her national integrity in the face of continued relentless pressures from the Arabs and others who seek only to profit from the oil and other resources in the area.

It is to be hoped that the greed, hatred and culpability which brought on the present crisis will be overcome by fairness and firmness.

It is also to be hoped that the boundaries eventually agreed upon will be those which will not permit Israel to be exposed to the adventurous whims of her neighbors. Only the U.S. is likely to assume the burden of this responsibility and we not only should—we must.

BLACK UNIONISTS URGE SUPPORT FOR ISRAEL

Leading Black trade unionists from across the country have issued an appeal for the support of Israel.

"We appeal to our government to provide Israel with whatever support it requires to defend itself in this hour of need," declared a statement published in The New York Times.

The statement, which was signed by 74 prominent Black unionists, was sponsored by the A. Philip Randolph Institute. Among those signing the statement were A. Philip Randolph, the pioneer Black trade union leader, and Frederick O'Neal, president of the Associated Actors and Artists, both of whom serve as vice presidents of the AFL–CIO.

"We have no doubt whatsoever that the defeat of Israel in battle would mean the destruction of Israel as a state and the annihilation of its population. This must not happen," said the statement.

In asking the Arab states to end their hostilities, the Black unionists declared: "The Arab people will gain nothing from the continuation of this conflict but more death, suffering and deprivation. This tragedy will only end when the Arab states agree to sit down with Israel and negotiate a peace. When this happens, it will be a joyous day, not only for Jew and Arab, but for all mankind. It will also be a joyous day for Blacks, whose fate is inseparably linked with the fate of Jews, as it is with the fate of all oppressed minorities."

Now that a cease-fire has been achieved and the elements of a peace agreement between Egypt and Israel appear to be emerging, we see greater prospects for real peace in the Middle East than at any time since the 1967 war. This peace, however, if it is to be viable, must be based on a mutual respect for the rights of all the parties to exist. We hope that the peace agreement now being negotiated will remove the need for Israel to ever again fight for her life.

ABSENT FROM QUORUM CALLS

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 13, 1973

Mr. LEHMAN. Mr. Speaker, yesterday I was absent for quorum call No. 573, and for rollcalls Nos. 574 and 575 due to commitments I had in my district.

Had I been present and voting, I would have voted "nay" on rollcall No. 574 and "yea" on rollcall No. 575.

HOUSE OF REPRESENTATIVES—*Wednesday, November 14, 1973*

The House met at 12 o'clock noon.

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

Who shall ascend into the hill of the Lord? Who shall stand in His holy place? He that hath clean hands and a pure heart; who hath not lifted up his soul unto vanity nor sworn deceitfully.—Psalms 24: 3, 4.

Draw near to us, our Father, as we stand in this circle of prayer. Cleanse our minds from fear, our hearts from malice, and our spirits from all desires unworthy of our best selves. As we pray do Thou take our lives and lift them to loftier levels of living, permeate them with higher hopes, make them throb with nobler impulses, and lead them to greater moral goals.

Let Thy kingdom come in our land and in all lands. Make the power of men to reside in goodness of heart, in the attitude of good will, in the spirit of justice and in the understanding of intelligent minds.

Bless Thou our President, our Speaker, and Members of Congress. With strong hearts, free hands and open minds lead them onward in the path of duty as they keep their faith in Thee, in our fellow men and in the ultimate triumph of all that is right. To the glory of Thy holy name. Amen.

THE JOURNAL

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

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 3801. An act to extend civil service Federal employees group life insurance and Federal employees health benefits coverage to U.S. nationals employed by the Federal Government;

H.R. 5692. An act to amend title 5, United States Code, to revise the reporting requirement contained in subsection (b) of section 1308;

H.R. 8219. An act to amend the International Organizations Immunities Act to authorize the President to extend certain privileges and immunities to the Organization of African Unity; and

H.R. 9295. An act to provide for the conveyance of certain lands of the United States to the State of Louisiana for the use of Louisiana State University.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 2315. An act relating to the compensation of employees of Senate committees; and

S. 2681. An act to authorize appropriations for the U.S. Information Agency.

PROPOSED SOCIAL SECURITY INCREASE

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

Mr. MAHON. Mr. Speaker, we have concentrated this year in trying to look at the budget in the context of overall spending to a greater extent than heretofore.

I am not speaking in opposition to the proposed social security increase which the House will consider today. In fact, I expect to vote for it. I seek to put the increase in perspective as it relates to overall Government spending.

According to the discussion in the House on yesterday, the proposed social security increase will increase spending and the totality of the Federal debt this year by $1.1 billion. This will become a part of the $5 billion in congressional add-ons this year to the Presidential January spending budget.

I will discuss the fiscal situation in greater detail at another point in today's RECORD.

ENERGY CRISIS—ECONOMIC CRISIS

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

Mr. HANNA. Mr. Speaker, with all of the discussions about the energy crisis we had better realize that it has a partner called the economic crisis. In the changes that this situation will inevitably bring about there will be many losers and a few great gainers.

It has been the tradition of democracy that we try to bring equity and that we try to spread our largess as well as we can but also spread the suffering wherever we can. I think this puts a great burden on us in the House to look at programs that will meet the economic crisis, because life in America 5 years from today will be an entirely different life. In that situation there will be great travail, and we in the Congress must be ready for it. Next year, if we have not shown the American people a better program than we have up to now, there will not only be a cry of impeach the President but a cry of sack the Congress.

BIPARTISAN EFFORT CALLED FOR

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

Mr. RONCALIO of Wyoming. Mr. Speaker, we have heard much from our people about getting on with the Nation's business at this time and forget Watergate. I would like to note for the benefit of the Members that I understand this morning there was another

Republican conference with the President and Members of Congress, with the result that one Member who came back to the Committee on Interior and Insular Affairs an hour late, had certain amendments requiring unanimous consent, and then, in a pique, called for a quorum, which is, of course, his legal right, but he thereby disrupted the committee and set us back on our work schedule.

I hope those of us on the majority side will have the patience, and understanding required in this time of stress, but I also hope that the minority will not abuse their rights in the use of legal processes as I saw them abused in the Interior Committee this morning.

DISABILITY COMPENSATION FOR VETERANS

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

Mr. DORN. Mr. Speaker, today I have introduced a bill which would provide for approximately a 15 percent increase in rates of disability compensation for disabled veterans. Service-connected disabled veterans received their last increase in compensation on August 1, 1972.

Unfortunately, inflation has had a serious impact on the adequacy of this program, and it will be necessary that the Congress consider proposed increases in service-connected compensation needed to stay abreast of the changes in the cost-of-living index. We are receiving many inquiries from the disabled veterans regarding the subject and I thought it would be useful to Members to know that it is the plan of the Committee on Veterans' Affairs to take up this legislation early next session.

The program of compensation for disabled veterans is a large and important program. There are presently 2,205,809 disabled veterans from the Nation's various wars receiving disability compensation. The annual outlay in the Veterans' Administration budget for this purpose is approximately $2.2 billion.

DEVELOPMENT OF OIL SHALE

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

Mr. CARTER. Mr. Speaker, today I am introducing legislation to provide for a Manhattan-type project for a program for the development of gasification of coal and for extraction of oil from the billions of tons of oil shale we have in this country. I submit that such a program should be launched immediately with determination, dedication, and sufficient funding so that we can depend upon ourselves for our energy supplies and keep internally and eternally strong.

My colleague and good friend, FRANK ALBERT STUBBLEFIELD, of the First District of Kentucky, joins me in cosponsoring this legislation. There are vast coal deposits in Montana; but there is one drawback, a shortage of water. There are also large coal deposits in Kentucky; fortunately, Kentucky has surplus water which can be used in coal gasification.

I would hope, Mr. Speaker, that this would be helpful to our own State of Kentucky and to the Nation.

AUTHORIZING APPROPRIATIONS FOR U.S. INFORMATION AGENCY

Mr. HAYS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 11424) authorizing appropriations for the U.S. Information Agency.

The clerk read the title of the bill.

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

There was no objection.

The Clerk read the bill as follows:

H.R. 11424

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 "United States Information Agency Appropriations Authorization Act of 1973".

SEC. 2. (a) There are authorized to be appropriated for the United States Information Agency for fiscal year 1974, to carry out international informational activities and programs under the United States Information and Educational Exchange Act of 1948, the Mutual Educational and Cultural Exchange Act of 1961, and Reorganization Plan Numbered 8 of 1953, and other purposes authorized by law, the following amounts:

(1) $194,839,000 for "Salaries and expenses" and "Salaries and expenses (special foreign currency program)", except that so much of such amount as may be appropriated for "Salaries and expenses (special foreign currency program)" may be appropriated without fiscal year limitation;

(2) $5,125,000 for "Special international exhibitions" and "Special international exhibitions (special foreign currency program)", of which not to exceed $1,000,000 shall be available solely for the Eight Series of Traveling Exhibitions in the Union of Soviet Socialist Republics; and

(3) $1,000,000 for "Acquisition and construction of radio facilities".

Amounts appropriated under paragraphs (2) and (3) of this subsection are authorized to remain available until expended.

(b) In addition to amounts authorized by subsection (a) of this section, there are authorized to be appropriated without fiscal year limitation for the United States Information Agency for the fiscal year 1974 the following additional or supplemental amounts:

(1) not to exceed $7,200,000 for increases in salary, pay, retirement, or other employee benefits authorized by law; and

(2) not exceed $7,450,000 for additional overseas costs resulting from the devaluation of the dollar.

SEC. 3. Section 701 of the United States Information and Educational Exchange Act of 1948 is amended to read as follows:

"PRIOR AUTHORIZATION BY CONGRESS

"SEC. 701. (a) Notwithstanding any provision of law enacted before the date of enactment of the United States Information Agency Appropriation Authorization Act of 1973, no money appropriated to carry out this Act shall be available for obligation or expenditure—

"(1) unless the appropriation thereof has been previously authorized by law; or

"(2) in excess of an amount previously prescribed by law.

"(b) To the extent that legislation enacted after the making of an appropriation to carry out this Act authorizes the obligation or expenditure thereof, the limitation contained in subsection (a) shall have no effect.

"(c) The provisions of this section shall not be superseded except by a provision of law enacted after the date of enactment of the United States Information Agency Appropriation Authorization Act of 1973, which specifically repeals, modifies, or supersedes the provisions of this section.

"(d) The provisions of this section shall not apply with respect to appropriations made available under the joint resolution entitled "Joint resolution making continuing appropriations for the fiscal year 1974, and for other purposes", approved July 1, 1973, and any provision of law specifically amending such joint resolution enacted through October 16, 1973.".

SEC. 4. The United States Information Agency shall, upon request by Little League Baseball, Incorporated, authorize the purchase by such corporation of copies of the film "Summer Fever", produced by such agency in 1972 depicting events in Little League Baseball in the United States. Except as otherwise provided by section 501 of the United States Information and Educational Exchange Act of 1948, Little League Baseball, Incorporated, shall have exclusive rights to distribute such film for viewing within the United States in furtherance of the object and purposes of such corporation as set forth in section 3 of the Act entitled "An Act to incorporate the Little League Baseball, Incorporated", approved July 16, 1964 (78 Stat. 325).

Mr. HAYS. Mr. Speaker, several weeks ago the President vetoed the authorization bill for the U.S. Information Agency. He objected to the inclusion of a provision that I had introduced on the floor dealing with access to information in the possession of the Agency.

The effect of the President's action was to kill the USIA authorization measure. I am not going to argue the constitutional principle involved. Let me say at the outset that that provision does not appear in this bill.

In the interval since the President's veto several things have happened. The Senate committee has introduced and the Senate has passed a bill that picks up many of the provisions that appeared in the original bill and has also reduced the authorizations. The conference agreement of the House and Senate on the appropriations bill for USIA has been passed. And the Agency has been bugging me to get out a bill.

Yesterday I introduced H.R. 11424, the bill now before the House. Briefly it retains some of the authorized amounts in the original bill for radio facilities, for employee benefits, and for devaluation.

The most important change is in the item for "Salaries and expenses." The conferees had agreed on a figure of $196 million to which would be added $7,161,000 from the devaluation item, resulting in an authorization for this purpose of $203,161,000. Since there was no authorization in law to add $1 million to the item on "International exhibits" for the purpose of funding the special exhibit in the Soviet Union to which the President and Mr. Brezhnev agreed last June, the appropriation bill omitted that.

The Senate bill reverted to their much lower authorization for "Salaries and ex-

penses" and omitted the authorization for the special exhibition in the Soviet Union.

What I have done in my bill is to recommend an authorization of $194,839,000 for "Salaries and expenses." When $7,161,000 from the devaluation item is added to that the total is $202 million—exactly the amount appropriated. I see no reason to go over the appropriation figure. I think the Senate conferees will agree to that.

Section 3 is intended to assure that in the future the Agency will not be able to obligate or expend money unless it has been previously authorized in law.

Finally, the conferees had agreed in the original bill to the inclusion of a provision permitting Little League Baseball, Inc., to purchase copies of USIA's film "Summer Fever" for nonprofit showing in connection with Little League baseball. I have retained this provision in the bill now before the House.

Mr. Speaker, this is simply a retread bill that the House and the Senate had acted upon earlier. It omits, as I said, the provision to which the President objected. It brings the authorization figures into line with the appropriation bill for USIA.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. HAYS. Mr. Speaker, I ask unanimous consent for the immediate consideration of a similar Senate bill (S. 2681) to authorize appropriations for the U.S. Information Agency.

The Clerk read the title of the Senate bill.

The Clerk read the Senate bill, as follows:

S. 2681

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 "United States Information Agency Appropriations Authorization Act of 1973".

SEC. 2. (a) There are authorized to be appropriated for the United States Information Agency for fiscal year 1974, to carry out international informational activities and programs under the United States Information and Educational Exchange Act of 1948, the Mutual Education and Cultural Exchange Act of 1961, and Reorganization Plan Numbered 8 of 1953, and other purposes authorized by law, the following amounts:

(1) $188,124,500 for "Salaries and expenses" and "Salaries and expenses (special foreign currency program)", except that so much of such amount as may be appropriated for "Salaries and expenses (special foreign currency program)" may be appropriated without fiscal year limitation;

(2) $4,125,000 for "Special international exhibitions" and "Special international exhibitions (special foreign currency program)", of which not to exceed $1,000,000 shall be available solely for the Eighth Series of Traveling Exhibitions in the Union of Soviet Socialist Republics; and

(3) $1,000,000 for "Acquisition and construction of radio facilities".

Amounts appropriated under paragraphs (2) and (3) of this subsection are authorized to remain available until expended.

(b) In addition to amounts authorized by subsection (a) of this section, there are authorized to be appropriated without fiscal year limitation for the United States Information Agency for the fiscal year 1974 the following additional or supplemental amounts:

(1) not to exceed $7,200,000 for increases in salary, pay, retirement, or other employee benefits authorized by law; and

(2) not exceed $7,450,000 for additional overseas costs resulting from the devaluation of the dollar.

SEC. 3. Section 701 of the United States Information and Educational Exchange Act of 1948 is amended to read as follows:

"PRIOR AUTHORIZATION BY CONGRESS

"SEC. 701. (a) Notwithstanding any provision of law enacted before the date of enactment of the United States Information Agency Appropriation Authorization Act of 1973, no money appropriated to carry out this Act shall be available for obligation or expenditure—

"(1) unless the appropriation thereof has been previously authorized by law; or

"(2) in excess of an amount previously prescribed by law.

"(b) To the extent that legislation enacted after the making of an appropriation to carry out this Act authorizes the obligation or expenditure thereof, the limitation contained in subsection (a) shall have no effect.

"(c) The provisions of this section shall not be superseded except by a provision of law enacted after the date of enactment of the United States Information Agency Appropriation Authorization Act of 1973, which specifically repeals, modifies, or supersedes the provisions of this section.

"(d) The provisions of this section shall not apply with respect to appropriations made available under the joint resolution entitled "Joint resolution making continuing appropriations for the fiscal year 1974, and for other purposes", approved July 1, 1973, and any provision of law specifically amending such joint resolution enacted through October 16, 1973.".

AMENDMENT OFFERED BY MR. HAYS

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

The Clerk read as follows:

Amendment offered by Mr. HAYS: Strike out all after the enacting clause of the Senate bill S. 2681 and insert in lieu thereof the provisions of H.R. 11424, as passed by the House.

The amendment was agreed to.

The Senate bill was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

A similar House bill, H.R. 11424, was laid on the table.

APPOINTMENT OF CONFEREES ON S. 2681, AUTHORIZING APPROPRIATIONS FOR THE U.S. INFORMATION AGENCY

Mr. HAYS. Mr. Speaker, I ask unanimous consent that the House insist on its amendment to the Senate bill, S. 2681, and request a conference with the Senate on the disagreeing votes of the two Houses thereon.

The SPEAKER. Is there objection to the request of the gentleman from Ohio? The Chair hears none, and appoints the following conferees: Messrs. HAYS, MORGAN, ZABLOCKI, MAILLIARD, and THOMSON of Wisconsin.

PERMISSION FOR COMMITTEE ON RULES TO HAVE UNTIL MIDNIGHT WEDNESDAY, NOVEMBER 21, 1973, TO FILE A RULE AND REPORT ON H.R. 7130, BUDGET CONTROL ACT OF 1973

Mr. MURPHY of Illinois. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight next Wednesday, November 21, 1973, to file the rule and the report on the bill H.R. 7130, which is the Budget Control Act of 1973.

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

There was no objection.

REQUEST FOR PERMISSION FOR COMMITTEE ON THE JUDICIARY TO HAVE UNTIL MIDNIGHT SATURDAY, NOVEMBER 24, 1973, TO FILE REPORTS ON THE BILLS, H.R. 5463, TO ESTABLISH FEDERAL RULES OF EVIDENCE, AND H.R. 11401, TO PROVIDE FOR, AND ASSURE THE INDEPENDENCE OF, A SPECIAL PROSECUTOR

Mr. HUNGATE. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary may have until midnight of Saturday, November 24, 1973, to file reports on the bills, H.R. 5463, a bill to establish Federal rules of evidence, and H.R. 11401, a bill to provide for, and assure the independence of, a special prosecutor.

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

Mr. HOGAN. Mr. Speaker, I object.

The SPEAKER. Objection is heard.

PERMISSION FOR COMMITTEE ON THE JUDICIARY TO HAVE UNTIL MIDNIGHT, SATURDAY, NOVEMBER 24, 1973, TO FILE REPORT ON H.R. 5463, TO ESTABLISH FEDERAL RULES OF EVIDENCE

Mr. HUNGATE. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary may have until midnight of Saturday, November 24, 1973, to file House report on the bill H.R. 5463, "A bill to establish the Federal Rules of Evidence."

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

There was no objection.

SENSE OF THE HOUSE OF REPRESENTATIVES WITH RESPECT TO ACTIONS BY MEMBERS CONVICTED OF CERTAIN CRIMES

Mr. MURPHY of Illinois. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 700 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 700

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 resolution (H. Res. 128) expressing the sense of the House of Representatives with respect to actions which should be taken by Members of the House upon being convicted of certain crimes, and for other purposes. After general debate, which shall be confined to the resolution 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 Standards of Official Conduct, the resolution shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the resolution for amendment, the Committee shall rise and report the resolution to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the resolution and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from Illinois (Mr. MURPHY) is recognized for 1 hour.

