manufacturer is found liable for failing to meet state-of-the-art standards of safety not in existence when the aircraft was built. (An ironic twist of fate, when you consider that longevity was built into an airplane for safety.)

DAMAGE AWARDS: REASONABLE OR UNREASONABLE?

The "deep pocket" has been getting deeper, largely as a result of the prevailing feeling among jurors that damages paid for by insurance companies somehow "don't count." Furthermore, the unique and spectacular nature of a general aviation accident tends to prod juries into making larger pain and suffering awards than they might be inclined to make in the more familiar case of, say, an auto accident.

More disturbing is the apparent willingness of jurors to award disproportionate punitive damages, which may well be uninsurable, and could, if allowed to stand, conceivably drive a manufacturer out of business. For example, a California jury recently awarded punitive damages of $17.5 million against Beech. This sum represented about 40 per cent of Beech's net worth at the time! Fortunately for Beech, the judge ordered a new trial on this award because he felt the award was excessive. Nevertheless, the populist distaste for big business has apparently reached the point where juries are willing to drive a company out of business without regard for the very real suffering they might impose on employees, creditors and stockholders.

As larger awards have become easier to secure, a very happy hunting ground has been created for plaintiffs' lawyers, whose remuneration frequently amounts to a third of the total award. For example, if the plaintiffs' attorney in the $108 million class action suit brought against Beech were to collect a one-third contingent fee of the full amount of the damages sought, he would receive over $35 million! At $50 an hour it would take seven lawyers, each working their entire 40-year careers, 10 hours a day, five days a week to earn that amount. Juries, recognizing that a substantial portion of the award will be paid to plaintiffs' lawyers, often simply tack on an extra third for good measure.

A lawyer who accepts a product liability suit on a contingent fee basis has nothing to lose but his effort involved in preparing the case, and stands to gain enormous sums, totally disproportionate to the time he invests. It is not difficult, therefore, to envision situations in which plaintiffs' lawyers might pursue shaky cases where a good possibility exists that the "deep pocket" might well fill his own. Even if he is unsuccessful, the sizeable legal defense costs insurance companies must incur eventually find their way into manufacturers' product liability insurance premiums. Either way, the consumer foots the bill in the legal "crapshoot" engaged in by plaintiffs' lawyers as a result of the contingent fee system.

Products liability law serves a socially useful function to the extent that those suffering injuries are fairly compensated for by those reasonably held responsible for those injuries. But should we allow products liability law to be transformed into a nationwide accident insurance system?

As the reasoning presented above suggests, there are serious flaws in the law as implemented which often unfairly shift the burden for injuries to manufacturers of private aircraft merely because they are the only ones capable of compensating those injured. Furthermore, the amounts of such compensation frequently tend to be excessive and unreasonable.

Unfortunately, the present inequities in the product liability system may well cost aircraft users more than the price of an autopilot or IFR avionics. Private aviation is running the very real risk of being put out of business by the excesses of the system through continuing increases in the cost of product liability insurance and for multimillion dollar (uninsurable) punitive damage awards. If a single manufacturer were to be lost in this highly concentrated industry, aircraft users would be deprived of significant alternatives in their choice of equipment. Owners of aircraft manufactured by the defunct company would be deprived of factory replacement parts and continuing factory product support essential to the safe operation of their aircraft.

Another perverse effect of the present product liability system is the stifling of progress in aircraft design and construction. For example, courts often interpret a product improvement or progression to a new model as evidence that something was wrong with the old one. A manufacturer, faced with pending or potential product liability lawsuits must weigh the benefits of product improvements against the possibility that the improvements might tip the scales against him in multimillion dollar lawsuits involving existing products. Given the present legal environment, it is not difficult to imagine manufacturers shying away from developing new products altogether. Recognizing that the possibility of error present in a new design might trigger a potentially ruinous lawsuit, manufacturers might justifiably decide to stick with the proven existing product line.

The inadequacies of the present product liability system are many, and the consequences of these inadequacies serious. What then, might be done to remedy the situation?

JUSTICE IN OUR JUDICIAL PROCESS

The SPEAKER. Under a previous order of the House, the gentleman from Arizona (Mr. STEIGER) is recognized for 15 minutes.

Mr. STEIGER of Arizona. Mr. Speaker, I am today introducing legislation that, if enacted, would bring increased justice into our judicial process. One finds little argument with the view that justice is denied if an innocent person is convicted. Fortunately, that happens very, very infrequently. But justice is also denied if a person who commits an offense is allowed to go free. Regrettably, such occurrences routinely take place in every court in the country.

Mr. Speaker, I would like to cite as examples two cases where the perpetrators of heinous crimes escaped conviction.

In the first case, a man stuck a rifle barrel up to the window of a car, ordered the girl to get out and undress, indicating that if she did not she and her male companion would be shot. He forced the boy to lie on the floor of the car while he raped the girl. Later he forced them to drive to another spot and walk down a dirt road into some bushes. He told the couple he was going to kill them. They pleaded with him to tie them up and blindfold them so he would have no problem escaping. This he did, each to a separate tree, but he did not leave. He raped the girl again and then went over to the boy, felt his chest, asked him where his heart was, and calmly shot him. He also shot the girl in the left breast close to her heart. He then drove away believing he had killed the young couple.

The second case involved a 14-year-old schoolgirl who occasionally worked after school as a babysitter. She obtained jobs by posting her name and phone number on a bulletin board in a laundromat. She arrived home from school one day and was told that someone wanted her to babysit and would call back. After receiving the call and finishing her supper, the young girl left her house to babysit. Her family never saw her alive again. Eight days later, her frozen body was found by the side of a road a few miles from her home. Her throat had been slashed and she had been shot in the head.

The U.S. Supreme Court reversed the convictions of the persons who committed these acts because of the admission of evidence it held should have been excluded. These are but two examples of the numerous outrageous instances where a known criminal has been set free, because of a rule of evidence that has seriously marred the American criminal justice system—the Exclusionary Rule.

Mr. Speaker, this bill I am introducing would abolish this Exclusionary Rule which lets the guilty go free.

The fourth amendment of the Constitution provides:

> The right of the people to be secure in their persons, houses, papers, and effects, against unreasonable searches and seizures, shall not be violated. . . .

Nowhere does it provide how this right will be enforced nor does it provide that any evidence obtained by an unreasonable search or seizure must be excluded in a criminal proceeding.

In 1914, the Supreme Court set down a rule of law excluding from a Federal criminal trial evidence illegally obtained. Since that time, the rule has grown based on arguments by defense attorneys and philosophical opinions of judges. Now it is the law of the land and not only includes searches and seizures, but confessions, lineups, and identifications.

The rationale justifying the application of the Exclusionary Rule is based on three points: First, the courts should not engage in illegal activity by utilizing illegally obtained evidence; second, the Exclusionary Rule deters police misconduct; and, third, there is no other effective remedy to enforce the fourth amendment.

Although this rationale has generally been accepted as sufficient justification to support the Exclusionary Rule, a close examination of these three points raises some doubt as to the wisdom of retaining the rule in our judicial process.

Looking at point one, it is the courts' obligation as well as the juries' to seek the truth; that is, the guilt or innocence of the accused. By excluding relevant, sound and probative evidence, bias is created and real truth sacrificed. Therefore, abolishing the Exclusionary Rule would permit the courts and juries to consider all the real facts available and arrive at a conclusion—guilt or innocence. Permitting the courts to act in this manner cannot be construed as engaging in illegal activity.

As for the second point, a deterrent to police misconduct, the rule does nothing to reprimand or punish the police save refusal to allow evidence in a criminal proceeding. It does not provide a remedy for an innocent person who has been subjected to police misconduct, because if nothing incriminating is found, nothing can be excluded—and that is the only provision of the rule. There is, however,

one person who benefits from the rule and that is the person against whom incriminating evidence is obtained—the criminal.

Since the adoption of the rule, there is no doubt that law enforcement officials have given much attention to constitutional rights and Supreme Court decisions in an effort to chart a course through a maze of legal contradictions, to arrive at the end result for which they exist—successful prosecutions. But, is it reasonable to require a police officer to render a decision and take action he believes to be proper on circumstances before him at the time, and then have the action declared illegal years later by a court whose members cannot agree? Also, the rule as it is applied is inflexible and does not take into consideration the nature of the crime involved nor the degree or circumstances of the police misconduct, be it an insignificant good faith mistake or flagrant violation. The end result is inevitable—suppression of evidence and freedom for the guilty.

The third point advanced for rationalizing the Exclusionary Rule is the lack of any other effective remedy to safeguard the provisions of the fourth amendment. There is no real basis for this position. The British and Canadian system of criminal justice provides some insight into a workable alternative to the Exclusionary Rule. In both systems, the question of illegally obtained evidence is divided into two parts—criminal and civil. The evidence obtained can and is used in a criminal proceeding to determine guilt or innocence. There are, however, provisions whereby an individual may sue civilly for damages resulting from an illegal search or seizure. This remedy is available not only to an innocent person subjected to misconduct but also to an individual implicated in a criminal act. The police officer is also subject to strict internal disciplinary action as well as criminal prosecution if the facts so warrant. In short, these systems provide deterrence and redress while at the same time do not sacrifice reliable evidence which leads to successful prosecutions.

In this regard, Mr. Speaker, I would like to call attention to some pertinent comments by Chief Justice Burger. He has suggested the following proposals be considered as an alternative to the Exclusionary Rule:

(1) A waiver of sovereign immunity as to the illegal acts of law enforcement officials committed in the performance of assigned duties;

(2) The creation of a cause of action for damages sustained by any person aggrieved by conduct of governmental agents in violation of the Fourth Amendment or statute regulating official conduct;

(3) The creation of a tribunal, quasi-judicial in nature, or perhaps patterned after the United States Court of Claims, to adjudicate all claims under the statute;

(4) A provision that this statutory remedy is in lieu of the exclusion of evidence secured for use in criminal cases in violation of the Fourth Amendment; and

(5) A provision directing that no evidence, otherwise admissible, shall be excluded from any criminal proceeding because of violation of the Fourth Amendment.

In discussing these proposals, he stated:

We would more surely preserve the important values of the doctrine of separation of powers—and perhaps get a better result—by recommending a solution to the Congress as the branch of government in which the Constitution has vested the legislative power. Legislation is the business of the Congress, and it has facilities and competence for that task—as we do not. . . . I can only hope now that the Congress will manifest a willingness to view *realistically* the hard evidence of the half-century history of the Suppression Doctrine revealing thousands of cases in which the criminal was set free because the constable blundered and virtually no evidence that innocent victims of police error . . . have been afforded meaningful redress.

As you know, Mr. Speaker, the Congress has failed to heed Chief Justice Burger's advice to legislatively abolish the Exclusionary Rule and enact a proper alternative. One reason for this lack of action might be attributed to the makeup of Congress. Historically, the legal profession has fought to not only retain but expand the rule. This is based in part on the fact that a legal education is defense oriented because most practicing attorneys eventually become defense attorneys—not prosecutors and, as such, employ every legal maneuver to secure one end—acquittal of the accused. Abolition of the Exclusionary Rule would strip the attorney of an invaluable tool. Based on this, it is fair to assume that attorneys, by the nature of their profession, have a natural interest in retaining that which furthers their goals. The fact then that over one-half of the 535 Members of the Senate and House of Representatives are lawyers provides a possible insight as to why Congress has failed to take aggressive and affirmative action concerning this problem.

Mr. Speaker, I note with some satisfaction that there is evidence that the attitude of the lawyers in this country is changing on this issue. The House of Delegates—the governing authority—of the American Bar Association, at a meeting earlier this year voted to retain the Exclusionary Rule by the narrow margin of 129 to 114. Interestingly, this action by the House followed a passionate plea by Mr. Samuel Dash, professor of law at Georgetown University, past chairman of the Criminal Law Section of the ABA, and presently Chief Counsel of the Senate Watergate Committee, not to abolish the rule. In asserting his point, Mr. Dash said:

By your vote today, do not tell the people of America, private citizens and businessmen, that you don't care about the protection of the privacy of their homes, offices, personal records, papers. Rather, we urge that the message of the American Bar Association today be that crime in America cannot be solved by destroying constitutional safeguards and that we look to the Supreme Court to rule on what those safeguards are.

By my action today, I am, in effect, offering the Congress the opportunity to choose between the alternative presented by Chief Justice Burger and the status quo as suggested by Mr. Dash. I am convinced that the issue of the Exclusionary Rule belongs to Congress and not to the Supreme Court as Mr. Dash urged.

Mr. Speaker, this legislation is badly needed. There is a real requirement to abolish the inflexible Exclusionary Rule which protects the criminal and punishes society and the victim by excluding the evidence of the crime and freeing the criminal, because of some technical violations. Additionally, this bill would go a long way toward improving public confidence in our courts. This confidence has become so eroded because of the arbitrary application of the Exclusionary Rule which allows the obviously guilty man to go free. The Exclusionary Rule has not fulfilled its intended purpose and the cost to society has been unwarranted. I am hopeful that the alternative I am proposing will gain the approval of this body.

Mr. Speaker, I request that the text of the bill be included at this point in the RECORD:

A bill to amend title 18 of the United States Code to provide an alternative to the exclusionary rule in Federal criminal proceedings

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That chapter 223 of title 18 of the United States Code is amended by adding at the end thereof the following new section:

"§ 3505. Elimination of and alternative to exclusionary rule.

"(a) Evidence, otherwise admissible in a Federal criminal proceeding shall not be excluded on the grounds such evidence was obtained in violation of the fourth article of amendment to the Constitution of the United States, if there is an adequate legal remedy for any person aggrieved by reason of such violation.

"(b) For the purposes of subsection (a), the legal remedy provided under subsection (c) shall be considered an adequate legal remedy.

"(c)(1) The United States shall be liable for any damages caused by a violation of the fourth article of amendment to the Constitution of the United States, (A) if such violation was by any officer or employee of the United States while in the course of the official duty of such officer or employee to investigate any alleged offense against the United States, or to apprehend or hold in custody any alleged offender against the United States, or (B) if such violation was by any person acting under or at the request of such officer or employee in the course of such duty.

"(2) The liability under subsection (c)(1) shall be to any person aggrieved by such violation of the fourth article of amendment to the Constitution of the United States and such person may recover such actual damages as the jury shall determine, if there is a jury, or as the court may determine, if there is not a jury, and such punitive damages as may be awarded under subsection (c)(3).

"(3) Punitive damages may be awarded by the jury, or if there is no jury, by the court, upon consideration of all of the circumstances of the case, including—

"(A) the extent of deviation from permissible conduct;

"(B) the extent to which the violation was willful;

"(C) the extent to which privacy was invaded;

"(D) the extent of personal injury, both physical and mental;

"(E) the extent of property damage; and

"(F) the extent to which the award of such damages will tend to prevent violations of the fourth article of amendment to the Constitution of the United States.

"(4) The remedy against the United States provided under this section shall be the exclusive civil remedy against any person for such violation of the fourth article of

amendment to the Constitution of the United States."

SEC. 2. The table of sections for chapter 223 of title 18 of the United States Code is amended by adding at the end thereof the following new item:

"3505. Elimination of, and alternative to exclusionary rule."

CLEVELAND GIVES QUESTIONNAIRE RESULTS—ANSWERS IT HIMSELF

The SPEAKER. Under a previous order of the House, the gentleman from New Hampshire (Mr. CLEVELAND) is recognized for 20 minutes.

Mr. CLEVELAND. Mr. Speaker, during each of the 11 years I have served in Congress I have sent questionnaires to all of the residents in my district. They are mailed out in June and the results are tabulated during the summer by my interns and placed in the RECORD in September. The results together with my own answers and comments are then sent to my constituents. Over the years I have found this an invaluable method of communicating with them.

This year only 8,000 constituents responded to my questionnaire, whereas last year more than 15,000 did. This may be explained by a change in format or perhaps it reflects the fact that many people have become somewhat disenchanted with Government.

Yet this year's responses again give ample proof they are indeed sensitive to the shifting focus of public concern. Perhaps most revealing is the section in which constituents were again invited to list their own priority concerns, without being limited by any checklist I might devise.

Residents of the Second District of New Hampshire responded as follows to 14 specific questions:

THE ECONOMY

1. How would you rate President Nixon's overall handling of the economy?

Good, 11 percent; Fair, 37 percent; Bad, 51 percent.

High school seniors: Good, 10 percent; Fair, 47 percent; Bad, 33 percent.

In a free society, no President—or Government for that matter—is really able to manage the economy. This would require massive Government intrusion with curbs on economic freedom and staggering potential for bureaucratic mismanagement and corruption. Constituent opposition to permanent across-the-board controls—question 13—reflects this concern.

What the President can affect directly is Government spending, historically a prime factor in inflation, and he has generally done well in the face of congressional opposition. Yet I have been disappointed by the administration's approach to fuel problems, agricultural production, grain exports and beef price controls, to cite a few recent problems.

In fairness, however, the President did face severe economic problems while preoccupied with foreign affairs and the war. As I have pointed out in previous years, some of the unemployment for which he was blamed resulted from a shift from a wartime to a peacetime economy. The present worldwide scarcity of foodstuffs is unprecedented. The severe balance-of-trade problem had been growing worse for more than a decade. Inflation and energy shortages stem from policies of previous administrations and Congress.

So, on balance, I believe it is reasonable to rate the performance as fair.

FOREIGN POLICY

2. How would you rate President Nixon's overall handling of foreign policy?

Good, 54 percent; Fair, 31 percent; Bad, 12 percent.

High school seniors: Good, 43 percent; Fair, 46 percent; Bad 12 percent.

I agree with the clear majority that the President's handling of foreign affairs has been good.

The initiatives toward China and the Soviet Union, a still-fragile peace in Vietnam, and the cease-fire in the Middle East—a good record certainly, though still only beginnings. This progress has been made possible, as has our ability to avoid global conflict since World War II, by our willingness to bear the burden of a strong defense.

SPECIAL REVENUE SHARING

3. Special Revenue Sharing: As distinguished from General Revenue Sharing now operating, would you also favor combining many small single-purpose federal programs into block grants for the states and localities to use according to their needs, within general guidelines?

Yes, 57 percent; No, 21 percent; Undecided, 19 percent.

High school seniors: Yes, 36 percent; No, 17 percent; Undecided, 47 percent.

The solid majority sharing my support of special revenue sharing is encouraging. Progress in this area has been blocked by opposition from entrenched bureaucrats and congressional power brokers reluctant to release their grip on Government activities.

General revenue sharing, which I voted for last year and which is now in effect—but not without its imperfections—returns money to the States and communities with practically no strings attached. But there is legitimate concern that if this approach were greatly expanded to replace existing programs, some needs—particularly in the area of social programs—might be slighted. Special revenue sharing represents a middle ground, with funds required to be spent in broad priority areas, but with programs devised locally in response to local needs.

THE ENVIRONMENT

4. In your opinion are efforts to reduce air, water, and other forms of pollution now receiving adequate attention and effort by various levels of government?

Yes, 41 percent; No, 50 percent; Undecided, 7 percent.

High school seniors: Yes, 19 percent; No, 73 percent; Undecided, 1 percent.

I agree with the majority. Our governments have not really faced up to the problem of noise pollution, or disposal of the enormous amount of waste we generate. We are not doing enough in the areas of recycling, and conservation of resources. Efforts to clean up the air, which are dependent on new technology, have too often missed the mark.

In the area of water pollution we are doing better, with the level of Federal expenditures more than 10 times what it was only a few years ago. In my work on the Public Works Committee, I successfully proposed an apportionment formula for Federal funds which greatly increases New Hampshire's share. Progress in this area is also more apparent as sewer systems are installed. This may account for the rather evenly divided opinion, together with New Hampshire's notable efforts.

While the question is keyed to Government effort, let us not forget that we will never have a clean environment as long as individuals persist in fouling the Earth and acting wastefully.

DAYLIGHT SAVING TIME

5. Do you favor year-round daylight saving time?

Yes, 58 percent; No, 29 percent; Undecided, 7 percent.

High school seniors: Yes, 46 percent; No, 33 percent; Undecided, 21 percent.

I favor year-round daylight saving time and to stimulate discussion of the question I introduced legislation to this end. I have received some rather constructive letters from constituents expressing a contrary view, but I think it should be given a trial. Among the most persuasive arguments for the proposal are those of safety, crime prevention, some savings in energy, and increased recreational opportunities.

SOCIAL SECURITY

6. Should the method of financing Social Security be altered so that the payroll tax would be at a higher rate for those who earn more (like graduated income tax)?

Yes, 51 percent; No, 27 percent; Undecided, 10 percent.

High school seniors: Yes, 45 percent; No, 33 percent; Undecided, 22 percent.

The social security financing system must be revised to produce more revenue if we are to assure recipients of an income above the poverty level, a goal which I support. Other social security reforms are needed to eliminate existing inequities; and they too will require additional funds.

I support the progressive feature to avoid placing a disproportionate burden on contributors at the lower end of the earnings scale.

ENERGY

7. Should environmental restrictions be relaxed because of the energy crisis?

Yes, 35 percent; No, 52 percent; Undecided, 10 percent.

High school seniors: Yes, 17 percent; No, 65 percent; Undecided, 18 percent.

Now is not the time to sound retreat in the battle for a clean environment. But the energy shortage should give us added incentive to do what we should be doing anyway, which is to examine—selectively and in good faith—the need for certain emission standards. Research and technological innovation should also be increased. Individuals must be reminded constantly of how much energy can be conserved by such simple acts as turning off lights and driving a bit more slowly and safely.

Pending development of new energy sources and new ways to clean up older fuels, the emission standards should be tailored more closely to actual need. For automobiles, for example, it makes no sense to require the same degree of costly

emission control in rural areas as in congested and highly polluted metropolitan areas.

EDUCATIONAL TAX CREDIT

8. Do you favor a Federal tax credit to defray part of the cost of tuition paid by parents to send children to non-public elementary and secondary schools?

Yes, 41 percent; No, 53 percent; Undecided, 6 percent.

High school seniors; Yes, 39 percent; No, 42 percent; Undecided, 19 percent.

My questionnaires were mailed out in early June. On June 25, 1973, a Supreme Court decision barred tax credits for parochial school tuitions. Although my question did not specifically mention parochial schools, they are obviously involved, and their closings are proving a real problem.

Since coming to Congress I have felt that tax credits should be permitted to encourage tuition payments by parents not only at the elementary and secondary level but beyond. While the Constitution wisely prohibits Government support of religious activities, I think it is relevant to point out that contributions to churches are deductible.

But the question has broader implications. It is important to encourage innovation and heightened responsiveness in our primary and secondary schools, which can be stimulated by offering a choice between public and private education. Both would benefit. Public power companies have long been considered a yardstick to measure the performance of private utilities. Certainly expanded opportunities for private education should prove at least as useful a gauge of public school performance. This is why I support plans to test the voucher system in New Hampshire.

VIETNAM

9. If substantial cease-fire violations by the North Vietnamese threaten South Vietnam with a military takeover by the North, and negotiations fail, should the United States respond with the use of air power?

Yes, 28 percent; No, 63 percent; Undecided, 8 percent.

High school seniors: Yes, 24 percent; No, 56 percent; Undecided, 20 percent.

A New Hampshire weekly newspaper devoted an editorial to this question, rephrasing it as: "Should the United States reenter the Vietnam war?" and then urged a "No" vote. If this were the meaning of the question, I would agree.

But, I emphasize that we and the South Vietnamese made significant concessions, not fully appreciated by the American public, in negotiating the cease-fire. For example North Vietnamese troops remained in the South, where their aggressive military buildup continues.

Although I am absolutely convinced we will never return with ground troops, I for one feel we cannot totally and unequivocally rule out air support for the South in the event of a major invasion. North Vietnam should have to at least weigh the possibility of such a response. To rule out the use of our air power might all too easily tempt aggression. It should be pointed out that besides having deterrent value, our air power is also flexible, including supply and close support of beleaguered cities, medical evacuations, and more sophisticated applications such as mining, interdiction of supply routes, and reconnaissance.

TRADE

10. Should Congress establish procedures to deal with the nation's trade problems by raising tariff barriers selectively against those nations which substantially restrict imports of American goods?

Yes, 75 percent; No, 13 percent; Undecided, 10 percent.

High school seniors: Yes, 52 percent; No, 20 percent; Undecided, 28 percent.

The overwhelmingly favorable response to this question reflects an increasing awareness that in varying degrees many nations have been using nontariff barriers to discourage the imports of U.S. goods. Although we too have some nontariff restrictions, we have been allowing many of these nations to avail themselves of our market, which is perhaps the freest in the world, without giving us equal opportunities in their markets.

For a long time exponents of free trade have ignored this essential fact. This is why I have consistently called for fair trade which means that free trade should be a two-way street.

NEWS MEDIA

11. Do you believe that the news you read, see, and hear is generally accurate and fair?

1973—Yes, 47 percent; No, 42 percent; Undecided, 10 percent.

High school seniors: Yes, 43 percent; No, 39 percent; Undecided, 18 percent.

1972—Yes, 34 percent; No, 49 percent; Undecided, 12 percent.

High school seniors: Yes, 42 percent; No, 43 percent; Undecided, 14 percent.

1971—Yes, 36 percent; No, 48 percent; Undecided, 11 percent.

High school seniors: Yes, 38 percent; No, 49 percent; Undecided, 11 percent.

I have asked this question 3 years in a row to provide continuity of expression on a subject of paramount concern. If the elected representatives of the people are to act in the public interest on complex and controversial matters, a vastly broader base of shared knowledge of the problems we face as a nation is imperative.

When the public officeholder cannot rely on the fairness of the media, and with public confidence at the halfway mark, we are in trouble. I say this less in criticism of the press than out of respect for its function.

Constituent sentiment has shifted somewhat on the question this year, so I find myself in disagreement.

The national media—the major offenders in my view—may have gotten a boost in public confidence from press disclosure of Watergate, though this was the work of comparatively few newsmen.

My own observation of media performance, including coverage of issues totally unrelated to Watergate, gives me no grounds to change my overall assessment. On one hand, the New York Times has opened its opinion columns to greater diversity. But television coverage of critical highway legislation, e.g., was distorted. CBS news gave me a brief ration of national air time to counter its misleading coverage, but only after extensive and vigorous protest on my part.

In past years I have been disturbed that this question has been taken to indicate a desire to "muzzle the media." Nothing could be farther from the truth. As evidence of my commitment to the free press, I cite legislation which I have cosponsored to protect reporters and the broadcast media from governmental harassment. But let us remember that like other institutions in our society, the news media function best when exposed to alert, informed criticisms of their own shortcomings.

TAXES VERSUS GOVERNMENT PROGRAMS

12. Are you in favor of the President's proposals to hold the line on taxes even if it will result in eliminating or reducing some popular and useful federally assisted domestic programs?

Yes, 61 percent; No, 28 percent; Undecided, 8 percent.

High school seniors: Yes, 33 percent; No, 37 percent; Undecided, 30 percent.

The majority thinking here certainly squares with my position, which I have put into practice by voting to sustain vetoes of programs with admitted merit. This also reflects my concern for the plight of many who write me of their problems coping with taxes and increasing costs on limited or fixed incomes.

ECONOMIC CONTROLS

13. Having observed the effects of temporary wage-price control efforts, do you favor a permanent system of controls over prices, wages, interest, rents and profits?

Yes, 34 percent; No, 52 percent; Undecided, 13 percent.

High school seniors: Yes, 46 percent; No, 29 percent; Undecided, 25 percent.

I agree with the majority on permanent controls, although I have voted on two occasions to give the President temporary authority to establish controls. My experience with Government, however, is that it is very difficult to stop a program once it is started. Price controls have already created many serious problems, have too often been administered unfairly and without sufficient concern for long-term consequences.

ECONOMIC IMPACT

14. Major public projects of economic significance must undergo extensive assessment as to their environmental impact. Should major environmental measures be subjected to similar scrutiny as to their economic impact?

Yes, 76 percent; No, 14 percent; Undecided, 8 percent.

High school seniors: Yes, 45 percent; No, 18 percent; Undecided, 37 percent.

In 1969, Congress passed the National Environmental Policy Act—NEPA—requiring that Federal agencies stop to consider the environmental effects of proposed major Federal action. While common sense should have dictated this all along, it had not in fact been uniformly done.

This raises the serious question of whether we ought not systematically to do the same thing with proposed environmental actions; namely, stop and consider the economic impact of environmental actions. This is not to say that either should dominate. Rather, we should act with all of the facts before us.

PRIORITIES

During the years I have frequently commented that although my constituent poll makes no pretense of being a scienti-

fic one, I believe it to be an extremely accurate one. Here in Washington there has recently been a great deal of comment that economic problems are far more important to the people than either the Watergate sensations, energy shortages or foreign affairs. The switch in priority concerns by my constituents from last year is dramatic and appears to reflect the national mood.

Open-ended sections were included to afford constituents an opportunity to state their own priority concerns. While some respondents complained that the questionnaire asked no specific question about Watergate, the response suggests that the format gave ample opportunity for comment on that score.

Following are the responses:

PRIORITIES—PROBLEMS AND NEEDS—1973

Question: Part 1—List in order of priority the three most important problems or needs facing the United States today.

Answers:

1. Economic problems and inflation	6081
2. Watergate	2738
3. Pollution	2332
4. Energy, fuel shortages	1579
5. Government spending, taxes, debt	1174
6. Crime, law & order	942
7. Southeast Asia	596
8. Social Security, help for aged	423
9. Welfare, welfare reform	420
10. Government credibility	408
11. Medical care	384
12. Moral decay	341
13. Mass transit, urban problems	336
14. War, military spending	315
15. Government bureaucracy, redtape	300
16. Communism, defense	293
17. Foreign affairs	292
18. Tax reform, loopholes	281
19. Drugs	280
20. Poverty	276
21. Discrimination, civil rights	264
22. Unemployment	233
23. Population	218

PRIORITIES—PROBLEMS AND NEEDS—1972

Question: Part 1—List in order of priority the three most important problems or needs facing the United States today.

Answers:

1. Vietnam and Southeast Asia	5881
2. Pollution	4125
3. Inflation and the economy	3830
4. Crime, law and order	3402
5. Tax reform	2896
6. Unemployment	2008
7. Defense and communism	1556
8. Welfare reform	1493
9. Drugs	1461
10. Poverty	1285
11. Education	1068
12. Social security help for the aged	1002
13. Civil rights—women's movement	898
14. Medical care	789
15. Urban problems, mass transit	756
16. Government spending	753
17. Judiciary	647
18. Government bureaucracy	598
19. Credibility gap	592
20. Population	486
21. Moral decay, religion	436

My own top priority concerns are: First, foreign affairs and the drift toward isolationism; second, the economy and inflation; and third, the environment.

As to the first, I am concerned that war-weariness over Vietnam and a strengthening of the traditional pacifist and isolationist tendency in our country will lead to a weakening of our defenses. It would be tragic if this proved the price of honoring our word in Vietnam. It would be doubly tragic if the President's initial successes with Russia and China led the public to oppose the defense policies which helped make possible the easing of tensions, and we turn our backs on the world and its problems.

In commenting on previous questions I have expressed some of my thoughts on the economy and inflation. Nor is my concern of recent vintage, as I have addressed myself to the problems almost every year in reports to my constituents. The economic problems facing this country are not only severe but they are also interrelated. I deplore those who fall into the demagogic trap of promising simplistic solutions, which all too often actually add to the problem.

My concern with the quality of our environment is longstanding. It evolves not only from committee assignments but from my life in New Hampshire. The number of questions I have asked in this area is a further reflection of my interest. In addition to my previous comments it is worth noting that the interest of my constituents in the environment continued strong this year despite the fact that many other issues occupied national attention.

PRIORITIES—PROGRAM REDUCTIONS—1973

Question: Part 2—What three Federal programs would you reduce?

Answers:

1. Defense, overseas spending	3027
2. Foreign aid	2633
3. Welfare	2152
4. Farm subsidies	1737
5. Space programs	1414
6. Government spending, general	660
7. Highways	575
8. Business, other subsidies	472
9. Watergate, allied concerns	361
10. Improvements to President's retreat homes	309
11. Antipoverty programs	296
12. Soviet grain sale	253
13. Taxes, tax loopholes	203
14. Public works	194
15. Oil depletion allowance	187
16. Bureaucracy, red tape	186
17. Environmental restrictions	184
18. Education	176
19. Health, Education, Welfare	151

PRIORITIES—PROGRAM REDUCTIONS—1972

Question: Part 2—What three Federal programs would you reduce?

Answers:

1. Defense and military spending	5023
2. Foreign aid and overseas spending	4337
3. Welfare	3952
4. Space	3129
5. Farm subsidies	1890
6. Corporate subsidies (e.g. Lockheed)	879
7. Salaries and junkets of elected officials	866
8. Highways	791
9. Tax loopholes	674
10. Bureaucracy, duplication of programs	638
11. Antipoverty programs	626
12. Government spending	503
13. Education	428
14. Oil depletion allowance	411
15. U.N. dues	347
16. Busing	316
17. Urban programs	238
18. Public Works and Corps of Engineers projects	231

Longstanding concern among my constituents over Government spending, reaffirmed this year, accounts for the section inviting nominations for programs to be reduced or eliminated.

My own include, first, farm subsidy programs; second, foreign aid; and third, public works.

Over the years I have consistently voted to reduce, eliminate, or defer programs in these areas.

I have voted on a number of occasions to limit the amount of subsidy to any one farm or farmer to $20,000, the so-called Conte amendment. I have also voted against the entire program, the thrust of which was to limit production by taking acreage out of cultivation. The folly of this approach and its impact on food prices has at last been recognized. An added absurdity is Government spending money to encourage the production of tobacco while warning the public of its dangers.

Although I supported foreign aid when I first came to Congress, I have voted against it for a number of years. With the increasing number of demands on the Federal dollar at home, I question sending it abroad. This has been particularly so while the balance-of-trade crisis has been intensifying. Many of the beneficiaries of our foreign aid programs have been less than cooperative and helpful. Examples include trade problems and support of our difficult commitment in Southeast Asia. There is also a real question as to whether our foreign aid dollar has really helped the intended beneficiary. My concern with our drift toward isolation may cause me to reconsider my position on foreign aid.

My vote against public works has taken the form of voting against the so-called pork barrel bill on a number of occasions. This is not to say that some of the projects are not worthwhile but during times which call for fiscal restraint, I feel that many public buildings, large dams, et cetera, are postponable.

I believe that I have previously made my position clear concerning defense. I did vote recently to reduce the military budget by $950 million. But I will oppose more drastic cuts. It should be pointed out that substantially more than half of the defense budget is now going for salary payments to build a voluntary Army. I supported this proposal and hope that it works.

It is ironic that some people who insisted on this are now closing their eyes to the fact that this very reform is largely responsible for the continued growth in our defense budget. Even so, on a relative basis, we are now spending less for defense than at any time since the pre-Korean period. Although I was against unilateral troop cuts in Europe, I did support a measure, to gear our support there to the level of European nations' financial contribution to their own defense.

THANKS

In conclusion I wish to thank the more than 8,000 constituents who participated in this year's questionnaire. I would also like to thank the many of them who sent along constructive and informative additional views. The second New Hampshire district, which I represent, has a population of 400,000 people living in 148 cities and towns. The district is bordered by Vermont, Canada, Maine, and Massachusetts. It is diverse and in some areas

sparsely settled. For these reasons it is enormously helpful to me as a Representative that constituents take the time and trouble to acquaint me with their views, concerns, and problems.

ALLOCATION OF MATERNAL CHILD HEALTH FUNDS

The SPEAKER. Under a previous order of the House, the gentleman from Alaska, (Mr. YOUNG) is recognized for 5 minutes.

Mr. YOUNG of Alaska. Mr. Speaker, I am introducing for myself and PATSY MINK and SPARK MATSUNAGA legislation to provide for the more equitable distribution of Federal maternal child health service funds to Alaska and Hawaii.

The allocation formula for these funds is set forth in title V of the Social Security Act. One of the criteria used to determine the amount of funds to a particular State is per capita income. Because this figure is used inversely, the higher a State's per capita income, the lower the relative allotment that State receives. Since Alaska's cost of living is unusually high—in fact, the largest city in my State, Anchorage, records the highest cost-of-living nationwide—we are penalized by the appearance of a high per capita income without the cost-of-living index taken into account.

The bill I am introducing today will modify the formula under title V in order to correct the present inequities. This formula reduces the per capita income by an amount equal to the cost-of-living allowance established by the Civil Service Commission for Alaska and Hawaii.

I include in the CONGRESSIONAL RECORD at this point the bill itself.

H.R. 10279

A bill to amend title V of the Social Security Act to provide that, in making certain allotments to States thereunder, there shall be taken into account the higher cost of living prevailing in Alaska and Hawaii

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 503 of the Social Security Act is amended by adding after paragraph (2) the following new sentence:

"If the adjusted per capita income of a State is taken into account in determining (for purposes of paragraph (2)) the financial need of such State, then, in the case of Alaska and Hawaii, the adjusted per capita income of such State shall be the remainder of the per capita income of such State (as determined without regard to this sentence) minus a number which shall be the product of the adjusted per capita income of such State (as so determined) and a per centum thereof equal to the per centum applicable, for the period in which any determination under the preceding sentence is being made in determining the amount of the allowance payable under section 5941 of title 5, United States Code, to Federal employees serving in such State.".

(b) Section 504 of such Act is amended by adding after paragraph (2) the following new sentence:

"If the adjusted per capita income of a State is taken into account in determining (for purposes of paragraph (2)) the financial need of such State, then, in the case of Alaska and Hawaii, the adjusted per capita income of such State shall be the remainder of the per capita income of such State (as determined without regard to this sentence) minus a number which shall be the product of the adjusted per capita income of such State (as so determined) and a per centum thereof equal to the per centum applicable, for the period in which any determination under the preceding sentence is being made, in determining the amount of the allowance payable under section 5941 of title 5, United States Code, to Federal employees serving in such State.".

(c) The amendments made by this Act shall be applicable to allotments made under sections 503 and 504 of the Social Security Act after the date of enactment of this Act.

OFFICE OF MANAGEMENT AND BUDGET

The SPEAKER. Under a previous order of the House, the gentleman from Texas (Mr. STEELMAN) is recognized for 5 minutes.

Mr. STEELMAN. Mr. Speaker, today I am pleased to announce that 155 of our colleagues have joined in cosponsoring the bill for Senate confirmation of future Directors and Deputy Directors of the Office of Management and Budget.

By the broad-based support on both sides of the aisle for this new legislation, I believe that it is the overwhelming consensus of the Congress that the positions of Director and Deputy Director of the Office of Management and Budget have such powers that appointees to these posts should receive the scrutiny of the legislative branch. However, the June 13 defeat of the rule on the Brooks amendment to the public debt limit extension bill indicates many Members realize the difficulty in passing retroactive legislation on this vital issue.

Previously this issue led to a confrontation between the executive and legislative branches of Government when the incumbents were to be subject to confirmation. We have seen the result of this confrontation—a Presidential veto sustained by the House.

My colleagues and I see an urgent need for these two posts to come under the same close scrutiny of the Senate to make sure that the most qualified persons are nominated by the President.

PROTECTION OF EMPLOYEES OF PRIVATE, NONPROFIT HOSPITALS

The SPEAKER. Under a previous order of the House, the gentleman from Illinois (Mr. YOUNG) is recognized for 3 minutes.

Mr. YOUNG of Illinois. Mr. Speaker, I have today introduced a bill to amend the National Labor Relations Act to extend its coverage and protection to employees of private, nonprofit hospitals under the act and the National Labor Relations Board.

Related legislation introduced earlier in this session of Congress simply provided for congressional action to remove the not-for-profit hospital exemption from the NLRA. Unfortunately, these proposals did not extend far enough to provide comprehensive protection against interruption of patient services in the event of labor disputes.

At a time when health care delivery systems are facing critical challenges, we must move to lessen the impact such dislocations might have on the life and death situations faced daily in our hospitals. Among others, special attention must be directed to questions of impasse resolution and proliferation of bargaining units.

Recognizing the unique public service performed by the Nation's health care institutions, the legislation I have introduced moves to counter threats to the continuity of health care service. The Congress must adequately consider appropriate provisions with regard to effective impasse resolution procedures, prohibition of strikes, picketing, work stoppages or lockouts in situations other than bargaining impasse, the number of bargaining units, sufficient notice of work stoppage, and expedited means of obtaining emergency injunctive relief.

Mr. Speaker, I am very hopeful that the House of Representatives will extend timely attention to this very important matter.

STOPPING SEATBELT DICTATORSHIP

The SPEAKER. Under a previous order of the House, the gentleman from New Hampshire (Mr. WYMAN) is recognized for 10 minutes.

Mr. WYMAN. Mr. Speaker, beginning with the 1974 model year, the Department of Transportation is requiring that all automobiles sold in the United States be equipped with a highly questionable safety device—the seatbelt ignition interlock system. This latest device will prevent any car from starting before all persons—and objects—in the front seat are tightly harnessed in lap and shoulder straps. Should any belt be released after the engine is running an alarm system of flashing lights and sounding buzzers is activated which is not turned off until the harness is rebuckled.

This is how the system works: When the driver sits down, his weight—or that of any other person or heavy object in the front seat—will trigger a sensor beneath the seat. This sensor in turn is connected to an electric control device that is tied in with the belt buckle and the ignition system. If the seat is occupied and the belt has not been fastened, then the ignition system gets what engineers call a "no start" command.

Loading and unloading of the sensor, due to particularly bumpy roads or even normal child squirm, should alternately activate and deactivate the sensor. If the sensor were deactivated for longer than 10 second and reactivated, the seatbelt must be released and rebuckled before the alarm system would shut off.

Further, if the sequence of sit down, fasten seat belt, start car is broken—as would happen when the driver leaves the car briefly at a gas station or buckles the seatbelt around a child before entering the car—it will be necessary for all belts to be released and rebuckled before the car can be started.

The ignition interlock system is manifestly impractical. As well as constituting a patently excessive extension of Federal authority, the system would add greatly to the complexity of automobile

electrical systems and would become increasingly susceptible to malfunction as cars age. Even engineers anticipate a 3-percent failure rate in 1974. Assuming 10 million cars are produced in 1974, this means some 300,000 individual car owners will be subjected to ignition malfunction this next year alone besides being required to pay on the order of an additional $50 per car for the device.

Worse, in my view, is the preemption by the Federal Government of what should rightfully be an individual decision. A seat belt is not helpful in all situations: many people have survived serious accidents because they were thrown free by the force of impact. The individual driver not only should have the right to decide for himself whether or not he or she desires the protection of a fastened seatbelt but also that his car can be started without the driver harnessed into his seat.

Unlike drinking while operating a motor vehicle, seatbelt fastening has no effect on the safety of others. The need to protect the general public from wrongful or careless acts by an individual has no demonstrated connection with seatbelt fastening. It is highly improper for Government to require blanket individual conformance with an artificial and unnecessary standard to say nothing of the occasions when an individual might want to run his auto engine without being fastened into the driver's seat.

Accordingly, I am today introducing legislation to require the Secretary of Transportation to abolish the departmental requirement for ignition interlock systems. In light of many complaints I have received from constituents and my own convictions concerning the lack of reasonableness and even safety in this policy, I urge my colleagues to protect citizens against extreme Federal regulation of this type.

ELDERLY LIFE SAFETY ACT—ELSA

The SPEAKER. Under a previous order of the House, the gentleman from Connecticut (Mr. STEELE) is recognized for 10 minutes.

Mr. STEELE. Mr. Speaker, today I am introducing legislation which would upgrade the level of fire safety in nearly 23,000 nursing homes and many other types of housing designed for the elderly. This proposed legislation would amend the National Housing Act of 1959—NHA—the Public Health Service Act of 1945—PHSA—and the Social Security Act of 1965—SSA. The bill is titled the "Elderly Life Safety Act of 1973"—ELSA.

The need is evident. There are far too many buildings used as nursing homes that are not properly equipped for fire safety. The problem is not only a lack of uniformity in fire safety standards from State to State but uneven code enforcement by local officials. The best available records show that there were 34 multiple-death fires in nursing homes with a total of 283 deaths in the 10 years from 1961 to 1971. There are no reliable statistics on single-death fires, but the American Nursing Home Association—ANHA—estimates that there may have been as many as 500 single-death fires in nursing homes per year in recent years. The magnitude of the fire safety problem is evident in view of this appalling record of fire deaths. And the need is growing as longer life expectancies result in larger numbers of people in the older age categories.

Under the provisions of my bill, multiunit housing for the elderly, intermediate care facilities—IFC's—for the elderly, and nursing homes would be monitored for fire safety by the Department of Housing and Urban Development—HUD. The bill will require a uniform Federal standard for elderly housing. If existing buildings fail to meet the new requirements, the bill authorizes HUD to insure loans made by private institutions to the owners of these facilities to bring them into compliance.

The code my bill requires is modeled after the "Life Safety Code" formulated by the National Fire Protection Association—NFPA—a nonprofit organization representing all facets of fire safety interest, which serves as a clearinghouse for information on fire prevention and protection. Thirty-three States have thus far adopted its "Life Safety Code" standards for nursing homes.

The legislation I propose will require automatic sprinkler systems and automatic alarms linked directly to municipal fire departments. In new buildings constructed with Federal Housing Administration—FHA—insured mortgages, the sprinker installation and alarm installation would be mandated by law. In setting national standards, this legislation would control funds allocated under NHA and social security. The owners of existing buildings or buildings under construction which do not meet the requirements of ELSA would be ineligible for new NHA funds, or additional moneys from the medicare and medicaid programs. To qualify for funds the owners would be required to modify their buildings.

Although the NFPA's "Life Safety Code" is much stricter than present Federal minimum property standards under FHA, it provides relief clauses which allow a waiver of automatic sprinkler requirements by substitution of other construction improvements designed to control fire. My legislation would make automatic sprinklers and alarms the minimum required fire safety equipment, because they are the most effective method now known for controlling fire.

Although complete statistics are not available, a survey taken for the ANHA indicates that only 33 percent of the nearly 23,000 nursing homes in the country now have automatic sprinklers. In addition, another 22 percent have partial automatic sprinklers. In my own State, Connecticut, 73 percent of the nursing homes now have automatic sprinklers, and 12 percent now have partial automatic sprinklers. Thus, the owners of nursing homes in some States have made good progress toward complete automatic sprinkler protection, while the overall national level of fire safety is lagging behind.

Since the Federal Government now pays for over 60 percent of the cost of nursing home patient care, and in addition provides substantial funds for subsidized housing, we must recognize that Congress has a responsibility for assuring adequate standards for safe elderly housing. But merely establishing standards and requiring them to be met is not enough. The Federal Government also has an obligation to assure that adequate funds are available for improvements through loan guarantees. Failure to provide this help would close many nursing homes. Since many of the homes were financed by NHA section 202 direct loans or section 236 interest subsidies, our commitment to the elderly is clear. Because of the 20-year term loan guarantee, this bill would insure that sprinkler and alarm installation will not result in needless destruction of present homes. The elderly desperately need good low-cost housing, but it must also be safe housing.

Under present standards, disasters will continue to occur. The fire at the Baptist Towers home for the elderly in Atlanta, Ga., on November 30, 1972 claimed 10 lives. The building which had 11 stories and was fire resistive, conformed with the local building codes in every respect. But the consensus of fire officials is that 9 of the 10 lives could have been saved by automatic sprinklers. Experts throughout the Nation agree that fire protection is best achieved with sprinklers.

The most recent fire occurred at the Washington Hill Convalescent Home in West Philadelphia on September 12, 1973. The 3 alarm fire, which originated in a bathroom of the 3-story converted Victorian mansion, left 11 elderly men dead. Although the convalescent home's automatic fire alarm system was directly linked to the fire department, it was not working at the time of the fire and failed to immediately notify firemen of the fire. Tragically, the Washington Hill Convalescent Home did not have an overhead sprinkler system.

Automatic sprinklers and alarms are the best method of saving lives once a fire begins. The record of fire-resistive construction is by no means as good. The experience at the Baptist Towers is illustrative of this fact. The builders of the Baptist Towers estimate that sprinkler installation would have increased total construction costs by 5 to 7 percent. Therefore, in order to maximize safety and minimize cost, this bill relaxes some less effective fire-resistive construction requirements as offsets to sprinklers. It is usually materials burning within a building, such as a carpet, trash, or foam-stuffed furniture, or a bed in a nursing home, that causes death. Sprinklers put out fires and save lives once the fire starts. Fire-resistive construction can only serve a preventative role.

Mr. Speaker, we have been sifting through the ashes of fires for nearly 200 years in this country. For nearly 100 years, it has been said that sprinklers are the best protection against fires. We, the lawmakers, have not yet accepted this wisdom. Instead, piecemeal improvements are made by altering construction codes. I am presenting an alternative approach, which should be considered before we fund more firetraps for the elderly.

THE GAS BUBBLE—V

The SPEAKER. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 5 minutes.

Mr. GONZALEZ. Mr. Speaker, an intriguing thing about the San Antonio gas crisis is that hardly anybody is speaking for the public, and there is absolutely nobody in a position of official power to defend the rights and interests of customers who have depended on Coastal States Gas, or the consumers who must ultimately pay the hundreds of millions of dollars in losses that Coastal is responsible for.

Coastal can defend its own interests. It has hundreds of millons of dollars in annual sales, and a stable of lawyers that is evidently without end. It certainly has no problems in mounting a legal defense, then. And of course, Coastal has the ample political connections that go along with being a very large corporation. Coastal has contributed to all kinds of political campaigns, undoubtedly including those of one or more members of the Texas Railroad Commission that regulates its affairs; and in accordance with this beneficence, Coastal swings a large stick in Texas government. The utilities have their lawyers, too, but they lack anything like Coastal's influence. For instance, Coastal could readily agree to a receivership for its subsidiary Lo-Vaca, because the court-appointed directors included not a single representative of the utilities, let alone the consuming public. And the managing director appointed by the courts turned out to be an old gas man who appears to have only the interests of Coastal at heart.

There has been no effective State legislative committee to investigate the Coastal disaster, though it affects 400 municipal and industrial consumers of gas in Texas. Nobody has looked into why it all happened or how, and hardly anybody has even bothered to appear indignant. Everyone is concentrating on how to avoid making Coastal mad, either because too many public officials owe too much to Coastal, or they simply do not care. Meanwhile, the public is being bilked, squeezed and milked out of hundreds of millions of dollars, just in San Antonio. The total must run into the billions for the rest of the State.

Here is an example of what went wrong with the Coastal system. Lo-Vaca, which supplies gas to San Antonio and many others, is a subsidiary of Coastal. In 1972, Lo-Vaca happily gave away $15.4 million worth of its assets to Coastal, which cost it another $5.3 million revenues produced by these assets during the months following. It's no wonder the Lo-Vaca is losing money. But who is asking questions? Has the State railroad commission cast suspecting eyes on it? Not as far as I can tell. Has the State attorney general looked into it? No, because he says that you can't burn court papers for fuel. Has the legislature been worried about this corporate milking? Of course not. Even the mayor of San Antonio says that it is too bad that the SEC suspended trading in Coastal stocks, evidently because it is bad for business. Yet this transaction alone accounts for the total losses reported by Lo-Vaca currently. How in the face of this kind of crooked accounting could anyone stand by and say that Lo-Vaca is not being robbed, and the public with it? How in the face of just this single, $20 million theft could anyone support Coastal and Lo-Vaca's petition for a 50 percent rate increase, which would cost San Antonio alone $12 million a year. Yet that is being asked for, and no one seems to wonder too much about it, or question it.

To whom does the public look for its representation? It has no stable of lawyers. It has made no contributions to members of the legislature, to mayors, or to members of the railroad commission. It only pays the bills. The public does not demand very much—only that it get a fair deal. But the public has no voice on the Coastal board, none on the Lo-Vaca board, and as far as I can tell none at any other level of State or local government. But it is the public that will pay $200 million and more for capital investments that San Antonio is committed to make just in the next 7 years, because Coastal violated its contract. And that does not even count interest. It is the public that will have to pay far higher gas and electric bills, because of Coastal's failure, and this will amount to tens of millions of dollars every year. Who is defending their interests?

Certainly not the court-appointed manager of Lo-Vaca. This man, an old gas man, wants only one thing: an immediate 50-percent rate increase. He says that this is needed to allow Lo-Vaca to buy gas. But even as he makes this claim he shrugs aside suggestions that Lo-Vaca should cease diverting gas from its system to cover sales that Coastal has made, probably illegal sales at that. And even as he claims he has to have more money, Coastal is selling off gas that lies literally under the doorstep of San Antonio. The Lo-Vaca management is dedicated to just one thing and that is to make the company healthy again and turn it back over to Coastal, which certainly would like to have it back in good shape—that is the same Coastal that robbed, bled, and stole Lo-Vaca into complete incompetence. If you were to look at the present management of Lo-Vaca, you would have to say that there is no difference between what it wants and what Coastal wants. What Coastal wants is to steal as many people blind as it can.

There is much at stake in the gas crisis.

First, there is the survival of San Antonio and other cities that had contracts with Coastal.

Second, there is the problem of how to protect the public interest during the extrication of all hands from the general mess. The people are going to have to pay more for gas in the future—but somebody has to see that it is not too much and that it does not go to the same jackals who put them in this mess in the first place.

Third, there is the problem of how cities and utilities and the State can exercise effective regulation over a huge industry during a time of great crisis.

All of this will require an honest representation of the public interest. It will require effective actions in behalf of the public. But looking at the scene now, I can find nobody in a position of authority who seems to understand this, let alone care. The San Antonio mayor stands up for the victimizer, and tells the victims, his constituents, that everyone must be nice to Coastal, or they will do bad things to us. What could they do that they haven't done already? The court-appointed manager says he needs money, but cannot worry about what happened to the hundreds of millions already paid over. Does he think that Coastal would have delivered an inch of gas to San Antonio unless hard cash had been paid? The railroad commission proceeds with the lowest possible profile, as if this was a question of whether to allow a driller to use a thousand gallons of salt water in a well rather than just five hundred. The law enforcement officials investigate nothing. The legislature scatters to the winds, doing nothing, trying only to forget how many have received favors from Coastal, and how many have returned them in kind—like by sponsoring bills like the infamous Coastal States bills. The utilities try to hide their embarrassment, and somehow figure out a way to survive. But nobody seems to care much about the average guy, the one who will pay the bills for the whole sorry mess.

NECESSITY OF APPOINTING HIGH-LEVEL OIL AMBASSADOR

The SPEAKER. Under a previous order of the House, the gentleman from Iowa (Mr. CULVER) is recognized for 5 minutes.

Mr. CULVER. Mr. Speaker, it was with a great deal of interest that I read yesterday morning's account in the Washington Post, entitled "U.S. Urged to Press Libya; Oil Firms Seek Retaliation." I insert the text of this article, by Laurence Stern, at the close of my remarks.

The Foreign Economy Policy Subcommittee which I chair has been holding a series of hearings, in conjunction with Congressman HAMILTON'S subcommittee on the Near East and South Asia, on the general subject of oil diplomacy in the midst of today's energy crisis. We have been looking at the positions of both the oil exporting and oil consuming countries, and the extent and manner in which these positions can be reconciled. I am sure our subcommittees will wish to familiarize themselves further with the matters discussed in this news report.