Mr. MURPHY of Illinois. Mr. Speaker, I yield the usual 30 minutes to the minority, to the distinguished gentleman from Tennessee (Mr. QUILLEN) pending which I yield myself such time as I may consume.

Mr. MURPHY of Illinois. Mr. Speaker, House Resolution 700 provides for an open rule with 1 hour of general debate on House Resolution 128, a resolution expressing the sense of the House of Representatives with respect to actions which should be taken by Members of the House upon being convicted of certain crimes.

House Resolution 128 expresses the sense of the House that Members who are convicted of a crime carrying penalties of 2 or more years' imprisonment should attend committee and subcommitee sessions but should not vote in those sessions, and should also refrain from voting on the floor of the House of Representatives.

Any effect of the resolution would be reversed upon a reinstatement of a presumption of innocence such as a reversal of the conviction upon appeal or a remanding of the case to the trial court. The effect of the resolution also would be reversed if the Member is reelected to the House of Representatives after the date of the conviction.

Mr. Speaker, I urge the adoption of House Resolution 700 in order that we may discuss and debate House Resolution 128.

The SPEAKER. The gentleman from Tennessee (Mr. QUILLEN) is recognized.

Mr. QUILLEN. Mr. Speaker, House Resolution 700 provides for the consideration of House Resolution 128, sense of the House of Representatives with respect to actions by Members convicted of certain crimes, under an open rule with 1 hour of general debate.

The purpose of House Resolution 128 is to state, as the sense of the House, that any Member convicted of a crime for which a sentence of 2 or more years imprisonment may be imposed, should refrain from committee activities and from voting on the floor of the House. However, if judicial or executive proceedings result in a reinstatement of the presumption of innocence, or the Member is reelected in spite of the conviction, then this resolution ceases to apply.

This resolution is an internal House action not requiring Senate approval or Presidential signature.

The goal of this resolution is to state a policy so that all concerned may be on notice and to show publicly a concern for the reputation of the House and its Members.

Mr. Speaker, I urge the adoption of this resolution in order that the House may begin debate on this important piece of legislation.

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

Mr. MURPHY of Illinois. Mr. Speaker, I should like at this point to remark that my colleagues, the gentleman from Illinois (Mr. PRICE) and the gentleman from Tennessee (Mr. QUILLEN) will lead the discussion here.

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. PRICE of Illinois. Mr. Speaker, I ask unanimous consent that the resolution (H. Res. 128) expressing the sense of the House of Representatives with respect to actions which should be taken by Members of the House upon being convicted of certain crimes, and for other purposes, be considered in the House as in the Committee of the Whole.

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

There was no objection.

The Clerk read the resolution as follows:

H. RES. 128

Resolve, That it is the sense of the House of Representatives that any Member of, Delegate to, or Resident Commissioner in, the House of Representatives who has been convicted by a court of record for the commission of a crime for which a sentence of two or more years' imprisonment may be imposed should refrain from participation in the business of each committee of which he is then a member and should refrain from voting on any question at a meeting of the House, or of the Committee of the Whole House, unless or until judicial or executive proceedings result in reinstatement of the presumption of his innonence or until he is reelected to the House after the date of such conviction. This resolution shall not affect any other authority of the House with respect to the behavior and conduct of its Members.

Mr. PRICE of Illinois. Mr. Speaker, I move to strike the last word.

Mr. Speaker, this resolution was reported out of the Committee on Standards of Official Conduct by unanimous vote.

As is our committee's policy, because of the sensitive matters with which we treat, we bring this resolution before the House only after a thorough study and much deliberation.

We believe the resolution offers the House an opportunity to erect guideposts that would serve the House well in dealing promptly with the kind of situations at which the resolution is aimed. While our committee would like to hope that no such situations would arise, we think it wise to be prepared, for the sake of the House's integrity, to arm the House with the means of considering prompt action should the need occur.

In our committee's view, experience points to a need for such an implement as the pending resolution provides.

If the House were to take no notice of such matters until the final conclusion of judicial proceedings—a step which might not be reached until after termination of a Member's 2-year term—such lack of action might well be interpreted in the public mind as indifference by the House toward a very serious matter.

In seeking a rule for consideration of this resolution, I told the Rules Committee while our proposal involves only a sense-of-the-House action, with no specific enforcement authority, it seems to our committee that any Member who became subject to the resolution's provisions, and who ignored those provisions, would risk subjecting himself to the introduction of a privileged resolution relating to his conduct, in accordance with other provisions of House rules.

While the Committee on Standards of Official Conduct has no intention of abandoning its deliberate course in dealing with the sensitive matters which come before it, the committee is unanimous—I repeat—in urging adoption of the pending resolution which would make it the sense of the House that a Member convicted of a crime carrying a possible sentence of 2 or more years' imprisonment should refrain from participation in the business of each committee of which he is a member and refrain from voting on any questions in the House.

I now yield to the ranking minority member of the Committee on Standards of Official Conduct.

Mr. QUILLEN. Mr. Speaker, I move to strike the last word.

Mr. Speaker, I thank my chairman and endorse the case he has made for the resolution now before the House.

My experience as a member of the Committee on Standards of Official Conduct from its beginning has convinced me that there is a definite need for the step now proposed.

This measure gives the House an immediate opportunity to act in cases of Members who are convicted of certain crimes.

While I pray for an absence of such crimes, I know—as do all other Members of the House—that there are occasional—if rare—infractions of the law, or alleged infractions, which reflect on Congress as a whole.

The resolution now before the House would provide a useful weapon, in my opinion, for treatment of future cases of the kind.

This resolution is designed to show that the House of Representatives is not indifferent to cases in which Members are convicted of statutory crimes. If the House were to ignore such cases pending the outcome of the appeal process, such inaction might be interpreted as indifference. The pending resolution, unanimously recommended by the committee, is designed to eliminate the basis for any such impression.

But, let me emphasize, this resolution

would become null and void when and if a Member were exonerated in the appeal process in the courts. In such instances, the Member in question automatically would regain full privileges in the House. The same restoration of such rights would occur in the case of a Member who is reelected after being convicted of such a crime. As stated in the committee's report, well established precedents hold that the House will not act in any way against a Member for any actions of which his electorate had full knowledge at the time of his election. Our committee holds these precedents inviolate.

I urge approval of the pending resolution for the sake of the integrity of the House of Representatives.

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

I should like to ask the gentleman from Illinois what really prompted this legislation?

Mr. PRICE of Illinois. There is no particular incident that prompts this. It is a resolution that the committee reported out in the last session last year. However, a rule was not granted and it was not considered in the House.

I believe this is an orderly manner in which to handle a situation that could occur. We have had instances in the past and the House was not equipped at the time to meet those situations. This provides an orderly procedure for dealing with such situations.

Mr. GROSS. It would apply to that period or interim between conviction and the exhausting of appeal?

Mr. PRICE of Illinois. The gentleman is correct.

Mr. GROSS. During appeals to the courts?

Mr. PRICE of Illinois. Yes. Upon conviction, a man is presumed to be guilty. During that period he shall step aside and not vote in the House or participate in committee action. On appeal, if a guilty verdict is reversed, the presumption of innocence would return and the Member could resume his duties.

Mr. GROSS. There is no reason, however, to assume that the number of Members who might find themselves prosecuted on criminal charges is going to increase?

Mr. PRICE of Illinois. I hope not.

Mr. GROSS. I thank the gentleman.

Mr. ROUSH. Mr. Speaker, I move to strike the last word.

Mr. Speaker, a few years ago I was involved in a recount for a seat in this body. For a period of some 5½ months the seat was vacant. During that time there was a storm of protest from people back home that there was no representation for that district.

Although I commend the committee for its action here, I am wondering if perhaps in their attempts to chastise the guilty Member they are not really punishing a constituency of people and that those people by this action would be effectively deprived of representation in the House of Representatives. Would it not be better for the House to bite the bullet and expel the guilty Member, rather than to take this kind of approach?

Mr. PRICE of Illinois. The gentleman from Indiana raises a question that has been of great concern to the committee during the last several years. We gave much thought to it during consideration of this resolution.

With this approach, we would not be depriving his constituency of any other service, except the Member's vote. He could continue to perform other services as a Member.

The expulsion resolution is something that is very, very drastic. His conviction might later be reversed by the court and there would be no tool, except another election in his home district, to restore him to office.

We considered the matter of expulsion, but that is a last resort—a step which the House might not want to take until a person's right of appeal has been exhausted.

Mr. ROUSH. I appreciate the dilemma that the committee found itself in; however, I still have a question in my own mind, and that is the fact that the constituency of the Member would in effect be without representation.

We have had several votes in these last couple months that have been carried or lost by just one vote in this House. Such a situation could create, I believe, a serious problem. It could affect, indeed, the history of this country if one man was deprived of his vote.

Mr. PRICE of Illinois. As I say, I appreciate the concern of the gentleman from Indiana, but I am certain that unless the House adopts a pattern such as this to deal with a situation which we hope would not occur, the route would be that of a privileged resolution on expulsion.

I believe this is a more desirable manner in which to resolve a very unhappy situation.

Mr. ROUSH. Mr. Speaker, as I said, I support the resolution of the committee. I just think it does not go far enough in dealing with matters which affect the integrity of the House of Representatives.

Mr. DRINAN. Mr. Speaker, the resolution before us proposes to inhibit participation in committee and on the floor of the House of Representatives by any Member of Congress after he has been convicted of a crime. The problems of a civil libertarian and constitutional nature which this resolution raises are sufficiently grave to cause me to cast my vote against this Resolution.

Article I, section 5, paragraph 2 of the Constitution provides that:

> Each House may punish its Members for disorderly Behavior, and, with the Concurrence of two-thirds, expel a Member.

The power to punish a Member has generally been exercised for behavior which takes place on the floor of the House or for conduct connected with the legislative function. I believe the sanction of no participation in votes in committee or on the floor in this bill to be far more severe than any authorized by the Constitution.

This bill would in effect authorize the suspension of an elected Member of the House of Representatives who has been convicted of a crime. Any such drastic action as suspension should derive only from his action as a Member and not for ordinary criminal offenses. The Supreme Court of the United States in the Powell case (*Powell* v. *McCormack*, 395 U.S. 486) decided that exclusion could be based only on considerations of age, citizenship, and inhabitancy as those matters are stated in the Constitution. And, the power of expulsion has been determined by the Judiciary Committee of the House to be unusable for an offense alleged to have been committed even against a preceding Congress.

My basic difficulty with this resolution is that the presumption of innocence is removed immediately after conviction. I think the better rule would be that the presumption of innocence is removed only after a congressional criminal defendant has exhausted all avenues of appeal, at least for the purposes of participation in the House of Representatives. It may indeed be perfectly proper for a Member of Congress to voluntarily agree not to vote during the pendence of his appeal. This was, I believe, the case with Congressman Dowdy who, in the last Congress, was convicted of bribery, perjury and conspiracy, and who refrained from voting either in committee or on the floor. Similarly, Congressman Zihlman of Maryland refrained voluntarily after his indictment in the 71st Congress, and Congressman Langley, of Kentucky, after his conviction in the 68th Congress, from voting in the House.

However proper and praiseworthy may be the actions of Congressmen Zihlman, Langley and Dowdy, I do not believe it is within the constitutional power of the House to enforce such a resolution as is before us today. Indeed, if a Member voted after conviction and during the pendency of his appeals, I do not believe that he or she could be censured, suspended or expelled for so voting.

There appears to be no constitutional or decisional law supporting expulsion from Congress on the basis of conviction for an ordinary crime. The resolution before us amounts to the suspension of a Member for which there appears to be no precedent.

Generally, expulsion has been restricted to matters which occur in the House, and during a Congress. Early in this century, two Senators from South Carolina were suspended for a few days for fistfighting on the floor of the Senate. Similarly, there may be some cause for censure, suspension or expulsion for a Member who has violated a law which reflects directly on his oath, such as treason. The Senate expelled, for example, Senator William Blount, of Tennessee, in 1797, for treason.

I am reluctant to vote in favor of this resolution, because I believe that the more than 400,000 members of each congressional district have a right to be represented by their elected Representative unless there is a constitutional impediment to do so. I find no such constitutional authority. Accordingly, I cast my vote against this resolution.

Mr. PRICE of Illinois. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

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

Mr. RONCALIO of Wyoming. 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 388, nays 18, not voting 27, as follows:

[Roll No. 582]

YEAS—388

Abdnor	Daniels, Dominick V.	Hicks
Abzug	Danielson	Hillis
Adams	Davis, Ga.	Hinshaw
Addabbo	Davis, S.C.	Hogan
Alexander	de la Garza	Holifield
Anderson, Calif.	Delaney	Holt
Andrews, N.C.	Dellenback	Holtzman
Andrews, N. Dak.	Denholm	Horton
Annunzio	Dennis	Hosmer
Archer	Dent	Howard
Arends	Derwinski	Huber
Armstrong	Devine	Hudnut
Ashbrook	Dickinson	Hungate
Badillo	Diggs	Hunt
Bafalis	Donohue	Hutchinson
Baker	Dorn	Ichord
Barrett	Downing	Jarman
Bauman	Duiski	Johnson, Calif.
Beard	Duncan	Johnson, Colo.
Bell	du Pont	Johnson, Pa.
Bennett	Edwards, Ala.	Jones, Ala.
Bergland	Eilberg	Jones, N.C.
Bevill	Erlenborn	Jones, Okla.
Biaggi	Eshleman	Jones, Tenn.
Biester	Evans, Colo.	Jordan
Boggs	Evins, Tenn.	Karth
Boland	Fascell	Kastenmeier
Bolling	Findley	Kazen
Bowen	Fish	Kemp
Brademas	Fisher	Ketchum
Bray	Flood	King
Breaux	Flowers	Koch
Brinkley	Flynt	Kuykendall
Brooks	Foley	Kyros
Broomfield	Ford, Gerald R.	Landrum
Brotzman	Forsythe	Latta
Brown, Calif.	Fountain	Leggett
Brown, Mich.	Fraser	Lehman
Brown, Ohio	Frelinghuysen	Lent
Broyhill, N.C.	Frenzel	Litton
Broyhill, Va.	Frey	Long, La.
Buchanan	Froehlich	Long, Md.
Burgener	Fulton	Lott
Burke, Fla.	Fuqua	Lujan
Burke, Mass.	Gaydos	McCollister
Burleson, Tex.	Gettys	McCormack
Burlison, Mo.	Giaimo	McDade
Butler	Gibbons	McEwen
Byron	Gilman	McFall
Camp	Ginn	McKay
Carey, N.Y.	Goldwater	McKinney
Carney, Ohio	Gonzalez	McSpadden
Carter	Goodling	Madigan
Casey, Tex.	Grasso	Mahon
Cederberg	Green, Oreg.	Mailliard
Chamberlain	Green, Pa.	Mallary
Chappell	Griffiths	Mann
Chisholm	Gross	Maraziti
Clancy	Grover	Martin, Nebr.
Clark	Gude	Martin, N.C.
Clausen, Don H.	Gunter	Mathias, Calif.
Clawson, Del	Guyer	Mathis, Ga.
Clay	Haley	Matsunaga
Cleveland	Hamilton	Mayne
Cochran	Hammer-schmidt	Mazzoli
Cohen	Hanley	Meeds
Collier	Hanna	Melcher
Collins, Ill.	Hanrahan	Metcalfe
Collins, Tex.	Hansen, Idaho	Mezvinsky
Conable	Hansen, Wash.	Michel
Conlan	Harsha	Milford
Conte	Harvey	Miller
Conyers	Hastings	Minish
Corman	Hawkins	Mink
Cotter	Hays	Minshall, Ohio
Coughlin	Hébert	Mitchell, Md.
Cronin	Hechler, W. Va.	Mitchell, N.Y.
Daniel, Dan	Heckler, Mass.	Mizell
Daniel, Robert W., Jr.	Heinz	Moakley
	Helstoski	Mollohan
	Henderson	Montgomery
	Hicks	Moorhead, Calif.
	Hillis	Morgan
	Hinshaw	Mosher
	Hogan	Murphy, Ill.
	Holifield	Murphy, N.Y.
	Holt	Myers
	Holtzman	Natcher
	Horton	Nedzi
	Hosmer	Nelsen
	Howard	Nix
	Huber	Obey
	Hudnut	O'Hara
	Hungate	Owens
	Hunt	Parris
	Hutchinson	Passman
	Ichord	Patman
	Jarman	Patten
	Johnson, Calif.	Pepper
	Johnson, Colo.	Perkins
	Johnson, Pa.	Pettis
	Jones, Ala.	Peyser
	Jones, N.C.	Pickle
	Jones, Okla.	Pike
	Jones, Tenn.	Poage
	Jordan	Powell, Ohio
	Karth	Preyer
	Kastenmeier	Price, Ill.
	Kazen	Price, Tex.
	Kemp	Pritchard
	Ketchum	Quie
	King	Quillen
	Koch	Railsback
	Kuykendall	Randall
	Kyros	Rangel
	Landrum	Rarick
	Latta	Rees
	Leggett	Regula
	Lehman	Reid
	Lent	Reuss
	Litton	Rhodes
	Long, La.	Riegle
	Long, Md.	Rinaldo
	Lott	Roberts
	Lujan	Robinson, Va.
	McCollister	Robison, N.Y.
	McCormack	Rodino
	McDade	Roe
	McEwen	Rogers
	McFall	Roncalio, Wyo.
	McKay	Roncallo, N.Y.
	McKinney	Rooney, Pa.
	McSpadden	Rose
	Madigan	Rosenthal
	Mahon	Roush
	Mailliard	Rousselot
	Mallary	Roy
	Mann	Roybal
	Maraziti	Runnels
	Martin, Nebr.	Ruppe
	Martin, N.C.	Ruth
	Mathias, Calif.	Ryan
	Mathis, Ga.	Sandman
	Matsunaga	Sarasin
	Mayne	Sarbanes
	Mazzoli	Satterfield
	Meeds	Scherle
	Melcher	Schneebeli
	Metcalfe	Schroeder
	Mezvinsky	Sebelius
	Michel	Selberling
	Milford	Shipley
	Miller	Shoup
	Minish	Shriver
	Mink	Shuster
	Minshall, Ohio	Sikes
	Mitchell, Md.	Sisk
	Mitchell, N.Y.	Skubitz
	Mizell	Slack
	Moakley	Smith, Iowa
	Mollohan	Smith, N.Y.
	Montgomery	Snyder
	Moorhead, Calif.	Spence
	Morgan	Staggers
	Mosher	Stanton, J. William
	Murphy, Ill.	Stanton, James V.
	Murphy, N.Y.	Steed
	Myers	Steele
	Natcher	Steelman
	Nedzi	Steiger, Ariz.
	Nelsen	Steiger, Wis.
	Nix	Stephens
	Obey	Stokes
	O'Hara	Stratton
	Owens	Stubblefield
	Parris	Studds
	Passman	Sullivan
	Patman	Symington
	Patten	Symms
	Pepper	Talcott
	Perkins	Taylor, Mo.
	Pettis	Taylor, N.C.
	Peyser	Teague, Calif.
	Pickle	Teague, Tex.
	Pike	Thompson, N.J.
	Poage	Thomson, Wis.
	Powell, Ohio	Thone
	Preyer	Thornton
	Price, Ill.	Towell, Nev.
	Price, Tex.	Treen
	Pritchard	Udall
	Quie	Ullman
	Quillen	Van Deerlin
	Railsback	Vander Jagt
	Randall	Vanik
	Rangel	Veysey
	Rarick	Vigorito
	Rees	Waggonner
	Regula	Waldie
	Reid	Walsh
	Reuss	Wampler
	Rhodes	Ware
	Riegle	Whalen
	Rinaldo	White
	Roberts	Whitehurst
	Robinson, Va.	Whitten
	Robison, N.Y.	Widnall
	Rodino	Wiggins
	Roe	Williams
	Rogers	Wilson, Bob
	Roncalio, Wyo.	Wilson, Charles H., Calif.
	Roncallo, N.Y.	Wilson, Charles, Tex.
	Rooney, Pa.	Winn
	Rose	Wolff
	Rosenthal	Wright
	Roush	Wyatt
	Rousselot	Wydler
	Roy	Wylie
	Roybal	Wyman
	Runnels	Yatron
	Ruppe	Young, Alaska
	Ruth	Young, Fla.
	Ryan	Young, Ill.
	Sandman	Young, S.C.
	Sarasin	Young, Tex.
	Sarbanes	Zablocki
	Satterfield	Zion
	Scherle	
	Schneebeli	
	Schroeder	
	Sebelius	
	Selberling	
	Shipley	
	Shoup	
	Shriver	
	Shuster	
	Sikes	
	Sisk	
	Skubitz	
	Slack	
	Smith, Iowa	
	Smith, N.Y.	
	Snyder	
	Spence	
	Staggers	
	Stanton, J. William	
	Stanton, James V.	
	Steed	
	Steele	
	Steelman	
	Steiger, Ariz.	
	Steiger, Wis.	
	Stephens	
	Stokes	
	Stratton	
	Stubblefield	
	Studds	
	Sullivan	
	Symington	
	Symms	
	Talcott	
	Taylor, Mo.	