Briefly, the report states that the major U.S. international companies are bringing pressure to bear on the State Department and the White House to "get tough" with Libya, in the wake of that country's asserted expropriation of majority holdings in their companies' Libyan subsidiaries. While details of the conversations remain confidential, it is reported that a boycott of Libyan oil is among the measures being considered.

There may well be a connection between this development and President Nixon's press conference on September 5. At that time the President suggested that Libya would be vulnerable to an oil

boycott, similar to that which helped to topple the Iranian regime of Mohammed Mossadegh in 1953. Conditions of course are by no means parallel today, and it is evident that the President was ill-informed. In 1953 the other Middle East countries were anxious to increase production to take over the Iranian share of exports, whereas they have gone to some lengths to notify us this time—in advance of the Libyan measures—that they are not anxious to do that today.

I am concerned that the President may be getting his bad advice from the major oil companies, whose interests are not necessarily identical with those of American energy consumers. In particular I am concerned about any U.S.-controlled boycott of Libyan exports. The principal effect of such a boycott would be felt by Germany and our other European allies, and could irreparably prejudice our chances of negotiating cooperative arrangements with those allies in the event of world-wide oil shortages. The worst thing the U.S. Government could do would be to touch off a destructive rivalry for scarce supplies among the Europeans, the Japanese, and ourselves. This must be kept steadily in mind during the current Libyan controversy.

Mr. Speaker, the news report mentions that the oil companies are represented in their dealings with the administration by John J. McCloy. It also suggests that Mr. McCloy has been instrumental on past occasions in obtaining two concessions for the oil companies that have profoundly affected our past and current conduct of oil diplomacy. In 1971, apparently, he obtained the antitrust exemption that allowed the companies to negotiate as a cartel on oil prices and supply arrangements with the producing countries. And in 1953, it was evidently Mr. McCloy that obtained the revenue ruling permitting a 100 percent U.S. tax credit for increased royalty payments by the U.S. international oil companies to foreign producer governments.

I would not wish to be taken as criticizing Mr. McCloy for his effective representation of his clients' interests on these occasions. But the fact remains that these two important concessions may very well have not been in the national interest.

Through antitrust exemptions and a general abnegation of governmental authority, the U.S. Government has forfeited to the major international oil companies substantially all responsibility for the negotiation and conclusion of vitally important oil agreements with the nations comprising OPEC—the Organization of Petroleum Exporting Countries.

These are essentially worldwide commodity agreements similar to those concluded by governments, rather than industry, in the textiles and agricultural sectors; yet in the OPEC talks no consumer interests whatever are represented and the U.S. Government takes a decidedly back seat. To be sure the oil companies are very knowledgeable, but their private interests in retaining monopolistic control over supply and price arrangements tend to dominate over other, more consumer-oriented considerations.

As for the royalty arrangements, the 100-percent U.S. tax credit—which is very different from the usual tax deduction for royalty payments—tends to leave the oil companies with no economic incentive to resist higher payment demands. The OPEC countries know this, and it very probably has emboldened them to levy ever-increasing price demands on the companies, which when met operate to reduce the incentive for those countries to expand production. The Saudis, for example, can only manage so much in the way of annual dollar returns on their production. If they can achieve that level of return through higher royalty payments at a lower volume of production, they will be inclined to keep production down. In this way the U.S. tax credit operates very much against our interests as consumers.

Ironically also, the U.S. tax credit may have contributed significantly to the Libyan expropriation demands. The available evidence suggests that Libyan production is higher cost than Persian Gulf production. As royalties—stimulated by the U.S. tax credit—rise, Libyan oil becomes less competitive than Persian Gulf oil on world markets. Either world prices must rise, or Libya must take over the companies so as to eliminate the royalty payments from its calculus of competitive costs. These are in fact the two fronts on which Libyan policy has been moving.

If this analysis is correct—and so well-versed an expert as Prof. Maurice Adelman of MIT believes that it is—it suggests that we as a Nation have less to fear from the Libyan actions than the oil companies believe they have. An expropriation stimulated by relatively higher production costs need not communicate itself into similar action by the lower-cost Persian Gulf states. And an expropriation fueled by competitive motives could result over time in much-needed incentives for increased production by at least some of the OPEC nations. Professor Adelman indeed argues that the United States for this reason should actively seek to get our oil companies out of the concession business. Without going this far, we can say it is at least not clear that our Government should ask for more than payment of adequate compensation to the oil companies.

Of course we should guard against genuinely intolerable ripple effects on the Persian Gulf states, to the extent that any of them might be misled into believing that our Government and the governments of other consuming countries can be pushed around at will. But that calls for active, effective and concerted oil diplomacy on the part of consuming-country governments, not for continued acquiescence in whatever the oil companies suggest should be done. It is time to dust off our Department of State and put it to work in the forefront of protecting our national interests.

No one is personally more aware of this than a man like John J. McCloy. I suggested earlier that he has been an effective and persuasive advocate for his clients, whoever they may be. Fortunately for us, his client on several occasions in the past has been the United States. Whether as U.S. High Commissioner for Germany or in other, more recent, ad hoc assignments, Mr. McCloy has been a supremely effective advocate for the national interest—particularly in dealing with our alliance relationships. If he were now charged with representation of the United States rather than the major international oil companies, I am sure all of us would feel we were well served.

Mr. Speaker, this leads me to my concluding point. It is high time for the President to appoint a Presidential-level Ambassador at Large for Oil Diplomacy, charged on the international scene with authority commensurate with that reposed domestically in Governor Love. This suggestion is not original with me. It was made privately to the White House in 1970 by the President's own Oil Import Task Force, and it has been repeated in recent days by former Secretary Peter Peterson at the conclusion of his fact-finding tour for the President. This move, more than any other, would galvanize our foreign policy machinery into effective action and signal to the world at large that the United States is prepared to assume and execute its official responsibilities in this vitally important field.

OIL FIRMS SEEK RETALIATION—UNITED STATES URGED TO PRESS LIBYA

(By Laurence Stern)

A secret but intense lobbying campaign is being waged by a group of major American oil companies for strong U.S. counterpressures—including the possibility of boycott action—against the government of Libya.

The oil company offensive, which is being directed by elder statesmen and New York lawyer John J. McCloy, is intended to counteract Libyan President Muammar Quaddafi's nationalization of their holdings on Sept. 1.

McCloy's meetings with senior State Department officials and also National Security Adviser Henry A. Kissinger were highly confidential. Some of those familiar with the proceedings refused to acknowledge that they had taken place. Even within the government knowledge of the meetings was limited.

But others who took part in the sessions said the oil companies pressed the administration for tough retaliatory action against Libya. "All sorts of ideas came out of the companies, including the possibility of a boycott," said one participant.

McCloy, who has been an influential broker for the major oil companies in past international crises, denied in a telephone interview that any specific suggestion of a boycott had been made by the companies during the private sessions.

"We expressed our hope to the State Department that the adventure of the Libyans would not succeed. We told them, 'we would like to have you do anything you can'," McCloy said. "They (the State Department) indicated to us that they were communicating with other governments about this."

McCloy last came to Washington Sept. 5 at the time of President Nixon's press conference, which touched heavily on the Libyan oil squeeze.

As the President was addressing the press McCloy was meeting with Kissinger, as he put it, "to discuss the situation in the Middle East and the desirability of a solution to the controversy . . . We didn't talk terms."

In the course of the conference Mr. Nixon issued a direct warning to the Libyans. The United States, he said, might be in a position to influence "radical elements" in the Middle East "like Libya" by depriving them of their oil markets in the United States and Europe.

The President pointedly recalled the successful oil boycott against the late Iranian Premier Mohamed Mossadegh, who was deposed in 1953 with the assistance of the Central Intelligence Agency. The upheaval restored the Shah to power.

Immediate reactions of government oil specialists was that the President's remark was unfortunate. "No one in the government suggested boycotting Libya," said one official, "except the President."

Another official, with widely acknowledged expertise on the subject, observed: "Some jerk gave the President the wrong information, Iran couldn't sell its oil. That is not the case with Libya. Iran was hard-pressed for cash. That is not the case with Libya. The comparison is just not applicable."

The reason for the rising clamor for a tougher U.S. line from the oil companies transcends the Libyan case. The companies fear that other Persian Gulf states such as Kuwait, Abu Dhabi and perhaps even Saudi Arabia might tear up their existing contracts and demand immediate control of the companies as well as higher prices—if the Libyan move proves successful.

The companies with a direct stake in the Libyan nationalization include Exxon Corp., Texaco Inc., Standard Oil of California, Mobil Oil Corp., the Royal Dutch Shell Group, Atlantic Richfield Co., and W. R. Grace. They are members of the group represented by McCloy's law firm, Milbank, Tweed, Hadley and McCloy.

The first full scale meeting between McCloy, his clients and State Department officials took place Aug. 9, in attendance was a representative from the Justice Department's Anti-trust Division. "If there were any discussion of a boycott by the oil companies we would definitely be interested," said one antitrust source.

The 78-year-old McCloy is a reigning member of what has been popularly described as the American Establishment, with ready access to the highest councils of government. He was President Kennedy's chief disarmament adviser and U.S. High Commissioner for Germany and chairman of the board of Chase Manhattan Bank, and his counsel has been sought by Presidents through the years.

In 1971 McCloy was instrumental in obtaining written assurance from the Justice Department that joint negotiations between the major oil companies and oil producing countries did not violate antitrust laws.

Under the agreement, approved in January, 1971, by Attorney General John N. Mitchell, the oil companies were permitted to negotiate prices and carve up markets with the Organization of Petroleum Exporting Countries, chiefly the Middle East producers.

The practical effect of the agreements was to assure control of prices and markets by the major oil companies and protect them from undercutting by independent oil marketers.

In 1953 McCloy was attorney for Aramco when it obtained a special revenue ruling permitting it to treat its royalty payments to Saudi Arabia as taxes and thereby qualify for higher deductions on its U.S. taxes.

The tax practice was quickly adopted by other U.S. oil companies in the dealings with Middle East host countries.

DOCUMENTS ON SOUTH VIETNAM'S PRISONERS

The SPEAKER. Under a previous order of the House, the gentlewoman from New York (Ms. ABZUG) is recognized for 10 minutes.

Ms. ABZUG. Mr. Speaker, today I had the privilege of testifying before the Subcommittee on Asian and Pacific Affairs of the House Foreign Affairs Committee, regarding my recent trip to Saigon. I would like to enter that testimony into the RECORD at this point:

TESTIMONY OF CONGRESSWOMAN BELLA S. ABZUG BEFORE THE SUBCOMMITTEE ON ASIAN AND PACIFIC AFFAIRS, HOUSE FOREIGN AFFAIRS COMMITTEE, SEPTEMBER 13, 1973

Mr. Chairman, thank you for allowing me to testify on the issue of political prisoners in South Vietnam. I wish to commend you for your foresight in examining one of the least understood but most important issues of our time.

My recent trip to Saigon strengthened my conviction that:

(1) South Vietnamese political prisoners represent one of the most compelling human tragedies of our time—a spectacle of mass round-ups, torture and mistreatment of tens of thousands of men and women which must be ended.

(2) U.S. aid to South Vietnam has been outrageously misrepresented as humanitarian aid to rebuild South Vietnam. In fact, most of it is military and police aid which is enabling the Thieu government to avoid observing the Paris Agreement. Its refusal to release its political prisoners, as called for in the Paris Agreement, is the most dramatic illustration of this misuse of American aid.

(3) The ongoing conflict in South Vietnam can only come to a peaceful resolution through political means. This means, above all, that the Thieu government free its present political prisoners, stop arresting new ones, and allow its people their basic freedoms. By meeting present Administration aid requests, Congress is unwittingly ensuring more war in Indochina, and indefinite expenditure of billions, and perhaps future pressure to renew American bombing.

These convictions are based on conversations with American officials, Vietnamese leaders, and informed foreign observers, as well as documents obtained in Saigon. I will submit these documents for the record. What I would like to report this afternoon are but some of the major findings on political prisoners which have emerged from my recent trip to Saigon and subsequent investigations.

(1) NEW ARRESTS OF POLITICAL PRISONERS SINCE THE CEASEFIRE

The most shocking aspect of the political prisoner situation today is the continued arrests of people since the ceasefire. The Paris Agreement provides for the release of political prisoners and political freedoms for all Vietnamese. The idea that those arrested before the ceasefire would not only remain in jail, but that new political arrests would take place, is outrageous.

Concrete evidence of this is in one of the most startling documents I received in Saigon, an official telegram from the National Phoenix headquarters to police agents throughout the country. It is dated April 5, 1973, and forms Appendix A to my testimony. Although published in *Le Monde* of May 17, 1973, it has not yet been brought to the attention of the American peoples and Congress.

The Phoenix program, as you know, was an American-initiated policy which ordered mass arrests and assassinations of civilians deemed to be working for the NLF. This program was responsible for large-scale round-ups among the peasant population. Many of the political prisoners arrested before the ceasefire were taken under Phoenix. William Colby, former Director of the Phoenix program, testified before the Government Operations Committee in July 1971 that from 1968 until May 1971, there had been 28,978 arrests and 20,587 assassinations. An official 1971 Saigon publication entitled "Vietnam: Toward Peace and Prosperity" states on page 52 that 40,994 assassinations and 19,257 convictions had taken place during the same period.

Now, incredibly, we find that this official telegram issued since the ceasefire orders that Phoenix operations continue. It directs local police to continue arrests, classify suspects as common-law criminals, and maintain "efforts to neutralize persons who disturb the peace." "Neutralize," as we know, is often a euphemism for assassination.

While in Saigon I saw lists of names of students and labor leaders arrested since the ceasefire. No independent observer I met denied that this was but the tip of the iceberg as mass arrests of thousands of unknown peasants out in the countryside continued.

(2) REFUSAL TO RELEASE THOSE ARRESTED BEFORE THE CEASEFIRE

Tens of thousands—perhaps as many as two hundred thousand—political prisoners have not been released who were in prison at the time of the ceasefire. This is in direct violation of the Paris Agreement. Article 8c calls for the release of all civilian detainees working for either side. Article 11 guarantees freedom of political belief and action for all Vietnamese.

The Thieu government has chosen to claim that it does not hold any political prisoners. It divides all its prisoners into 5,081 "Communist criminals" to be released, and some 30–35,000 "common-law criminals" it will not free.

1500 people, labeled "Communist criminals" by the Thieu government, have already been released since the ceasefire. This means that the Thieu government intends to release only *3500* more of the prisoners it now holds.

This 3500 figure is a tiny percentage of the actual number of political prisoners now held by the Thieu government. The distinguished Deputy Ho Ngoc Nhouan and Catholic Father Chan Tin, both of whom I talked with in Saigon, estimate that there are 200,000 political prisoners. In a news release dated July 1, 1973 the respected Amnesty International in London estimates at least 100,000. The lowest estimate by independent observers that I have seen anywhere is 40-60,000 in a *Newsweek* article of July 23, 1973.

The fact that the Thieu government openly says it will release only 3,500 civilian detainees is shocking proof that it does not intend to honor the Paris Agreement.

I would draw your attention to Appendix B, a letter from Danang prison signed by 120 political prisoners, at some risk to themselves. It is an eloquent and moving appeal from some of the tens of thousands of political prisoners whom the Thieu government refuses to release.

(3) MANY POLITICAL PRISONERS NOT MEMBERS OF PRG

The division of prisoners into "communist criminals" working for the PRG and "common-law criminals" is inaccurate and misleading. In fact, most of Saigon's political prisoners are either non-political workers and peasants swept up in indiscriminate raids or non-communist opponents of the Thieu government. The latter are elements of a potential "Third Force." Jailed for advocating peace and freedom, they are neither for Thieu nor the PRG.

President Thieu has openly stood for more war. He has suppressed freedom of speech, freedom of elections, and freedom of the press. Many people who have nothing to do with the PRG have been jailed for opposing these policies in the last several years. Now, the Thieu government is attempting to avoid releasing them to their families by two methods:

(1) Re-classifying political prisoners as "common-law" criminals so as to claim they are not covered by the Paris Agreement.

(2) Trying to force them to be turned over to the PRG in PRG-controlled zones. Madame Ngo Ba Thanh, a distinguished lawyer whose career I have long followed, is an outstanding example of this. Mrs. Thanh is a leader in the women's peace movement and

an outspoken advocate of civil rights. Her academic achievements are internationally acclaimed: she holds advanced degrees in international law from Columbia University and from the universities of Paris and Barcelona, and has written on legal questions in four languages. For several years she was a lecturer on law at Saigon University.

In September 1971 she was arrested while taking part in a demonstration against Thieu's one-man election campaign. After seven months in jail, Mrs. Thanh (who suffers from asthma) was brought out of her cell on a stretcher, and taken before a military field court—though charges had not been filed against her. Warned by a doctor that she "could die at any moment," the judges called off the trial but rejected her plea to be taken to a hospital. In jail once more, she was reclassified from "national security" status to "common criminal" status, making her ineligible for release under the exchange of political prisoners specified by the Paris Peace Agreement. This is a techniques used by Thieu in tens of thousands of cases.

Last spring, Columbia University Law School's Dean Michael I. Sovern invited Mrs. Thanh to join its faculty as a visiting scholar. The U.S. Embassy stated that it was prepared to grant her a visa, but she was not released. Meanwhile, Mrs. Thanh went on a hunger strike and was finally hospitalized.

In May 1973 the Saigon government classified her as a "Communist criminal" who would be turned over to the PRG. Mrs. Thanh rejects this status and demands to be released to her home in Saigon. (Again, this technique is being widely used: many non-Communist dissenters are refusing to accept such reclassification. They feel that their presence in Saigon constitutes a necessary Third Force between the PRG and the Thieu regime. It is precisely for this reason that Thieu will not release them.)

When I had the opportunity to visit Saigon last month I met with Mrs. Thanh's family in a lengthy private meeting. They fear for her health. I expressed my concern for Mrs. Thanh to Ambassador Graham Martin, who encouraged me to believe that she would soon be freed. In a subsequent conversation Ambassador Martin told me that Mrs. Thanh would be part of a general amnesty, if and when one occurs, but that is not a satisfactory answer. It strains my credulity that the U.S. is unable to secure the release of one woman. Columbia's offer has been renewed and there are new invitations from Harvard and Radcliffe. The academic community, the peace movement, and women throughout the world are waiting for her release and for some sign of compliance with the Paris Agreement.

The re-classification of non-communist political opponents as "common-law" criminals is quite widespread. It appears to be the main device by which the Thieu government intends to avoid its obligation to release the political prisoners.

This practice is described in the documents already cited, in a letter (Appendix C)* from Huynh Tan Mam, the imprisoned president of the National Student Association, and in statements to me by Assembly Deputy Ho Ngoc Nhouan and Vietnamese prelate Father Chan Tin.

The American Embassy has confirmed that re-classification is going on, although characteristically denying that it applies to those who shun both the GVN and the PRG. In a letter to Senator Kennedy's staff dated April 3, 1973 the U.S. Embassy has stated that "Before and since the ceasefire the GVN has been converting (Viet Cong civilian members) to common criminal status by the expedient of convicting them of ID card violations or draft-dodging."

The political prisoners have protested vigorously against re-classification, as can be seen from the documents I brought back with me. The attempt to turn those seeking a third solution over the PRG has also been resisted.

I have in my possession, for example, an official document (Appendix D)* sentencing the respected non-communist lawyer, Mr. Nguyen Long, to ten years hard labor for "weakening the spirit of the army and people." It is dated September 21, 1972. Mr. Long, it will be noted, is not accused of being a member of the PRG.

On July 23, 1973, however, the Saigon government announced that it was turning Mr. Long over to the PRG. Mr. Long, along with 12 other well known "Third Force" leaders, refused to identify themselves with the PRG in a statement issued the same day. This statement appears as Appendix E.* I might add that the Thieu government still has not attempted to turn these 12 leaders over to the PRG, despite its announcement that it would do so.

In another incident, 20 student prisoners who were brought to Loc Ninh on July 23 to be turned over to the PRG, refused to go. They also refused to sign papers "rallying" to the Thieu government. Their position, set forth in a letter of July 30 (Appendix F), was that they were "Third Force" members and demanded to the ICCS to be released in Saigon to their families. As of that date, they were still being detained at Loc Ninh airport by the Thieu government, where they wrote this petition to the ICCS.

A third such example is revealed in a letter (Appendix G)* written by Cao Dai religious leaders and the wife of Mr. Phan Duc Trong, requesting Mr. Trong's release and that of many other followers of the Cao Dai faith. The Cao Dai religion has made a determined effort to avoid identification with either side in the Vietnam conflict, and is a classic example of the so called "Third Force." The imprisonment of many of its followers who have spoken out only for peace is a dramatic example of the Thieu government's policy of detaining non-communists.

It is important to note that the non-committed are an essential element to a democratic end to the Vietnam conflict. Their existence is recognized in the Paris Agreement. Such imprisoned leaders represent many Vietnamese who are neither members of the PRG nor Thieu government. This attempt to re-classify them as common criminals or turn them over to the PRG must be ended. They must be released to their families in Saigon and be allowed to participate in the choosing of those who will lead South Vietnam.

(4) COVER-UP OF MISTREATMENT IN SAIGON PRISONS

I will not dwell here on the toruture and inhuman prison system. The letters from National Student Association President Hunyh Tan Mam and from 120 Danang prisoners are but two examples of a flood of eyewitness reports of brutal torture, denial of food and medical care, and constant beatings which have come out of Saigon since the ceasefire.

Equally alarming is the fact that the Saigon government is making a systematic attempt to cover up this brutality.

There can be no excuse for the Saigon authorities to prevent outside observers from freely visiting prisons since the ceasefire.

On CBS's "Face the Nation" on April 8, 1973, President Thieu told a nationwide U.S. television audience that "anyone" could visit his prisons. Instead, Saigon authorities have cynically violated this pledge.

I hereby submit for the record (as Appendix H) a copy of a request to visit the prisons made by two Catholic Bishops, Bishop Gumbleton of Detroit and Bishop Belanger of Valleyfield, Canada. The two bishops made this request to the Minister of the Interior during a visit to Saigon *two weeks after* President Thieu's pledge. Their request was never even given the courtesy of an answer.

A second documented example, (Appendix I), is a refusal from the Ministry of the Interior to a request made by a Buddhist leader, Thich Phap Lan, to his request to visit the prisons.

The staff of the U.S. Senate Subcommittee on Refugees, the International Red Cross, and numerous journalists have also all been refused permission to visit the prisons freely and talk privately with political prisoners.

(5) U.S. RESPONSIBILITY FOR POLITICAL PRISONERS

U.S. responsibility for the fate of Saigon's political prisoners is clear. It is not only that we signed an agreement on January 28, 1973, committing us to their release. It is that we are singlehandedly keeping in power the regime which refuses to release them and which continued to make new arrests of political opponents.

The Nixon Administration's attempt to mask its continuing aid to Saigon as "Postwar Reconstruction Assistance" is further evidence of the policy of deceiving Congress about Executive branch actions in Southeast Asia.

An August 19, 1973 *New York Times* article makes it clear that military aid comprises three quarters of our overall aid to the Thieu government this year. Much of the remaining quarter, some $600 million, is also military and paramilitary in nature. Receipts from the nearly $500 million allotted to the Food For Peace and Commodity Import Programs, for example, will mostly go to support the South Vietnamese Army, Airforce, Navy and Police. Less than one percent of our aid is allocated to Public Health, education and agriculture.

By what twisted logic can such an Aid request be termed "Postwar Reconstruction?" Is it not a shameless mockery of Congress to suggest allocating well over 80% of these funds to the maintenance of an army of 1.1 million, to a political police force of 122,000, and these prisons and claim that it is not devoted to war.

The implications of this attempted deception of Congress are vast. On the issue of political prisoners, it means that Congress is being asked to fund the continued incarceration of tens of thousands of men, women and children, and the arrests of many more.

Clearly, Congress must not do so. It is not only that continued funding of the police and prison system is a violation of the Paris Accords, and an outrage to human decency. It is that such funding is not in our national interest.

If there is any one thing on which all of us should be clear it is that the people of this country do not want any further involvement in war in Vietnam. They do not want to see us spending billions of dollars annually to keep a military dictatorship in Saigon. They want to see the struggle in Vietnam resolved peacefully.

The continued existence of massive numbers of political prisoners in South Vietnam makes a peaceful settlement impossible. If no political opposition is allowed, opponents of Thieu can turn only to military solutions. And if new fighting does break out, can any of us rest assured that an American President will not come and ask us to renew U.S. bombing? Is there anything to guarantee that we will not be forced to choose between refusing such bombing or accepting new U.S. POWs, further costs in the billions, and more death and devastation?

I do not know what will happen if there is pressure to renew the bombing. I do know, however, that it will be bad for the country and that the time to avoid it is *now*. We must not quietly acquiesce to funding more war in Vietnam, in the vague hope that it will not lead to a new flare-up a few years from

*Omitted because of space. On file in Abzug office.

now. We must act to avoid future war at the present moment.

SOCIAL SECURITY COST OF LIVING INCREASE

The SPEAKER. Under a previous order of the House, the gentleman from New Jersey (Mr. DOMINICK V. DANIELS) is recognized for 5 minutes.

Mr. DOMINICK V. DANIELS. Mr. Speaker, yesterday I was one of more than 80 House Members who introduced legislation to put into effect immediately the 5.9 percent social security cost of living increase originally scheduled for July 1, 1974.

Mr. Speaker, each weekend I meet elderly constituents at my three district offices—in Jersey City, Bayonne, and Kearny, N.J. I can report to you that many of these people are on the verge of real starvation and that almost without exception retired people in my district have had to abandon the basic amenities of life just to be able to afford food.

Food prices have soared as everyone knows, but the burden of this increase falls much heavier on old people because retirees on the average spend about 27 percent of their income on food as contrasted with about 17 percent for other Americans.

The U.S. Department of Agriculture has indicated that still sharper increases in food prices are ahead. In the name of humanity this small increase of 5.9 percent must be granted now. I know the retirees in my 14th district are no different than other social security recipients elsewhere. This is not a partisan issue. It is an issue of basic humanity. I urge every Member of this House to press as hard as he or she can. This is one problem that cannot wait for a solution.

ON UNITED STATES POLICY TOWARD CHILE

The SPEAKER. Under a previous order of the House, the gentleman from Massachusetts, (Mr. HARRINGTON) is recognized for 30 minutes.

Mr. HARRINGTON. Mr. Speaker, this is a corrected version of the statement on U.S. policy toward Chile which I delivered yesterday, which was misprinted in today's CONGRESSIONAL RECORD. The corrected text follows.

ON UNITED STATES POLICY TOWARD CHILE

(Statement by the Honorable MICHAEL J. HARRINGTON)

Mr. Speaker, Yesterday, Salvador Allende's government was removed by a coup d'etat. Fighting has been reported in the streets of Santiago as the military moved to take over the reins of government, imposing martial law on the nation as their first act. While many factors contributed to Allende's downfall, I believe that it is important to recognize that part of what was and is ailing Chile is the United States policy toward the Allende government since its election in 1970. We have interfered in every way possible with the internal affairs of Chile, in an attempt to undermine, discredit, and ultimately topple the democratically elected government of that nation. We have maintained a hard line, rejecting out of hand the socialist government regardless of its legitimacy in the eyes of its own people, and we have acted solely to protect American business interests, without regard to the effects of such a policy on our relations with Latin America and the rest of the Third World. The establishment of a military regime in Chile is not in the best interests of the United States. While we did not directly encourage its establishment and are not entirely responsible for it, we must recognize that we have placed tremendous stress on Chilean society by our actions, and contributed to the disruption which climaxed in Allende's ouster.

It is worth noting, in addition, that while we shut Chile off from our economic resources, we continued to approve arms sales to that country, and provide them with about $10 million in military aid. We should not be surprised that with such a misallocation of resources, the army is stronger than the government proper. I intend to ask that the appropriate committees of both Houses of Congress investigate the abuses while I will document, and the role of the United States in the fall of Allende's government.

The highest councils of this Administration have directed diplomatic slights and rhetorical threats at the Chilean government. Even prior to the 1970 election, the Administration commented that Allende's election would lead to "some sort of communist regime and create massive problems for the United States and for democratic forces in the hemisphere." With this outmoded Cold War response, the United States government proceeded to systematically cut off Chile from the resources of more developed nations and to attempt to isolate it from its Latin American neighbors. This has indeed created "massive problems for the United States"—but ones which are a result of our short-sighted and destructive policy.

A recounting of the actions taken by the United States government with regard to Chile draws a clear picture of the abuses of power by this nation and demonstrates a total disregard for the sovereignty of other nations.

From the first, President Nixon made no particular secret of his disapproval of the government that the Chileans had chosen for themselves. He omitted sending the traditional congratulatory telegram to Mr. Allende on his election. The diplomatic slights continued when in 1971 the Administration rejected an invitation to send a carrier to pay a courtesy call at the port of Santiago, an invitation which had been accepted as a matter of course by Admiral Elmo Zumwalt. Our refusal was taken, as intended, as a slap in the face to Allende.

United States-Chilean tensions were increased when Director of Communications Herb Klein commented to the White House press corps that he had obtained the "feeling" that the Allende government "wouldn't last long." He made this comment following what might be ironically called a goodwill tour of Latin America with Robert Finch. The Chilean response to this gratuitous comment seemed apt—that it "implied grave foreign intervention" in Chilean affairs by a nation which had proclaimed its desire for friendship with the Chilean Government.

While we have indicated in various diplomatic ways that we are cool to the Allende goverment, it is our economic actions which tell the real story. Pressure of the sort that we have placed on Chile's already weak and endangered economy was intended to disrupt its society, and we can see in the present state of affairs how well it has succeeded.

Funds from the Agency for International Development have not been requested for Chile by the Admiinstration since Allende's election. In light of the fact that our diplomatic relations are technically normal, this is a highly unusual step. Although P.L. 480 and other government-to-government programs continue to operate, we have cut the heart from the foreign aid program in an attempt to starve the nation into submission.

The case of collusion between the CIA and the International Telephone and Telegraph Company in attempting to prevent Allende from assuming power is still under investigation. The New York Times' publication of an 18-point memorandum from ITT to U.S. government officials of strategy to bring about the fall of Allende within the first 6 months of his administration indicates how carefully such intervention was considered. It is important to realize that, while this case is extreme, economic intervention of a more subtle nature is quite consistent with U.S. policy.

The prime bone of contention has been Chile's decision to expropriate holdings of American companies. American corporations have long been involved in the development of Chile's resources for corporate benefit but have failed to pass those benefits along to the Chilean people. Since 1953, U.S. corporations have earned more than $1 billion through their development of Chile's resources, but have invested only $71 million. Foreign capital appropriates Chile's wealth and returns very little to the Chileans. Chile's nationalization of basic resources represents an attempt to increase its economic independence. Nationalization is legal under a Chilean constitutional amendment, and even American policy recognizes the right of a nation to nationalize industries concerned with basic resources. However, the U.S. responded to the Chilean expropriation in the narrowest possible way, by moving to protect business interests at the expense of all other foreign policy considerations.

Beginning with President Nixon's hard-line expropriation statement in 1972, we have punished Chile for its actions in this area, without conceding that there are different interpretations of international law regarding expropriation and compensation. Nixon stated that in the absence of adequate compensation to U.S. private interests, the U.S. government would not extend bilateral aid and would oppose the granting of loans to the expropriating country. He said that "the U.S. respects the sovereign rights of others, but it will not ignore actions prejudicial to . . . legitimate U.S. interests." By this, the President must have meant U.S. business interests, since our actions toward Chile have not served American interests of any other sort. Clearly, Chile has been equally adamant in its refusal to consider our interpretation that compensation is owed American businesses; the wrongs are not all on the American side. But we have not adopted a policy which is conducive for settling the issue. We have clung to rhetorical insistence on our rights at the negotiating table, and simultaneously cut Chile off from economic resources in retaliation for her action.

The Overseas Private Investment Corporation has refused to extend insurance to the companies which decide to invest in Chile, assuring that no new foreign capital will come into Chile to help with payment of outstanding debts. The Export-Import Banks' Foreign Credit Insurance Association has refused to extend political risk insurance for Chilean investment. Further, other complaints against Chile by ExImBank regarding debts make reopening of insurance for Chile contingent on the settlement of debt renegotiation—which, according to an ExIm spokesman, is "not on the immediate agenda." Negotiations on both expropriation and debts are stalemated by the hard line taken by both sides. It would have been in the interest of American foreign policy objectives to reconsider the hard line and salvage our relations with one of the few democratically elected governments in the hemisphere, but we have held to our position and exerted economic pressure in an

attempt to convince Chile of the error of its ways.

Reprisals against Chile took many forms. First, the Export-Import Bank of the United States refused Chile's request for financing for the purchase of commercial jets, preventing the modernization of Chile's commercial air service. The U.S. government shortly after declared Chile in default on debt payments to AID, ExImBank, and the Department of Agriculture when Chile suspended payments on its debt pending renegotiation. Although Chile clearly intended to keep its debt obligations, the temporary suspension was the excuse the U.S. was looking for to close Chile off financially and to push its economy further into disarray.

Although Chile had been deeply in debt under President Eduardo Frei, requests for rescheduling had been considered sympathetically. Cutting off all future loans in this way tightens the vicious circle in which Chile with U.S. help finds itself: foreign capital reserves are running out, making repayment impossible; foreign capital is not forthcoming because the possibility of investment is eliminated without insurance. The question of loans and development grants to Chile has become a touchy one in the international finance community. ExImBank, as I said, does not consider debt renegotiation a priority, letting Chile strangle in ropes of the United States' making. The World Bank has not extended any loans to Chile since 1970—hardly a coincidence—and the loans to be considered this year will have the opposition of the United States due to our tough expropriation policy. The executive directors of the International Monetary Fund and the Inter-American Development bank are directly responsible to the Secretary of the Treasury of the United States, effectively depriving Chile of any aid which might be forthcoming from the organizations. In fighting for U.S. business interests, we have used even international agencies, which were not intended to be tools of American decisions and mistakes—to punish Chile, and as a result have wrecked the economy of the nation.

Clearly, our policy is a coherent one. We have tried through the example of Chile to kill economic nationalism and socialism in Latin America. The Administration's ties to the business community do not justify intervention of this magnitude in Chile's internal affairs in an attempt to destroy its economy and government for the benefit of multinational corporations. We have let business interests and outworn ideology replace realism in our foreign policy toward Chile. Despite our ability to deal with the governments of Chile and the Soviet Union, despite our avowed policy of accepting governments as they are, we have found ourselves unable to deal with a domocratically elected socialist government in our hemisphere. We have helped to destroy its government, and our relations with all of Latin America.

I hope the Chile policy, one of intervention in internal affairs for the purpose of destroying a government which does not meet with our approval does not prove a harbinger of future policies toward nations which experiment with democratic socialism. If it does, the consequences to the prestige of the United States will be damaging, and we will find ourselves, rather than our opponents, isolated in this hemisphere.

ANNOUNCEMENT OF HEARINGS TO REVIEW OPERATIONS OF IMMIGRATION AND NATURALIZATION SERVICE

The SPEAKER. Under a previous order of the House, the gentleman from Pennsylvania (Mr. EILBERG), is recognized for 5 minutes.

Mr. EILBERG. Mr. Speaker, I wish to announce that the Subcommittee on Immigration, Citizenship, and International Law of the Committee on the Judiciary has scheduled 1 day of oversight hearings on September 20, 1973, to review the operations of the Immigration and Naturalization Service. The hearing will be held in room 2237, Rayburn House Office Building and will commence at 10 a.m.

Under section 118 of the Legislative Reorganization Act of 1970 each standing committee of the House of Representatives is required to review and study, on a continuing basis, the execution and administration of those laws which fall within the subject matter jurisdiction of that committee. In this regard, the Immigration Subcommittee has exclusive legislative jurisdiction over all immigration and nationality matters. Therefore, in an attempt to satisfy our oversight responsibilities we intend to hold a series of hearings to review the implementation of the Immigration and Nationality Act by both the Bureau of Security and Consular Affairs of the Department of State and the Immigration and Naturalization Service of the Department of Justice.

I also wish to advise the House that our oversight hearings with the Department of State which were commenced today will continue on Tuesday, September 18, 1973, at 2 p.m. and will be held in room 2237, Rayburn Building. At that time, Acting Deputy Under Secretary for Management of the Department of State, Dr. Curtis W. Tarr, will resume his testimony regarding the role of the Bureau of Security and Consular Affairs in administering the Immigration and Nationality Act.

VETO OF THE MINIMUM WAGE BILL

The SPEAKER. Under a previous order of the House, the gentleman from California (Mr. McFALL) is recognized for 10 minutes.

Mr. McFALL. Mr. Speaker, next week the House is going to vote on the question of overriding the veto of the minimum wage bill.

In that connection, I think Members would be interested in reading two articles on the bill written by Sylvia Porter, the financial affairs columnist.

She makes some telling arguments. To the charge that the bill is inflationary, she replies:

> How dare we ask the very lowest paid workers among us to stand in the first line of defense against an inflation fueled by the borrowing and buying of the affluent?

And again:

> Nearly twenty-five million Americans live in poverty today, many because the work they do doesn't even command the minimum wage.

In a separate piece, devoted to the bill's benefits to domestic employees, Ms. Porter writes:

> It's hard to imagine capable domestic workers looking for jobs just because the law would insist they be paid $2 an hour—not in a market which is begging for this type of worker!

I ask unanimous consent that both columns be printed in the RECORD.

[From the Washington Star-News, Aug. 20, 1973]

IMPACT OF THE WAGE BILL

(By Sylvia Porter)

If President Nixon vetoes the minimum wage income passed by Congress this month, it will be on the basis that the increase would throw more fuel on our fiery inflation and would lead to massive firing of marginal workers.

The bill would raise the minimum wage from $1.60 to $2.20 an hour within one to three years, depending on the occupational category and, among other things, also would expand our wage-hour laws to include 7 million to 8 million additional workers. It is indeed a liberal measure.

Would it, then, accelerate our wage-price spiral? Would it swell our jobless and welfare rolls?

The answer is not a simple yes or no, as Nixon almost surely will argue if he does veto the bill.

For instance, against a minimum wage increase now is the fact that summer '73 is hardly the right time to spur a new round of wage increases starting at the bottom and fanning out and up.

It is quite possible that against today's horrible economic background, a major minimum wage boost would set off a "ripple" effect, with increases at the bottom leading to increases at the next level and then on and up to the top of the line.

There is the danger that businessmen would try to offset the extra labor costs by firing their older, less productive workers—thereby shifting them from the working poor to the welfare rolls.

But supporting a minimum-wage increase are Labor Department studies of wage trends before and after past minimum wage raises showing only a short-term wage spurt right after the change in the minimum wage—but no wage "ripple" upward through the pay ranks.

The story is similar for prices. Said former Labor Secretary James Hodgson after the massive 1966 minimum wage boosts: "The wage increases granted to 1.6 million workers to meet the $1.60 minimum wage standard had no discernible adverse effect on overall employment levels and on over-all wage or price levels."

But, to me, these statistical arguments miss the two central points.

The first overwhelmingly significant of these points is simply: How dare we ask the very lowest paid workers among us to stand in the first line of defense against an inflation fueled by the buying and borrowing of the affluent? How can we possible justify asking those already being pinched the hardest to accept an even stiffer pinch "for the national good?"

What sort of distorted economics translates price pressures resulting from a worldwide boom and its soaring demands for goods and services into a wage curb on those who don't even earn enough to have normal, much less "soaring," demands for anything?

The second point is implicit in the first: 1973's inflation is being caused by excessive demands for goods and services, not by excessive costs of labor.

And if we now leapfrog back into a cost-push inflation after this dreadful demand-pull inflation, the reason will be today's price spiral, not any increase in the pay of the lowest-rung workers.

Let's get some facts into perspective in these last days before Nixon gets the minimum wage bill and decides on a veto:

It would take an immediate raise to $2.16 an hour just to cover price rises since the last

minimum wage boost. It would take an immediate raise to $2.12 an hour just to maintain the 1968 ratio of minimum wage earnings to the earnings of manufacturing workers (55 percent). At this moment, auto workers are getting an average of $5.12 an hour, plus extra for overtime and fringe benefits.

The average yearly wage of a migrant farm worker in 1972 was $1,830; of a hired farm worker, $3,170; of a full-time domestic worker, about $1,200.

Nearly 25 million Americans live in poverty today, many because the work they do doesn't even command the minimum wage. And those who do get the $1.60 hourly minimum wage are actually earning only $64 for a five-day, 40-hour week.

[From the Washington Star-News, Aug. 26, 1973]

DOMESTICS' PAY FLOOR

(By Sylvia Porter)

If President Nixon vetoes the minimum-wage raise—as is widely expected—among the hardest hit will be the nation's 1.4 million men and women who work in household jobs in the United States.

For under this minimum-wage legislation, these workers would be covered for the first time by our Fair Labor Standards Act. Their wage floor would raise from $0.00 an hour in the states which still have no minimum wage law to $1.80, then to $2.00 next July 1, then to $2.20 on July 1, 1975.

If Nixon does veto the measure, the basis will be that a minimum-wage increase to $2.20 an hour at this time would be dangerously inflationary and would lead to large-scale firing of marginal workers. And this is indisputably a liberal measure.

But it's hard to imagine capable domestic workers walking the streets looking for jobs just because the law would insist they be paid at least $2.00 an hour by July 1—not in a market which is begging for this type of worker!

It's difficult to argue that barring these workers from the protection of our wage-hour laws is essential for the economic health of our nation.

As for inflation, it's vicious reasoning which translates a price spiral resulting from skyrocketing worldwide demands for goods and services into the need to keep a lid on wages and benefits of workers at the very bottom of the financial-social scale.

Of course, not every domestic worker would be entitled to a raise if the minimum-wage bill did become law. Many are commanding much more than the minimum right now.

You may be stunned by some of the facts about these workers today:

The median (half above, half below) yearly earnings of year-round, full-time domestic workers is less than $1,800. However, only one in six domestic workers works year-round, full-time.

The typical domestic household worker receives almost no fringe benefits—no paid holidays or vacations, no premium pay for overtime, no health insurance, no year-end bonuses, no pension plan—all of which add, on average, at least 25 cents to each dollar earned by other workers.

In most states, domestic workers are completely unprotected. Only five states—Maryland, Massachusetts, Montana, New York, Wisconsin—have effective minimum-wage coverage for domestic workers.

Almost no states have compulsory unemployment insurance or workmen's compensation to cover domestic workers who are unable to find work or who are injured on the job and, even in some of the states where "partial coverage" is provided, many of these workers still are exempt from this coverage.

Transportation from home to employer can be defiantly difficult for the household workers—and also defiantly expensive at this time of soaring public transportation costs. A daily expense of 70 cents to $1 and even more is becoming commonplace throughout the United States.

It is impossible to defend the working conditions of this type of worker—who, ironically enough, is now among the most wanted in our country.

And if a Nixon veto effectively ends the efforts to bring domestic workers under our wage-hour laws for this congressional session, it will be impossible to explain the gap in protective laws in terms of the economic good of the nation.

What's more, coverage by our federal laws should be only a first step toward retrieving this category of workers from extinction.

Among the obvious moves we must make are:

A vast expansion and upgrading of the training programs for domestic workers so the workers can develop essential skills which will command a higher wage;

The development of "cleaning teams" of two or more, each with different specialties and degrees of training;

The establishment of "career" ladders, on which a worker can move up in responsibility, reward and status, adding more and broader marketable skills on the way;

And, most vital and urgent, providing household employes the sort of fringe benefits that other workers have been getting for years—benefits which make any job more rewarding and desirable, vacation pay, paid holidays, premium pay for overtime, sick leave, unemployment insurance, and some sort of protection against illness or injury for job-related reasons.

HON. CHESTER WIGGIN

The SPEAKER. Under a previous order of the House, the gentleman from Washington (Mr. ADAMS) is recognized for 5 minutes.

Mr. ADAMS. Mr. Speaker, I would like to pay tribute to the memory of Chester Wiggin, a member of the Interstate Commerce Commission, who was so untimely killed in an airplane crash on July 31. I had the privilege of meeting with Commissioner Wiggin shortly before his death to discuss the crisis of the Northeast railroads. He was in charge of the Commission's study of this transportation crisis and supervised the helpful work the ICC has done in seeking a solution to this serious problem.

In my discussions with Commissioner Wiggin, I was greatly impressed by the vigor, commonsense, and good humor which he brought to this difficult task. He had a great love for New Hampshire and New England in whose behalf he had spent most of his career serving on the staff of Senator Bridges and Senator COTTON and as Federal Cochairman of the New England Regional Development Commission. His practical understanding of the transportation needs of New England were an asset of great value in his too short service on the Interstate Commerce Commission.

Although my acquaintanceship with Commissioner Wiggin was brief, I welcomed his advice and judgment. His death was a loss to the Nation, to the Commission, and to his many friends. I hope his family will take comfort in the knowledge that he lived a career of honorable public service and leaves behind him a legacy of service to his country and the affection of his friends.

SUPPORT ON OLYMPICS

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, the outrageous treatment of Israeli athletes and Jewish supporters by Soviet-instigated "demonstrators" at the World University Games in Moscow elicited a wide expression of outrage at the thought that the 1980 Olympic games might be held in the Soviet capital. In the light of this performance, 43 colleagues and myself have sent a letter to Lord Killanin, president of the International Olympic Committee, as well as Douglas Roby and Avery Brundage, delegates from the IOC to the U.S. Olympic Committee urging that Moscow be declared ineligible for the 1980 games. (Text of the letter and signers may be found in the RECORD, Sept. 11, 1973, p. 29270.)

At the same time, I sent a letter to Mr. George E. Killian, Chief of Mission of the U.S. team at the World University Games, protesting his reported support for the Soviet Olympic bid, based on purely technical conditions. Thus, I was pleased to receive the following letter which concurs with my position, and, more importantly, that of decency and apolitical good sportsmanship.

THE NATIONAL JUNIOR
COLLEGE ATHLETIC ASSOCIATION,
Hutchinson, Kans., September 7, 1973.

Hon. EDWARD I. KOCH,
House of Representatives,
Washington, D.C.

DEAR MR. KOCH: Thank you for your letter of August 28, 1973. The comments attributed to me in your letter were my answers to a question raised by the press on what I thought about the physical facilities in the Soviet Union as they related to the 1980 Soviet Olympic bid. At no time in the interview did we discuss anything but physical facilities.

I certainly agree with you that it would be inconceivable for the Soviet Union to be considered for the 1980 Games as long as it continues to interject its political views into the business of the Games. Certainly the treatment of the Israeli athletes is an example of this. The purpose of all international competition is to promote the spirit of brotherhood, sportsmanship and good will. When a nation cannot guarantee this, it should not be considered as a site for international competition.

Sincerely,

GEORGE E. KILLIAN,
Executive Director.

LAND USE PLANNING ACT OF 1973

(Mr. UDALL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. UDALL. Mr. Speaker, I am introducing today for appropriate reference H.R. 10294, the "Land Use Planning Act of 1973," which represents the best judgment of a majority of the members of the Subcommittee on the Environment of the Committee on Interior and Insular Affairs with respect to establishment of a land use planning program covering all of our Nation's land. The bill is cosponsored by 15 of my colleagues who

have taken part in the deveopment of the bill.

As ordered reported by the Subcommittee to the Full Committee, the bill, while similar to one that recently passed the Senate (S. 268), is an independently drafted measure based upon 5 days of hearings and 9 markup sessions, during which the Subcommittee had before it 6 versions of the legislation and over 150 specific amendments submitted for our consideration by members of the public, government spokesmen from the Federal, State, and local levels, and the many organizations keenly interested in the subject of the bill.

The bill would:

Authorize $100 million annually in grants in aid to encourage the States to undertake development of land use planning processes, including methods of control for certain critical areas such as those of environmental concern;

Establish a somewhat similar program covering Indian reservations; and

Provide land use planning directives for the public lands.

Although the bill specifically provides that it shall not prevent or delay any State agency from receiving any grant to which it would otherwise be entitled under the Coastal Zone Management Act of 1972, it looks toward eventual consolidation of all land use planning programs in coastal States under one agency.

The bill emphasizes strong concern for protection and enhancement of environmental quality, but it is, in the opinion of the subcommittee, a balanced measure, recognizing that our land must be used for growth and development as well as for open space and wilderness.

As it emerged from the subcommittee, the bill also has not only the substantial "carrot" of grants-in-aid but also what I believe to be an effective "stick" in the form of sanctions. Highway, airport development, and land and water conservation funds may be withheld if a State does not maintain eligibility after 3 years.

My colleagues on the subcommittee are to be commended for their conscientious consideration of this landmark legislation. Because of their sincere and painstaking effort, I have no qualification in recommending this legislation for final passage in substantially the form in which we present it to you today.

It is my hope that the bill introduced today may be studied by the Members so that when the full committee considers it within the next few weeks any obstacles to its passage may be called to our attention. It is then, in my opinion, probable that this significant piece of legislation, which has carried a high priority in the other body as well as here and in the executve branch, as only this week reiterated by the President, will be ready for favorable floor action next month.

CALL HIM DR. MATSUNAGA, IF YOU WILL

(Mr. LEGGETT asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. LEGGETT. Mr. Speaker, the next time you greet our most affable but distinguished colleague from Hawaii, you may properly address him as Dr. MATSUNAGA I presume. SPARKY as we all affectionately call him, has recently had conferred on him the honorary degree of Doctor of Laws by Soochow University of China, located in Taipei, Taiwan.

Our most highly respected and popular colleague from Hawaii, SPARK MATSUNAGA, was the first foreigner and only the third person to be so honored by the 70-year-old institution of higher learning, which boasts of its oldest law school in the Far East.

In conferring the LL.D degree on SPARKY, who also holds a juris doctor degree from Harvard, Dr. Joseph Twanmoh, President of Soochow University, said the Hawaii lawmaker was being honored because of his "long service in the cause of world peace and his contributions to human welfare."

SPARKY was also cited for his leadership in repealing the Emergency Detention Act, the so-called concentration camp law from the American statute books, his introduction and successful effort in obtaining passage in the House of his bill to repeal the Cooly Trade Laws, with its derogatory reference to those of Chinese and Japanese ancestry, his effort to establish a Department of Peace in the U.S. Government, his effort to create a Cabinet level commission on Asian-Americans, and his being the first of Asian ancestry to rise to a position of leadership as deputy majority whip of the U.S. House of Representatives.

Attending the ceremony to honor SPARKY on August 25 were many distinguished guests, including Republic of China's Minister of Education and Minister of Communications. One of the first to congratulate SPARKY was American Chargé d'Affaires to China, the Honorable William Gleysteen. SPARKY was also presented with a flower lei in traditional Hawaiian fashion by Mrs. Abraham Heen, wife of U.S. Air Force M. Sgt. Abraham Heen of Hawaii who is serving in Taiwan.

In accepting the honorary degree, Dr. MATSUNAGA remarked:

In the short time that I have been here in Taiwan, the thing that has pleased me most is the discovery that the leaders of your great but struggling nation are all scholars—scholarly leaders who have literally performed a miracle on this island known as Taiwan.

Throughout mankind's long search for peace and individual happiness, men have resorted to plunder and warfare, in complete disregard of the teachings of early oriental scholars and sages who had long ago discovered the truth that "there is no road to happiness or sorrow; you find it in yourself."

If all nations would heed the advice of their scholars, perhaps they could avoid the pitfalls and violence that have plagued them since time immemorial.

I accept this honorary degree with great humility and full confidence and faith that Soochow University will continue to play a contributing role in mankind's never-ending search for world peace, brotherhood among men, and individual happiness.

I am sure I speak not only for myself, but also for all my colleagues, when I say we are proud of SPARKY and his accomplishments, and extend hearty congratulations to him.

Mr. LONG of Louisiana. Mr. Speaker, will the gentleman yield?

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

Mr. LONG of Louisiana. Mr. Speaker, I was pleased to learn of the recent award of the honorary degree of doctor of laws by Soochow University of China, located in Taipei, Taiwan, to our colleague, the gentleman from Hawaii (Mr. MATSUNAGA).

Certainly I join our other colleagues in the House and the gentleman from California (Mr. LEGGETT) in offering not only to the gentleman from Hawaii our congratulations but also to this very distinguished university, Soochow University in Taipei, our congratulations for their foresight in recognizing and honoring our distinguished colleague, the gentleman from Hawaii.

Mr. LEGGETT. Mr. Speaker, I thank the gentleman for his perceptive comment.

Mr. McCLORY. Mr. Speaker, I wish to join in extending warm congratulations to our distinguished colleague from Hawaii, and I subscribe to all that has been said about him this afternoon.

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

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

Mr. MATSUNAGA. Mr. Speaker, I wish to thank the gentleman from California for his most generous words, and also the gentleman from Louisiana (Mr. GILLIS LONG) who paid me a most unexpected visit by telephone in Taipei during the August recess. I thank the gentleman from Illinois (Mr. McCLORY) too for his warm congratulatory remarks.

For a politician to be without words is a rarity. There is a saying that a politician without a voice is like a violin without strings. I must confess in all humility that I feel just like a violin without strings, in view of the most generous words of the gentleman from California and the gentleman from Louisiana and Illinois. Suffice it to say, therefore, that I am truly grateful for their taking note of the great honor which was bestowed upon me by Soochow University and for their congratulations.

Mr. LEGGETT. I will say to the gentleman from Hawaii (Dr. MATSUNAGA) that his record *speaks* for itself in this Congress and we need no further words from him today.

UNITED STATES-REPUBLIC OF CHINA CONFERENCE GROUP FORMED IN THE PACIFIC AT TAIPEI

Mr. Speaker, I would like to move on to the second part of my special order for today which I entitle "The United States-Republic of China Conference Group Formed in the Pacific at Taipei."

GENERAL LEAVE

Mr. Speaker, I ask unanimous consent that all Members may revise and extend their remarks on the subject of my special order.

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

There was no objection.

Mr. LEGGETT. Mr. Speaker, I take this time of the House today to discuss with other interested Members, American relations with the Republic of China and to formally announce to the House the formation during the recent legislative recess the creation of a new international organization.

We choose to call it the United States-Republic of China Conference Group. I want to expressly thank at the outset Colleague BOB MCCLORY of Illinois and FLOYD SPENCE of South Carolina for their invaluable assistance in participating at Taipei in the organizing conference.

The group formed essentially is multidisciplined and is composed of Members of Congress, members of the Chinese National Assembly, Control Yuan and Legislative Yuans, and in addition, distinguished educators, industrial and economic representatives and other professionals of both countries.

The organization took form at Taipei on August 7 through August 9 last month and will have as its purpose in semi-annual conferences in Taiwan and the United States the carrying out of objectives through all medias of communication and actions, the following goals:

To strengthen the traditional friendship between the Republic of China and the United States of America.

To encourage the maintenance and expansion of the Sino-American trade and business relationships.

To encourage the mutual exchange of educational ideas and of students and professors.