NAYS—18

Breckinridge	Ford, William D.	O'Neill
Burton	Harrington	Stark
Crane	Landgrebe	Tiernan
Dingell	McCloskey	Yates
Drinan	Macdonald	Young, Ga.
Eckhardt	Moss	
Edwards, Calif.		

NOT VOTING—27

Anderson, Ill.	Davis, Wis.	Mills, Ark.
Ashley	Dellums	Nichols
Aspin	Esch	O'Brien
Bingham	Gray	Podell
Blackburn	Gubser	Rooney, N.Y.
Blatnik	Keating	Rostenkowski
Brasco	Kluczynski	St Germain
Burke, Calif.	McClory	Stuckey
Culver	Madden	Zwach

So the resolution was agreed to.

The Clerk announced the following pairs:

Mr. Rooney of New York with Mr. Ashley.
Mr. Brasco with Mr. Aspin.
Mr. Gray with Mrs. Burke of California.
Mr. Blatnik with Mr. Anderson of Illinois.
Mr. Bingham with Mr. Dellums.
Mr. Kluczynski with Mr. Blackburn.
Mr. Madden with Mr. Davis of Wisconsin.
Mr. St Germain with Mr. Esch.
Mr. Rostenkowski with Mr. Zwach.
Mr. Stuckey with Mr. Gubser.
Mr. Mills of Arkansas with Mr. Keating.
Mr. Culver with Mr. McClory.
Mr. Nichols with Mr. O'Brien.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. PRICE of Illinois. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the resolution just agreed to.

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

There was no objection.

PERSONAL ANNOUNCEMENT

Mr. BINGHAM. Mr. Speaker, on rollcall No. 582, I am listed in the CONGRESSIONAL RECORD, as not voting. I was on the floor at the time of the voting and intended to vote aye. Apparently the electronic device did not properly record my vote. I ask unanimous consent that this statement be inserted in the permanent RECORD following the record of the vote.

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

There was no objection.

PERMISSION FOR COMMITTEE ON HOUSE ADMINISTRATION TO FILE A PRIVILEGED REPORT

Mr. THOMPSON of New Jersey. Mr. Speaker, I ask unanimous consent that the Committee on House Administration may have until midnight tonight to file a privileged report.

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

There was no objection.

INCREASING MONTHLY RATES OF DISABILITY, DEATH PENSIONS, DEPENDENCY AND INDEMNITY COMPENSATION

Mr. DORN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 9474) to amend title 38 of the United States Code to increase the monthly rates of disability and death pensions, and dependency and indemnity compensation, and for other purposes, with Senate amendments thereto, and consider the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Strike out all after the enacting clause and insert:

That (a) subsection (b) of section 521 of title 38, United States Code, is amended to read as follows:

"(b) If the veteran is unmarried (or married but not living with and not reasonably contributing to the support of his spouse) and has no child, pension shall be paid according to the following formula: If annual income is $300 or less, the monthly rate of pension shall be $143. For each $1 of annual income in excess of $300 up to and including $800, the monthly rate shall be reduced 3 cents; for each $1 of annual income in excess of $800 up to and including $1,200, the monthly rate shall be reduced 4 cents; for each $1 of annual income in excess of $1,200 up to and including $1,600, the monthly rate shall be reduced 5 cents; for each $1 of annual income in excess of $1,600 up to and including $2,000, the monthly rate shall be reduced 6 cents; for each $1 of annual income in excess of $2,000 up to and including $2,400, the monthly rate shall be reduced 7 cents; and for each $1 of annual income in excess of $2,400 up to and including $2,800, the monthly rate shall be reduced 8 cents. For annual income of $2,800 through $3,000,

the rate shall be $8. No pension shall be paid if annual income exceeds $3,000.".

(b) Subsection (c) of such section 521 is amended to read as follows:

"(c) If the veteran is married and living with or reasonably contributing to the support of his spouse, or has a child or children, pension shall be paid according to the following formula: If annual income is $500 or less, the monthly rate of pension shall be $154 for a veteran and one dependent, $159 for a veteran and two dependents, and $164 for three or more dependents. For each $1 of annual income in excess of $500 up to and including $800, the monthly rate shall be reduced 2 cents; for each $1 of annual income in excess of $800 up to and including $2,200, the monthly rate shall be reduced 3 cents; for each $1 of annual income in excess of $2,200 up to and including $3,200, the monthly rate shall be reduced 4 cents; for each $1 of annual income in excess of $3,200 up to and including $3,800, the monthly rate shall be reduced 5 cents; and for each $1 of annual income in excess of $3,800 up to and including $4,200, the monthly rate shall be reduced 6 cents. No pension shall be paid if annual income exceeds $4,200.".

(c) Subsection (b) of section 541 of title 38, United States Code, is amended to read as follows:

"(b) If there is no child, pension shall be paid according to the following formula: If annual income is $300 or less, the monthly rate of pension shall be $96. For each $1 of annual income in excess of $300 up to and including $500, the monthly rate shall be reduced 1 cent; for each $1 of annual income in excess of $500 up to and including $1,500, the monthly rate shall be reduced 3 cents; for each $1 of annual income in excess of $1,500 up to and including $2,500, the monthly rate shall be reduced 4 cents; and for each $1 of annual income in excess of $2,500 up to and including $2,900, the monthly rate shall be reduced 5 cents. For annual income of $2,900 through $3,000, the rate shall be $4. No pension shall be paid if annual income exceeds $3,000.".

(d) Subsection (c) of such section 541 is amended to read as follows:

"(c) If there is a widow and one child, pension shall be paid according to the following formula: If annual income is $700 or less, the monthly rate of pension shall be $114. For each $1 of annual income in excess of $700 up to and including $1,100, the monthly rate shall be reduced 1 cent; for each $1 of annual income in excess of $1,100 up to and including $2,500, the monthly rate shall be reduced 2 cents; for each $1 of annual income in excess of $2,500 up to and including $3,400, the monthly rate shall be reduced 3 cents; and for each $1 of annual income in excess of $3,400 up to and including $4,200, the monthly rate shall be reduced 4 cents. Whenever the monthly rate payable to the widow under the foregoing formula is less than the amount which would be payable to the child under section 542 of this title if the widow were not entitled, the widow will be paid at the child's rate. No pension shall be paid if the annual income exceeds $4,200.".

SEC. 2. Section 541(d) of title 38, United States Code, is amended by striking "17" and substituting in lieu thereof "18".

SEC. 3. (a) Section 542(a) of title 38, United States Code, is amended by striking the figures "42" and "17" respectively, and substituting in lieu thereof the figures "44" and "18", respectively.

(b) Section 542(c) of such title is amended by striking out "$2,000" and inserting in lieu thereof "2,400".

SEC. 4. Section 4 of Public Law 90-275 (82 Stat. 68) is amended to read as follows:

"SEC. 4. The annual income limitations governing payment of pension under the first sentence of section 9(b) of the Veterans' Pension Act of 1959 hereafter shall be $2,600 and $3,900, instead of $2,200 and $3,500, respectively.".

SEC. 5. (a) Subsection (b) of section 415 of title 38, United States Code, is amended to read as follows:

"(b)(1) Except as provided in paragraph (2) of this subsection, if there is only one parent, dependency and indemnity compensation shall be paid to him according to the following formula: If annual income is $800 or less, the monthly rate of dependency and indemnity compensation shall be $110. For each $1 of annual income in excess of $800 up to and including $1,100, the monthly rate shall be reduced 3 cents; for each $1 of annual income in excess of $1,100 up to and including $1,500, the monthly rate shall be reduced 4 cents; for each $1 of annual income in excess of $1,500 up to and including $1,700, the monthly rate shall be reduced 5 cents; for each $1 of annual income in excess of $1,700 up to and including 2,000, the monthly monthly rates shall be reduced 6 cents; for each $1 of annual income in excess of $2,000 up to and including $2,300, the monthly rate shall be reduced 7 cents; and for each $1 annual income in excess of $2,300 up to and including $2,700, the monthly rate shall be reduced 8 cents. For annual income of $2,700 through $3,000, the rate shall be $4. No dependency and indemnity compensation shall be paid if annual income exceeds $3,000.

"(2) If there is only one parent and he has remarried and is living with his spouse, dependency and indemnity compensation shall be paid to him under either the formula of paragraph (1) of this subsection or under the formula in subsection (d), whichever is the greater. In such a case of remarriage the total combined annual income of the parent and his spouse shall be counted in determining the monthly rate of dependency and indemnity compensation under the appropriate formula.".

(b) Subsection (c) of such section 415 is amended to read as follows:

"(c) Except as provided in subsection (d), if there are two parents, but they are not living together, dependency and indemnity compensation shall be paid to each according to the following formula: If the annual income of each parent is $800 or less, the monthly rate of dependency and indemnity payable to each shall be $77. For each $1 of annual income in excess of $800 up to and including $1,100, the monthly rate shall be reduced 2 cents; for each $1 of annual income in excess of $1,100 up to and including $1,400, the monthly rate shall be reduced 3 cents for each $1 of annual income in excess of $1,400 up to and including $2,300, the monthly rate shall be reduced 4 cents; and for each $1 of annual income in excess of $2,300 up to and including $2,700, the monthly rate shall be reduced 5 cents. For annual income of $2,700 through $3,000, the rate shall be $6. No dependency and indemnity compensation shall be paid to a parent whose annual income exceeds $3,000.".

(c) Subsection (d) of such section 415 is amended to read as follows:

"(d) If there are two parents who are living together, or if a parent has remarried and is living with his spouse, dependency and indemnity compensation shall be paid to each such parent according to the following formula: If the total combined annual income is $1,000 or less, the monthly rate of dependency and indemnity compensation payable to each parent shall be $74. For each $1 of annual income in excess of $1,000 up to and including $1,200, the monthly rate shall be reduced 1 cent; for each $1 of annual income in excess of $1,200 up to and including $2,900, the monthly rate shall be reduced 2 cents; and for each $1 of annual income in excess of $2,900 up to and including $4,000, the monthly rate shall be reduced 3 cents. For annual income of $4,000 through $4,200 the rate shall be $5. No dependency and indemnity compensation shall be paid to either parent if the total combined annual income exceeds $4,200.".

SEC. 6. Section 3203(a)(1) of title 38, United States Code, is amended by striking out "30" and inserting in lieu thereof "50".

SEC. 7. (a) Subsection (b) of section 3010 of title 38, United States Code, is amended by inserting "(1)" immediately after "(b)", and by adding at the end of said subsection the following new paragraph:

"(2) The effective date of an award of disability pension to a veteran shall be the date of application or the date on which the veteran became permanently and totally disabled, if an appliaction therefor is received within one year from such date, whichever is to the advantage of the veteran.".

(b) Subsection (a) of this section shall apply to applications filed after its effective date, but in no event shall an award made thereunder be effective prior to such effective date.

SEC. 8. (a) Any veteran who was dishonorably discharged from the United States Army as the result of an incident that occurred in Brownsville, Texas, on August 13, 1906, and who was not subsequently ruled eligible for reenlistment in the Army by a special Army tribunal decision dated April 6, 1910, shall, upon application made to the Administrator of Veterans' Affairs together with such evidence as the Administrator may require, be paid the sum of $25,000.

(b) Any unremarried widow of any veteran described in subsection (a) of this section shall, upon application made to the Administrator of Veterans' Affairs together with such evidence as the Administrator may require, be paid the sum of $10,000 if such veteran died prior to the date of enactment of this Act or if such veteran failed to make application for payment under subsection (a) after such date of enactment and prior to his death.

(c) Payment authorized to be made under this section in the case of any veteran or widow shall be made by the Secretary of the Army, out of funds available for the payment of retired pay to Army personnel, upon certification by the Administrator of Veterans' Affairs of the entitlement of such veteran or widow to receive such payment. In no case may any payment be made to any veteran or widow under this section unless application for such payment is made within five years after the date of enactment of this Act.

SEC. 9. This Act shall take effect on the first day of the second calendar month which begins after the date of enactment.

Amend the title so as to read: "An Act to amend title 38, United States Code, to increase the monthly rates of disability and death pensions and dependency and indemnity compensation and to increase income limitations relating thereto and for other purposes."

The SPEAKER. Is there objection to the request of the gentleman from South Carolina (Mr. DORN)?

Mr. HAMMERSCHMIDT. Mr. Speaker, reserving the right to object, and I do not plan to object, I would yield to the distinguished gentleman from South Carolina for the purpose of hearing the distinguished chairman explain the Senate amendments.

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

Mr. HAMMERSCHMIDT. I yield to the gentleman from South Carolina.

Mr. DORN. Mr. Speaker, the bill, H.R. 9474, passed the House on July 30, 1973, and was returned by the Senate under date of August 2 with an amendment substituting the text of the Senate pension bill, S. 275.

At this point, Mr. Speaker, I am de-

lighted to yield to our chairman of the Subcommittee on Compensation and Pension, the distinguished former chairman of the Committee on Veterans' Affairs, the gentleman from Texas (Mr. TEAGUE).

Mr. TEAGUE of Texas. Mr. Speaker, the original House version of this bill extended a minimum cost-of-living increase of 10 percent in pensions payable to veterans, widows and children, and dependency and indemnity compensation to dependent parents. In some instances, an increase higher than 10 percent was authorized. The income limits of $2,600 a year for the single person or $3,800 for the person with dependents were not changed. Further, consistent with a request from the administration, we placed a ceiling of $3,600 on the annual earned income of spouses for exclusion in determining the income of the pensioner. In connection with retaining the present income limits, we were assured by the Veterans' Administration that the bill would restore practically all of the reductions in pensions which occurred as a result of the social security increase last year.

With regard to the rate increases, the Senate version of the bill as returned to the House applied a 10-percent factor in such manner as to assure that no rate was increased in any greater degree. The House amendment to the Senate amendment represents a reasonable liberalization of the Senate approach but slightly more conservative than the original House rate structure. The Senate version also increased the income limitations for both single persons and persons with dependents by $400 in each case. The present House amendment reverts to the original approach with respect to holding the line on income limitations as contained in the original bill. It is our position that the present income limits are already so high as to reflect unfavorably when compared to the service-connected compensation program. Further increase would distort in an unacceptable fashion the relationship between non-service-connected pension and service-connected compensation.

Since the committee plans further review of the non-service-connected pension program next year and expects to receive some additional recommendations from the administration in this connection, it appears that it would be better to defer action on further income limit increases so that this subject could be viewed in light of the total package recommended by the administration.

As we are in the final stages of passing this bill increasing non-service-connected pension rates, the Congress also has under consideration an increase in social security which would affect veterans' and widows' incomes next year. The Veterans' Administration has already sent out its income questionnaire cards. Obviously, when veterans and widows return these cards, and some are already being returned, they will have no way of knowing what their increased income from social security next year will be. In view of this, it would appear appropriate that the Veterans' Administration observe the end of the year rule with respect to this increase.

With regard to consideration of a spouse's earned income, as the Members are aware, under existing law all of such income is excluded from considering the income of the pensioner. While we felt that this aspect of the House bill was a reasonable and realistic modification, the present amendment takes cognizance of certain pension reform principles advocated by the Administration and believes that further legislative study should be made of the extent to which a spouse's earned income should be a factor in determining pension entitlement. Accordingly, rather than approaching the subject on a piecemeal, arbitrary basis, we have concluded that for the time being the existing law in this connection should be retained. This policy decision coincides with the approach on this aspect taken in the Senate version of the bill.

The House amendment includes a new provision added by the Senate providing for the lump sum payment to any surviving veteran or the unremarried widows of any such veteran of the infamous Brownsville, Tex., incident of 1906. The subject matter of this provision was contained in a separate bill considered by our committee (H.R. 4382) on which testimony in support thereof was received by the sponsor, Mr. HAWKINS, of California, and also from Senator HUMPHREY, of Minnesota. The purpose of that bill was to confer a pensionable status on veterans and the survivors of veterans involved in the Brownsville incident. Since the objective of the Senate amendment is substantially the same as contained in the separate bill before our committee and is now in a form approved and recommended by the Department of the Army and the administration, the Committee on Veterans' Affairs believes it is entirely appropriate to include such a provision in the House amendment.

We are cooperating with the Senate committee in working out the differences between the House and Senate versions. The Senate committee has been most cooperative in discussing the differences and assisting in finding mutually suitable compromises. I am quite hopeful that the Senate will be able to agree to this amendment expeditiously and send the bill to the White House.

Mr. Speaker, I now yield to our chairman, the gentleman from South Carolina, who wishes to revise and extend his remarks concerning the Brownsville provision of the bill.