To promote the cultural exchange between the two peoples.

To encourage cooperation in the fields of medicine and general scientific research.

To promote better understanding in each country of the political democratic program of both nations.

To generally review the Defense posture of both nations.

The program of the Conference Group has generally been drafted in accord with official U.S. State Department policy which has recently been restated in part as follows:

U.S. RELATIONS WITH THE REPUBLIC OF CHINA

The United States has long had a policy of friendship and cooperation with the Republic of China (ROC). Our two governments continue to cooperate in a wide range of endeavors. Our economic ties and trade with Taiwan, which have developed impressively over the past ten years, are expected to grow. The Mutual Defense Treaty of 1954 continues in force. Over the years the United States has developed a wide range of contacts and relationships with the ROC, from security and military relationships to cultural and academic exchanges, from political and diplomatic cooperation to trade and investment. The pattern of these relationships is, however, changing as a result of our decision to seek normalization of relations with the People's Republic of China and as a result of Taiwan's development and growing prosperity.

The Conference Group envisions the organization of two independent but reciprocal organizations independently funded in the two countries, each with a working Executive Secretary. The two Executive Secretaries would mutually maintain communication and in consultation with the infrastructure of each group, develop meeting agendas, publish compilations and work products, disseminate literature, operating not as a special interest group but as a broad-based organization to promote scholarly, technical, and political science exchange of the best magnitude that eventually would involve several hundred people in each country.

At the consummation of our first conference on August 9 the following were elected Chairman and Executive Secretaries of each group:

Sino-American Friendship Foundation: Dr. Robert C. T. Lee, Chairman, Joint Commission of Rural Reconstruction.

Mr. Edward Y. Kuan, Executive Secretary, Department of North American Affairs, Ministry of Foreign Affairs.

Council of United States-Republic of China Relations: Hon. ROBERT L. LEGGETT, Chairman, U.S. House of Representatives.

Dr. Edward W. Mill, Executive Secretary, Chevalier Program in Diplomacy and World Affairs, Occidental College, Los Angeles, Calif.

At this time I would like to include in the RECORD the Proposal on the Council on United States-Republic of China Relations as prepared by Prof. Edward W. Mill, Congressman RICHARD T. HANNA, and myself.

THE COUNCIL ON UNITED STATES-REPUBLIC OF CHINA (TAIWAN) RELATIONS—A PROPOSAL

Plans are now being discussed by some Members of Congress, some educators, and others to hold a Conference in Taipei, Taiwan in August 1973 to explore the possibility of establishing a Council on United States-Republic of China Relations. In this statement, an attempt will be made to set forth the background, nature, goals, and possible organization of the projected Council.

I. THE BACKGROUND

For almost a quarter of a century, the Republic of China on Taiwan, and its offshore islands of Kinmen (Quemoy) and Matsu, have maintained an independent existence. Despite the hostile relationship with nearby mainland China, the Republic has steadily gained in strength, particularly in the economic field. Today in Asia, it ranks only after Japan in its standard of living. In its fifteen million people, it has a resource rich in talent, experience, and determination.

In the world community, the Republic of China has had to learn to live with both defeat and triumph. In October 1971, the Republic was unseated from its place in the United Nations by mainland China. This was a severe blow, but in the months since that time Taipei has shown a remarkable resiliency. It has aggressively sought to strengthen its bi-lateral relationships with individual nations and to continue to participate in various regional organizations in Asia, such as the Asian Development Bank.

For the United States, the maintenance of the freedom and the development of the Republic of China have been important ingredients of its Asian policy. On February 9, 1955, the Senate of the United States approved a Mutual Security Treaty between the two countries. The economic relations of the two countries have also prospered. Most significant has been the determination of the Chinese to help themselves. In 1964, U.S. economic aid to the Republic ceased, making it a rather different case from that of many other countries still dependent on U.S. aid. In these and other ways, the relations of the two nations have become and are still close.

New relationships are obviously emerging in Asia these days, none of which is perhaps more spectacular than the efforts by the United States and the People's Republic of China to ameliorate old hostilities. In this situation, the exact nature of the future relationship between the PRC and Taiwan becomes unclear; Japan must also be considered in assessing future relationships in the region. But, acknowledging these important actual and potential developments, and, in general, supporting the President's approaches to mainland China, it is the considered judgment of the proponents of this idea that ways and means, particularly in the economic, educational, and cultural fields, should be sought to strengthen the independent Republic of China (Taiwan). In a special order in the U.S. House of Representatives on February 16, 1973, a number of Members of the House, including Congressman Robert L. Leggett, set forth their views on the changes taking place in our China relations.

Note should also be taken of the official policy position of the Government of the United States on Taiwan as expressed by the President of the United States in his recent (May 3, 1973) Report to the Congress (p. 108). In his statement, the President declared:

"Despite international political fluctuations, the skill and energy of the people of Taiwan have produced remarkable increases in per capita income (more than 13 per cent last year) and made Taiwan a leading trading nation. While simultaneously moving toward the goal of normal relations with Peking, the United States has maintained a policy of friendship for the 15 million people of Taiwan. We retain diplomatic ties, commitments under the Mutual Defense Treaty of 1954, and close economic contacts with them."

In furtherance of these thoughts, it is proposed that a Council on United States-Republic of China (Taiwan) Relations be created, to be composed equally of members from the United States and Taiwan. The nature, goals, means, financing, and administrative organization of the Council are dealt with below.

II. NATURE OF THE COUNCIL

The Council would be composed of an equal number of members from each country, perhaps twenty from each. For the United States, it is suggested that the membership be constituted as follows: 5 members from the House of Representatives; 2 from the Senate; 7 business leaders; and 6 from the academic, legal, medical, and other professions. Presumably, the Chinese group would be formed in somewhat the same manner. Some members might be functional specialists, ie. educators, MD's, or lawyers; others might be specialists on Asia. A combination of generalists and specialists would appear to have advantages. All members would serve without compensation.

III. GOALS

The main goals of the Council would be:

(1) To encourage the maintenance and expansion of trade and business relationships

(2) To encourage the educational progress of Taiwan and the exchange of educational ideas and of students and professors

(3) To stimulate a greater cultural awareness and appreciation between the two peoples, including the fostering of language ties

(4) To encourage cooperation in the fields of medicine and general scientific research

In indirect ways, the Council might also be of assistance in helping to encourage the development of new and more effective government institutions.

IV. MEANS OF ACHIEVING THE GOALS

To achieve these goals, the following means are proposed:

(1) The convening at least twice a year, once in January and once in June, at one

time in Washington and the next time in Taipei, of the full Council, to deliberate on the goals and policies of the organization and to formulate statements for public distribution.

(2) The establishment of an Executive Committee, composed of five members in each of the two countries, to act as an interim decision-making unit, subject to the general policy-making guidelines of the Council.

(3) The calling of conferences and the holding of forums on subjects of interest in the Chinese-American relationship, the participants to include both members of the Council and professionals and businessmen not members of the Council. Consideration should be given to holding an ANNUAL CONFERENCE ON TAIWAN.

(4) The publication of statements on contemporary aspects of Chinese-American relations, designed to cultivate an intelligent and balanced public opinion, and to assist in the deliberations and activities of the appropriate Congressional committees and subcommittees and such executive agencies as the Department of State and the United States Information Agency (USIA).

(5) The publication of scholarly monographs on the RC by academicians and other writers.

(6) The publications of analyses and information digests of special interest to the business community.

V. FINANCING THE COUNCIL AND ITS WORK

The primary financial support should come from foundations and other private groups. It is expected that the Council will be incorporated as a non-profit corporation.

VI. ADMINISTRATIVE ORGANIZATION

In order for the Council to function, it will be essential to have an Executive Secretary in each country who will carry on his duties subject to the wishes of the Executive Committee. He should be assisted by a staff assistant and a secretary. A small office should be established, presumably in Washington. The Executive Secretary should be a person of high competence in the Asian field.

In sum, through the medium of an active Council on United States-Republic of China Relations, an important step can be taken to preserve and expand on our economic, cultural, and educational relations in East Asia. With malice toward none, we can, in our way, contribute to the expansion of the frontiers of freedom in a way mutually beneficial to both the Republic of China and the United States of America.

THE FOUNDING CONFERENCE: AUGUST 1973

As mentioned at the outset of this paper, tentative plans are now under consideration to hold a meeting in Taipei in August to discuss this proposal and possibly to give it actual form. It is contemplated that 15 persons may be invited from each country. The Conference would last for 3–4 days. An agenda is now in the process of formulation, but basically it would cover the following headings:

I. The State of Relations Between the US and the RC Today

II. The Proposed Council as a Means of Strengthening These Relations

III. The Areas of Cooperation

A. Economics and Business

B. Education

C. Cultural Cooperation

D. Medical and Scientific Cooperation

(Subcommittees for each of these fields)

IV. Support for the Council

V. Approval of what may be called, THE CHARTER OF TAIPEI, bringing the Council into being

In the development of this August meeting, the sponsors plan to work closely with the U.S. Embassy in Taipei, the U.S. Information Service, business leaders, and with ranking officials of the Republic of China. It is expected that top leaders of the Republic will address participants in the Conference.

We invite your support for this project, believing, as we do, that it is a constructive and important means of contributing to the peace and progress of Asia.

ROBERT L. LEGGETT,
RICHARD T. HANNA,
Members of Congress.

June 1, 1973.

The meeting envisioned in fact occurred; present were the following:

LIST OF PARTICIPANTS

I. UNITED STATES OF AMERICA

1. Honorable Robert L. Leggett, Member of Congress, U.S. House of Representatives, Washington, D.C. Chairman of the Delegation.

2. Honorable Robert McClory, Member of Congress, U.S. House of Representatives, Washington, D.C.

3. Honorable Floyd D. Spence, Member of Congress, U.S. House of Representatives, Washington, D.C.

4. Dr. Edward W. Mill, Chairman, Chevalier Program in Diplomacy and World Affairs, Occidental College, Los Angeles, California.

5. Attorney S. Stanley Kreutzer, Chief Counsel to the New York City Board of Ethics, Former Counsel to the New York State Legislature and the New York City Council.

6. Owen R. Chaffee, Administrative Assistant to Congressman Robert Leggett, Washington, D.C.

7. William E. Beauchamp, formerly with the American Embassy in Taipei, 925 Van Dorn, Alexandria, Virginia.

8. Dr. Gustave M. Gilbert, Chairman, Department of Psychology, Long Island University, Brooklyn, New York. Consultant to the Peace Corps.

9. William Bergman, Bergman Associates, Suite 810, 500 12th Street, SW, Washington, D.C.

10. Dr. Arpad Kadarkay, Assistant Professor of Political Science, Occidental College, Los Angeles, California.

II. REPUBLIC OF CHINA

1. Dr. Robert C. T. Lee, Chairman, Joint Commission of Rural Reconstruction, Chairman of the Delegation.

2. Honorable John Young, Member of Control Yuan.

3. Honorable Helen Yeh, Member of Legislative Yuan.

4. Honorable John K. C. Liu, Member of National Assembly.

5. Dr. Frederick F. Chien, Director-General, Government Information Office.

6. Mr. Ting-sheng Lin, Acting-Chairman, Chinese National Association of Industry and Commerce.

7. Mr. Richard C. Y. Wang, Secretary-General, Chinese National Association of Industry and Commerce.

8. Mr. George Y. L. Wu, Chairman, Central Reinsurance Corporation.

9. Mr. Tsung-To Way, President and Chief Executive, International Commercial Bank of China.

10. Professor Chien-min Chu, Dean, College of Law, National Chengchi University.

11. Mr. Edward Y. Kuan, Director, Department of North American Affairs, Ministry of Foreign Affairs.

12. Mr. Henry C. Y. Wang, Deputy-Director, Department of North American Affairs, Ministry of Foreign Affairs.

BIOGRAPHICAL DATA OF CHINESE PARTICIPANTS

Lee, Robert Chung-Tao, Chairman, JCRR; Professor, Department of Veterinary Medicine, National Taiwan University; b. Shanghai, Oct. 2, 1923; m. Hsu, Kaura S.Y.; 2d. educ. BS, National Kwangsi University; Ph. D., Cornell University.

Young, John, Member of Control Yuan; b. Jehol, Dec. 11, 1902; m. Tan Shu-yuan; 2s. 2d. educ. BA, Beloit College 1937; MA, University of Minnesota 1942.

Yeh, Helen (Mrs. Lee, Li-pai), Member of Legislative Yuan; Professor, National Chengchi University; b. Hupeh, 1911; m. Lee, Li-Pai, educ. Graduate School of National Tsinghua University.

Liu, John K. C., Delegate of National Assembly; President of National Association of Small & Medium Enterprise.

Chien, Frederick F., Director-General, Government Information Office; b. Chekiang, Feb. 17, 1935; m. Julie Tien; 1s. 1d., educ. BA, National Taiwan University; MA & Ph. D. Yale University.

Lin, Ting-sheng, Speaker, Taipei City Council; President Tatung Company & Tatung Institute of Technology; Principal, Tatung Technical School; b. Taiwan, Nov. 15, 1919, educ. College of Science, Taihoku Imperial University (now NTU).

Wang, Richard C. Y., Secretary-General, Chinese National Association of Industry and Commerce; President, General Textile Manufacturing Corporation Ltd.

Wu, George Y. L., Chairman, Central Reinsurance Corporation; President, East Asian Insurance Congress; Director, City Bank of Taipei; Adviser, MOFA & CTC; Chairman, Taipei International Businessmen's Club; Chairman, Asian Reinsurance Pool; b. Kiangsi, May 21, 1921; m. May Cheng; 2d. educ. BA, St. John's University 1945; MBA, Wharton School, University of Pennsylvania 1947.

Way, Tsung-To, President and Chief Executive, International Commercial Bank of China; b. Fukien, Sept. 20, 1912; m. Shunhwa Chiang; 1s. 2d. educ. BA, Department of Economy, Yenching University.

Kuan, Edward Y., Director, Department of North American Affairs, MOFA; b. Tsingtao, Sept. 9, 1925; m. Amy Wang; 1s., educ. BA, Peiping Fu Jen University; Post graduate work, University of Houston, USA.

Wang, Henry C. Y., Deputy-Director, Department of North American Affairs; b. Tientsin, Sept. 21, 1928; m. Helen Hsu; 2s. 1d., educ. BA. National Chung Hsing University.

Chu, Chien-min, Dean, College of Law, National Chengchi University; Professor, Department of Diplomacy, NCU; b. Honan, April 2, 1909; m. Yeh Hsiang-hsu; 2s., 3d., educ. Central Institute of Political Science; University of Berlin; Fulbright Senior Research Scholar, Harvard University and University of Michigan.

Mr. Speaker, I opened the conference with these remarks and explanation:

Gentlemen and Ladies of the International Community:

It has been said that "Friendship is a strong and habitual inclination between two countries to promote the good and happiness of one another."

There is also an apocryphal mythical law of nature that the three things we crave most in life—happiness, freedom, and peace of mind—are always attained by giving them to someone else.

The Republic of China and the United States have been mutual friends since the creation of your young Republic and the purpose of this omnibus delegation being here is to see that friendship remains faithful, firm and mutual.

When I was in your country early last year, I discussed with your Vice Premier, now your Premier, Chiang Ching-Kuo, and your former Premier, C. K. Yen, the establishment of a mutual multi-disciplined inter-parliamentary, inter-economic, cultural and professional exchange program, having for its purpose the promotion of understanding between our two countries and the outside world—particularly in light of American changes in policy respecting the Red Chinese Peoples Republic on the Mainland. At the

time I made my suggestion, the Mainland meeting had not yet occurred.

In a later formal exchange of correspondence with your former Premier, C. K. Yen, he wrote me in part as follows: (February 12, 1972):

"I am also delighted to learn that your excellent idea of a mutual inter-parliamentary economic exchange has found strong support among your colleagues and friends. It is my belief that your activities along this line will greatly contribute to strengthening the traditional relationship and cordial ties between our two countries. I look forward to hearing from you in the near future."

My own Ambassador, Walter P. McConaughy, wrote me likewise affirmatively on March 9, 1972, in part as follows:

"Thank you for your letter of February 18 with its enclosures. Your interest in promoting a bilateral inter-parliamentary conference or a broader based business professional and governmental council between the United States and the Republic of China serving the interests of both countries sounds very promising. I hope your initiative will bear fruit."

And on March 28, 1972, your Premier, C. K. Yen, wrote to me further in part:

"I fully share your view that our economic progress and prosperity under a democratic government can serve as the most effective weapon which can be used not only to offset the vicious propaganda against my country now prevailing abroad but also to present to the American people a sharp contrast between the life in Taiwan and that on the mainland of China."

I subsequently discussed the idea of an international council between our two countries with your Washington Ambassador, James C. H. Shen, your Deputy Chief of Mission, S. K. Hu, the U.S. State Department, and a large number of my colleagues in the Congress of the United States. In addition, my long time friend and friend of Asia, Professor Ed Mill of Occidental College, the Chairman of the Department of Diplomatic Relations, developed a keen interest in the project. He interested and associated a great number of other leading American-China scholars and educators. In addition, your miraculous economic achievements over the past few years have stimulated an interest in this project in virtually every national business leader and corporate executive that I have talked to.

Most organizations, I early learned, will meet a rapid demise or death if built on *friendship* alone—a well-defined purpose is as important to this organization as it is to the American Chamber of Commerce of Taipei.

I might explain as an aside my own motivations in developing this Council. I am known as a liberal in the United States. I am a member of the Armed Services Committee of the House of Representatives as is Mr. Spence. I have been a student of the Vietnam War for over a dozen years. I am neither "Dove" nor "Hawk" but more precisely a "Chicken Hawk."

As it has developed, after a hot war breaks out, it is almost impossible for any side to win the current checks and balances around the world. The time to stop wars is in the cool of negotiations and deliberations, long before bloodshed is even conceived.

It is inevitable that the United States is going to deposture some forces in Asia—some policies may change. I feel very strongly that the American people should have a more discriminating knowledge of the people of Asia. They now have a general understanding of the Vietnamese and the Thais. The Laotians and Cambodians continue to be an enigma to the United States.

Likewise the strong motivating factors that led the United States to consult more with the Soviets and Red Chinese should not confuse American friendship for the countries of Western Europe and the Asian countries of Japan and Free Korea and Free China. Our Council can help in this understanding.

Similarly, you Chinese might be confused over actions at the Watergate Hotel and Office Building overlooked by Howard Johnsons Motel, and our joint purpose in Republicans and Democrats coming out here is to tell you not to try to emulate every single thing we do in the United States as reported by your press and television.

We Americans have a fantastic number of things in common with you Chinese on Taiwan.

The fact that we can commence these proceedings in a common English language could only be accomplished in one other Asian country—the Philippines. While monolingualism is a barrier to understanding between diverse nations, a common language, be it English, Greek or Latin, can provide a formidable bridge of communication.

We have had a reciprocal affinity for emigration. It was the Chinese nationals from the old dynasties who migrated to California, my home State, in the last century to break their backs building the cross-continental railroad, who built by hand the greatest water canal and levy system of the country.

It was William Randolph Hearst Sr. who said at the turn of the century, "I do believe that it is because of the Asiatic extreme industry and ingenuity that I discriminate against him. In my heart I have a gut feeling its because I think him to be a greater man than I am."

Americans have, in turn, taken up residence on Taiwan Island over the past several decades and this blanket of security provided has been an important factor in the Chinese Republic's herculean gains.

When I read your economic statistical performance over the past several years recording a growth rate of 12 to 14 percent, there is no doubt about the greatness of the Chinese.

The Council members from the American side came here frankly with eyes and ears and senses acutely curious how this small island could be America's twelfth largest trading partner, how you could increase your electronic industry 79 percent in one year, mechanical production 44 percent, lathes, planners and presses 90 percent, wood industry 41 percent, chemical industry 31 percent, bicycles 92 percent, and crude oil 26 percent.

From California, the "bread basket" of the United States, I am pleased to note your food production and canned products reach a stabilized position where it might be possible for us to do more business.

In another economic area of inflation, both our countries have recorded unacceptable escalations—here we may not learn too much from each other.

Having suffered an international trade deficit for the past year and a half for the first time in American history, we Americans likewise come here also curious to find out how you Chinese can increase your foreign trade by 44 percent in a single year, keeping exports always well above imports. We can discuss the political problems we have in the United States under Burke-Hartke type legislation, the problem we have with a $450 million deficit trade balance to your country alone. You have the same problem with Japan, but the United States has also the same problem with Japan multiplied four times.

The United States is 30 percent of the Republic's foreign markets. We should explore in conference the effect on this market of future Mainland transactions.

The actions we are jointly taking in this subject area should be further explored including frank discussions of trade barriers, quotas and tariffs.

We have heard rumors in our country that you have had a surplus in your budget for at least three years; having exceeded our administrative budget in the United States over the past three years by nearly $75 billion, we would have to see your figures to believe them.

We are concerned with pollution, industrial and otherwise, with health and health care, with banking, with energy practices, and we do believe these subjects should be thoroughly explored.

We are concerned with the Republic's particular problems—your limited size geographically, your dependence on imported raw materials, the problems you have perhaps politically and those that follow from your reduced formal participation in international associations.

I am one who frankly believes that the future and prosperity of the Republic is not so much dependent on the number of American jets and the size of the 7th Fleet off your shores, but in showing to the world that the Chinese maturity in politics and political institutions is equal to your prowess in the international economic sphere.

The assets of you Chinese are self-evident.

The quality of your economic leadership, your strong, well-disciplined, active energetic, resourceful labor force, your excellent cooperation and coordination of elements and sectors of your country, superb money management, excellent marketing capability including maintenance of quality and expansion, the modest incomes and living standards of your leaders, your favorable international trade route location, your excellent planning in energy management, transportation, education and health.

Your country, the size of Holland, but with one-third the people, had the largest growth rate in the world last year at 12 to 14 percent—Holland ebbed at 2.6 percent with the United States recorded 4.6 percent.

Your per capita gross national products exceeds every country in Asia and Africa excepting only Japan and a few diamond and oil rich countries. You exceed the average performance of Latin American and I am certain in but a few years you will exceed the average per capita product for all of South America.

We want to frankly explore with you the idea and ramification of the Shanghai communication metaphor that there is but one China—Mainland and Taiwan. Perhaps this truism should be refined.

Is it possible that you Chinese can solve your own problems in this hemisphere within the framework of regional autonomy and system but manifest national unity. What happens then to the 1954 agreement with us Americans?

Your country has been independent of the United States economically for three years; United States military assistance to your government now comprises about 3 percent of your defense effort. Militarily you are becoming more independent than you know.

In short, your defense also lies primarily in your economic success—six times the survival rate that prevails on the Mainland. I believe that when we can show the world the political success of this integrated Chinese island of Taiwan, your future will be further insured. The stark contrast of restrained monolithic economic survival on the Mainland versus successful economic democracy and competitive commerce on Taiwan will shout a message that the world and world associations will not be able to ignore.

Mr. Speaker, I ask unanimous consent that the entire message be included in the RECORD.

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

There was no objection.

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

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

Mr. McCLORY. Mr. Speaker, I thank the gentleman for yielding.

I wish to commend the gentleman on the very eloquent statement which he has just delivered and which I was present to hear when he delivered it firsthand to our counterparts from the Republic of China on Taiwan, when the gentleman from California (Mr. LEGGETT) and the gentleman from South Carolina (Mr. SPENCE) and other members of our delegation who have already been named by the gentleman met in Taiwan.

I wish to commend the gentleman further for his leadership and his foresight in helping to arrange this conference which was sponsored by the Foreign Office of the Republic of China on Taiwan, and from which we received such great and hospitable treatment and service.

Mr. Speaker, I also would like to remark at this stage, if the gentleman will yield and permit me, concerning how successful, it seems to me, this mission to Taiwan was. It reaffirmed the close relations which we have traditionally had with the people of the Republic of China.

It reaffirmed our determination to maintain close political, economic, cultural and other ties which would maintain the close relationships that we want to sustain.

I was particularly impressed by the arrangements which were made by the Republic of China, specifically by the Foreign Office of the Republic of China, in cooperation with the gentleman from California, not only with respect to the principal meetings which we held with our Chinese counterparts from the legislative Yuan and other associated bodies, but also because of opportunity which was provided to our delegation to meet with the principal leader of the Republic of China, the Premier, Chiang Ching-Kuo, and Mr. C. K. Yan, to whom the gentleman has already made reference.

Mr. LEGGETT. Mr. Speaker, I would like to state that the Chinese Ambassador in the United States certainly was particularly helpful, especially Gen. S. K. Hu, in making the preliminary arrangements which led to our successful mission. The gentleman's observations are well taken.

Mr. McCLORY. If the gentleman will yield further, we had an opportunity to meet with most of the members of the cabinet of the Republic of China on Taiwan, not only to speak firsthand but to learn firsthand about the great motivation of these people and of this country and of this Government and of the broad range of its activities and of its great aspirations, not only of its accomplishments but the challenges it faces and the ambitions or the goals in which we want to participate with them in order that they can achieve them.

Mr. McCLORY. Mr. Speaker, I ask this permission partly because I want to include in the RECORD at this point my formal statement as well as the remarks that I addressed at the conference with our Chinese counterparts immediately following the remarks that were addressed by my colleague in the well (Mr. LEGGETT) on this occasion.

Mr. Speaker, it was my privilege during the August recess to participate in the series of conferences in the Republic of China on Taiwan to which the gentleman (Mr. LEGGETT) has referred. At these meetings I was also accompanied by my colleague, Congressman FLOYD SPENCE of South Carolina as well as several other individuals from the academic community and several business and legal personalities. Our main conferences were with representatives of the Chinese National Assembly—or Legislative Yuan—as well as business leaders. Also, our group was privileged to meet with the Premier of the Republic of China, Chiang Ching-Kuo, as well as the country's Vice President C. K. Yen, and most members of the Cabinet of this great country.

Our mission to Taiwan, arranged entirely by the Republic of China Foreign Office, was designed to further cement the close political, cultural, social, and economic relations which have developed between the United States and the Republic of China on Taiwan. In these respects the meetings were eminently successful.

Mr. Speaker, I was particularly impressed by the warmth and intimacy of our reception. Both the political and business leaders, as well as the ordinary citizens of this country evidenced a quality of friendship almost unprecedented in the course of my experience with individuals of other lands.

Mr. Speaker, while our conferences in Taiwan were of an entirely informal and unofficial nature, it was the expressed hope of all who participated in these meetings that some type of arrangement might be formalized which would enable representatives from our two nations to meet on a regular basis either annually or semiannually alternating the place of meetings between the United States and the Republic of China. The hope also was expressed that the representatives of our respective groups might be expanded—particularly with respect to legislative representation from the U.S. House and Senate, as well as from the Republic of China National Assembly.

Mr. Speaker, I am taking the liberty of attaching hereto my own remarks which I addressed at the opening meeting of our conferences in Taipei. It is my expectation that my colleague, Congressman SPENCE, will insert his own remarks in the RECORD with respect to this important meeting in which we participated. In addition, I would hope that from time to time in the coming weeks, we might provide the Members of the House with further advice regarding the development of the proposed Council or other organizational format by which we may promote and further strengthen the relations between the Governments and peoples of the United States and the Republic of China on Taiwan.

The remarks follow:

REMARKS OF ROBERT McCLORY, U.S. REPRESENTATIVE AT THE FOUNDING CONFERENCE OF THE COUNCIL ON UNITED STATES REPUBLIC OF CHINA RELATIONS

My esteemed friends and colleagues representing the Republic of China on Taiwan at the Founding Conference of the Council on United States Republic of China Relations—let me express, first of all, my deep gratitude for the opportunity to join with you here at this historic and significant conference in Taipei.