Mr. DORN. Mr. Speaker, at the hearing held by our Subcommittee on Compensation and Pension on H.R. 4382 and the Brownsville incident, it was clearly demonstrated that the action taken by the Army against 167 unidentified black soldiers in a mass punishment following a 10-minute shooting in Brownsville, Tex., on August 13, 1906, was not only completely unjustified but unconscionable in the extreme. Although a few of the soldiers were exoneraetd by a special Army tribunal in 1910, the majority of the soldiers concerned have had to live during all of the succeeding years and under the dark cloud of a "discharge without honor." It was not until 1972 that at long last the Secretary of the Army cleared the records of all the soldiers concerned and issued them honorable discharges. The relief proposed by the Senate amendment in the nature of a lump sum pension is a long overdue recognition of the Government's obligation arising out of the injustices and injuries suffered by these men as a result of their wrongful and illegal removal from the Army of the United States.

Mr. Speaker, I include in the RECORD at this point copies of agency reports to our committee on the original Brownsville bill together with an exchange of correspondence on the subject between the chairman of the House Committee on Armed Services and myself.

VETERANS' ADMINISTRATION,
OFFICE OF THE ADMINISTRATOR
OF VETERANS' AFFAIRS,
Washington, D.C., May 22, 1973.

Hon. WM. JENNINGS BRYAN DORN,
Chairman, House Committee on Veterans' Affairs, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: We are pleased to respond to your request for a report on H.R. 4382, 93d Congress.

This bill would confer a special nonservice-connected pensionable status on certain veterans (or their widows, children, and grandchildren) involved in the Brownsville, Tex., incident of August 13, 1906, and would require the Administrator of Veterans' Affairs to make certain compensatory payments to such veterans or their heirs.

On November 9, 1906, as the result of an incident which occurred on Aug. 13, 1906, in Brownsville, Tex., 167 members of the U.S. Army were discharged without honor. By reason of an amendment dated September 22, 1972, to the 1906 special order of the War Department, persons involved in the incident were declared to be honorably discharged from the U.S. Army.

The first section of the proposal provides that for the purposes of Veterans' Administration pension benefits, the designated persons are deemed to be veterans of the Mexican border period, to have met the service requirements under the pension laws, and to have had no annual income. The no-income presumption is equally applicable to a widow or any child of such veteran. This section would authorize continuing monthly payments of pension for persons eligible thereunder, from date of application therefor filed after enactment.

Section 2 of the proposal would additionally authorize a lump-sum payment of $20,000 in each case, or a sum with 6 percent interest equal to the amount of pension which would have been payable to the veteran under the pension laws during the period beginning on the date such veteran attained age 65 and ending on the date of enactment of this bill, whichever sum is higher. This section would give similar pension entitlement to the widows, children, and grandchildren of deceased veterans in the designated group. A veteran would not be entitled to the special pension benefit if he was ruled eligible for reenlistment by the special Army tribunal decision of April 6, 1910.

Section 3 of the proposal directs the Administrator to pay out of the current appropriations for the payment of pension a total amount of $40,000 to living veterans of the specified type or their heirs. This sum is described as being "in full settlement of the claims of the person concerned against the United States for the mental pain and suffering and social hardship associated with loss of reputation, and the economic hardship (including loss of military benefits and privileges), resulting from the unwarranted discharge without honor" given to the particular veterans.

The veterans with whom this bill is concerned were discharged in 1906, during peacetime. It is noted that veterans who received an honorable discharge in 1906 were

not entitled to any pension benefit unless they had service in the Spanish-American War and then, not until 1920 at the earliest. Pension benefits are generally limited to persons with wartime service. The effect of enactment of this bill would be to make 1906 peacetime service wartime service so as to qualify the persons concerned for pension benefits available to veterans of the Mexican border period (1916–17) and their widows and children. No reason is apparent as to why such preferential treatment should be afforded these persons. To do so would be discriminatory and could be urged as a precedent as regards other peacetime veterans.

Section 3010(i) of title 38, United States Code, provides that whenever a disallowed claim for benefits is allowed because of correction of military records, such benefits may be awarded from the date on which an application was filed for the correction of military records, or the date of disallowance of the claim, whichever date is later; but in no event may the award of benefits be retroactive for more than 1 year from the date of reopening of the disallowed claim. Inasmuch as H.R. 4382 could result in these veterans receiving benefits retroactively for more than 1 year, it is clearly discriminatory respecting other veterans who have had or will have entitlement to benefits established by virtue of having their military records corrected.

Grandchildren of veterans have never been eligible for pension benefits and the provision which would include them as possible beneficiaries for the special pension benefit is also discriminatory and precedential. Another discriminatory and precedential feature is the presumption of no income for pension purposes. The pension program is intended to provide a measure of assistance to wartime veterans and their surviving dependents who are in need. Need has been largely measured by income. The no-income provision would constitute a radical departure from this long established policy and would be manifestly unfair to millions of otherwise eligible veterans and widows whose income places them beyond the statutory need levels.

In lieu of regular pension, a lump-sun payment of $20,000 is authorized by the proposal, where greater. This again, is clearly discriminatory as the public law providing pension makes no similar provision for corrected discharge cases. Incidentally, this lump-sum, rather than regular pension, would undoubtedly be paid in most cases, as pension for Mexican border service veterans was first provided as of January 1, 1971.

As noted, section 3 proposes a $40,000 lump-sum payment, based on appropriate certification by the Secretary of the Army, to living veterans or their heirs for mental pain and suffering and social hardship, et cetera. The proposed payments are in no way related to the stated purposes of pension or other benefit programs administered by the Veterans' Administration. We see no need for Veterans' Administration involvement in the administration of, or payments proposed by, section 3. Accordingly, we defer to the Department of Defense on the merits of this section.

We have insufficient data upon which to base a worthwhile estimate of the cost of the measure, if enacted.

In the light of all of the foregoing, the Veterans' Administration opposes enactment of the first two sections of H.R. 4382, as well as section 3, insofar as Veterans' Administration participation is concerned.

Advice has been received from the Office of Management and Budget that there is no objection to the presentation of this report from the standpoint of the administration's program.

Sincerely,

DONALD E. JOHNSON,
Administrator.

DEPARTMENT OF THE ARMY,
Washington, D.C., June 13, 1973.

Hon. WM. JENNINGS BRYAN DORN,
Chairman, Committee on Veterans' Affairs, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: Reference is made to your request to the Secretary of Defense for the views of the Department of Defense on H.R. 4382, 93d Congress, a bill to confer pensionable status on veterans involved in the Brownsville, Tex., incident of August 13, 1906, and to require the Administrator of Veterans' Affairs to make certain compensatory payments to such veterans and their heirs. The Department of the Army has been assigned responsibility for expressing the views of the Department of Defense on this bill.

The title of the bill states its purpose.

The Department of the Army on behalf of the Department of Defense has considered the above mentioned bill. Inasmuch as sections 1 and 2 of the bill would be administered by the Veterans' Administration, the Department of Defense respectfully defers to that Agency as to the merits of those sections.

With respect to section 3 of the bill, it would require the Secretary of the Army to certify to the Administrator of Veterans' Affairs the name of each living individual who was discharged without honor on November 9, 1906, in connection with the incident which occurred in Brownsville, Tex., on August 13, 1906, and who by reason of the amendment dated September 22, 1972, to paragraph 1 of Special Orders 266, War Department, dated November 9, 1906, was declared to have been honorably discharged from the U.S. Army. Further, in the case of deceased individuals, the Secretary of the Army would be required to certify their heirs to the Administrator of Veterans' Affairs. The Department of the Army on behalf of the Department of Defense is opposed to this section.

As the incident occurred over 66 years ago, few of the individuals involved can reasonably be expected to have survived; the Army is aware of only two. Unless the survivors initiate an inquiry, the Secretary of the Army has no way of locating those that may be still living. The situation is compounded in the cases of spouses or heirs of deceased members both as to their existence and as to the establishment of proof of their relationship. The burden of proof to establish that a claimant is in fact a spouse or heir of a deceased member should be placed on that individual.

In view of the foregoing the Department of the Army on behalf of the Department of Defense is opposed to section 3 of H.R. 4382.

The Department of the Army believes that some compensation to surviving members of the Brownsville incident or their widows is a fair objective through legislation. A lump-sum payment should be considered through legislative enactment to those men involved who are still living and who were not ruled eligible for reenlistment by the special Army tribunal decision of April 6, 1910, or to their unremarried widows. Such legislation should provide for payment from appropriations currently available to the Department of Defense for military retired pay.

The fiscal effects of this legislation are not known to the Department of Defense.

This report has been coordinated within the Department of Defense in accordance with procedures prescribed by the Secretary of Defense.

The Office of Management and Budget advises that, from the standpoint of the administration's program, there is no objection to the presentation of this report for the consideration of the committee.

Sincerely,

HOWARD H. CALLAWAY,
Secretary of the Army.

JULY 30, 1973.

Hon. F. EDWARD HÉBERT,
Chairman, Armed Services Committee, Washington, D.C.

DEAR MR. CHAIRMAN: The Committee on Veterans Affairs has held hearings on H.R. 4382, a bill relating to benefits for individuals involved in the so-called "Brownsville Incident". In the course of the hearings a favorable report was received from the Department of Defense indicating that settlement of this issue should be made from military retirement funds. Since the Committee on Veterans Affairs has no jurisdiction over these funds, the Committee voted to have the bill re-referred to the Committee on Armed Services.

We of course realize that your Committee would not consider H.R. 4382 in its present form, so in effect we are tranferring the subject matter to your Committee because of the recommendation of the Department of Defense. We are in the process of printing our hearings and these will be made available to your Committee at the earliest possible time.

Congressman Teague is Chairman of the Compensation and Pension Subcommittee that held hearings on the subject, and both he and I will be glad to be of assistance in any way possible.

With best wishes, I am,

Sincerely,

WM. JENNINGS BRYAN DORN,
Chairman.

AUGUST 9, 1973.

Hon. F. EDWARD HÉBERT,
Chairman, Committee on Armed Services, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: Further reference is made to my letter of July 30, 1973 concerning the re-referral to your Committee of H.R. 4382, a bill relating to benefits for individuals involved in the so-called "Brownsville Incident" and their survivors. As you have no doubt noted, the bill was formerly re-referred to your Committee on July 31, 1973.

To give you the background and purpose of this legislation, I am enclosing a copy of the Transcript of Hearings held on this bill by our Subcommittee on Compensation and Pension June 14, 1973, together with a copy of Senator Humphrey's statement on the bill and a press release issued by Congressman Augustus F. Hawkins, sponsor of the legislation.

Subsequently, the Senate reported a veterans' pension bill, S. 275, Section 8 of which deals with this same subject matter. After S. 275 was passed by the Senate August 2, the House pension bill, H.R. 9474, was taken up, amended by substituting the text of the Senate bill and passed. We hope to take appropriate action on the pension bill shortly after returning from the summer recess. Prior thereto, we will coordinate with you with respect to what position the House should take on the Brownsville provision of the bill.

Sincerely,

WM. JENNINGS BRYAN DORN,
Chairman.

SEPTEMBER 20, 1973.

Hon. F. EDWARD HÉBERT,
Chairman, Committee on Armed Services, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: I call your attention to recent correspondence between you and Chairman Dorn concerning legislation proposing certain benefits for individuals involved in the so-called "Brownsville Incident" and their survivors.

As you are aware, H.R. 4382, a bill proposing certain relief in this area, was re-referred to your Committee on July 31, 1973 for reasons outlined in Mr. Dorn's letter of

July 30th. Your letter of August 3, 1973 expressed a concurrence in this action.

Subsequently, as the Chairman advised you on August 9, 1973, the Senate, on August 2, passed a veterans' pension bill, S. 275, Section 8 of which deals with the same subject matter as the Brownsville bill, H.R. 4382. That section appears to authorize statutory relief in accordance with the recommendation of the Department of Defense and the Office of Management and Budget. We have just received copies of letters of the Chairman of the Senate Committee on Veterans Affairs from the Department of the Army and the Office of Management and Budget (copies enclosed) expressing approval of the legislative approach embodied in Section 8 of S. 275 as that bill is now pending before the House.

You will recall that in your letter to Chairman Dorn of August 16th, you expressed your assurances with respect to advising our Committee as to action that might be taken by your Committee on this legislation. As you will note from the enclosed clipping from the Washington Post of September 19th, one of the two known survivors of the Brownsville Incident of 1906 recently died. Accordingly, if any of the few surviving beneficiaries of remedial legislation are able to secure some relief, I am sure you will agree that immediate legislative action is imperative.

It is my belief that further House action on S. 275, as passed by the Senate, will be taken in the near future. In that connection, I perceive at this time no objection to Section 8 of the bill dealing with the Brownsville Incident. On the other hand, consistent with our position from the outset that the subject matter is primarily of concern to your Committee, Chairman Dorn agrees that we should defer to your wishes as to the appropriate further legislative procedure.

In view of the foregoing, I will appreciate your advising our Committee (1) whether, in connection with House consideration of the pension bill, S. 275, in the near future, you will waive any jurisdictional objection with regard to the Brownsville provision of the bill (Sec. 8) or (2) whether your Committee is prepared to expedite action on a separate proposal having the same objective. I am sure it is apparent to all of us that time is truly of the essence if we are going to provide effective legislative relief for the surviving tragic cases involved in the Brownsville Incident.

Sincerely,

OLIN E. TEAGUE,
Chairman, Subcommittee on Compensation and Pension.

SEPTEMBER 26, 1973.

HON. OLIN E. TEAGUE,
Chairman, Subcommittee on Compensation and Pension, Committee on Veterans' Affairs, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: I have reference to your letter dated September 20, 1973, concerning pending legislation proposing certain benefits for certain individuals involved in the so-called "Brownsville Incident" and their survivors.

Your letter advises that on August 2, 1973, the Senate passed a Veterans Pension Bill, S. 275, of which Section 8 deals with the same subject matter as the Brownsville bill, H. R. 4382. Section 8 of the Senate bill, in accordance with your letter, appears to authorize statutory relief in accordance with the recommendation of the Department of Defense and the Office of Management and Budget.

In view of this circumstance, you have suggested that my Committee may wish to waive any jurisdictional objection with regard to the Brownsville provision of the bill, Section 8 of S. 275, so as to enable the Veterans Affairs Committee to act expeditiously on both the Brownsville provision of the bill and the balance of the Veterans Pension Bill, S. 275.

I appreciate your desire to expedite resolution of the so-called "Brownsville Incident", and in view of the unusual circumstances present in this case, I am sure that the Committee on Armed Services, including the Ranking Minority Member of the Committee, Mr. Bray, would have no objection to the Veterans Affairs Committee acting on this matter.

Sincerely,

F. EDW. HÉBERT, *Chairman.*

Mr. Speaker, it is estimated that the additional cost of the House amendment for the first full fiscal year would be $238.9 million and the increase in pension rates would be effective January 1, 1974. I strongly urge approval of the amendment and express the hope that the other body will follow suit on the measure so that our veterans and their dependents will be able to receive pension relief before the next session of this Congress.

Mr. HAMMERSCHMIDT. Mr. Speaker, I will support the motion of the distinguished gentlemen from South Carolina, the chairman of the Committee on Veterans' Affairs, to concur in the Senate amendment to H.R. 9474 with a further amendment. Members will recall the House passed this pension bill on July 30. The bill as it passed the House of Representatives had a first full year cost of $246 million. It provided for a minimum 10-percent increase in the monthly rates of pension. In some instances, the percentage increase was considerably greater than 10 percent. It also provided that a spouse's earned income in excess of $3,600 annually would be counted as the veteran's income for pension purposes. This bill, Mr. Speaker, was designed to neutralize or offset to a great extent the adverse effect of last year's social security increase upon veteran's pensions.

The Senate amendments to this bill, Mr. Speaker, authorized a maximum 10-percent increase in all pension rates. Additionally, the Senate amendments increased maximum income limitations of existing law by $400. The House bill had been silent on this provision. In addition, the Senate amendment authorized the payment of a lump sum pension to any surviving veteran or to the unremarried widow of any such veteran of the infamous Brownsville, Tex., incident of 1906. This incident, widely publicized, resulted in the Army giving dishonorable discharges to 167 unidentified black soldiers in a mass punishment following a 10 minute shooting. The guilt of the 167 soldiers was not established and the punishment was completely unjustified. In 1972, the Secretary of the Army cleared the records of all the soldiers concerned and issued them honorable discharges. The Senate amendment would authorize a $25,000 lump sum payment to surviving veterans and $10,000 for the unremarried widows.

The amendment offered by the chairman will authorize increases that are more generous than the original Senate scale and slightly more modest than the original House version. It will retain, however, the laudable objective of offsetting to a great extent the adverse effect of last year's social security increase.

It will preserve the income limitations of existing law, but will remove the limitation on spouse's earned income that were contained in the original House passed bill.

Finally, Mr. Speaker, the amendment will accept the Senate language authorizing a lump sum payment to survivors of the Brownsville incident and their unremarried widows.

I support the gentleman's amendment, Mr. Speaker, because it represents a reasonable compromise with the Senate version of the bill. I urge that it be passed.

Mr. Speaker, I withdraw my reservation of objection.

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

There was no objection.

Mr. BRINKLEY. Mr. Speaker, as a member of the Veterans' Affairs Committee, I was pleased to join with Chairman DORN as a cosponsor of H.R. 9474 which we passed today overwhelmingly.

By increasing monthly non-service-connected disability and death pension rates for veterans, their widows and children and the dependency and indemnity payments to dependent parents by a minimum of 10 percent, this legislation will help eliminate the see-saw effect which plagues so many. In my opinion this bill will, in the great majority of cases, help to offset some of the veterans benefits which were lost because of the last 20 percent social security increase.

Mr. Speaker, because of the drastic spiraling increases in our cost of living, I strongly urge our colleagues in the other body to consider H.R. 9474 at an early date so that the benefits provided by this legislation can reach the intended recipients, many of whom are in great need, as soon as possible.

Mr. MONTGOMERY. Mr. Speaker, I rise in strong support of H.R. 9474 and urge its unanimous approval by my colleagues. As we all know, this measure will provide for a 10-percent across the board increase in the pension benefits being received by our non-service-connected veterans and the widows and children of non-service-connected veterans. This increase will help to minimize the impact of the social security increase which became effective this past January.

I realize that this is a stopgap measure as far as our non-service-connected veterans are concerned, but hopefully it will help to alleviate their financial problems during these times of rising prices. It is unfortunate but true that each time we raise social security benefits, the non-service-connected veteran suffers a loss in his pension which means his monthly income remains virtually static. By passing this measure, we will make it possible for the non-service-connected veteran to realize a modest increase in his or her monthly income.

Mr. Speaker, I urge passage of H.R. 9474 as amended by the Senate and further amended by the House.

MOTION OFFERED BY MR. DORN

Mr. DORN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. DORN moves that the House concur in the Senate amendment to the text with an amendment as follows: Strike out all after the enacting clause and insert:

That (a) subsection (b) of section 521 of title 38, United States Code, is amended to read as follows:

"(b) If the veteran is unmarried (or married but not living with and not reasonably contributing to the support of his spouse) and has no child, pension shall be paid according to the following formula: If annual income is $300 or less, the monthly rate of pension shall be $143. For each $1 of annual income in excess of $300 up to and including $800, the monthly rate shall be reduced 3 cents; for each $1 of annual income in excess of $800 up to and including $1,300, the monthly rate shall be reduced 4 cents; for each $1 of annual income in excess of $1,300 up to and including $1,600, the monthly rate shall be reduced 5 cents; for each $1 of annual income in excess of $1,600 up to and including $2,200, the monthly rate shall be reduced 6 cents; for each $1 of annual income in excess of $2,200 up to and including $2,500, the monthly rate shall be reduced 7 cents; and for each $1 of annual income in excess of $2,500 up to and including $2,600, the monthly rate shall be reduced 8 cents.