For my own part, I regard my presence here as a service which ranks among the most important in my public career.

There is a very fundamental principle which underlies all political activity. It is simply this: In endeavoring to expand political support or to win over political enemies, one must never turn his back on his friends.

The people of China—and essentially those who now reside on Taiwan, including, of course, the native Taiwanese, are the traditional friends of the United States.

We have fought and labored side by side, our interests are bound together in various formal treaties, as well as in informal understandings and relationships. We have supported and marveled at your growth and development as one of the great industrial, economic and cultural nations of the world. Next to Japan, you have become our leading trading partner. In short, our ties are of long duration—they are deep and substantial.

I envision my role here as one to strengthen these relationships and our working partnership to the end that the brave and industrious people of the Republic of China on Taiwan may be sustained and that our alliances of every kind may be promoted.

I have had very little experience with the political representatives of your nation. However, I have served as one of the United States delegates to the Interparliamentary Union for almost ten years. As a result primarily of those experiences, I am convinced that person-to-person diplomacy, especially the individual contacts between the elected representatives of nations, can be of inestimable value in promoting human understanding.

As just one Representative in the United States Congress, elected by popular vote from a district of some 500,000 population, I am confident that I speak on behalf of the hopes and aspirations of all of them, as well as on behalf of all—or almost all of the 535 elected Members of the U.S. Congress, when I state that we want the destiny of the United States to go hand-in-hand with the destiny of the great and proud people of the Republic of China on Taiwan.

I have no other purpose and no greater ambition than to help in my own individual way to this goal. It is my hope that the fruits of this meeting will be of mutual benefit to our respective countries and to this world.

Mr. LEGGETT. I thank the gentleman from Illinois for his remarks today and also for his remarks in Taipei. Certainly they were quite appropriate and very helpful for the accomplishment of our mission.

Mr. LONG of Louisiana. Mr. Speaker, will the gentleman yield?

Mr. LEGGETT. I yield to the gentleman from Louisiana (Mr. LONG).

Mr. LONG of Louisiana. To avoid duplication but to still make the point our distinguished colleague from Illinois made, and to join in his remarks, I think all of us who have had an opportunity to participate in this and to visit Taiwan were to a very marked degree very greatly impressed by not only the economic progress but the social and political progress that has been made. I know in my own instance, and in the cases of those I had an opportunity to visit with, it far exceeded anything that we thought they had been able to accomplish in, relatively speaking, so short a period of time.

I think further than that and having had an opportunity to visit other parts of

the world, I was strikingly moved by the fact that the political freedom that we as individuals had and all of us had there at the time. There was absolutely no restraint at all.

I hope that the relationships are changing, and I appreciate the comments of the gentleman from California in this regard—the relationships that are now in the process of changing in the world political sphere. I hope we do not lose sight of the historical relationship and the performance that has been given by the Republic of China over all these years and the friendship that they have given to us.

While I did not have an opportunity to sit in on the hearings on Mr. Kissinger's nomination as Secretary of State yesterday, I did have an opportunity to read some of his comments in the paper and I also did have an opportunity to see some of them on television. I gather that he did not feel that it should directly hinder our relationship so that we could not in the long range continue a good relationship with Taiwan.

I wonder if the gentleman from California, who is recognized as an expert in this matter, would enlighten us with his views as to what might be done in this regard, so that we do continue to give the recognition, I think, that they so rightly deserve and to see that they continue to play a progressive and an important part in the political events of the world as they transpire.

Mr. LEGGETT. I thank the gentleman for his remarks. I think they are very appropriate, and while we were on different missions out there in the Far East, we had an opportunity, I think, to compare various countries in their economic performance.

I think that the economic success of Taiwan is as startling to the gentleman from Louisiana and his group as it is to the members of our group.

I think this is really a sign of the security of the area, the fact that they have passed into what we call the $100 curve per capita. We have poured money into so many countries around the world, and the attitude is that it has been a success in Western Europe, but we have fallen into quicksand in Asia and South America. I think that the story we are getting now from free Korea and particularly from Taiwan is that we have put in there approximately in excess of $5 billion, and this has been a real success story. And it is a success story for us, not because it gives us a military base in a rather strategic part of the world, but because it is a pillar of economic success for the needs and demands of some 15 million Chinese, which is not an insignificant number by any stretch of the imagination.

And if I were to draw a parallel, it would be that if we were to draw a map showing the size of a country in terms of its world trade, we would show the Republic of China on Taiwan as in fact being a larger country than mainland China because its trade now is burgeoning, and I think it is pretty close to $5 billion which is more than the mainland Communist China trade. I think the Communists, as friendly as we want to be with them, certainly have limitations in expanding their economy.

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

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

Mr. BREAUX. I thank the gentleman for yielding, and I would like to associate myself with the remarks of the gentleman from California concerning the Republic of China on Taiwan. I would also like to point out that I also had the opportunity of visiting the country of Taiwan along with the distinguished gentleman from Hawaii (Mr. MATSUNAGA) and my colleague, the gentleman from Louisiana (Mr. LONG). I think that, having had the opportunity to visit that country, that I have learned a lot more about it, and the relationships of the people of that country. I think if we can point to any one outstanding success, as far as our program of foreign aid by the United States, it is indeed the country of the Republic of China on Taiwan. I think when we can point to so many countries and so many areas in the world where we have made available our foreign aid money, and where it has been very unwisely, I think, misspent, that the country of Taiwan stands as an outstanding example as one country that I can tell my constituents of back home, that there are some areas and some countries, notably the country of Taiwan, where our programs are working.

I had the opportunity to visit their farmlands, and see what they are doing in the field of agriculture, particularly the production of rice and the production of sugarcane, and the methods they are using which are putting them in the transitionary role of becoming a modern agricultural country.

However, I think we have made a very big mistake by not realizing the contributions of the country of Taiwan. I think we have made the mistake of only noticing the very noisy countries, the noisy movements, and noisy people. And that while we have had so much trouble in so many areas of the Far East that we have here an example of the Republic of China on Taiwan that has gone about, in their own way, very quietly, but doing something very profitable and beneficial to their people that has raised their per capita income throughout the country, to the standard where it is one of the finest countries in Southeastern Asia, and where their gross national product has doubled and tripled, and which they are increasing something like 10 or 12 percent a year.

I would also like to join my colleague, the gentleman from California (Mr. LEGGETT) in pointing out that the Republic of China on Taiwan in my opinion deserves far different treatment from the United States, and that we should recognize once again their friendship and their contributions.

Mr. LEGGETT. I think one of the real facts that does not appear too dramatic is the fact that, according to our State Department economists, the spread in the classes, the spread of wealth has materially compressed as the Republic of China on Taiwan has moved up.

Where some 15 years ago we found the top 20 percent of the people earned some 15 times what the bottom 20 percent earned, the figures today show that the top 20 percent earn 4 times what the bottom 20 percent earn. If we compare that with this marvelous progression of 10, 11, 12, 14 percent increase in per capita GNP per year, the fact that they are currently at $451, targeting to go to $550 by 1976, I think that it is readily recognizable that they have done something out there. They have got a rather miraculous achievement, and not only have they gotten off of the U.S. aid boat, but now we find that the Taiwan exports are down in the Republic of Panama, and they are in Indonesia, advising these people how to develop free trade ports so that these countries can gain a new appreciation of the work ethic which is very successful in Taiwan.

Mr. BREAUX. Mr. Speaker, will the gentleman yield further?

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

Mr. BREAUX. Mr. Speaker, I appreciate the comments of the gentleman, and I merely want to point out particularly that when they are compared with the facts and figures that we have on the mainland of China, the opposite system of development and the opposite way of doing things have not met with nearly the same outstanding results as have been brought about by the method of operations for the Republic of China on Taiwan.

Mr. Speaker, in the midst of a swiftly changing world—where former enemies come together to talk coexistence on unprecedented terms—little attention has been given the outstanding example of America's relations with the government of Taiwan.

Despite spectacular success in our foreign aid program with the Taiwan Government and its people, we have placed this small island nation in the background of our thoughts.

It deserves far more.

From 1949—when President Chiang Kai-shek assumed the leadership role in Taiwan after the Communists took over the Chinese mainland—until 1965, assistance from the United States totaled $1.5 billion. This was money spent for economic and technical assistance—and it had dramatic results.

Taiwan never has been a noisy government. Instead of prompting large headlines, protesting one thing or another, or screaming at the so-called unfairness of the United States, this tiny nation has devoted its energies to constructive pursuits. Perhaps that is why we have been content not to notice Taiwan, to place this nation in the back of our collective national mind instead, to know it existed, but not to notice its progress. We are notorious for noticing noisy things, noisy people, noisy movements, noisy governments. Now it will be good if we notice something that has been going on quietly, effectively, progressively, right before our eyes.

In the mid-1940's, Taiwan's people suffered under an annual per capita income of only $25 per year. That went to $52 per year by 1952—still nothing outstanding. But consider that the per

capita income this year will reach more than $360 and the difference becomes significant.

It is the Cinderella story on a national scale.

Massive land reform has resulted in farms being owned by the people themselves, with fair compensation being given the former landlords. The gross national product has gone from only $431 million in 1952, to a whopping $6½ billion this year.

The diet in Taiwan is the highest in calories and the second highest in protein throughout Asia. The people eat meat and fish as well as rice and vegetables.

Nearly a half million people have their own motorized transportation—mostly motorcycles. But the ownership of automobiles is growing rapidly. And this signifies the movement from an agrarian to an industrial economy.

Consider, for example, that industrial exports amounted to only $93.6 million in 1961. By 1970 this figure had grown to $1.2 billion—more than 78 percent of the export total. The percentage of agriculture in net domestic product decreased from 32.5 percent in 1961, to 17.6 percent in 1971. However, the contribution of industry rose from slightly under 25 percent to more than 34 percent. The service industry remains steady, within a range of 47 to 49 percent in the last decade.

Take a look at education in Taiwan—possibly as much as 85 percent of the total population is literate. There is free elementary education through the ninth grade and it is compulsory. Expansion of the vocational school system is underway and the attendance rate within the entire school system is 95 percent.

No other Asian country has done a better job of solving its basic food problem than Taiwan. At a time when most Asian nations are having to import essential food supplies, Taiwan not only meets its own requirements, but exports food grain as well. The rice crop in Taiwan this year is expected to total 2½ million tons, leaving a surplus of up to 400,000 tons for stockpiling and sales abroad.

Television came to Taipei in 1962. Now there are three commercial networks broadcasting throughout the island nation. More than 75 percent of the programing is in color. Taiwan has 78 radio stations, 31 daily newspapers, and about 1,500 magazines. There is no censorship.

Let us compare some statistics between Taiwan and mainland China:

The diet on Taiwan is more than 2,600 calories, compared with about 1,800 on the mainland;

Per capita consumption of cotton fabrics is 7.8 pounds, 1.7 on the mainland; and

A total of 98.5 percent of the children from 6 to 12 years of age are in school: on the mainland, it is 78 percent.

There is a hospital or clinic for every 13,000 persons in Taiwan, there is one for every 110,000 persons on the mainland.

Foreign trade has been a main factor in the economic growth of this island nation. Two-way trade increased from $542 million in 1961 to nearly $2 billion last year.

Now, let us admit something—Taiwan is a success story. It is a success story where American aid is concerned, it is a success story where the Taiwanese people and their government are concerned, it is a success story that has not been fully told. Americans are sympathetic toward Taiwan. But they do not know exactly why, except that the government was forced to flee communism in 1949. That deserves our sympathy. But the real story of Taiwan since 1949 deserves our admiration and respect.

There are 15 million people on Taiwan. They have come from next to nothing to a status within the world's economic and social framework which cannot be denied as anything but strong.

But they have been quiet about it. They have gone about building a nation while the rest of us have been fighting, bickering, and trying to solve problems that are still with us. While war raged in Vietnam—as the Mideast failed to reach accord in any meaningful areas, as this Nation floundered economically on the world market, as our own people were torn by strife, dissension, and riots, the people of the little nation of Taiwan peacefully went about building something good.

A miracle happened on Taiwan. I say it is time we recognize the miracle and give thanks that it happened, and commend and praise the Taiwanese for their outstanding accomplishments.

They truly deserve it.

I thank the gentleman for yielding.

Mr. LEGGETT. I thank the gentleman.

Mr. Speaker, I yield to the gentleman from Hawaii.

Mr. MATSUNAGA. I thank the gentleman for yielding.

First of all, I wish to congratulate the gentleman from California for being elected the Chairman of the newly created United States-Republic of China Conference Group. The gentleman is to be commended for the leadership which he has displayed in bringing about better relationship between the Republic of China and our country, the United States.

I, too, visited Taiwan during the recent August recess under the auspices of Soochow University, and I, too, was greatly impressed by the progress which has taken place on the little island of Taiwan, the great progress in economics, as the gentleman has already observed, and the progress in the relationship between the Government and the people of Taiwan, the so-called Taiwanese.

I believe the progress which has taken place is largely due to the caliber and renewed dedication of the leadership in the present government.

Confucius, the greatest of all Chinese scholars, once observed:

> The real wealth of a nation lies in its scholars.

The thing that impressed me most during my 5-day visit to Taiwan was my discovery that the leaders of the Republic of China today are all scholars. It has been further said that if the nations of the world today would only listen to and heed the advice of the scholars, perhaps we would not be in the turmoil in which we find ourselves today.

I paid my first visit to Taiwan in 1964. At that time I was rather pessimistic about the future of that country. In fact, I had spoken to some of the leaders at that time and talked to the people on the streets and in the shops, and they, too, were very pessimistic. I sought out those same individuals who expressed skepticism and pessimism at that time, and the amazing change in their attitudes reflected the truth of what I thought were my findings. They all said, at worst, that things could be better but have really improved. As a matter of fact, one of the best known dissenters, Mr. Chen Yu Sih, a graduate of the East-West Center at the University of Hawaii, who was jailed for publishing derogatory writings against the Republic of China, expressed a change of heart toward his country's present leaders. He thought that much improvement has been effected *in* recent years. His confidence in his country's future was best indicated by his taking a bride on the day that I departed from Taipei.

All in all, I think the people responsible for the Government of the Republic of China today can rightfully be proud of the progress which that country has made in the last decade. If they continue to pursue the same course, especially as demonstrated since their representatives were ejected from the United Nations, then in the not too distant future I would predict that they will establish a showcase of democracy on the little island of Taiwan.

Mr. Speaker, I thank the gentleman for yielding and again I congratulate him for the great leadership he has shown in this area.

Mr. LEGGETT. Mr. Speaker, I thank the gentleman for his very appropriate and well chosen remarks. Certainly his experience with the educational system over there is the experience of our group. We met with the educators at our conference and we talked to their director of education. The 5-year or 6-year total medical educational program they have over there is a unique method of health care delivery that, with our shortage of medical technicians and doctors in this country, we might well emulate at some future time.

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

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

Mr. SCHERLE. Mr. Speaker, I thank my colleague, the gentleman from California, for yielding. I also thank him profusely for taking the time to explain the tremendous ovation and the feeling I share as to what we owe the people of the Republic of China. I would like to pay special tribute to James Shen, the ambassador here in Washington, and to Minister S. K. Hu, and to Edward Huan and Henry Wong and Alfred Chen and Tammy Chen, as well as to Bill Glysteen and Bob Wallace of the American Ministry.

Mr. LEGGETT. Mr. Speaker, I am sure the gentleman would not want to forget

Walter McConaughy for his excellent efforts there. He is our Ambassador there.

Mr. SCHERLE. I certainly do not. I did not get to see him while I was there and we did not have an opportunity to visit, but I do want to pay tribute to these people for the tremendous opportunity we had to visit that wonderful country, the Republic of China.

We can read papers and look at pictures but there is nothing like going to a particular place in person and seeing personally the tremendous progress that these people have made even with the great disadvantages of their political setbacks they have had in recent years.

It is an inspiration. I was there for 7 days and I visited the various phases of government and I visited personally the many farms in the Taitung area. We went down to Kaohsiung in the industrial area and visited those facilities which had become so competitive for industries the world over, but I think the one episode that stood out first and foremost is the tremendous love of freedom these people have expressed. I think that is one reason why we in America take these people to heart so generously and so easily, because we can see ourselves in them almost 200 years ago, as a nation emerging to be one of the leaders around the world in the future.

One cannot help but be inspired by these people, particularly by their great ability to work, their desire, their determination. They grow on one very easily. I could have spent a great deal more time there, and I hope I will have the opportunity of returning again and again.

I would want to say one thing, and this came out every place I went. It is a constant fear of theirs; "What will the United States do if a mandate or a directive ever surfaces as to the future of the Republic of China? Will the United States protect her interests? Will we be in a position to do something about her salvation?"

In all honesty, I can answer this as a Member of Congress: As far as the Congress of the United States is concerned, we will not forsake our friend and our ally.

Mr. Speaker, at this time I would like to enter into the record a speech that I made upon my arrival in the Republic of China, and also an article that I had written expressing their fears and my hopes as far as the Republic of China is concerned.

Mr. Speaker, I want to thank my colleague again for this wonderful opportunity to speak.

The speech and article follow:

Mr. Speaker, at the invitation of the people of Taiwan, I had an unusual opportunity to tour the Republic of China as a guest of the government. For almost two weeks during the August recess, I met with high-ranking officials and ordinary citizens to discuss their problems and opportunities and their future course as a nation. Everywhere I went, in rural communities as well as industrial centers, military installations and residential neighborhoods, two chief concerns were voiced repeatedly.

The question of future relations with the United States is paramount among foreign policy issues. This independent island republic has prospered and grown strong in the air of freedom and no longer needs direct economic assistance from the United States. The staunchly pro-Western, anti-Communist government does rely, however, on the American military presence in the Far East to prevent a takeover by the mainland regime. Perhaps even more than the loss of the troops, ships and planes physically stationed in the region, Taiwan fears the erosion of the American commitment to her sovereignty. Our new policy of detente with Peking is reason enough for the apprehension I found everywhere. But the free Chinese fear that even worse surprises are in store. Many are convinced that the United States has already decided to abandon them, repeated assurances from the administration notwithstanding. The bristling fortifications on the off-shore islands of Quemoy and Matu serve as reminders of the continuing threat from the west. While an immediate invasion is probably unlikely—the mainland has too much to gain in grain sales alone to make it worthwhile now—their fears for the future are undoubtedly justified.

The other principal preoccupation Taiwan shares with her enemy. Like the mainland Chinese, the island dwellers are constantly searching for new sources of food. Despite the relatively rapid industrialization of the country, almost half the population is still engaged in tilling the soil by primitive methods. With small yields from the 3,500 square miles of arable acres, they must import large quantities of food. American soybeans are an important dietary supplement and will gain even greater significance if the population continues to grow at its present rate.

Thus in two fundamental ways the survival of the Republic of China depends on American good will. The military power and agricultural abundance of the United States figure vitally in all Chinese calculations about the future on both sides of the Bamboo Curtain. But for tiny Taiwan the way these factors come out in the final equation could mean the difference between life and death.

AIRPORT RECEPTION—REPUBLIC OF CHINA

It is a great pleasure for me to be here and a great privilege as well. The Republic of China is deeply respected in the United States, and the American people are honored by the invitation of their representatives to this beautiful island. The courage, tenacity and industry of the Chinese people are well-known and much admired in my country. America's early history has taught us to value the qualities that insure survival on a dangerous frontier.

My trip here and those of my colleagues in Congress are symbols of the continuing friendship between the people of China and the United States. The traditions we hold in common and our long history of close association are not the only bonds of solidarity, however. Our people share a bright economic future and count on each other as trusted trading partners. In my own state of Iowa, which ranks second in the nation in agricultural exports, thousands of people depend on international commerce for their livelihood. So we value our relationship with the Republic of China for many reasons.

I am looking forward to learning in greater detail how your country has engineered the miracle of prosperity and security of which you are all so justly proud. The opportunity to tour Taiwan's industrial operations, to inspect her agricultural methods and to review her economic plans for the future, are especially welcome. Not least, of course, my wife Jane and I are eager to experience the charms of your island, famous throughout Asia for its cosmopolitan cities and beautiful countryside.

We are pleased to learn that President Chiang has recovered and will continue to exercise his steadfast leadership.

Free nations applaud his determination to keep the Republic of China free.

Mr. LEGGETT. Mr. Speaker, I thank the gentleman from Iowa for his very appropriate remarks. Certainly he has touched on a very critical issue which we have not talked too much about here today, and perhaps we should discuss it briefly. That is, the nature and effect of the President's Shanghai communique.

I noticed this communique has caused trepidation in the hearts of many people around the world when it was made well over a year ago indicating that there is but one China, and that Taiwan is part of China and that the United States would commence deposturing its forces on the Island of Taiwan in the foreseeable future when tensions are modified.

This particular document and statement has led many people to believe that the United States was assuming a new policy toward the Republic of China such that perhaps we would terminate diplomatic relations with that country; that we would translate diplomatic relations from the Republic of China on Taiwan to the Communist People's Republic on the mainland. I think that in retrospect, as we see the way the Republic of China has basked in adversity, a number of nations unfortunately have severed diplomatic relations with Taiwan, and today rather than 2 to 1, the countries around the world recognizing Taiwan as the Republic of China, we find the reverse is true. There are still some 40 or 50 nations, though, around the world, including the United States, which has about a third of the economic production in the free world, who still recognize the Republic of China on Taiwan. I would anticipate that this situation will continue.

I interpret the Shanghai communique on its face. It appears to me to be a document that says that when tensions relax, when these entities can become friends and integrate commercially and perhaps even politically, if they do it without bloodshed, then at that time certainly God bless them and we will have one China and Taiwan will be part of that one China.

But, I view really the statements made in the Shanghai communication a lot like President Kennedy's American University speech where he indicated he was for complete and true world disarmament.

They certainly opted for a very ideal world society, where balances of power were no longer required, where threats from both communism and dictatorship were no longer rearing their ugly head, and where we had brotherly love and other kinds of alternative forces in the world that were real and formidable and provided the balance required.

Likewise, President Nixon just a few months ago in his conference with Mr. Brezhnev of the Soviet Union indicated that he favored a great number of reductions in military forces, both in quality, which includes MIRV's, and intercontinental ballistic missile numbers, and a number of other strategic limita-

tions. Again, the President was not offering any kind of unilateral action.

We motivate him somewhat at times.

I believe his phraseology and his statement should all be taken together and not taken out of context.

Likewise, in the Shanghai communique, when the President stated that hegemonic alliances of one group of nations against another group of nations are not in the world interest, what he meant was that NATO and SEATO and the Warsaw Pact Alliances are not in the interests of the world. Certainly they are not. But as a practical matter they are a part of the real world, and these balances are going to be required until alternative capability can be generated so that they will no longer be needed.

Mr. Speaker, I ask unanimous consent that a press release resulting from our conference be included in the RECORD at this point.

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

There was no objection.

The press release is as follows:

[Press Release]

U.S. Congressman Robert L. Leggett expressed today, on behalf of his colleagues Congressman Robert McClory and Floyd D. Spence and members of his party, their sincere thanks to the Chinese friends for their courtesies and hospitalities rendered them while visiting in the Republic of China.

During their brief stay here, they have the opportunity to visit factories, institutions and public facilities. They have exchanged views with high ranking officials of the Chinese Government and distinguished persons of different professions on matters of common interest to both countries.

Congressman Leggett, McClory and Spence and party reached the conclusion that the peoples of the Republic of China and the United States have long cherished the existing friendly relations between them and that it is their desire to further strengthen these ties.

In order to promote such objectives, concrete planning is underway to establish a non-profit institution respectively in each country's capital. Such institution shall be invested with full capability to carry out the necessary projects and activities beneficial to both peoples.

It is their belief that with the establishment of the institutions under reference, the longstanding friendship between the Republic of China and the United States of America will be solidified.

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

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

Mr. McCLORY. I thank the gentleman for yielding.

I should like to observe that the gentleman's initiative as well as the participation by other Members of this House in their visits to the Republic of China on Taiwan, and their remarks about their contacts with various leaders and the people of the Republic of China, serve to remind the Congress of the United States of the long and cordial and friendly relationship between our two nations and the firm foundation upon which these relations are built.

I have the feeling, which is a personal feeling, that we were sort of taking the Republic of China for granted. We were perhaps neglecting it and not giving the kind of emphasis to this relationship which it deserved.

I am confident that our mission, coupled with the visits which were also carried out by other Members of the House, helped to revive and strengthen the contacts we have had over the years.

Mr. Speaker, I would like to observe further and concur in the remarks made by the gentleman from Iowa (Mr. SCHERLE) to the effect that there is no intention on the part of any of us to turn our backs upon our friends or to neglect or to forget our friends. Although this does not imply any sort of violent or military attitude, it does indicate that we want in all appropriate ways to continue the close relationships and arrangements we have discussed.

Mr. Speaker, if I may make just one more statement, it is my firm resolve, it is my firm belief that these problems which the Republic of China is experiencing and may experience in the future can and will be resolved amicably without the requirement of any military action.

Mr. Speaker, I thank the gentleman.

Mr. LEGGETT. Mr. Speaker, I thank the gentleman very much for his remarks.

I would like to join my colleagues in acknowledging the accomplishments of the Republic of China.

The recent formation of the Council on United States-Republic of China Relations has led to wider recognition of the strength and rapid growth of the Taiwan economy. Taiwan, the size of Holland, but with one-third the people, leads all nations with an annual growth rate of 12 to 14 percent in 1972. By comparison, the United States had an annual growth rate of 4.6 percent during the same year. In 1972, Taiwan's total foreign trade grew by a phenomenal 44 percent, with exports reaching a level of about 45 percent of the total GNP. Among the top 20 trading nations of the world, Taiwan has a total trade turnover approaching $6 billion annually. The per capita national product rate of $400 exceeds every country in Asia and Africa, excepting only Japan and a few diamond and oil rich nations. This per capita income exceeds the average performance of Latin American Nations and is predicted to exceed the average per capita production for all of Africa within a few years. In 1972, the electronic industry in Taiwan increased 79 percent; mechanical production, 44 percent; chemical industrial production, 31 percent; heavy machinery, 90 percent; wood production, 41 percent; and crude oil production, 26 percent. Two-way trade totals are expected to reach the $7.5 billion mark during this year with exports at nearly $3.9 billion and imports close to $3.6 billion.

Textiles are the No. 1 export item followed by electronics, footware, machinery, fishery products, and canned food. Textile exports reached a level of $860 million in 1972, and should pass the $1 billion figure this year. Exports of electronic products, including consumer items and components, registered a more dynamic increase, nearly doubling 1971 volume. Other major exports included: footware, $143 million; canned and preserved food, $189 million; plywood, $135 million; and fishery products, $114 million. Export of bicycles also became important in 1972. The 1972 volume of $23 million in this industry is expected to double by the end of 1973.

Although the United States continues to be Taiwan's major trading partner, the total trade level of $2 billion in 1972 represents only about one-third of Taiwan's total foreign market. Japan remains a close second in total trade with Taiwan. The $1.5 billion worth of Taiwan exports purchased by Japan in 1972 represents an annual increase of 52 percent. However, imports of electronic components and parts from Japan to meet the demand of Taiwan's booming economy resulted in an overall trade deficit with Japan of over $600 million. Efforts are being made on the part of the Chinese to close this gap by seeking other sources of supply. Taiwan's trade with the countries of the European Economic Community continued to show a strong uptrend with overall trade increasing 49 percent in 1972. Total trade with Indonesia increased a record 74 percent in 1972. Throughout the Pacific basin and Africa efforts to expand economic relations have begun to bear fruit.