"No pension shall be paid if annual income exceeds $2,600.".

(b) Subsection (c) of such section 521 is amended to read as follows:

"(c) If the veteran is married and living with or reasonably contributing to the support of his spouse, or has a child or children, pension shall be paid according to the following formula: If annual income is $500 or less, the monthly rate of pension shall be $154 for a veteran and one dependent, $159 for a veteran and two dependents, and $164 for three or more dependents. For each $1 of annual income in excess of $500 up to and including $800, the monthly rate shall be reduced 2 cents; for each $1 of annual income in excess of $800 up to and including $2,600, the monthly rate shall be reduced 3 cents; for each $1 of annual income in excess of $2,600 up to and including $3,200, the monthly rate shall be reduced 4 cents; for each $1 of annual income in excess of $3,200 up to and including $3,700, the monthly rate shall be reduced 5 cents; and for each $1 of annual income in excess of $3,700 up to and including $3,800, the monthly rate shall be reduced 6 cents. No pension shall be paid if annual income exceeds $3,800.".

(c) Subsection (b) of section 541 of title 38, United States Code, is amended to read as follows:

"(b) If there is no child, pension shall be paid according to the following formula: If annual income is $300 or less, the monthly rate of pension shall be $96. For each $1 of annual income in excess of $300 up to and including $600, the monthly rate shall be reduced 1 cent; for each $1 of annual income in excess of $600 up to and including $1,400, the monthly rate shall be reduced 3 cents; for each $1 of annual income in excess of $1,400 up to and including $2,600, the monthly rate shall be reduced 4 cents.

No pension shall be paid if annual income exceeds $2,600.".

(d) Subsection (c) of such section 541 is amended to read as follows:

"(c) If there is a widow and one child, pension shall be paid according to the following formula: If annual income is $700 or less, the monthly rate of pension shall be $114. For each $1 of annual income in excess of $700 up to and including $1,100, the monthly rate shall be reduced 1 cent; for each $1 of annual income in excess of $1,100 up to and including $2,500, the monthly rate shall be reduced 2 cents; for each $1 of annual income in excess of $2,500 up to and including $3,400, the monthly rate shall be reduced 3 cents; and for each $1 of annual income in excess of $3,400 up to and including $3,800, the monthly rate shall be reduced 4 cents. Whenever the monthly rate payable to the widow under the foregoing formula is less than the amount which would be payable to the child under section 542 of this title if the widow were not entitled, the widow will be paid at the child's rate. No pension shall be paid if the annual income exceeds $3,800.".

SEC. 2. Section 541(d) of title 38, United States Code, is amended by striking "17" and substituting in lieu thereof "18".

SEC. 3. (a) Section 542(a) of title 38, United States Code, is amended by striking the figures "42" and "17" respectively, and substituting in lieu thereof the figures "44" and "18", respectively.

SEC. 4. (a) Subsection (b) of section 415 of title 38, United States Code, is amended to read as follows:

"(b)(1) Except as provided in paragraph (2) of this subsection, if there is only one parent, dependency and indemnity compensation shall be paid to him according to the following formula: If annual income is $800 or less, the monthly rate of dependency and indemnity compensation shall be $110. For each $1 of annual income in excess of $800 up to and including $1,100, the monthly rate shall be reduced 3 cents; for each $1 of annual income in excess of $1,100 up to and including $1,500, the monthly rate shall be reduced 4 cents; for each $1 of annual income in excess of $1,500 up to and including $1,700, the monthly rate shall be reduced 5 cents; for each $1 of annual income in excess of $1,700 up to and including $2,000, the monthly rate shall be reduced 6 cents; for each $1 of annual income in excess of $2,000 up to and including $2,300, the monthly rate shall be reduced 7 cents; and for each $1 annual income in excess of $2,300 up to and including $2,600, the monthly rate shall be reduced 8 cents.

No dependency and indemnity compensation shall be paid if annual income exceeds $2,600.

"(2) If there is only one parent and he has remarried and is living with his spouse, dependency and indemnity compensation shall be paid to him under either the formula of paragraph (1) of this subsection or under the formula in subsection (d), whichever is the greater. In such a case of remarriage the total combined annual income of the parent and his spouse shall be counted in determining the monthly rate of dependency and indemnity compensation under the appropriate formula."

(b) Subsection (c) of such section 415 is amended to read as follows:

"(c) Except as provided in subsection (d), if there are two parents, but they are not living together, dependency and indemnity compensation shall be paid to each according to the following formula: If the annual income of each parent is $800 or less, the monthly rate of dependency and indemnity payable to each shall be $77. For each $1 of annual income in excess of $800 up to and including $1,100, the monthly rate shall be reduced 2 cents; for each $1 of annual income in excess of $1,100 up to and including $1,400, the monthly rate shall be reduced 3 cents; for each $1 of annual income in excess of $1,400 up to and including $2,300, the monthly rate shall be reduced 4 cents; and for each $1 of annual income in excess of $2,300 up to and including $2,600, the monthly rate shall be reduced 5 cents.

No dependency and indemnity compensation shall be paid to a parent whose annual income exceeds $2,600.".

(c) Subsection (d) of such section 415 is amended to read as follows:

"(d) If there are two parents who are living together, or if a parent has remarried and is living with his spouse, dependency and indemnity compensation shall be paid to each such parent according to the following formula: If the total combined annual income is $1,000 or less, the monthly rate of dependency and indemnity compensation payable to each parent shall be $74. For each $1 of annual income in excess of $1,000 up to and including $1,200, the monthly rate shall be reduced 1 cent; for each $1 of annual income in excess of $1,200 up to and including $2,900, the monthly rate shall be reduced 2 cents; and for each $1 of annual income in excess of $2,900 up to and including $3,800, the monthly rate shall be reduced 3 cents.

No dependency and indemnity compensation shall be paid to either parent if the total combined annual income exceeds $3,800.".

SEC. 5. Section 3203(a)(1) of title 38, United States Code, is amended by striking out "30" and inserting in lieu thereof "50".

SEC. 6. (a) Subsection (b) of section 3010 of title 38, United States Code, is amended by inserting "(1)" immediately after "(b)", and by adding at the end of said subsection the following new paragraph:

"(2) The effective date of an award of disability pension to a veteran shall be the date of application or the date on which the veteran became permanently and totally disabled, if an application therefor is received within one year from such date, whichever is to the advantage of the veteran.".

(b) Subsection (a) of this section shall apply to applications filed after its effective date, but in no event shall an award made thereunder be effective prior to such effective date.

SEC. 7. (a) Any veteran who was dishonorably discharged from the United States Army as the result of an incident that occurred in Brownsville, Texas, on August 13, 1906, and who was not subsequently ruled eligible for reenlistment in the Army by a special Army tribunal decision dated April 6, 1910, shall, upon application made to the Administrator of Veterans' Affairs together with such evidence as the Administrator may require, be paid the sum of $25,000.

(b) Any unremarried widow of any veteran described in subsection (a) of this section shall, upon application made to the Administrator of Veterans' Affairs together with such evidence as the Administrator may require, be paid the sum of $10,000 if such veteran died prior to the date of enactment of this Act or if such veteran failed to make application for payment under subsection (a) after such date of enactment and prior to his death.

(c) Payment authorized to be made under this section in the case of any veteran or widow shall be made by the Secretary of the Army, out of funds available for the payment of retired pay to Army personnel, upon certification by the Administrator of Veterans' Affairs of the entitlement of such veteran or widow to receive such payment. In no case may any payment be made to any veteran or widow under this section unless application for such payment is made within five years after the date of enactment of this Act.

SEC. 8. This Act shall take effect on January 1, 1974.

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

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

There was no objection.

The motion was agreed to.

MOTION OFFERED BY MR. DORN

Mr. DORN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. DORN moves that the House concur in the Senate amendment to the title of the bill with an amendment as follows: Amend the title so as to read "a bill to amend title 38, United States Code, to increase the monthly rates of disability and death pensions and dependency and indemnity compensation and for other purposes."

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

GENERAL LEAVE

Mr. DORN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks, and to include extraneous matter, on the bill under consideration.

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

There was no objection.

SOCIAL SECURITY BENEFITS INCREASE

Mr. ULLMAN. 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. 11333) to provide a 7-percent increase in social security benefits beginning with March 1974 and an additional 4-percent increase beginning with June 1974, to provide increases in supplemental security income benefits, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from Oregon (Mr. ULLMAN).

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. 11333, with Mr. DINGELL 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 Oregon (Mr. ULLMAN) will be recognized for 1½ hours and the gentleman from Virginia (Mr. BROYHILL) will be recognized for 1½ hours.

The Chair recognizes the gentleman from Oregon (Mr. ULLMAN).

Mr. ULLMAN. Mr. Chairman, I yield myself 20 minutes.

Mr. Chairman, the purpose of H.R. 11333 is to provide increased payments for social security beneficiaries and needy aged, blind, and disabled adults who will start receiving payments under the new Federal supplemental security income program—SSI—which will go into operation at the beginning of 1974.

As recently as last July legislation was approved to increase the benefits of these same individuals. Public Law 93–66 enacted in July of 1973 would provide a 5.9-percent cost-of-living increase applicable only to social security benefits payable for June 1974 through December 1974. This benefit increase was enacted as an advance payment of a portion of the first automatic benefit increase which would be in effect for January 1975.

Let me say that this bill relates to two separate programs. One is the social security program, and the other is the supplemental security income program which Members will recall was enacted in 1972 to replace the Federal-State grant-in-aid program for the aged, the blind, and the disabled. In Public Law 93–66 this year we also provided for some additional payments in SSI recipients. Under the original law the new SSI program would go into effect in January, but earlier this year we provided for an increase in SSI payments that would go into effect in July of 1974.

What we are doing in that respect in this bill is stepping up the time for these increases from July of 1974 to January of 1974. Remember, these are for the aged, the blind, and the disabled. This is the supplemental security income program. I will in a few minutes point out the problem in connection with that program as it relates to State supplemental payments which create some difficulty, and I will point out how I think we properly have solved it in this bill.

The second measure that this bill relates to is of course the cost-of-living increases in the social security system which were to have gone into effect on January 1 of 1975 but concerning which earlier this year we provided a special 5.9-percent-benefit increase effective in July of 1974. What we are doing in this legislation is moving that increase on up to the earliest possible date when it can be put into effect, and that is March of this year, payable in the April checks.

Since the enactment of Public Law 93–66 early in July the cost-of-living index, particularly those elements which have the greatest effect on individuals not in the labor force, such as the price of food, has risen more rapidly than at any time since the post-World War II period. This is why we are here before the House today.

Note this: In the 3 months time, July, August, and September, the index has risen at a seasonally adjusted annual rate of 10.3 percent and the food component of the index has risen at a seasonally adjusted annual rate during those 3 months of 28.8 percent. This is the most phenomenal increase in the cost of food that any of us has experienced in our time and this is the reason we are here to try to relate that cost of living to the benefits that are received by the aged under these programs.

It is evident, therefore, that Congress should act now both to provide assurances to beneficiaries that the social security and supplemental security income programs are responsive to changing needs by improving benefits as quickly as possible and also to maintain confidence in the fiscal integrity of the social security system by improving the actuarial soundness of the program.

I believe it is extremely important that we keep the social security program actuarially sound and in this measure we have taken the necessary steps to bring the program back into actuarial soundness, so that we can go home to our constituents and explain to them that the social security fund is on a sound basis.

The committee's bill would provide for a flat 7 percent social security benefit increase for March, 1974, which will be reflected in the checks received early in April, which would be a partial advance payment of a permanent 11 percent benefit increase effective for June, 1974, reflected in the checks payable early in July.

Let me explain why the committee chose to make the first part of the increase in social security benefits effective for March. I just will explain that this is absolutely the earliest possible date that even a flat increase could be put into effect, according to the testimony presented to our committee by the Social Security Administration experts.

The Social Security Administration informed the committee that it did not have the ability to implement the new SSI program and at the same time recompute the benefits of all social security beneficiaries in the manner that social security benefit increases have been made in the past, which is on a so-called refined or precisely exact basis, and to reflect such a benefit increase in the checks received by social security beneficiaries prior to the checks issued in May, issued May 3, 1974.

Mr. Chairman, at this point I will insert into the RECORD a statement prepared by the Social Security Administration explaining why it would not be possible to include a social security benefit increase in social security checks prior to April 1974:

WHY IT ISN'T POSSIBLE TO PAY A SOCIAL SECURITY BENEFIT INCREASE IMMEDIATELY

Given the fact that the Social Security Administration employs tens of thousands of workers and is one of the world's largest users of computers, it would seem, on the surface that it would be a simple matter to include any benefit increase in the very next check following a decision by the Congress and the President to provide the increase.

As it turns out, it is a difficult and time-consuming task—one that requires a great deal of planning and preparatory work. While computers can calculate benefit increases very quickly, preparing them to make those calculations is a very complex undertaking. The complexity also limits the number of people who can be assigned to this work at any given time. Following are some of the reasons why the process takes so much time.

The computers can easily be used for the relatively simple chore of multiplying current benefits by the rate of the increase for less than half of the 29 million beneficiaries who receive checks each month.

For the remaining beneficiaries—some 17 million people—the computers must be programmed to apply a vast number of complex rules required to increase the amount of a person's check correctly. For example, a complex calculation is required for beneficiaries who retired before age 65, and for those who are widows.

Last year, the Social Security Act was amended to include many changes which greatly complicate benefit calculations and increase the number of variables that must be taken into account. Computer programs and payment systems are still being revised

to work those legislative changes into the system. These changes have rendered useless computer programs and special systems used by the Social Security Administration to execute previous benefit increases.

Last year's Social Security Amendments also authorized a new Federal Supplemental Security Income program calling for the Social Security Administration to begin making cash assistance payments to some 6 million needy aged, blind, and disabled people in January 1974. This new program adds a significant workload for the Social Security Administration. The requirement to install the Supplemental Security Income program and to increase social security benefits at the same time complicates both processes—particularly because the two programs affect each other and must be carefully coordinated.

The combination of all of these factors makes the preparation required to correctly increase 29 million social security checks more difficult than ever before. The best estimate of the Social Security Administration is that the complete process, from beginning of planning to delivery of an increased benefit check, will require about 6 months.

Following is a summary of some of the steps that are required to complete preparations, calculate the increase, and deliver a higher check to social security beneficiaries:

Step 1. The planning for and preparation of new computer programs and changes in the check processing system require about 12 weeks.

Step 2. Testing and checking these programs and systems changes require another 2 weeks.

Step 3. A master benefit record must be kept on the 29 million people now receiving checks. Correct benefit payments cannot be made unless it is maintained and updated accurately. Thus, the new computer programs and systems changes must be tested to be certain that they do not produce errors in the master benefit record. This step is very important, otherwise future benefits could be in error, to the disadvantage of millions of social security beneficiares. This step takes another 2 weeks.

Step 4. The actual process of updating the master file and calculating the benefit increase then takes place. It is this step that produces a massive computer tape which will be used by the Treasury Department as a basis for writing the benefit checks themselves. This step takes about 5 weeks.

Step 5. Using the tape prepared by the Social Security Administration, the Treasury Department prepares the actual checks—over 29 million of them. This requires about 3 to 4 weeks. The process of preparing regular monthly social security checks goes on routinely, month in and month out. Three weeks out of every month is always devoted to Treasury processing.

Step 6. The checks are mailed by the postal service. This is the quickest step. It only takes about 3 days.

To carry out all these steps takes about 6 months.

The Social Security Administration is anxious to deliver proper checks, including new benefit amounts, at the levels authorized in law—as quickly and as accurately as possible. Benefit increases have occurred with some frequency during recent years, and the Social Security Administration has gained a great deal of experience in preparing for and dealing with them. In the case of past benefit increases, SSA has begun a number of the required steps even ahead of actual changes in the law, in anticipation of final action by the Congress. In other words, the agency has anticipated the changes and thus reduced the elapsed time between final enactment of the benefit increase and the delivery of the check. However, it can begin its work only as soon as there is reasonable assurance of what the Congress intends to do. Assuming the Congress will complete its action by December 1, the above schedule would result in the delivery of accurately computed benefit increase checks in May of 1974—at the earliest.

POSSIBILITY OF A FLAT "UNREFINED" INCREASE

The above process can be speeded up if the law authorizing the benefit increase calls for a simple multiplication of the current benefit for each and every beneficiary by the percentage increase. In other words, by ignoring all the variables that now exist for more than 17 million beneficiaries, the process can be shortened. On this basis, a benefit increase can be paid in the April check. However, such an unrefined increase would mean that about 12 million people would receive an amount somewhat lower (usually about $1) than they would receive under a refined increase. Nevertheless, these people would receive more than they now receive.

Under this kind of arrangement, it would be necessary later to refine all the records and calculate all the variables for 17 million people in order to begin paying checks in the correct monthly amount.

With respect to the 7-percent benefit increase payable for March through May of 1974, the reported bill therefore provides for a simplified benefit increase. When the full 11 percent goes into effect in June, payable in July, it will be a "refined" 11 percent; so at that time the increases will be in full conformity with all the complexities and technicalities of the social security law and will be precisely accurate for all classes of beneficiaries.

Let me turn now to the financing, because I believe this is extremely important. The bill would also bring the long-range actuarial deficit of the system within acceptable limits by increasing the annual amount of earnings subject to tax and creditable for benefits and by making adjustments in the social security tax schedule.

Let me tell the Members here that until 1981 there will be no increase of rates in the combined social security and hospital insurance tax schedules. There will be some adjustment between the HI portion and the social security portion, which I also will explain. However, the bill would raise the social security taxable wage base for calendar year 1974 from $12,600 to $13,200.

The adjustments in the social security tax rates, as I have indicated, involve increases in the tax rates on a long term basis to provide additional funds for this social security cash benefit program and decreases in the tax rate for the hospital insurance program. There will be no increase, as I have indicated, in the total tax rate when we combine the tax rates of both of these programs until 1981. At that time there would be a 0.15-percent increase in the total tax rate involving an increase from 6.15 percent to 6.30 percent at that time, in 1981. There would also be an increase in the total combined tax rate in subsequent years. Mr. Chairman, at this point I will insert in the RECORD memorandums prepared by the office of the actuary relating to the financial soundness of the Social Security System as modified by H.R. 11333, and also a table setting forth social security tax rates under the present law and as they would be modified by the committee bill. These matters are covered very carefully in the committee report, and I would recommend these tables to the attention of the Members.

GENERAL MEMORANDUM

From: Francisco Bayo, Deputy Chief Actuary, SSA.

Subject: Margin of Variation in the Long Range Actuarial Balance of the OASDI System.