It is not always realized that Taiwan is one of the major importers of U.S. products. In 1972, United States-Taiwan trade surpassed U.S. trade volume with Hong Kong and Australia. Taiwan is now the 11th ranking nation in terms of U.S. trade. Provided the present growth rate continues, Taiwan should move to the seventh or eighth rank by 1975. Total trade between the United States and Taiwan grew 42 percent in 1972. The U.S. trade deficit was approximately $450 million last year. This trade gap has become a source of concern among Chinese and American officials, and action is currently being taken to reverse this trend. Taiwan's economic growth, industrial diversification, and strong foreign currency exchange position should result in an increase in imports over the next few years. This provides an outstanding opportunity for U.S. exports, especially in capital goods, engineering products, and utility equipment, to increase substantially.

The miracle of Taiwan's development resulted from coordination and cooperation by all segments of the economy.

Thoughtful and farsighted governmental planning, a highly skilled and motivated labor force, superb management, and aggressive marketing have combined with dramatic results. Their accomplishments deserve the highest praise.

Internationally, as mainland China and Taiwan seek to solve their mutual problems, the strength and independence of Taiwan's economy insure this island nation a continued place in world affairs.

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

The SPEAKER pro tempore. The Chair will advise the gentleman that if the extraneous matter exceeds two pages of the RECORD it will be returned for a cost estimate.

Mr. LEGGETT. None of it exceeds 2 pages.

The SPEAKER pro tempore. In total.

Mr. LEGGETT. If it exceeds 2 pages I will comply with the rules of the House and be here tomorrow explaining exactly how much it is going to cost the U.S. Government to define its policy with China.

Mr. Speaker, to spend a week in Taiwan is to reexperience a new appreciation for the work ethic. The hustling Oriental is not only commonplace in Japan but also all over Taiwan which we visited. The export processing zone at Kaohsiung on the southwest side of the Island looks to hire 155,000 rural Taiwanese by this time next year—the figure is now well over 100,000.

The $35 million invested in this free trade port now involves ocean commerce I am told of over 1,000 ships per month. Most of the business generated today in Taiwan, it appears, is competitively taken from Japan rather than the United States.

I would also emphasize the fact that Taiwan today is measurably helping the United States in our dollar struggles around the world because Taiwan as Korea has tied its currency to the U.S. dollar rather than the floating Japanese yen.

Taiwan is not satisfied with its performance to date. The Free China Review for July has the following interesting observations:

Premier Chiang Ching-kuo told conferees that the Sixth Four-Year Economic Development Plan will make Taiwan a "peaceful and prosperous society." Per capita income will rise to US$550 by 1976 and the GNP and trade to US$11 billion each, he said.

He stressed importance of the four-year plan and of his NT$3.8 billion (US$100 million) rural reconstruction program under which farmers will have greatly increased income after two years.

The gap in Sino-Japanese trade is slowly narrowing as the Republic of China buys more from countries other than Japan.

On the other hand, Sino-American trade is still running lopsidedly in free China's favor despite efforts to boost imports from the United States.

Two-way trade between the Republic of China and Japan amounted to more than US$602 million in the first four months of 1973.

Exports to Japan were worth US$227 million, up by 152.3 per cent compared with the like period last year, while imports from Japan amounted to US$375 million, a gain of 42.1 per cent. The deficit was US$147 million compared to US$173 million in the corresponding period of 1972.

Sino-American trade for the first four months of 1973 rose to US$658 million, with the Republic of China enjoying a favorable balance of US$213 million compared with last year's US$170 million.

Exports to the United States, worth US$435 million, accounted for 37.2 per cent of the total.

Imports from the United States, representing a rise of 35 per cent, constituted 23.8 per cent of the total.

Exports to European countries shot up 73.1 per cent to a total of US$151 million. Imports from Europe registered a rise of 32 per cent to US$89 million.

A plan to increase imports of U.S. products has been prepared to help narrow the trade gap favoring Taiwan.

Formulated by the China External Trade and Development Council, the plan will mainly involve U.S. visits by purchasing missions. CETDC will give all necessary administrative assistance, including itineraries, information and financial backing.

The government will provide NT$10 million to promote exports of agricultural produce in coordination with the rural development acceleration program.

Agreements have been reached between Chinese traders and their counterparts in the United States, Canada and the European Economic Community countries on textile exports.

A total of US$120 million worth of products was exported from the Kaohsiung Export Processing Zone in the first five months of this year.

This showed an increase of 60 per cent over the corresponding period of last year. Exports are expected to reach US$350 million this year. They totaled US$208,750,000 last year.

Established in 1966, the zone has accumulated an export total of US$730 million. Exports have been growing by 50 per cent annually.

Free China will help Panama establish cement plants. Under an agreement reached between Minister of Economic Affairs Y.S. Sun and Panamanian Minister of Industry and Commerce Fernado Manfredo, the Taiwan Cement Corporation will send specialists to the Central American nation to set up the plants.

Sun and Manfredo agreed to strengthen Sino-Panamanian cooperation in other fields. One such field is trade.

Trade with Panama totaled US$58 million in the first quarter of this year. Exports, reaching US$42 million, surpassed imports by US$26 million.

The Legislative Yuan raised the ceiling on foreign loans from US$1 billion to US$2 billion.

The U.S. Export-Import Bank issued preliminary approval of a US$8.8 million loan to the China Phosphorus Corporation for expansion.

The Executive Yuan approved a US$37 million loan from the U.S. Export-Import Bank to build a refinery in northern Taiwan and an acrylonitrile plant in southern Taiwan.

US$25 million was borrowed by the Chinese Petroleum Corporation for the refinery and US$12 million by the Chinese Petrochemical Development Corporation for the acrylonitrile plant.

The Export-Import Bank announced support of a US$7.3 million sale of U.S. equipment for a synthetic fiber plant.

Exports of agricultural products will reach US$600 million this year, the Joint Commission on Rural Reconstruction predicted. Volume was US$140 million in the year's first quarter.

Frozen pork showed the fastest increase with volume of US$12 million. The year's total is expected to reach US$50 million.

Fishery exports for the first quarter shot up to US$31 million, an increase of 72 per cent.

Other gainers were forestry products, general foods, frozen fruit and vegetables, and canned asparagus and mushrooms.

Assistance has been given in motorizing coastal fishing boats. Fishermen procured seining and line-fishing equipment for 80 boats.

The first phase of the Rural Development Acceleration Program included 73 projects and cost NT$528,773,000.

The second phase which statred July 1 has a budget of NT$1 billion.

JCRR has approved three major irrigation and engineering projects for the second phase.

An NT$500 million (US$13,210,000) four-year plan will get under way shortly to streamline the marketing system for farm produce and improve the quality of food.

An estimated 1,250,000 metric tons of rice was harvested in the year's first crop, an increase of 10,000 tons over last year.

The fish catch for 1973 is expected to reach 750,000 metric tons, a 20 per cent rise and 13,000 tons over the target.

The Republic of China will have a deep-sea fishing fleet of 854,000 tons in four years. A total of 65,000 tons of oceangoing fishing boats will be built in the period.

Taipei has invested NT$21,790 million (approximately US$574 million) in urban renewal projects since the city was elevated to the status of special municipality July 1, 1967.

Cost of educational and cultural facilities will rise to NT$1,507 million this year compared with NT$278 million in 1967.

Spending on social welfare and sanitation rose by more than 639 per cent during the seven-year period, climbing from NT$97 million to NT$620 million.

Taiwan is critically aware of the need to reasonably balance its trade with the United States. The April 30 edition of Industry Week carries the following item confirming this effort:

TAIPEI'S "BUY AMERICA" PROGRAM PICKS UP STEAM

The Republic of China (Taiwan) will buy 5.5 million metric tons of grains—worth more than $800 million—from the U.S. during the next three years. Of that total, 1.8 million tons will be soybeans, 1.35 million tons will be corn, 1.65 million tons will be wheat, and 750,000 tons will be barley. Besides grain, Taiwan will also buy $230 million worth of cotton, plastics, steel products, construction materials, and telephone equipment this year—plus the same amount next year—after purchasing details have been worked out.

The State Department's recent analysis of Taiwan's economy is as follows:

THE ECONOMIC SETTING

During the decade, 1962–71, the ROC has sustained one of the highest rates of economic growth of any country in the world, averaging, in real terms, approximately 10 percent over that period. In 1972 economic growth was 12 percent. This growth resulted in a number of significant changes in our relations. First, the ROC moved from the position of being an aid recipient to that of an aid donor. Grant U.S. economic assistance to the ROC was terminated in July, 1965. The U.S. had provided the ROC with approximately $1.5 billion in economic and technical assistance. Over the last ten years of that assistance program (1956–65) gross national product and per capita income increased at an average annual rate of 7.7 and 4.3 percent respectively. Similarly high rates have continued since grant economic assistance was ended.

In the past few years, foreign trade has been the main factor in the economic growth of the island. Two-way trade increased from $542 million in 1961 to nearly $2.0 billion in 1972. The composition of imports has remained about the same during this period, with capital goods amounting to about 30 percent, agricultural and industrial raw materials averaging about 60 percent and consumer goods remaining at about 8 percent. The composition of exports, however, has changed considerably. Industrial exports amounted to only $93.6 million in 1961 (42.8 percent of the total). By 1970 they amounted to $1.2 billion (78.2 percent of the total).

The United States and Japan are Taiwan's two principal trading partners, accounting in 1972 for 64 percent of the two-way trade. In fact, for the last four years the ROC has enjoyed a trade surplus with the United States, which amounted in 1972 to $663 million. This fact has been a matter of some concern to U.S. and ROC officials, and both sides have pledged their best efforts to correct this imbalance. Nevertheless, the phe-

nomenon of a U.S. aid recipient of only ten years ago now running a trade surplus with the U.S. is indicative of the major change in the relationship. Another measure of this change is the growth in American investments on Taiwan, which now amounts to some $350 million. This high level of investment is a reflection both of continued business confidence and the favorable investment climate which American investors have found in Taiwan.

The United States according to a recent analysis has invested in the post World War II years a total of $8.5 billion in South Korea and $5.5 billion in Taiwan, including both military and economic aid. The investments made in both of these countries was slow to mature by Western Europe standards but today both countries are moving from lesser developed to developed status.

Taiwan has not only achieved economic aid independence from the United States but today is virtually free of military assistance other than military credit sales for hard dollars.

The military posture of Taiwan according to Maj. Gen. Richard C. Ciccolella, former Chief of the U.S. Military Assistance Advisory Group to the Republic of China, can briefly be described as follows:

With respect to our provision of military assistance, I believe that there is a tendency in the United States today—understandable in the light of our Vietnam experience but nonetheless important—to be unduly apprehensive over the prospect of being drawn into a military involvement in the defense of Taiwan. Actually, the Republic of China is well able to take care of itself in combat in defense of Taiwan on its own, provided that its Armed Forces are furnished with the modest assistance it needs. The nature of its military capabilities today and the will of its people are such as to discourage military aggression against its territory. Any attempt to undertake a military conquest of Taiwan, including the off shore island groups of Kinmen (Quemoy) and Matsu, would be an enormous undertaking and a military adventure offering unacceptable odds to an aggressor. It appears to me to be highly improbable that Communist China would embark on such an undertaking so long as the Republic of China continues to field the kind of military forces it currently possesses.

With the help of our military assistance programs, the Republic of China not only has developed a highly respectable capacity to defend itself, it also has developed a capability of providing essential support for other friendly Asian countries. Of particular importance is the capability for repairing military hardware which it is prepared to offer other Asian nations, proved through extensive ongoing programs for Vietnam and Thailand.

Mr. C. Martin Wilbur, George Sansom professor of Chinese history, Columbia University, recently analyzed before a House Subcommittee the Chinese Republic on Taiwan as follows:

The Government of the Republic of China effectively controls Taiwan, a land the size of Holland with fifteen million people. There are at least eighty nations with smaller populations. The United States has recognized this government continuously since 1928. It was our wartime ally and a founding member of the United Nations. In December, 1954 the United States and the Republic of China entered into a mutual defence treaty which is still in effect.

The people enjoy virtually universal education, excellent health services, freedom of religious practice, and considerable social freedom. There are many fully functioning colleges and universities, public and private, with intellectual freedom in most fields except ideological and political. The Republic of China is a going concern that is developing in a direction quite different from what is taking place on the continent.

Americans would not describe Taiwan's government as democratic in our Western European tradition. Which of the two Chinese regimes is the more humane toward the population it controls is a highly subjective question. The administration on Taiwan does not glorify class struggle nor pit classes against each other in forcing social change.

Nor has it so relentlessly used psychological and social pressures upon every individual to compel ideological conformity. Land reform was essentially bloodless in Taiwan, bringing about private small holdings, with most of the farm land owned by natives of the island.

American and Chinese scientists and medical men conduct joint research, as do scholars in many fields. Many Americans live in Taiwan to develop trade and other business.

In short, Americans and Chinese in the Republic of China already have achieved a degree of cultural interaction we have learned to expect in our relations with friendly countries.

The State Department views our current relationship in this regard as follows:

THE SECURITY RELATIONSHIP

As a direct result of its impressive economic growth, the ROC has been increasingly able to assume the economic burden of its own national defense. Grant military assistance to Taiwan, which had totaled approximately $2.6 billion since 1949, was ended in July of 1973, with the exception of a small sum which is planned for military training. Additional security assistance to the ROC is expected to be in the form of U.S. Foreign Military Sales credits and guarantees, subject, of course, to Congressional appropriation. Nevertheless, the ROC itself now pays for approximately 95 percent of its defense budget. Moreover, that budget has averaged some 10 percent of GNP, one of the highest such totals in the world.

PROSPECTS AND PROBLEMS

It would be unrealistic to say that the last two years were not difficult ones for the ROC, despite continued economic successes. The expulsion of the ROC from participation in the United Nations and the diplomatic advances which the People's Republic of China has made at the expense of the ROC have presented Taipei with difficult problems. We continue to advocate, however, the representation of the interests of the people of Taiwan in agencies associated with the United Nations and in other international institutions. We also support the continued participation of the ROC in international meetings and seminars to which it can contribute the knowledge and expertise of a successful developing economy.

It is the position of the U.S. Government that the ultimate resolution of the problem of Taiwan is for the Chinese themselves to settle. As stated in the Shanghai Communique, the U.S. Government "acknowledges that all Chinese on either side of the Taiwan Strait maintain there is but one China and that Taiwan is a part of China. The U.S. Government does not challenge that position. It reaffirms its interest in a peaceful settlement of the Taiwan question by the Chinese themselves."

Before détentes can be fulfilled, the vacuum of the existing balance of power must be filled by goodwill and meaningful treaties.

It would not be in the interest of the United States in withdrawing military forces from a part of Southeast Asia to give the mistaken impression that we were sacking the whole area. Asia and the United States need each other. Our relationship is not simple but very complex since nearly half the world is involved.

It will be the intent of the United States-Republic of China Conference Group to explore with other world organizations the interaction of our respective hemispheres looking toward peace and understanding between the peoples of the world during our time.

Mr. ADDABBO. Mr. Speaker, the economic boom in Taiwan and the corresponding rise in the standards of living for the people of the Republic of China is a clear and unmistakable example of what sound U.S foreign policy and American investment can help achieve. During the congressional recess, I accompanied several of my colleagues on a visit to that country. While my primary reason for touring Asian nations was to review the need for military bases, I was struck by the dynamic growth in Taiwan's economy and the construction boom which marks the redevelopment of that country.

Taiwan's 4-year plan calls for an average annual growth rate for Gross National Product of 9½ percent with an increase in per capita income from $372 to $550. The per capita income of Taiwan already is more than double that of Thailand even though Taiwan's population is only 15.2 million. Much of this economic expansion has been the result of commitments by the Export-Import Bank of the United States—about $900 million—and a huge increase in American trade is expected. In fact Taiwan will probably rank ninth on the list of U.S. trading partners this year.

The economic development of Taiwan is visible to a visitor. One sees the new factories, new roads, railways, ports, power stations, and one also sees the spirit of cooperation between management and labor which has produced higher wages, greater productivity, and a shift to more technologically advanced manufacturing.

Many nations are investing in Taiwan's future. Japanese and European investors are pouring hundreds of millions of dollars into electronics, manufacturing, and other ventures, but Americans remain the largest group of investors.

American loans are underwriting a number of public utility projects such as the development of nuclear generating plants and a petro-chemical complex. A sign of the stable government and boom climate is the act that six American banks now have commercial branches in Taipei.

Mr. Speaker, our visit to Taiwan was reassuring and that is why I am joining in this report on the progress and exciting economic climate in the Republic of China.

Mr. SPENCE. Mr. Speaker, I want to commend my colleague from California for having taken this time to discuss the amazing economic growth and potential of our good friends and allies, the people of the Republic of China, on Taiwan.

I only recently returned from a visit to Taiwan, and I had the opportunity to see firsthand again the tremendously impressive way in which the people of the Republic of China have made use of their limited land area and how highly they have developed their skills and technology. It is little wonder they are rapidly moving up the ladder to a place among the world's leading nations in terms of trade and per capita standard of living.

I know that many others will be discussing the scope and extent of that economic growth today. I would like to take this opportunity, therefore, to discuss a related but somewhat tangenital issue. I would like to call the attention of my colleagues to the outstanding work being done by the Republic of China in behalf of other peoples of the world besides themselves—of the fine work they are doing in behalf of world peace and human dignity.

In that connection, I ask unanimous consent to include in the RECORD at the conclusion of my remarks an article from the August 25 issue of To the Point, an outstanding magazine which covers world news in depth. The article is entitled "Taiwan Tutors" and discusses a program of technical cooperation in Africa which Republic of China officials call "Operation Vanguard."

The article notes that since 1961, the Chinese Nationalist Government has spent about $100 million on its technical cooperation program involving 31 African countries. The program is carried out in two ways: First, agricultural and technical missions are sent to Africa and, second, agricultural seminars are held in Taiwan for African agricultural advisors, So far, the Republic has sent 22 agricultural and 12 technical teams to 23 African countries and has held 14 agricultural seminars. They now have 15 teams in Africa comprising a total of 616 Chinese farming technicians.

The program in Africa is not the only technical assistance program in which the Republic is engaged—they have similar though more limited programs in other parts of the world including Asia and South America.

But the thing that I feel is most significant and the thing I want to point out especially today is that Taiwan has been quietly helping other people in this way for years. They no longer receive any economic aid from the United States and have turned to lending their own helping hand to others less fortunate or who can benefit from their expertise, the result of their very successful endeavors in transforming their own island economy into one of the leading trading nations of the world.

All this is very much in contrast with the publicity mileage their gigantic mainland antagonist, the Peoples Republic of China, has been getting especially in Africa, out of the construction of a 2,000-kilometer railroad between Tanzania and Zambia. With an economy as backward as that of the mainland, which, with its huge territory, untapped resources, and tremendous population, ranks well behind Taiwan among the world's trading nations and its own standard of living, such a project can be seen as the political gesture it is.

In a similar special order earlier this year, our colleague from Indiana (Mr. MYERS) made the very welcome suggestion that our Government should find ways and means of cooperating with Taiwan in order that the unique capacity they have for bringing vast technical expertise to bear on the array of problems facing underdeveloped nations could be made more widely available, noting that the Republic of China has the technicians and is willing and anxious to do more of this sort of work that its own government is able to finance.

I was intrigued by that idea, but am aware of the lack of any existing means of bringing U.S. capital to the support of such a project through any agency or mechanism of our Government. For that reason, it occurred to me that it might be best accomplished by encouraging U.S. business interests which have or make investments in underdeveloped nations to cooperate with the Government of Taiwan in extending their technical assistance on a wider scope. My staff and I have discussed this matter with Secretary of Commerce Frederick Dent, and I am pleased to be able to say that the Secretary was open to the idea and assured us that his Department would take every opportunity to encourage such cooperation between American business interests and the technical assistance program of the Government of Taiwan.

It is multilateral efforts of this sort, motivated by genuine concern for the welfare of other people and employing the varied skills and resources of many nations in joint problem solving which points out the way to a peaceful world. I am proud of the contribution my own country has made to the welfare of others throughout its history, and I am proud of the outstanding work that is being done in this same vein by the people of the Republic of China. May we continue to move forward together. And may we always retain the capacity to recognize who are our true allies and friends and to stand by them in their hours of need as well as depending upon them when they show uncommon strength and resiliency.

The article follows:

TAIWAN TUTORS

While China has been getting plenty of publicity mileage out of the construction of a 2000-km railroad between Tanzania and Zambia, Taiwan has been quietly helping Africans to promote agricultural and rural development. To avoid the connotation of benefactor and recipient, Taiwanese officials never speak of aid when referring to their "Operation Vanguard" programme in Africa. They speak only of technical co-operation.

Since 1961, the Chinese Nationalist Government in Taiwan has spent about $100 million on its technical co-operation programme involving 31 African countries. The programme is carried out in two ways: firstly, agricultural and technical missions are sent to Africa; and secondly, agricultural seminars are held in Taiwan for African agricultural advisers.

So far the Chinese Nationalists have sent 22 agricultural and 12 technical teams to 23 African countries—the first to Liberia in 1961 and the latest, a three-man handicraft team, to Swaziland in March this year. In Taiwan, 14 agricultural seminars have been held for a total of 683 African farm workers. The most recent seminar was completed last month.

The agricultural missions to Africa aim at showing local farmers the methods successfully employed in Taiwan.

There are 15 Taiwanese teams with a total of 616 Chinese farming techniques in Africa at present. The largest is a 160-man agricultural team in the Ivory Coast. One of its achievements has been the successful planting of upland rice with a yield of 2000 kg a hectare.

The missions in Africa carry out their task in five phases;

Reclamation, in which barren areas are converted into arable land.

Experiments to determine the crop varieties, cultivation methods and farming systems most suitable to local conditions.

Demonstrations of improved cultivation methods and techniques.

Practical training in the field.

Helping Africans to plan for extension work.

The size of the demonstration farms in Africa range from 2 ha to 60 ha. Sites are chosen that are easily accessible to local farmers and visitors. Two crops of paddy rice have been grown annually in areas where sufficient water for irrigation is available all year round.

As most African countries are only in an initial stage of development, the Taiwanese missions do not encourage the use of heavy farm equipment. They use only inexpensive farm equipment that is easy to operate, such as power tillers, pumps, spray systems, spacing markers, threshers, husking machines and rice polishers.

Since the agricutlural missions to Africa are mainly for on-the-spot training of local farmers, advanced courses are offered at the agricultural seminars conducted in Taiwan for veteran farm technicians. Seminar participants are recommended by their governments and receive fellowship grants from the Taiwan Government in Taipei, which pays for their travel and living expenses.

TRAINING CENTRES

There are two training centres: one at Taipei in the north, and another at Tainan in the south. The participants divide their time almost equally between the field and the classroom. Emphasis is laid on rice culture, and the growth of vegetables and special crops. Other courses include plant protection, studies on soil and fertilizers irrigation and drainage, farm machinery, farmers' organizations, marketing of agricultural products, and farm management.

The "Operation Vanguard" programme is directed by a special committee under the chairmanship of H. K. Yang, a foreign minister. Yang, whom the Taiwanese press calls "Mr. Africa", completed his 26th goodwill mission to the continent last month.

Taiwan maintains formal diplomatic relations with 12 African states: Botswana Central African Republic, Gambia, Ivory Coast, Lesotho, Liberia, Libya, Malawi, Niger, South Africa, Swaziland and Upper Volta. Despite the cutting of diplomatic ties with several other African countries, Taiwanese technical missions have remained there.

Mr. WOLFF. Mr. Speaker, I would like to add some remarks on another aspect of the development of the Republic of China. The perspective I would like to add is that of the chairman for the Special Subcommittee on International Narcotics Control of the Committee on Foreign Affairs. The purpose of my most recent trip was to investigate the inter-

national narcotics trafficking situation in Asia, and particularly the so-called "golden triangle" of Indochina. We know that hundreds of tons of opium are grown and transshipped in this area of the world, and that much of this opium finds its way, as heroin, into the streets of American cities and into the veins of American kids. The magnitude of the problem for our country and for many other nations requires the fullest cooperation of all nations of the world—and it requires the kind of cooperation that we have often found difficult to obtain.

Today I can report to my colleagues and to the American people that in my visit to Taiwan I met with Premier Chiang Ching Kao. I talked with him about the international trafficking of deadly opium. He assured me that Taiwan understands the grave problem that the United States faces. He indicated that it was a responsibility of the world community to share in the efforts expanded to eliminate this problem. He described to me in detail the steps that his nation is taking to fully support the United States in this most serious business of stopping the flow of narcotics at the source. I was impressed by his dedication to this task and I believe that we can add the Republic of China to the list of members of the world community that share with our own country a strong conviction that the flow of narcotics can be stopped.

Mr. PRICE of Texas. Mr. Speaker, I rise today to speak about an old and trusted friend, the Republic of China. For many years we have talked about the effects of untold amounts of wealth that the United States has loaned or given to underdeveloped nations of the world. This was done to aid them in securing a place in the family of nations, and bring them to the point where they would become independent and self-supporting. How many of these adventures, which many have referred to as folly, have finally paid dividends? Very few, I can assure you. The obvious success stories are West Germany, Japan, and the Republic of China.

Imagine a country of 15 million people who live in a land area roughly the size of the State of Delaware. This small yet talented nation has developed into one of the 10 largest trading nations in the world. This is one of the world's true success stories of a nation rising above adversity.

As of July of this year all requirements for U.S. foreign assistance to the Republic of China have ceased. The cost of American foreign aid in fiscal year 1974 to that nation will be $0.00. It is unfortunate that this is not the case with other nations which are slow to be weaned from U.S. aid. The Republic of China is now contributing its own dues to the free world in the form of foreign aid of its own. Incredible as it may seem, the Republic of China is now supporting in excess of 50 missions of its own in the areas of agriculture, medicine, industry, and business around the world.

Let us look for a minute at what has happened. In 1949, when the then recognized government was forced to flee the mainland of China, they took up bag and baggage and moved to the island province of Taiwan. They brought with them the sophistication, culture, and business acumen that had been accumulated over a period which exceeded 4,000 years of recorded civilization. As it turned out, the milieu was perfect.

My message today, Mr. Speaker, is to the Congress and the Nation. Let us not forget our true friends. Let us work to our limits to continue and to improve on our relationship with this great country. A little consideration and a great deal of understanding are required. I believe we are up to this challenge, and I believe with all my heart that the safe future of the world will depend on our continued warm support of our good friend and ally, the Republic of China.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. HAMMERSCHMIDT (at the request of Mr. GERALD R. FORD), for today, on account of personal reasons.

Mr. CAREY of New York (at the request of Mr. O'NEILL), for today, on account of illness.

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. MADIGAN) to revise and extend their remarks and include extraneous material:)

Mr. CLEVELAND, for 20 minutes, today.

Mr. YOUNG of Alaska, for 5 minutes, today.

Mr. STEELMAN, for 5 minutes, today.

Mr. YOUNG of Illinois, for 3 minutes, today.

Mr. WYMAN. for 10 minutes, today.

Mr. HOGAN, for 5 minutes, today.

Mr. STEELE, for 10 minutes, today.

(The following Members (at the request of Mr. STUDDS), to revise and extend their remarks, and to include extraneous matter.)

Mr. MATSUNAGA, for 15 minutes, today.

Mr. GONZALEZ, for 5 minutes, today.

Mr. CULVER, for 5 minutes, today.

Ms. ABZUG, for 10 minutes, today.

Mr. WOLFF, for 5 minutes, today.

Mr. DIGGS, for 5 minutes, today.

Mr. DOMINICK V. DANIELS, for 5 minutes, today.

Mr. HARRINGTON, for 30 minutes, today.

Mr. EILBERG, for 5 minutes, today.

Mr. MCFALL, for 10 minutes, today.