Historically, there has been a range or margin of variation that has been regarded as acceptable in the financing of the OASDI system. The margin has been predicated mostly on the basis that the actuary cannot project future costs with exact precision and partly on the fact that the tax rates are rounded to the nearest 0.10 percent of taxable payroll.

In the early 1960's, it used to be that the system would be considered in actuarial balance if the deficit (or surplus) was not over 0.30 percent of taxable payroll. This permissible margin of variations was later reduced to 0.10 percent of taxable payroll, when the 1965 Advisory Council recommended that the estimates be prepared over a 75-year period rather than over perpetuity. The change to a shorter period of valuation brought more certainty into the cost projections. The latest Advisory Council recommended that the estimates be based on increasing earnings and benefits assumptions rather than the static ones that had been used in the past. The projection of costs on the basis of possible future increases in wages and in Consumer Price Index makes the long-range cost more uncertain and, therefore, subject to a wider margin of variation. This new margin of variation could be established at a relative level of about 5 percent of the cost of the system, or at about 0.57 percent of taxable payroll for the present OASDI system.

The bill reported out by the Ways and Means Committee, H.R. 11333, has an actuarial balance of −0.51 percent of taxable payroll, and it is within a permissible margin of 5 percent of the cost of the system.

The present system has an actuarial balance of −0.76 percent of taxable payroll, which is outside the permissible range of variation. However, the Ways and Means Committee bill provides for an improvement in the financing of about ¼ of one percent of taxable payroll, thus bringing the system into closer actuarial balance.

Ideally, the preferred financing would yield an exact actuarial balance, that is, no long-range deficit or surplus, but due to the variations in future cost and to the rounding of the tax rates, a margin of deficit or surplus is acceptable.

FRANCISCO BAYO.

GENERAL MEMORANDUM

NOVEMBER 13, 1973.

From—Francisco Bayo, Deputy Chief, Actuary, SSA.

Subject—Financial Soundness of the Social Security System.

The financial or actuarial soundness of the Social Security system is generally established on the basis of the long-range cost of the system. This is done by comparing the average-cost of the system over 75 years into the future with the average tax collections that are expected over the same period. If in this comparison the costs and taxes are close to each other (no more than 5 percent apart), the system is regarded as being financially sound.

As examples of the above, it could be indicated that the present Social Security system needs additional taxes in order to be actuarially sound, since the tax collection projected under present law falls short by about 7 percent of projected cost. On the other hand, the bill reported out a few days

ago by the House Committee on Ways and Means, H.R. 11333, can be regarded as financially sound since there is a difference of only 4 percent between the projected taxes and the projected costs. This bringing of the Social Security system back into actuarial soundness is a result that the Committee wanted to accomplish in the bill.

In a program like the Social Security system, there is no need to keep on hand enough funds to pay for all future benefits. The test is whether all future income, in addition to the funds on hand, would come close to covering all future outgo. It is, however, important (but not essential) that the funds on hand increase during the early years, i.e., that the use of the present funds to pay benefits in the near future should be avoided. Under the bill reported out by the Ways and Means Committee, the funds would increase in the early years from about $46 billion at the end of 1974 to about $54 billion at the end of 1978. The reverse would be true under present law, since the funds would decrease from $47 billion in 1974 to $46 billion in 1978.

FRANCISCO BAYO.

SOCIAL SECURITY TAX RATES FOR EMPLOYERS, EMPLOYEES, AND SELF-EMPLOYED PERSONS UNDER PRESENT LAW AND COMMITTEE BILL

[In percent]

	Present law						Committee bill					
	Employer and employee, each			Self-employed			Employer and employee, each			Self-employed		
	OASDI	HI	Total	OASDI	HI	Total	OASDI	HI	Total	OASDI	HI	Total
1974 through 1977	4.85	1.00	5.85	7.0	1.00	8.00	4.95	0.90	5.85	7.0	0.90	7.90
1978 through 1980	4.80	1.25	6.05	7.0	1.25	8.25	4.95	1.10	6.05	7.0	1.10	8.10
1981 through 1985	4.80	1.35	6.15	7.0	1.35	8.35	4.95	1.35	6.30	7.0	1.35	8.35
1986 through 2010	4.80	1.45	6.25	7.0	1.45	8.45	4.95	1.50	6.45	7.0	1.50	8.50
2011 plus	5.85	1.45	7.30	7.0	1.45	8.45	5.95	1.50	7.45	7.0	1.50	8.50

The committee bill also makes some modifications in the provisions of the Social Security Act with respect to increasing benefits automatically to keep pace with future increases in the cost of living.

Under present law, the cost of living for the automatic benefit increase provisions is measured from the second quarter of one year to the second quarter of the next year, with any benefit increase payable for the following January. This results in a 7-month lag between the end of the period which is used to determine the rise in the cost of living for an automatic benefit increase and the payment for such increase. The January check is actually received in February, 7 months after the close of the second calendar quarter.

The committee felt that an increase under the automatic benefit adjustment provision of the law should reflect the rise of the cost of living as nearly as possible to the date of implementation. In order to achieve this purpose, the bill would change the automatic adjustment provisions of the law to provide that future benefit increases be computed on the basis of the Consumer Price Index for the first calendar quarter rather than the second calendar quarter of the year, as under present law, and also that the resulting automatic benefit increase be effective for June of the year in which a determination to increase benefits is made.

This would reduce the lag between the end of the calendar quarter used to measure the rise in the cost of living and the payment of the resulting benefit increase from 7 months to 3 months. It would also mean that the automatic benefit increases in the future would be payable in the month in which any revised premiums under the supplemental medical insurance program would be effective, thus providing the opportunity to make both adjustments in the benefit checks at the same time. So we think this is an overall simplification of the act and one that will make it work more effectively.

Since the 11 percent benefit increase provided for in the bill approximately reflects the estimated rise in the cost of living into the second calendar quarter of 1974, the bill provides specifically that for purposes of determining the first automatic benefit increase effective for June, 1975, the increase in living cost would be determined from the second calendar quarter of 1974 to the first calendar quarter of 1975.

These changes would not affect automatic adjustment provisions relating to the contribution and benefit base and the earnings limitation except that these increases would occur periodically in January following a June benefit increase rather than with the same month for which benefits would be increased as under present law.

The bill specifically provides that the 11 percent benefit increase for June 1974 provided for in the bill shall be considered for purposes of permitting an automatic increase in the contribution and benefit base and the earnings limitations beginning effective January 1975.

Mr. Chairman, in making these changes in the automatic benefit increase provisions of the law, we have attempted to provide a mechanism for moving from these legislated increases that we have had to make because of the tremendous increase in cost of living. The bill will make it possible to work into the automatic cost-of-living procedures.

Under the bill we have provided for an 11-percent benefit increase effective in 1974 and then provided a new base period whereby we can move automatically into another cost-of-living increase payable in July of 1975. So it is the hope of the committee that there will be no need for any further legislation to get us into the automatic cost-of-living benefit increase procedures.

This bill will take fully into consideration all of the cost-of-living increases that will have taken place and will give that cost of living to the beneficiaries as rapidly as possible as the cost-of-living increase occurs.

Therefore, we think that this is the kind of tidying legislation that is absolutely essential to get the cost of living into a meaningful posture.

I think, very importantly, as I have indicated before, we have also corrected the actuarial imbalance in the program, and I think that is something that we should all note.

Let me turn to the matter of SSI benefits, because this will create some controversy in the program that we are presenting, and I think it is the only controversy.

The bill provides that SSI benefits would be increased from $130 to $140 for a single individual and from $195 to $210 for a couple, effective in January of 1974. That would be reflected in the checks received in January.

Remember, this is a new program, and this is when it goes into effect, in January. But we will increase that amount from the amount scheduled originally, as I have indicated.

A further increase of $6 for single individuals and $9 for couples would be effective in July 1974, as reflected in the checks received for July.

Now, Mr. Chairman, there is a provision that we will hear more about. The bill contains what has been referred to as a "pass-along provision" which will affect the benefits payable in some States which make the supplementary payments to recipients receiving benefits under the new Federal SSI program.

This is a rather complicated matter.

As all of us know, the rationale for the SSI program is to eliminate the grant-in-aid and cost-sharing provisions for the aged, blind, and disabled that we have always had and to make this a Federal program—in other words, to federalize the adult category.

But in the original bill as passed, we did make provision for the States that had supplemental payments, because some States have a higher cost factor, and they feel that their aged people cannot survive on the basis of these Federal limits. And so we put into effect what we call a hold harmless provision, and

that hold harmless provision is what gives us problems here.

The present law, in effect, provides that if the average amount of income actually received by aged, blind, and disabled welfare recipients under State programs in January of 1972 was higher than the level of Federal payments under the supplemental security income program the States may add enough to new Federal benefits to make up the difference, with the assurance that their total expenditures will not exceed the expenditures for those programs from non-Federal sources in the calendar year 1972.

The States may add enough to increase the Federal benefits to make up the difference with the assurance that their total expenditures will not exceed expenditures from these programs from non-Federal sources in calendar year 1972. That is the "hold harmless" provision. If the State exceeds the 1972 expenditures, then the Federal Government will make up the difference. Any increases made since January 1972 are at the State's expense. It means that when the Federal benefit is increased, as it is in this bill, the State's supplemental payments must be decreased by the same amount or the State must provide additional funds of its own if it wishes the beneficiary to have the benefits of this increase.

The first SSI payment will be made on January 1, 1974. Because of the fear that States could not make the necessary adjustments in their law or make the necessary plans or financing by that time, this bill provides that the Federal increase on January 1 may be passed on to recipients during the calendar year 1974 at no additional expense to the States.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ULLMAN. Mr. Chairman, I yield myself 4 additional minutes.

In other words, what we have done is provided for 1 year—and only 1 year—a hold harmless provision for these increases. Remember that we had a hold harmless provision for all of the differential when we first initiated the program.

As an example of how this will work, assume a State's payment, together with income, averaged $200 per recipient in January 1972. The State made plans to provide supplemental payments of $70 with the Federal payment of $130, which is the amount that has been in the law, and the amount we would increase it to is $140.

Without this amendment the State has two options: it can reduce the $70 to $60 so that the income to the beneficiaries will be the same, or else it can provide $10 of its own funds and thus make a $70 payment to the beneficiary and provide the same increase in total income as there is in the Federal benefit.

The committee was very much afraid some States would not be able to make either of these choices in the time available and accordingly provided temporary relief to the States, so that to the extent they have problems they would not be put in an impossible situation on January 1.

These are the principal provisions of the bill.

I would like to assure Members of the House that, as always, we thoroughly considered this matter and have come to you with a reasonable package designed to treat social security beneficiaries fairly and maintain the social security program on a sound actuarial basis.

I strongly urge that the House pass the legislation.

Mr. Chairman, I will include supplemental material at this point in the RECORD.

TABLE 1.—ESTIMATED EFFECT OF SPECIAL BENEFIT INCREASE OF 7 PERCENT, EFFECTIVE MARCH 1974 AND THE PERMANENT 11 PERCENT INCREASE EFFECTIVE JUNE 1974, ON AVERAGE MONTHLY BENEFIT AMOUNTS IN CURRENT-PAYMENT STATUS FOR SELECTED BENEFICIARY GROUPS

Beneficiary group	Average monthly amount		
	Before 7 percent increase	After 7 percent increase	After 11 percent increase
1. AVERAGE MONTHLY FAMILY BENEFITS			
Retired worker alone (no dependents receiving benefits)	$162	$173	$181
Retired worker and aged wife, both receiving benefits	277	296	310
Disabled worker alone (no dependents receiving benefits)	179	191	199
Disabled worker, wife, and 1 or more children	363	388	403
Aged widow alone	158	169	177
Widowed mother and 2 children	390	417	433
2. AVERAGE MONTHLY INDIVIDUAL BENEFITS			
All retired workers (with or without dependents also receiving benefits)	167	178	186
All disabled workers (with or without dependents also receiving benefits)	184	197	206

TABLE 2.—ASSETS AT THE BEGINNING OF THE YEAR[1]

[Percent]

Calendar year	OASDI		HI	
	Present law	Modified system	Present law	Modified system
1973	80	80	36	36
1974	75	72	64	64
1975	70	68	83	74
1976	64	64	95	78
1977	59	63	103	77
1978	56	62	105	72

[1] As a percentage of expenditures during the year for the OASI and DI trust funds, combined, and for the hospital insurance trust fund, under present law and under the system as it would be modified by the committee bill.

TABLE 3.—PROGRESS OF THE OASI AND DI TRUST FUNDS, COMBINED, UNDER PRESENT LAW AND UNDER THE SYSTEM AS IT WOULD BE MODIFIED BY THE COMMITTEE BILL, CALENDAR YEARS 1973–78

[In billions]

	Income		Outgo		Net increase in funds		Assets, end of year	
	Present law	Modified system	Present law	Modified system	Present law	Modified system	Present law	Modified system
Calendar year:								
1973	$54.8	$54.8	$53.4	$53.4	$1.4	$1.4	$44.2	$44.2
1974	61.4	63.1	58.9	61.2	2.6	1.9	46.8	46.1
1975	66.5	68.5	66.6	67.6	−.1	.8	46.7	46.9
1976	72.6	74.8	72.7	73.1	(1)	1.7	46.6	48.6
1977	78.4	80.9	78.5	77.8	−.2	3.1	46.5	51.7
1978	82.0	85.5	82.3	83.7	−.3	1.9	46.2	53.6

[1] Outgo exceeds income by less than $50,000,000.

TABLE 4.—PROGRESS OF THE HOSPITAL INSURANCE TRUST FUND UNDER PRESENT LAW AND UNDER THE SYSTEM AS IT WOULD BE MODIFIED BY THE COMMITTEE BILL, CALENDAR YEARS 1973–78

[In billions]

	Income		Outgo (same under present law and modified system)	Net increase in funds		Assets, end of year	
	Present law	Modified system		Present law	Modified system	Present law	Modified system
Calendar year:							
1973	$11.4	$11.4	$8.1	$3.4	$3.4	$6.3	$6.3
1974	13.1	12.1	9.8	3.3	2.3	9.6	8.6
1975	14.3	13.1	11.5	2.8	1.5	12.4	10.1
1976	15.7	14.3	13.0	2.7	1.2	15.1	11.3
1977	17.1	15.4	14.7	2.3	.7	17.5	12.0
1978	22.0	19.4	16.6	5.5	2.8	22.9	14.9

TABLE 5.—*Effect of H.R. 11333 on unified budget for fiscal year 1974*

[In billions]

Additional outgo:	
Social security benefit increase	$.9
Supplemental security income benefit increase [1]	.2
Total	1.1
Additional income:	
Social security earnings base	.1
Net additional outgo	1.0

[1] Cost of "hold harmless" provision already included in the budget. Without the amendment in the bill, expenditures under the "hold harmless' provision would be about $100 million less than provided for in the Fiscal Year 1974 budget.

Mr. CAMP. Will the gentleman yield?

Mr. ULLMAN. I yield to the gentleman.

Mr. CAMP. I believe the gentleman stated the increased cost of living percentagewise was about 28.8 percent.

Mr. ULLMAN. For the time frame I mentioned the food costs had gone up at a 28.8 percent annual rate. That is right. The across-the-board living cost had gone up 10.3 percent.

Mr. CAMP. I wonder if the gentleman can tell us how much the social security payments percentagewise have gone up.

Mr. ULLMAN. What we have done in this legislation is try and keep exactly abreast of the cost-of-living increases that have occurred and to tide the program over during this interim period so that we can actually have cost-of-living benefit increases coming into effect at the time nearest to the cost-of-living increases so that they can help the beneficiaries. The actual result is here that the increases we have afforded during this year and through next year until the automatic cost-of-living adjustments come into effect will very closely match the actual costs of living that have taken place.

Mr. BROYHILL of Virginia. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, the gentleman from Oregon (Mr. ULLMAN) has delivered a very thorough explanation of the bill. Therefore, I will attempt to merely summarize essential points of the measure and to make a few additional observations on it.

The bill provides for a 7-percent "flat" social security benefit increase payable in the April 3, 1974, paychecks, and for a further increase in the July 3, 1974, paychecks, bringing the combined increase for the year to 11 percent across the board.

And very importantly, Mr. Chairman, the bill also provides for a quick return to the cost-of-living increase concept in the automatic escalator provision of existing law.

In effect, the action taken under this measure would preempt the first cost-of-living increase, due to take effect in January 1975, but as pointed out by the gentleman from Oregon, H.R. 11333 does provide for a prompt return to the cost-of-living concept. The first automatic increase would be payable in July 1975, and succeeding increases would be payable each July thereafter, if warranted by increases in the cost of living totaling 3 percent or more, based on comparisons between the first quarter of one year and the first quarter of the next.

To finance the 11 percent benefit increase in 1974, the taxable wage base would be raised from its present level of $10,800 to $13,200 in 1974. I might point out that the wage base would go up to $12,600 anyway next year, under current law.

The bill also provides for a transfer of money from the health insurance trust fund equal to one-tenth of 1 percent of payroll, over to the old age, survivors and disability trust funds starting next year. This would be a temporary shift. In 1981 the contribution rate for hospital insurance would be back on the schedule set under current law.

In addition, H.R. 11333 provides for further rate adjustments in future years to keep the trust funds within recommended actuarial bounds.

Finally, the bill advances the increases already provided for the supplemental security income program. SSI payments would be raised under current law $10 per individual and $15 per married couple in July of next year. The bill would advance these raises to January 1, 1974, when the program starts, and would provide for further increases of $6 for individuals and $9 for couples effective on July 1, 1974.

We adopted this portion of the bill without too much disagreement in committee, except for one provision, the so-called hold-harmless provision, under which it is contended that 10 States could raise their SSI benefits at Federal expense. Over the years we have had a discriminatory situation in which the Federal Government has been paying more to the poor in some States than in others, due to the varying amounts that the States were putting into the program in supplemental payments. This was an uneven practice which we attempted to correct when we adopted the SSI program.

The ultimate aim was to make the same Federal payment in all instances, but we included in the original SSI legislation a hold harmless provision to insure that States which were paying benefits above the new Federal payment levels could continue doing so without incurring higher welfare costs than they were incurring in 1972. This was intended to be a temporary provision. But it has been pointed out that we are perpetuating that discrimination in this legislation by permitting 10 States to increase their benefit levels by the amounts of the increases provided in the bill and still come under the old hold harmless provision.

The CHAIRMAN. The gentleman has consumed 5 minutes.

Mr. BROYHILL of Virginia. Mr. Chairman, I yield myself 5 additional minutes.

Mr. Chairman, the Committee on Rules has permitted the gentlewoman from Michigan (Mrs. GRIFFITHS) to offer an amendment to eliminate the hold-harmless provision of this bill, even though it would be extended only for 1 more year. Everyone here knows that once that year is up, a further extension will be sought, and we are establishing a precedent for extension in H.R. 11333. I intend to support the amendment of the gentlewoman from Michigan when she offers it, and I hope it will have the unanimous support of Members on this side of the aisle.

Mr. Chairman, we had a lot of problems in writing this legislation, but those problems did not arise from differences among us with respect to our concern for the aged, poor, and disabled. All of us recognize the necessity to deal with those particular needs, and all of us share equally in our desire to do so.