Mr. ADAMS, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. ECKHARDT, immediately before vote on Conte motion.

Mr. LANDRUM (at the request of Mr. STAGGERS) to extend his remarks on H.R. 9553.

Mr. LEGGETT, and to include extraneous matter, notwithstanding the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost $1,776.50.

Mr. HECHLER of West Virginia to include an editorial.

(The following Members (at the request of Mr. MADIGAN) and to include extraneous material:)

Mr. O'BRIEN.

Mrs. HECKLER of Massachusetts.

Mr. GROSS.

Mr. KEATING.

Mr. HOSMER in four instances.

Mr. ZWACH.

Mr. WYMAN in two instances.

Mr. HUBER.

Mr. ESCH.

Mr. ABDNOR.

Mr. CRANE in five instances.

Mr. MCCLORY.

Mr. ASHBROOK in four instances.

Mr. PRICE of Texas.

Mr. HOGAN in two instances.

Mr. BEARD.

Mr. COHEN.

(The following Members (at the request of Mr. STUDDS), and to include extraneous matter:)

Mr. GAYDOS in five instances.

Mr. MANN in six instances.

Mr. GONZALEZ in three instances.

Mr. RARICK in three instances.

Mr. MAHON in two instances.

Mr. CARNEY of Ohio in two instances.

Mr. BYRON in 10 instances.

Mr. HARRINGTON in six instances.

Ms. HOLTZMAN in 10 instances.

Mr. BRASCO in seven instances.

Mr. PATTEN.

Mr. BIAGGI in 10 instances.

Mr. WILLIAM D. FORD.

Mrs. MINK.

Mr. EDWARDS of California.

Mr. ANDREWS of North Carolina in two instances.

Mr. ECKHARDT.

Mr. WALDIE in two instances.

Mr. BRINKLEY.

Mr. RONCALIO of Wyoming in eight instances.

Mr. LEGGETT.

Mr. NICHOLS.

Mr. DONOHUE.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 356. An act to provide disclosure standards for written consumer product warranties against defect or malfunction; to define Federal content standards for such warranties; to amend the Federal Trade Commission Act in order to improve its consumer protection activities; and for other purposes; to the Committee on Interstate and Foreign Commerce.

ADJOURNMENT

Mr. STUDDS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 42 minutes p.m.), under its previous order, the House adjourned until Monday, September 17, 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:

1345. A letter from the Assistant Secretary of Agriculture, transmitting a report on the orderly liquidation of stocks of agricultural commodities held by the Commodity Credit Corporation and the expansion of markets for surplus agricultural commodities, covering fiscal year 1972, pursuant to section 201(b) of Public Law 84–540; to the Committee on Agriculture.

1346. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated September 21, 1972, submitting a report, together with accompanying papers and illustrations, on the advisability of proceeding with additional remedial bank protection work in the Sacramento River, Calif., in response to the recommendation of the Chief of Engineers as contained in Pulbic Law 86–645. (H. Doc. No. 93–151); to the Committee on Public Works and ordered to be printed with illustrations.

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:

Mrs. SULLIVAN: Committee on Merchant Marine and Fisheries. H.R. 5384. A bill to require loadlines on U.S. vessels engaged in foreign voyages and foreign vessels within the jurisdiction of the United States, and for other purposes. (Rept. No. 93–498). Referred to the Committee of the Whole House on the State of the Union.

Mrs. SULLIVAN: Committee on Merchant Marine and Fisheries. H.R. 9575. A bill to provide for the enlistment and commissioning of women in the Coast Guard Reserve, and for other purposes; with amendment (Rept. No. 93–499). Referred to the Committee of the Whole House on the State of the Union.

Mr. HALEY: Committee on Interior and Insular Affairs. H.R. 10088. A bill to establish the Big Cypress National Preserve in the State of Florida, and for other purposes. (Rept. No. 93–502). Referred to the Committee of the Whole House on the State of the Union.

Mrs. SULLIVAN: Committee on Merchant Marine and Fisheries. H.R. 9293. A bill to amend certain laws affecting the Coast Guard; with amendment (Rept. No. 93–509). Referred to the Committee of the Whole House on the State of the Union.

Mr. MORGAN: Committee on Foreign Affairs. S. 1914. An act to provide for the establishment of the Board for International Broadcasting, to authorize the continuation of assistance to Radio Free Europe and Radio Liberty, and for other purposes (Rept. No. 93–510). Referred to the Committee of the Whole House on the State of the Union.

Mr. PERKINS: Committee of Conference. Conference report on H.R. 8070 (Rept. No. 93–500). Ordered to be printed.

Mr. LONG of Louisiana: Committee on Rules. House Resolution 543. Resolution providing for consideration of H.R. 9639. A bill to amend the National School Lunch and Child Nutrition Acts for the purpose of providing additional Federal financial assistance to the school lunch and school breakfast programs (Rept. No. 93–497). Referred to the House Calendar.

Mr. MADDEN: Committee on Rules. House Resolution 544. Resolution providing for the consideration of H.R. 9553. A bill to amend the Communications Act of 1934 for 1 year with regard to the broadcasting of certain professional home games (Rept. No. 93–501). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE 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. RAILSBACK: Committee on the Judiciary. H.R. 1356. A bill for the relief of Ann E. Shepherd, with amendment (Rept. No. 93–503). Referred to the Committee of the Whole House.

Ms. HOLTZMAN: Committee on the Judiciary. H.R. 1367. A bill for the relief of Bertha Alicia Sierra, with amendment (Rept. No. 93–504). Referred to the Committee of the Whole House.

Mr. WIGGINS: Committee on the Judiciary. H.R. 1696. A bill for the relief of Sun Hwa Koo Kim; with amendment (Rept. No. 93–505). Referred to the Committee of the Whole House.

Mr. KEATING: Committee on the Judiciary. H.R. 2513. A bill for the relief of Jose Carlos Recalde Martorella; with amendment (Rept. No. 93–506). Referred to the Committee of the Whole House.

Mr. SEIBERLING: Committee on the Judiciary. H.R. 3754. A bill for the relief of Mrs. Bruna Turni and Miss Graziella Turni; with amendment (Rept. No. 93–507). Referred to the Committee of the Whole House.

Mr. WIGGINS: Committee on the Judiciary. H.R. 3334. A bill for the relief of Maria Lourdes Rios; with amendment (Rept. No. 93–508). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ADDABBO (for himself, Mr. DENHOLM, Mr. EVANS of Colorado, Mr. EVINS of Tennessee, Mr. GUNTER, Mr. JONES of Alabama, Mr. MELCHER, Mr. MOAKLEY, Mr. PRICE of Illinois, Mrs. SCHROEDER, Mr. STEED, and Mr. WALSH):

H.R. 10244. A bill to require that a percentage of U.S. oil imports be carried on U.S.-flag vessels; to the Committee on Merchant Marine and Fisheries.

By Mr. BURLESON of Texas (for himself, Mr. SHUSTER, and Mr. YOUNG of Georgia):

H.R. 10245. A bill to amend the Internal Revenue Code of 1954 and the Social Act to provide a comprehensive program of health care by strengthening the organization and delivery of health care nationwide and by making comprehensive health care insurance (including coverage for medical catastrophes) available to all Americans, and for other purposes; to the Committee on Ways and Means.

By Mr. BURLESON of Texas (for himself and Mr. ARCHER):

H.R. 10246. A bill to exclude from arbitrage bond classification obligations issued to finance student loans; to the Committee on Ways and Means.

By Mr. CLANCY:

H.R. 10247. A bill to exclude from gross income the first $1,000 of interest received from savings account deposits in home-lending institutions; to the Committee on Ways and Means.

By Mr. DONOHUE:

H.R. 10248. A bill to provide that the special cost-of-living increase in social security benefits enacted by Public Law 93–66 shall become effective immediately, and for other purposes; to the Committee on Ways and Means.

By Mr. DULSKI (by request):

H.R. 10249. A bill to establish in the Department of Health, Education, and Welfare the positions of Deputy Secretary of Health, Education, and Welfare and an additional Assistant Secretary of Health, Education, and Welfare in lieu of the Under Secretary and the Assistant Secretary for Administration; to the Committee on Post Office and Civil Service.

By Mr. ECKHARDT (for himself, Ms. ABZUG, Mr. BINGHAM, Ms. CHISHOLM, Mr. CONYERS, Mr. DAVIS of Georgia, Mr. DRINAN, Mr. EDWARDS of California, Mr. GIBBONS, Mr. GUNTER, Ms. HOLTZMAN, Mr. KYROS, Mr. MITCHELL of Maryland, Mr. PODELL, Mr. RANGEL, Mr. RIEGLE, Mr. ROE, Mr. ROSE, Mr. ROSENTHAL, Mr. SARBANES, Ms. SCHROEDER, Mr. SEIBERLING, Mr. STARK, Mr. WALDIE, and Mr. WON PAT):

H.R. 10250. A bill to amend the Budget and Accounting Act, 1921, to provide the Comptroller General additional authority to audit certain expenditures; to the Committee on Government Operations.

By Mr. FRELINGHUYSEN (for himself, Mr. MARAZITI, Mr. DOMINICK V. DANIELS, Mr. FORSYTHE, Mr. HELSTOSKI, Mr. HOWARD, Mr. HUNT, Mr. MINISH, Mr. PATTEN, Mr. RINALDO, Mr. RODINO, Mr. ROE, Mr. SANDMAN, Mr. THOMPSON of New Jersey, Mr. WIDNALL, and Mr. SEIBERLING):

H.R. 10251. A bill to amend the act of September 18, 1964, authorizing the addition of lands to Morristown National Historical Park in the State of New Jersey, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. GINN:

H.R. 10252. A bill to change the name of the Trotters Shoals Dam and Lake, Georgia and South Carolina, to the Richard B. Russell Dam and Lake; to the Committee on Public Works.

By Mr. HALEY (for himself, Mr. RUPPE, and Mr. TOWELL of Nevada):

H.R. 10253. A bill to establish the Big Cypress National Preserve in the State of Florida, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. HANLEY:

H.R. 10254. A bill to amend title 38, United States Code, with respect to the effective date of reduction of certain awards; to the Committee on Veterans' Affairs.

By Mr. HICKS (for himself and Mr. MCCORMACK):

H.R. 10255. A bill to authorize the disposal of aluminum for the national stockpile, and for other purposes; to the Committee on Armed Services.

By Mr. HOLIFIELD (for himself and Mr. HORTON):

H.R. 10256. A bill to extend the authorization of appropriations for the Cabinet Committee on Opportunities for Spanish-Speaking People, and for other purposes; to the Committee on Government Operations.

By Mr. JOHNSON of Colorado:

H.R. 10257. A bill to designate the Mount Zirkel Wilderness Study Area, Colo., and to provide for review of its suitability for designation as wilderness in furtherance of the purposes of the Wilderness Act of 1964; to the Committee on Interior and Insular Affairs.

By Mr. JOHNSON of Pennsylvania:

H.R. 10258. A bill to authorize the Administrator of the National Aeronautics and Space Administration to conduct research and development programs to increase knowledge of tornadoes, hurricanes, large thunderstorms, and other types of short-term weather phenomena, and to develop methods for predicting, detecting, and monitoring such atmospheric behavior; to the Committee on Science and Astronautics.

By Mr. KEMP:

H.R. 10259. 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 on Banking and Currency.

H.R. 10260. A bill to provide standards of fair personal information practices; to the Committee on the Judiciary.

By Mr. KING:

H.R. 10261. A bill to exclude from gross income the first $1,000 of interest received from savings account deposits in home-lending institutions; to the Committee on Ways and Means.

By Mr. LATTA:

H.R. 10262. A bill to amend the Public Health Service Act to provide assistance and encouragement for the development of comprehensive area emergency medical services systems; to the Committee on Interstate and Foreign Commerce.

By Mr. McDADE:

H.R. 10263. A bill to amend title 38, United States Code, to provide veterans a 10-year delimiting period for completing educational programs; to the Committee on Veterans' Affairs.

By Mr. MOORHEAD of California:

H.R. 10264. A bill to reform the conduct and regulation of campaigns for election to Federal office; to the Committee on House Administration.

By Mr. PATMAN:

H.R. 10265. A bill to provide for an audit by the General Accounting Office of the Federal Reserve Board, banks, and branches, to extend section 14(b) of the Federal Reserve Act, and to provide an additional $60 million for the construction of Federal Reserve Bank branch buildings; to the Committee on Banking and Currency.

By Mr. RANGEL (for himself, Mr. HELSTOSKI, Mr. ROE, and Mr. Moss):

H.R. 10266. A bill to amend title 13, United States Code, to establish within the Bureau of the Census a Voter Registration Administration for the purpose of administering a voter registration program through the Postal Service; to the Committee on House Administration.

By Mr. RODINO:

H.R. 10267. A bill to provide for improved labor-management relations in the Federal Service, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. ROY:

H.R. 10268. A bill, Emergency Medical Services Systems Act of 1973; to the Committee on Interstate and Foreign Commerce.

By Mr. RUPPE:

H.R. 10269. 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.

H.R. 10270. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 to provide a Federal death benefit to the surviving dependents of public safety officers; to the Committee on the Judiciary.

By Mr. STEELMAN (for himself, Mr. WYLIE, Mr. ULLMAN, Ms. ABZUG, Mr. GIAIMO, Mr. OBEY, Mr. HAWKINS, Mr. CONTE, Mr. KOCH, Mr. KETCHUM, Mr. DICKINSON, Mr. HECHLER of West Virginia, Mr. HASTINGS, Mr. HARVEY, Mr. NICHOLS, Mr. DOWNING, Ms. SCHROEDER, Mr. MOAKLEY, Mr. ADDABBO, Mr. FRASER, Mr. FOLEY, Mr. EILBERG, Mr. BURKE of Massachusetts, Mr. GIBBONS, and Mr. KEMP):

H.R. 10271. A bill to provide that appointments to the offices of Director and Deputy Director of the Office of Management and Budget shall be subject to confirmation by the Senate; to the Committee on Government Operations.

By Mr. STEELMAN (for himself, Mr. WYLIE, Mr. BOWEN, Mr. SATTERFIELD, Mr. BUTLER, Mr. PREYER, Mr. ROE, Mr. WALDIE, Mr. PETTIS, Mr. GAYDOS, Mr. ECKHARDT, Mr. EDWARDS of California, Mr. MILFORD, Mr. SEIBERLING, Mr. HENDERSON, Ms. CHISHOLM, Mr. KEATING, Mr. STEELE, Mr. ROSE, Mr. CHARLES WILSON of Texas, Mr. MURPHY of New York, Mr. BLACKBURN, Mr. CRANE, Ms. COLLINS of Illinois, and Mr. LITTON):

H.R. 10272. A bill to provide that appointments to the offices of Director and Deputy Director of the Office of Management and Budget shall be subject to confirmation by the Senate; to the Committee on Government Operations.

By Mr. STEELMAN (for himself, Mr. WYLIE, Mr. HELSTOSKI, Mr. HANLEY, Mr. WHALEN, Mr. DOMINICK V. DANIELS, Mr. ESCH, Mr. CONLAN, Mr. SHOUP, Ms. HOLTZMAN, Mr. MANN, Mr. FUQUA, Mr. BERGLAND, Mr. EVINS of Tennessee, Mr. RONCALLO of New York, Mr. TOWELL of Nevada, Mr. DAVIS of Georgia, and Mr. CULVER):

H.R. 10273. A bill to provide that appointments to the offices of Director and Deputy Director of the Office of Management and Budget shall be subject to confirmation by the Senate; to the Committee on Government Operations.

By Mr. STEELMAN (for himself, Mr. WYLIE, and Mr. STARK):

H.R. 10274. A bill to provide that appointments to the offices of Director and Deputy Director of the Office of Management and Budget shall be subject to confirmation by the Senate; to the Committee on Government Operations.

By Mr. STEIGER of Arizona:

H.R. 10275. A bill to amend title 18 of the United States Code to provide an alternative to the exclusionary rule in Federal criminal proceedings; to the Committee on the Judiciary.

By Mr. THOMPSON of New Jersey:

H.R. 10276. A bill to impose a 6-month embargo on the export of all nonferrous metals, including copper and zinc, from the United States; to the Committee on Banking and Currency.

By Mr. WYMAN:

H.R. 10277. A bill to amend the National Traffic and Motor Vehicle Safety Act of 1966 to prohibit the Secretary of Transportation from imposing certain seat belt standards, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. YOUNG of Alaska:

H.R. 10278. A bill to exempt from the provisions of the Airport and Airways Revenue Act of 1970, helicopters which are not operated on an established line; to the Committee on Ways and Means.

By Mr. YOUNG of Alaska (for himself, Mrs. MINK, and Mr. MATSUNAGA):

H.R. 10279. A bill to amend title V of the Social Security Act to provide that, in making certain allotments to States thereunder, there shall be taken into account the higher cost of living prevailing in Alaska and Hawaii; to the Committee on Ways and Means.

By Mr. ANNUNZIO:

H.R. 10280. A bill to amend the Wild and Scenic Rivers Act; to the Committee on Interior and Insular Affairs.

By Mr. BLATNIK:

H.R. 10281. A bill to amend the National Foundation on the Arts and Humanities Act of 1965 to further cultural activities by making unused railroad passenger depots available to communities for such activities; to the Committee on Education and Labor.

By Mr. BOWEN:

H.R. 10282. A bill to authorize equalization of the retired or retainer pay of certain members and former members of the uniformed services; to the Committee on Armed Services.

By Mr. BUCHANAN (for himself, Mr. NICHOLS, Mr. DUNCAN, Mr. PODELL, Mr. LOTT, Mr. WON PAT, Mr. CHARLES H. WILSON of California, Mr. ALEXANDER, Mr. QUILLEN, Mr. ROE, and Mr. YATRON):

H.R. 10283. A bill to supplement retirement benefits for State and local law enforcement officers; to the Committee on Post Office and Civil Service.

By Mr. CHAPPELL:

H.R. 10284. A bill to authorize the Secretary of the Interior to sell certain rights in the State of Florida; to the Committee on Interior and Insular Affairs.

By Mr. EDWARDS of Alabama (for himself, Mr. BAFALIS, Mr. BUCHANAN, and Mr. DICKINSON):

H.R. 10285. A bill to require that a percentage of U.S. oil imports be carried on U.S.-flag vessels; to the Committee on Merchant Marine and Fisheries.

By Mr. HANLEY:

H.R. 10286. A bill to provide for improved labor-management relations in the Federal service, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. HARRINGTON (for himself, Mrs. COLLINS of Illinois, Mr. FLOOD, Mr. GAYDOS, Mr. GIBBONS, Ms. HOLTZMAN, Mr. JOHNSON of Pennsylvania, Mr. ROSENTHAL, Mr. SEIBERLING, and Mr. YATRON):

H.R. 10287. A bill to establish within the Department of Labor a Railroad Reorganization Adjustment Assistance Administration, to transfer thereto certain functions and duties of other departments and agencies relating to railroad reorganization adjustment assistance, to establish a comprehensive program of railroad reorganization adjustment assistance, and for other purposes; to the Committee on Banking and Currency.

By Mr. HUNGATE:

H.R. 10288. A bill to provide that the special cost-of-living increase in social security benefits enacted by Public Law 93-66 shall become effective immediately, and for other purposes; to the Committee on Ways and Means.

By Mr. MINISH:

H.R. 10289. A bill relating to collective bargaining representation of postal employees; to the Committee on Post Office and Civil Service.

By Mr. NELSEN (for himself, Mr. BEARD, Mr. BUCHANAN, Mr. FROEHLICH, Mr. LUJAN, Mr. RONCALLO of New York, Mr. YOUNG of South Carolina, Mr. LENT, Mr. HOSMER, Mr. KEMP, Mr. VEYSEY, and Mr. BROOMFIELD):

H.R. 10290. A bill, Emergency Medical Services Systems Act of 1973; to the Committee on Interstate and Foreign Commerce.

By Mr. RANGEL (for himself, Miss JORDAN, Mr. CONYERS, and Mr. MITCHELL of Maryland):

H.R. 10291. A bill to amend the Merchant Marine Act of 1936, as amended; to the Committee on Merchant Marines and Fisheries.

By Mr. ROSENTHAL (for himself, Mr. ALEXANDER, Mr. DIGGS, Mr. ECKHARDT, Mr. KYROS, Mr. STEELE, Mr. WALDIE, and Mr. PIKE):

H.R. 10292. A bill to provide that the special cost-of-living increase in social security benefits enacted by Public Law 93-66 shall become effective immediately, and for other purposes; to the Committee on Ways and Means.

By Mr. STEELE:

H.R. 10293. A bill to amend the National Housing Act and related laws to provide for compliance with improved fire safety conditions in multifamily housing facilities designed for occupancy in whole or substantial part by senior citizens and to authorize Federal assistance in financing the provision of more adequate fire safety equipment for

those facilities; to impose additional fire safety requirements upon nursing homes and similar facilities and assist them in meeting such requirements; and for other purposes; to the Committee on Banking and Currency.

By Mr. UDALL (for himself, Mr. RUPPE, Mr. SAYLOR, Mr. KASTENMEIER, Mr. O'HARA, Mr. MEEDS, Mr. VIGORITO, Mr. BINGHAM, Mr. SEIBERLING, Mrs. BURKE of California, Mr. OWENS, Mr. DELLENBACK, Mr. STEELMAN, Mr. MARTIN of North Carolina, and Mr. CRONIN):

H.R. 10294. A bill to establish land use policy; to authorize the Secretary of the Interior, pursuant to guidelines issued by the Council on Environmental Quality, to make grants to assist the States to develop and implement comprehensive land use planning processes; to coordinate Federal programs and policies which have a land use impact; to make grants to Indian tribes to assist them to develop and implement land use planning processes for reservation and other tribal lands; to provide land use planning directives for the public lands; and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. VANIK (for himself, Mr. STARK, Mr. LEHMAN, Ms. ABZUG, and Mr. YATES):

H.R. 10295. A bill to provide for assistance in international drug control through the use of trade policy; to the Committee on Ways and Means.

By Mr. YOUNG of Illinois:

H.R. 10296. A bill to amend the National Labor Relations Act to extend its coverage and protection to employees of nonprofit hospitals, and for other purposes; to the Committee on Education and Labor.

By Mr. EDWARDS of Alabama:

H.J. Res. 722. Joint resolution authorizing the President to proclaim the week of May 26 through June 1, 1974, as "National Stamp Collecting Week," and to proclaim May 31, 1974, as "National Stamp Collectors' Day"; to the Committee on the Judiciary.

By Mr. SNYDER (for himself, Mr. PETTIS, Mr. HASTINGS, Mr. ROBERT W. DANIEL, JR., Mr. FORSYTHE, Mr. ANDREWS of North Dakota, Mr. WYATT, Mr. SAYLOR, Mr. HILLIS, Mr. BUTLER, Mr. DAVIS of Wisconsin, Mr. HUNT, Mr. STEELMAN, Mr. MILFORD, Mr. TOWELL of Nevada, Mr. BRECKINRIDGE, Mr. CARTER, Mr. KEMP, Mr. GINN, Mr. BURLESON of Texas, Mr. CASEY of Texas, Mr. DORN, Mr. MAYNE, Mr. MAILLIARD, and Mr. CEDERBERG):

H. Con. Res. 297. Concurrent resolution providing for the date of sine die adjournment of the 93d Congress, 1st session; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII,

296. The SPEAKER presented a memorial of the Legislature of the State of California, relative to urban redevelopment; to the Committee on Banking and Currency.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. REES:

H.R. 10297. A bill for the relief of Nicolas Gabriel Burger and Silvia Burger; to the Committee on the Judiciary.

By Mr. STUBBLEFIELD:

H.R. 10298. A bill for the relief of Frances Ham; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

279. By the SPEAKER: Petition of Hazel Arnold, Hotchkiss, Colo., and others, relative to the revocation of the license of radio station WXUR; to the Committee on Interstate and Foreign Commerce.

280. Also, petition of Robert C. Hemphill, Jr., Charleston, W. Va., relative to redress of grievances; to the Committee on the Judiciary.

281. By Mr. ANDREWS of North Dakota: Petition of Benjamin A. Ring, Joseph F. S. Small, and others, Grand Forks, N. Dak., relative to impeachment of the President of the United States; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

GAO ELECTION CLEARINGHOUSE

HON. WILLIAM J. KEATING

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 12, 1973

Mr. KEATING. Mr. Speaker when the House considered the Campaign Reform Act of 1972 I offered an amendment to establish a clearinghouse for election information within the General Accounting Office. This amendment was accepted by the House and became part of the law.

The clearinghouse has conducted an extensive study into election errors that occurred in seven cities across the country. The clearinghouse has worked with the Library of Congress in compiling all election laws and court decisions. This publication will come out monthly and review new State and Federal election proposals as well as court decisions. The first issue was printed in August.

The publications of the clearinghouse have been sent to election officials across the Nation. Recently at their annual meeting the secretaries of state passed a resolution expressing their thanks and appreciation to the clearinghouse.

The clearinghouse is in the process of conducting three new studies at the current time.

The first of these studies is a survey of the 6,914 election units across the country. This study will question election officials to see which areas they feel merit Federal assistance and where more research and information is needed.

The second study will look into various voter registration systems. At the present time there is a great deal of discussion on how to increase voter registration. Proposals range from the postcard registration bill to the giving of block grants to local officials. This study will examine what is currently being done around the Nation.

The third study will survey available voting machinery. At the current time many units of government across the country are thinking about purchasing new election machinery; but do not have the resources to study the effectiveness of machines that have been used in other cities. This study will give officials a central source of information on the past performances of existing voting machines.

Hopefully out of all these studies local officials will be in a better position to run elections and we in the Congress will have information to draft better legislation in the election field.

At this point in the RECORD I would insert the resolution that was approved by the secretaries of state and comments from letters that have been received by the GAO on the Survey of Election Law and Litigation.

The material follows:

RESOLUTION

Whereas, the Office of Federal Elections of the General Accounting Office has published its first issue of "Federal-State Election Law Survey" and has distributed copies thereof to all state elections officials and;

Whereas, this publication is an excellent reference to all current happenings in the field of elections affording to state elections officials an invaluable source reference which has long been needed and;

Whereas, the composition and content of said survey has been found to be precise, reliable and impartial, now therefore,

Be it resolved that the National Association of Secretaries of State, duly assembled at its 56th Annual Convention at Williamsburg, Virginia, this 27th day of August, 1973, does hereby express its thanks and appreciation to the Office of Federal Elections of the General Accounting Office for the excellent service which they are performing on behalf of the elections officials of the several states and to express its hope that this monthly publication will continue as a permanent program.

Be it further resolved that copies of this resolution be delivered to Mr. Philip S. Hughes, Director, Office of Federal Elections of the General Accounting Office, and to the members of the Congress.

This resolution initially proposed by Wade O. Martin, Jr., Secretary of State, Louisiana.

EXCERPTS FROM LETTERS

From the Honorable Stone D. Barefield, Chairman of the Committee on Apportionment and Elections of the Mississippi House of Representatives:

"I have received the initial comprehensive summary and have found it to be most informative. This service will be a tremendous asset to me as a member of the State Legislature in dealing with our own election laws here in Mississippi."

From the Honorable Elden H. Shute, Chairman of the Joint Committee on Elections of the Maine Legislature:

"I applaud your efforts to provide such a comprehensive summary and such material should be most valuable, not only to those of you in a Federal position, but to those of us who wrestle with our election laws at the State level."

From the Honorable Richard F. Kneip, Governor of South Dakota:

"This is a badly needed service and I congratulate the Office of Federal Elections on its initiative in publishing such a series."

From the Honorable John A. Burns, Governor of Hawaii:

"Thank you very much for sending me a