It is unfair, if not intellectually dishonest, Mr. Chairman, for anyone to claim more compassion or sympathy than others for the aged. This is not just a simple matter of determining who can bid highest in providing additional social security benefits. We are charged with the responsibility of preserving the financial integrity of the system, not only for the present but for the future. This involves providing adequate financing and, of course, it is the taxpayer who must pay the price. Specifically, it is the wage earner in the lower income brackets.

This also involves a problem of fiscal impact. As we know, inflation hurts the poor a great deal more than it does the rest of the population; therefore, we must minimize as much as we can the inflationary fiscal impact which such legislation will have.

Mr. Chairman, every time a social security bill comes up for consideration, there is much debate as to what we want the social security system to be. Do we want it to be a welfare program, or do we want it to be an insurance program? It was intended originally to be a social insurance program, wherein wage earners can contribute to the system during their earning years, and then, during their years of retirement, receive benefits based on those contributions. But because of our concern for the elderly and the disabled, we have attempted repeatedly to meet their financial needs by raising benefits without due regard to the impact such actions might have on the insurance aspect of the system.

More often than not, Mr. Chairman, we have increased benefits the highest for those who have contributed the least to the system. We have provided the greatest percentage increases to those who have other investments and other income. For example, many people who have spent most of their working lives in civil service, retire and receive benefits under that system, then work under social security for a few years and receive minimum benefits under this system also. Social security benefits are heavily weighted in favor of those with lower covered earnings, on the basis of social need. But whenever we increase benefits across the board, this ironically has the effect of helping not only those with the greatest need, but those with the least, as well.

In the meantime, we are soaking wage earners to pay for liberalized benefits.

Mr. Chairman, some of us feel that taxes on wage earners have reached acceptable limits. In fact, one of my colleagues on the committee stated the other day that he felt we might be on the verge of a wage earners' revolt.

Many of these wage earners do, indeed, have severe problems. Those who are at the beginning of their earning years are likely to be in the process of trying to buy a home, trying to raise a family, trying to educate their children, and hopefully trying to put something away for a rainy day. Many of the retirees who benefit greatly from these social security increases do not have such problems. In many instances the social security beneficiaries have paid for their homes, their children are grown and educated, and they have been fortunate enough to have put something aside for themselves.

In this bill, we are raising the wage base to $13,200 a year. The wage earner who is earning that much in 1974 will be paying $772.20 annually into the social security system. That is $140.40 more than he is paying this year. When we add the equal contribution made by his employer—and it should be noted that the employer's contribution is basically chargeable to the employee because it is a fringe benefit that the employee would likely receive in another form if the employer did not have to pay the tax—it brings the total contribution to the trust funds on behalf of the $13,200-a-year wage earner up to $1,544.40 a year, and that is not "peanuts."

In fact, most of the workers covered under social security earn less than $13,200 a year, and many of them now pay more in social security taxes than they do in Federal income taxes.

And the rate of social security taxation is going to continue to go up in future years. We provide for it in this bill. From 5.85 percent of taxable earnings next year, it will go as high as 7.45 percent if Congress does not enact further adjustments. Of course, we might say that a person paying into social security will get his money back later. He will if he lives long enough, and if the system lasts that long.

I submit, Mr. Chairman, that the trust funds are only marginally sound. Contribution rates and taxable earnings are based on actuarial assumptions that are considered questionable by many experts, yet we have modified those actuarial assumptions to suit our convenience.

In 1972 we modified them drastically in order to justify a 20-percent increase. In this switch we shifted to current cost financing. And we already are violating the new guidelines, current cost financing foregoes a large buildup of funds in early years that would provide interest earnings to the trust funds. The latest Social Security Advisory Council recommended that under this new financing assets in the trust funds should be equivalent to about 1 year's benefit payments. The Council said the law should be changed to require the trustees of the funds to report to Congress whenever any of the funds might fall below 75 percent of the amount of the following year's expenditure or would rise above 125 percent of such expenditure.

But what do we have at the present time in the OASDT trust funds? We have a ratio of assets to the following year's benefit payments of under 80 percent, and this is expected to decline, under the bill, to 62 percent. In short, we will have assets declining below two-thirds of 1 year's benefit expenditure.

We also came up with a new set of actuarial assumptions based on "dynamic earnings." This assumes we are going to have an increase in average covered earnings of 5 percent every year and an increase in the cost of living, based on the Consumer Price Index of 2¾ percent annually. With those assumptions and with the increases in benefits throughout the years, it has been contended that the system will remain actuarially sound if we can keep expenditures in line with the income within a tolerance of about minus 0.5 percent of taxable payroll.

However, when we used more conservative assumptions, based on level wages and prices, we were told by the system's actuaries that actuarial soundness called for a tolerance of about minus 0.1 percent of taxable payroll.

Under this bill, we would have a tolerance, or an actuarial imbalance, of an estimated minus 0.51 percent of taxable payroll, which is 5 times greater than the tolerance we once said to be safe. If this figure of minus 0.51 percent of payroll is maintained over a period of 5 years, it will amount to a total deficit of several billions of dollars. So the actuarial soundness of this system at the present time seems to me to be questionable at best.

Mr. Chairman, we can make this system more generous or more liberal, if we provide the money for it. This money has got to come from taxes. There is no other source.

Increases based on the cost of living are proper and fair. But past increases we have provided have far exceeded increases in the cost of living. Since 1950 the cumulative increase in the consumer price index has amounted to 202.8 percent, while the cumulative increases in social security benefits have amounted to 342 percent. Since January of 1970, we have provided a 15-percent increase, then a 10-percent increase, and then a 20-percent increase, for a cumulative benefit increase of 51.8 percent, yet over the same period the cumulative increase in the cost of living has amounted to 23.4 percent.

So social security benefits clearly have not lagged behind cost-of-living increases.

What about the fiscal impact of this bill? This should be the concern not only of the committee, but of all of us.

By providing for a March 1974 increase, we also provide a deficit estimated at $1.3 billion in fiscal 1974.

The committee did consider an alternative, providing for a 10-percent increase effective in July 1974, with a further increase to a combined total of 13 percent in January 1975, and this would have no fiscal impact whatsoever on fiscal 1974.

The committee at one point approved that alternative by a vote of 13 to 12. But the following day, after a motion to reconsider, the committee came out with the bill that we have before us today.

I will say, Mr. Chairman, although I am reluctant to be overly enthusiastic about it, that I believe this is possibly the best compromise we could have come up with. It provides for a deficit in fiscal year 1974 of $1,115 million, but it also provides an adequate cost-of-living increase next year and adequate cost-of-living increases in the future, if Congress will only let the automatic escalator provision take effect.

Let me say briefly in conclusion, Mr. Chairman, that this social security system certainly does not provide a bonanza. It is not a perfect system. I hope we can do a great deal to improve it. We have urged in the committee report, that the next Social Security Advisory Council reevaluate the system, and our committee staff is going to do likewise.

And on the basis of these reevaluations, I hope our committee will take the time to give the program the thorough review and revision which are so badly needed.

In the meantime, Mr. Chairman, I think we should stop threatening the fiscal integrity of the system, by taking ad hoc action.

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

Mr. ULLMAN. Mr. Chairman, I thank the gentleman for yielding to me. I want to commend him and the minority on the committee on the fact that we were able to arrive at a compromise position that would accommodate the senior citizens and would keep the system responsible.

I did not want there to be any misunderstanding. The existing system, the gentleman from Virginia I am sure will agree, without any increases at all would have an imbalance of minus 0.76.

Mr. BROYHILL of Virginia. That is correct.

Mr. ULLMAN. And what we have done, we have given the increases and brought the system back into an imbalance of minus 0.51, which is just about the target, the outer limit where we could afford to be, so one of the most significant features of this bill is that it does bring the social security system back into the right kind of actuarial balance, tolerance we can stand.

Mr. BROYHILL of Virginia. Mr. Chairman, I thank the gentleman for helping me to emphasize my point. It is correct, the action we took in 1972, providing for a 20-percent increase, did throw it out of balance by minus 0.76 of 1 percent. This bill does bring it closer to balance by minus 0.51, but we do not leave ourselves any margin for error on the low side.

Mr. Chairman, I yield such time as he may consume to the ranking minority member of the Committee on Ways and Means, the gentleman from Pennsylvania (Mr. SCHNEEBELI).

Mr. SCHNEEBELI. Mr. Chairman, I expect to vote for H.R. 11333 with reservations.

Let me emphasize that my reservations has nothing to do with granting increases to social security beneficiaries

as soon as feasible in the light of rapid advances in the cost of living. I strongly support such action. But that is not the real issue here.

As a matter of fact, we already have provided for automatic increases in benefits equal to increases in the cost of living, and the legislation before us today merely accelerates that process.

Under the automatic escalator provision of current law, beneficiaries would be eligible by January 1975 for an estimated benefit increase of 11.5 percent which they would receive in two installments: A 5.9 percent down payment in July of 1974 and the remainder, about 5.6 percent, 6 months later.

Under the bill before us, beneficiaries would receive a total benefit increase of 11 percent next year, also payable in two installments: A flat 7 percent in April and the remainder in July. Under this proposal, the automatic escalator provision would be suspended temporarily and would not pay off again until July of 1975.

The essential difference lies in the timing of the increases, and my reservation is not primarily based on this.

My disagreement with this legislation is based upon the way in which this measure has been considered. We have followed what has become an unfortunate pattern—set by the other body—of hastily legislating substantial increases in benefits without taking the time to review with care the impact of such action on the social security program in general and on the workingman who pays the taxes in particular.

We have, for example, enacted one benefit increase after another without looking closely at other possible program needs, such as providing greater equity for workingwomen who pay a higher proportionate of benefit costs without a commensurate return.

We have changed radically the actuarial methodology underlying the financial structure of the system, without any committee consideration of the consequences.

And we have added greatly to the burden borne by the nearly 100 million Americans who make the current contributions which are necessary to pay current benefits. This bill alone would increase the maximum tax for each covered employee and employer by 22 percent from this year to the next.

The weight on these taxpayers is already heavy. A man with a wife and two children and an income of $7,000 a year now pays more social security taxes than he does in Federal income taxes. The more we add to the costs of the social security system, the more we add to the tax load on the back of this family.

In fairness to those who have so much invested in the social security system, and to those who will invest in years to come, we simply must take the time in the future to weigh new program costs against the burdens they will impose on the taxpayer. We owe it to them.

Mr. Chairman, these are the bases of my reluctance. I will vote for this bill, because I believe that the nearly 30 million social security beneficiaries do need the assistance it provides. I only hope that the other body will show restraint and not add to its cost. The sooner the automatic escalator can become operative, the better it will be for both taxpayer and beneficiary.

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

The CHAIRMAN. The Chair will count; 42 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. 583]

Anderson, Ill.	Duncan	Melcher
Ashley	Erlenborn	Mills, Ark.
Bell	Esch	Mitchell, Md.
Blackburn	Evins, Tenn.	O'Brien
Blatnik	Fraser	O'Hara
Bolling	Gialmo	Peyser
Brademas	Gray	Rees
Brasco	Hanna	Reid
Burke, Calif.	Hansen, Wash.	Rostenkowski
Carney, Ohio	Hastings	St Germain
Chappell	Hébert	Slack
Chisholm	Horton	Smith, N.Y.
Clark	Keating	Stephens
Clay	Kluczynski	Stokes
Collins, Ill.	Kuykendall	Stuckey
Conlan	Leggett	Teague, Tex.
Culver	Long, La.	Udall
Davis, Wis.	McClory	Wolff
Dellums	McKinney	
Diggs	Madden	

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. DINGELL, 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. 11333, and finding itself without a quorum, he had directed the Members to record their presence by electronic device, whereupon 375 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. The Chair announces the time remaining as 1 hour and 6 minutes for the majority, 1 hour and 10 minutes for the minority.

Mr. ULLMAN. Mr. Chairman, I yield 15 minutes to the gentlewoman from Michigan (Mrs. GRIFFITHS).

Mrs. GRIFFITHS. Mr. Chairman, I apologize for offering this amendment. I should have offered it in the committee itself, but I thought we were going to have another day before we had a firm commitment. Nevertheless, I should like to thank the members of the Committee on Ways and Means and the members of the Committee on Rules for permitting me on this occasion to offer the amendment, because I feel that the amendment is not only necessary, but I feel in addition it will help explain these income maintenance programs to everyone, and the total inequity of all programs.

The amendment that I will offer tomorrow is to strike lines 11 through 22 on page 11 of the bill, H.R. 11333. The issue in this amendment which relates to the so-called hold harmless provision seems complicated in its ins and outs, but it is very simple in principle.

As Federal legislators, there is at least one principle that we can all agree to. This principle is that as far as the Federal Government is concerned, a poor, aged, blind, or disabled person has the same claim on the Federal Treasury, no matter where he lives. Someone's health and comfort should not be worth more in one State and less in another in terms of Federal dollars.

The bill reported out of committee which we are considering today would negate this very principle, a principle which we adopted when we enacted SSI. It would allow up to 10 States to pass along to their residents the increase in SSI which the committee has proposed, and thereby add to their already generous State benefits with full Federal funding. My amendment would restore the principle of equal Federal dollars for equally needy people.

As we know, now in our Federal and State welfare programs we put Federal dollars on the stump and let States claim various amounts, depending on their fiscal capacity and their generosity. As a result, an old person with no other income gets as small a check as $75 per month in Mississippi and as much as $239 per month in New York.

When we adopted SSI last year, we said that this approach was wrong and that the Federal Government should be more evenhanded, so we established SSI as a national program with a uniform basic benefit level to be fully funded by the Federal Treasury. And we specifically ended Federal matching of State benefits. But we did not feel we could arbitrarily turn our backs on States that already pay more than SSI will pay, and that could be hurt financially under SSI by maintaining current benefit levels. So under SSI we adopted a hold harmless provision. This provision insures that States can continue to pay benefits at about the same levels they were paying in 1972 and not suffer higher welfare costs than they incurred in 1972. States were specifically to be protected against caseload growth if such growth would require greater outlays than in 1972, but benefit increases were to be their own financial responsibility.

We knew that if we increased SSI in the future this would help the poorest recipients and it would also take over more of the cost in States which supplement the basic SSI benefits. Now under H.R. 11333 we are proposing to start the SSI programs with higher benefit levels than orginally planned, but the Ways and Means Committee has proposed to allow States to raise their benefit levels by the amount of the January SSI increase and still come under the hold-harmless provision. That is, as many as 10 States could raise their benefit levels largely or wholly with extra Federal expenditures.

Where we pay $15 into Ohio, that is, we could pay as much as $30 into Michigan or into Wisconsin. This departs from the principle that the Federal Government is going to be more even-handed among recipients.

When we look at the benefit levels some of these 10 States already pay and

intend to pay under SSI we can see the folly of using Federal funds to raise them even further. These are the States we are talking about helping: Michigan, my own State; California; Hawaii; Massachusetts; New York; Nevada; New Jersey; Pennsylvania; Wisconsin; and possibly Rhode Island. Everybody else would pay Federal taxes to help finance their increases.

Many of these States already pay benefits well above the poverty line, and every one of these States, but Wisconsin is paying the full need of any of their recipients and Wisconsin pays 98 percent.

I hope all Members will listen to this. This provision would allow California to raise its payment amount for an aged couple from $394, which is 76 percent over the poverty line, to $409 a month. The average social security payment for a retired worker and dependent spouse in California is $243.20, but we are going to pay under SSI and State supplement $409 a month to a couple in California under this committee provision.

Massachusetts would go from $340.30 to $355.30 for a couple and their average social security for a retired worker and spouse is $249. Wisconsin would go from $329 to $344 for a couple, and their average social security is $245.18. New York would go from $294.51 to $309.51 for a couple, with an average social security of $259.08.

Michigan is one of the few States that now has a higher social security average payment to a retired worker and spouse than they would have on welfare. Meanwhile, couples in States such as Arkansas, Indiana, North Dakota, Ohio, Utah, West Virginia, Missouri, Montana, Texas, Wyoming, Delaware, Georgia, Connecticut, and others will probably be getting only the basic SSI benefit of $210 a month.

These differences in State payment levels are far greater than the differences in the cost of living between these States. I have researched this question specifically. The differences more truly reflect differences in State standards of living, and so using Federal money to increase State variations is wrong. This optional benefit-increase pass along means we would be paying for benefit increases above the SSI level in Detroit but not in Chicago, but the cost of living is higher in Chicago. We would pay for higher than SSI benefits in Milwaukee, that is the Federal Government would pay it, but not in Minneapolis, and the cost of living is higher in Minneapolis; in Honolulu but not in Miami Beach; in Boston, New York, and Philadelphia, but not in Baltimore and Norfolk.

I want the Members to look with me at a specific case. The highest benefits now and the highest supplemental level under SSI is in California.

Under the committee provisions California could have the Federal Government pay for the entire cost of increasing its payment for an old couple from $394 to $409 per month.

I want to point out that the average retired worker and dependent spouse in California gets only $243.20 a month from social security and the maximum in social security that anybody can get in the entire United States now for a man and wife is $399.20. But under this committee provision we are going to pay on SSI and State supplements, $409. Why pay taxes?

California's current payment level is only $5 now below the maximum social security benefit anywhere in the country. So we would be helping California pay more in welfare than a retired worker and his wife can get now from social security anywhere.

Theoretically, any person drawing social security which is less than the SSI benefit, will be given some SSI benefit or State supplement; but some social security beneficiaries would not get it, because they could not pass the asset test. Because of the asset limitations in SSI itself, it is entirely possible that the average social security retired worker and his dependent wife in California drawing $243 only could be excluded from SSI and from State supplementary payments.

This situation cries out for correction much more than raising California's benefit levels.

We cannot have someone who never saved, never contributed to social security, walking away with handsome social security benefits while a frugal social security beneficiary cannot qualify for welfare, with the result of much less income.

If we want to spend $175 million, let us correct the asset test to present recipients, whether social security or welfare, on an equal basis.

Now, look at a retiree and his wife who get the minimum social security benefit of $126.80 a month. Even without the pass-along in California's benefit level in January of 1974, this couple will have a total income from social security, SSI, and State benefit supplements, of $414 a month, because SSI and the State must ignore $20 in social security in computing welfare benefits. With the pass-along, California would guarantee this couple the grand total of $429 a month and, if this couple had average medical expenses, they would have medicaid reimbursement of $908 a year, for a grand total of $6,056 per year.

Think back to what aged couples will get in your State if you are not one of these 10 States. Most are going to get $210, or they may get only social security, which is even less, because of the asset test. Ask whether you think this optional pass-along provision benefiting only a few rich States is a wise and fair use of Federal funds. If we compare the $6,056 in cash and medical benefits that the minimum social security and SSI and State supplement beneficiary can get in California with the average payment to an aged couple under social security in California which is $243 per month——

The CHAIRMAN. The time of the gentlewoman from Michigan has expired.

Mr. ULLMAN. Mr. Chairman, I yield 5 additional minutes to the gentlewoman from Michigan.

Mrs. GRIFFITHS. You will also realize that that person drawing only $243.20 will have to pay $12.60 per month for part B medicare coverage, and he will pay for every pill he takes outside of a hospital. For the State supplement and SSI beneficiary, it is all free.

Nobody wants to see our elderly, blind or disabled citizens living in shameful conditions. So we must channel the Federal dollars where they will do the most good, raising the SSI levels generally and not helping the richest States to do what is relatively easy for them to do on their own. If they want to raise their benefit levels, let them do it, but if the Federal Government is to provide the funds for them, let us do it for every State.

Some people apparently feel that their State legislatures will not be generous and automatically pass on the SSI increase. They may be right, but it is not fair to pass the buck to this body and say, "You do what my legislature will not do, including pay for it."

Now, let me point out to the Members that while we would raise it to $409 in California, in Illinois, Ohio, Minnesota, Iowa, Virginia, and all other States outside of the 10, the minute they go over $210, they have got to pay every dime of it themselves, every penny, but what the rich States want is to raise it to almost twice what the poor States have guaranteed to these recipients and they want the Federal Government to pay for it.

Now, some say that this pass-along provision would apply only for 1 year and we should not worry about it. We all know that once special provisions and protections get written into the law, it is always easy and convenient just to continue them. So, if we continue this provision we would be locking ourselves into this special hold-harmless arrangement for only a handful of States.

Some people are apparently upset by the thought that States below their hold-harmless levels, especially those with modest benefit levels, will reap fat savings, because of SSI in general and the SSI increase in particular. In fact, however, because of caseload growth and certain mandatory medicaid requirements under SSI, these States will be paying out much more for medicaid than they ever did in the past, and there has not been one proposal that we help these States.

In summary, Mr. Chairman, we should follow the turnabout in Federal policy that we achieved by enacting SSI.

We are Federal legislators whose responsibility it is to determine priorities in the use of Federal funds. I submit that the optional pass-along is not a priority use of Federal funds, and I urge my colleagues to support my amendment, which I will offer tomorrow, striking it from the bill.

Mr. Chairman, I would like to point out to the Members that the best we can figure out is that the total cost of the pass-along arrangement next year will be $175 million, and 70 percent of it would go to two States: California and New York.

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

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

Mr. BURTON. Mr. Chairman, first I would like to commend the gentlewoman from Michigan, particularly on the one

point she expressed, on which I hold full agreement.

One of the inequities resulting from the SSI legislation is the assets limitation—that discriminates against some low income aged, blind, and disabled. It is an unfairness which I hope some day will be corrected.

The gentlewoman made the point that an assets test, a so-called resource test, is really irrelevant and inequitable. She is correct on this point.

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

Mr. ULLMAN. Mr. Chairman, I yield 4 additional minutes to the gentlewoman from Michigan (Mrs. GRIFFITHS).

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

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

Mr. BURTON. So, Mr. Chairman, I would hope some day that the Committee on Ways and Means would look objectively at the assets test and, hopefully, that they would reach the conclusion which apparently has been reached by the gentlewoman from Michigan, that point being that a good income test should be the sole yardstick, such as we have in the veterans' pension program, and we ought to dismantle this very cumbersome and expensive-to-administer, so-called assets test.

Mr. Chairman, the situation is even more unfair than the gentlewoman indicated. It is not just considering the person living on social security in a State where the benefits may be a little higher than the average. There are people receiving social security benefits at the minimum level who are ineligible for SSI only because they may not have the assets in some form that is contemplated in the regulations, the regulations I might say which are promulgated by the Department of Health, Education, and Welfare and that are in themselves onerous and burdensome.

Mr. Chairman, there is one additional point I would like to establish, if I may, while the gentlewoman has the time, and that is this: That point, simply stated, is that under the current law every State in the Nation is entitled to no less than 50 percent matching for the adult public assistance program, and this scale graduates up to, I believe, 83 percent in the lower per capita income States. But all the States today have matching ranging from 50 percent up to 83 percent.

This financing is completely rearranged, under the new SSI program, ultimately to protect the Federal interests and the Federal taxpayer.

The new SSI financing arrangement will work as follows: In more than half of the States, the existing matching is increased from the current 50 to 83 percent, to, starting in January, a 100-percent Federal program, resulting in a cost reduction, therefore, of from 17 to 50 percent for more than half of the States.

However, in the instance of the higher cost of living, higher grant States, the matching for those States is no longer 50 percent, their percentage of Federal assistance has not increased. To the contrary, it has been effectively reduced to something on the order of from 50 percent down to 30 percent.

Mrs. GRIFFITHS. Mr. Chairman, right there I cease to yield to the gentleman.

The truth is that there is no State that is now getting less than 50 percent under the $210 figure, or old-aged assistance. The gentleman is discussing his total welfare bill, State supplements, and so forth. They will continue to get 50 percent until it reaches $220. So there is no trouble from this. You are getting more money and saving money.

Perhaps I should point out that many States are not included. California and New York are switching their general assistance recipients, some so-called "disabled" and AFDC people onto this SSI program.

There are savings going on all through this. You are really not being hurt.

Mr. BURTON. I am sure the gentlewoman wants to correct her remarks in the RECORD, because I am sure she would not want the RECORD to reflect that every State gets more than 50 percent matching until the benefits get over $210 or $420. I am certain the gentlewoman does not want that absolutely incorrect statement to appear in the RECORD.

Mrs. GRIFFITHS. I want it shown that the gentleman's State gets more money out of this than they ever had before. So please do not say I am incorrect. I am correct.

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

Mr. ULLMAN. I yield the gentlewoman 1 additional minute.

Mr. BURTON. Will the gentlewoman yield?

Mrs. GRIFFITHS. I yield to the gentleman.

Mr. BURTON. May I complete my question of the gentlewoman?

If the gentlewoman will yield, as I stated earlier, come January the higher cost of living or the higher grant States, whichever you choose to call it, have their effective Federal matching reduced from 50 percent down to roughly 30 percent.

Mrs. GRIFFITHS. Oh, no. I refuse to yield any further.

Mr. BURTON. I have not made my point yet.

Mrs. GRIFFITHS. It is not true at all. It is absolutely not true.

I yield back the balance of my time.

Mr. BROYHILL of Virginia. Mr. Chairman, I yield such time as he may consume to the gentleman from Ohio (Mr. CLANCY).

Mr. CLANCY. Mr. Chairman, I rise in support of H.R. 11333, which provides for a social security benefit increase that social security beneficiaries need and that is appropriate in view of the inflation that has occurred since the last increase.

The bill provides a two-stage social security benefit increase totaling 11 percent to approximately 30 million Americans, and makes an important modification in the timing of the automatic cost-of-living benefit increase provision in existing law. The bill provides a flat 7-percent social security benefit increase effective in March of next year, payable April 3, and an additional 4 percent in June of 1974, payable on July 3. The combined increase will be 11 percent by June of next year.

The cost of living has increased since September of last year—the date of the last social security increase—until September of this year by 7.4 percent. It is estimated that when this 11-percent increase is fully effective, the 7.4 percent figure will have increased to around 11 percent. This bill will, therefore, keep benefits up to date with the cost of living. This is particularly important for social security beneficiaries since most of them have been affected significantly by increases in the price of food, which has increased much faster than other components of the Consumer Price Index. Many social security beneficiaries spend a higher proportion of their income on food than other groups in the population.

While admitting the necessity to deal with the immediate need this benefit increase addresses, it is also critical, in my opinion, for the Congress to avoid this kind of ad hoc action in the future. This can and must be accomplished by insuring that the provisions enacted in Public Law 92–336 and amended by this bill providing for automatic increases in social security benefits based on rises in the cost of living become operative as soon as possible.

Under present law, the cost of living for the automatic benefit increase provisions is measured from the second quarter of one year to the second quarter of the next year with any benefit increase payable for the following January. This legislation changes those time periods to the first quarters of each year and makes any resulting automatic benefit increase payable for the following July.

Under this change, the first automatic cost of living benefit increase will be possible for July of 1975. This is a meaningful step toward the goal of eliminating the need for ad hoc benefit increases,

I agree with many of my colleagues that the committee should at the earliest opportunity conduct a fundamental review of the social security system, giving particular attention to the financing aspects of the program. While the system as amended by the bill is actuarially sound, significant changes adopted in recent years must be carefully reviewed by the committee to assure the long run health of the program. In this connection, the committee has ordered the staff to conduct a study and expressed the hope that the new Advisory Council on Social Security will be promptly appointed. These will be valuable resources to the committee when we conduct our review, which I hope will be at the earliest possible time.

Mr. Chairman, this bill is an appropriate response to the present circumstances and I support it.

Mr. BROYHILL of Virginia. Mr. Chairman, I yield such time as he may consume to the gentleman from Colorado (Mr. BROTZMAN).

Mr. BROTZMAN. Mr. Chairman, I support H.R. 11333. The social security benefit increases which the bill provides for calendar 1974 are in line with cost-of-living advances, up-to-date and pro-

jected, under the automatic escalator provision of current law. The measure, in effect, speeds up the payment of these benefits, and I think this clearly is warranted because of the rapid rises in the cost of living in recent months.

The substance of the bill has been described in detail by other members of the Committee on Ways and Means, and I will not belabor these points now. Suffice it to say the measure provides a two-step benefit increase next year totaling 11 percent, with the first installment, equaling a flat 7 percent, payable in April social security checks, with the remaining 4 percent, payable in the July checks. The bill also provides for resumption of the triggering mechanism in 1974 in order that the first automatic escalator increase could be paid in July of 1975, which is only 6 months later than would be the case under present law. I feel strongly that both program beneficiaries and taxpayers would be better off in the long run under the automatic escalator and I hope it can become operational according to the schedule set through this bill.

I also hope that the Committee on Ways and Means can undertake next year a full-scale review of the social security program with a view toward bolstering its individual equity aspect. This should be done in fairness to the many millions of Americans who are now making contributions in the expectation of receiving commensurate benefits in the future.

Mr. Chairman, while the financing of the program under the law as amended by this bill leaves the system on an actuarially sound basis, we have made fundamental changes in the program in recent years. I agree with my colleagues that at the earliest opportunity the Ways and Means Committee should carefully review the changes in actuarial methodology that we have adopted. In this connection, we also should review the relation of social security to other private income security mechanisms. I hope we will have an opportunity to make this study in this Congress, and that the staff work ordered by the committee report as well as the studies conducted by the new Advisory Council will be commenced immediately so that they are available to assist the committee in its deliberations.

Mr. Chairman, I believe the bill before us is responsive to a real need and I join in support of the measure.

Mr. BROYHILL of Virginia. Mr. Chairman, I yield such time as he may consume to the gentleman from New York (Mr. GILMAN).

Mr. GILMAN. Mr. Chairman, I rise in support of H.R. 11333, providing for an 11-percent increase in social security benefits for our older Americans.

Escalating prices over the past few months has made living more difficult for all of us, but has taken the greatest toll on our senior citizens, many of whom barely subsist on inadequate incomes.

Poverty is a constant threat to our senior citizens. Over one-fourth of our 29 million older Americans fall far below the poverty level. As the costs of housing, transportation, health care, food, and clothing continue to skyrocket, the burdens upon our senior citizens, living on fixed incomes, forces them more and more into poverty-level existence.

In traveling around my congressional district I am continually confronted with the distressing fact that many of our elderly simply cannot absorb any more additional costs. They find themselves faced with the alternative of scrimping on food, health care, and other basic necessities. In our prosperous Nation, this is shameful.

To illustrate my point, permit me to read a letter I recently received from an older American in my district:

DEAR CONGRESSMAN GILMAN: I am a 77-year-old widower trying to live this life as best I can. My social security check is $181.70 a month. I pay $75.00 a month for rent and I don't have all the facilities, not even a shower or bathtub. My food payment is very restricted and not less than $17 to $18 a week and when the month has five weeks my food costs a little over $80.00. I need to have a phone in case of emergencies and my monthly bill is a little over $10.00. My light and gas bill is about $11.00 to $12.00. I have not too much house insurance, still I pay a little over $6.00 a month. Medicare is going up, so from July on I pay $6.30 a month and for Blue Cross and Blue Shield $1.70 a month. All this adds up to $190.00 a month. What am I going to do if I need to buy a pair of shoes or stockings or a shirt or any other things which a person needs.

This pathetic letter and dozens like it underscores the dire need for increased social security benefits so that our older Americans can afford to purchase that "pair of shoes or stockings or shirt" or other essential items.

Social security benefits and public assistance programs provide senior citizens with over 50 percent of their incomes. While the increases we are considering today, 7 percent effective in March of 1974 and an additional 4 percent in June of 1974, are in no way exorbitant, these increases will provide some measure of relief to our elderly whose fixed incomes have not kept pace with the increased cost of living.

For some time now I have been urging an increase in social security benefits for our elderly by appealing to the Ways and Means Committee and by introducing legislation identical to the bill we are now considering. I implore my colleagues, in casting your votes on this bill, to consider the plight of our senior citizens who are caught in the crunch of high prices. I urge the immediate and resounding adoption of this measure.

Mr. BROYHILL of Virginia. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois (Mr. COLLIER).

Mr. COLLIER. I thank the gentleman from Virginia for yielding me this time.

Mr. Chairman, I should preface what I am about to say by assuring Members of this body that I am certainly a strong supporter of the social security system. I feel it was one of the great landmarks of social legislation since the turn of the century.

At the same time, in making an evaluation of the program as it is on the one hand and recognizing the fact that you do reach what might be called the outer limits in terms of the future, I am constrained to remind Members of the House as we move along and increase social security benefits that we cannot do so blinding ourselves to the direction in which we are traveling. We cannot do so blinding ourselves to what the cost of the program is and how it will fall upon the young people who today are going into the labor market.

Perhaps it is not politically expedient to look at the program in these terms, but indeed, as intelligent people, we must.

The social security program, as I am sure most of the Members know, began in 1937 and, I repeat, it was a landmark piece of social legislation that certainly must be preserved as a way of life in this country. Since that time the social security payroll tax upon the employee, excluding the matching contribution which the employer properly pays, has gone up nearly 1,000 percent. It will go up, under this proposal, to a tax of $742.50 on the average working man, the average employee, and creates a situation, to get it into perspective, where more people will be paying more in social security taxes than indeed they will in income taxes.

Now let us see—and this should shake your eyeteeth—what would happen if the employee took his own contribution which, under this bill, will involve in combination with the employer contributions, $1,544 a year. Compounding his portion at interest—and if you do not believe this is accurate, then get a computer and computerize it, as I have done—compounding the interest, assuming that we did not increase the payroll taxes one thin dime after next year. The fact is that employee would have in his own account merely by putting this into a savings account each year at a rate—and we are going to assume that not even interest rates will go up—of 6 percent. That employee would have in his account at the age of 65, assuming he went into the labor market at the age of 23, $119,311.

Now, if that same annual investment, the combined contributions of the employee and the employer, were saved at a modest rate of 6-percent interest per year, at the end of those 42 years in that account, would be $221,863.

Those are the figures. I leave that with you because I believe, most sincerely, that as we must recognize the problems of our elder citizens, and we certainly must and as I said before, without blinding ourselves to the tax and cost factors. Can we proceed on our present course in the light of these figures? I leave it to my colleagues for thought.

Mr. BROYHILL of Virginia. Mr. Chairman, I yield 10 minutes to the gentleman from Texas (Mr. ARCHER).

Mr. ARCHER. Mr. Chairman, it is with a desire to protect the soundness of the social security fund upon which retired Americans depend, and at the same time give consideration to the working taxpayer who provides the necessary dollars, that I rise to speak against some

of the far-ranging provisions of H.R. 11333.

In the last 3 years Congress has enacted pervasive changes in the financing of the social security system with inadequate regard to the impact these measures have on present and future generations of Americans.

The social security program has provided economic security for nearly all Americans for more than one-third of a century. But hastily considered changes of the most fundamental nature can only undermine the protection against loss of income that those paying social security taxes rightly expect.

Last July when the committee provided a 20-percent across-the-board benefit increase, dramatically different assumptions were adopted in measuring the actuarial soundness of the program. The most significant of these changes involves the assumption of "dynamic earnings," whereby the actuaries make projections about future earnings levels throughout the entire 75-year period covered by the estimates. This new system subjects cost estimates to vicissitudes that the actuaries have not had to deal with in the past. It is a complex new methodology, and it is not without controversy.

The former Chief Actuary of the Social Security Administration, Mr. Robert J. Myers, who has more experience with this system than any other human being and is widely regarded as one of the foremost actuarial experts on social security, stated that "this would be an unsound procedure." He went on to state:

> What it would mean, in essence, is that actuarial soundness would be wholly dependent on a perpetually continuing inflation of a certain prescribed nature—and a borrowing from the next generation to pay the current generation's benefits, in the hope that inflation of wages would make this possible.

In view of this admonition by a leading expert who has devoted his whole life to the program, the Committee on Ways and Means and the House of Representatives should have carefully examined these new assumptions in 1972, but did not because the bill came up late in the session and passed rapidly on the floor of the House. We should certainly at this time have examined these new assumptions carefully before providing an additional benefit increase. However, the committee reported the bill without serious examination of this new methodology.

In response to my questioning, the Chief Actuary, Mr. Frank Bayo, made it clear to the committee that the new methodology represents "a fundamental change," that "it is more difficult to make estimates on the new basis than it was in the past," and that estimates are now "subject to wider variations on the basis of actual experience."

In the past it was assumed that actual experience would vary from the estimates by no more than 1 percent of the projected level costs of the system. The actuaries tell us that under the new methodology, including the "dynamic earnings" concept, actual experience will vary by as much as 5 percent. But in spite of a greater degree of actuarial uncertainty the committee has made it clear that while 1 percent was as much of an imbalance as could be tolerated in the past, they will now tolerate an imbalance of 5 percent. Put another way, although the estimates are subject to experience variations five times as great as in the past, the committee will now tolerate a deficit in the system five times as great as in the past, and makes no provision downstream in these 75-year estimates for that deficit to be picked up.

The committee in effect has said that because the actuary's projections are less precise and will vary greater, that we can have a greater deficit in the program. In view of this new actuarial imprecision the committee should have provided for a 5-percent surplus to assure that if a mistake on the downhill side occurs we will still have enough money in the fund, but instead the committee has provided for a planned 5 percent deficit in the fund.

Let me tell my colleagues what this 5-percent deficit means. It means that during the projected 75-year period the fund will accumulate $225 billion less than is necessary to pay the benefits which we are promising to our retired older Americans. That is the amount of deficit that the committee bill permits to exist in the program. Furthermore, if the actuary's projections are off, as he says they might be, by a minus 5 percent, there will be an additional $225 billion deficit, resulting in a possible cumulative shortage of nearly one-half trillion dollars during the 75-year estimate period. These are truly astronomical figures.

I refer the Members of the House to my dissenting views in the committee report for a more detailed evaluation of my concerns as to the soundness of the new basis on which we are planning the future of the social security fund.

Additionally, in 1971 the Social Security Advisory Council recommended to the Ways and Means Committee that assets in the trust fund should at all times equal approximately 1 year's benefit expenditures but despite this recommendation the committee in this bill has placed its conscious seal of approval on a program that will result in a reduction of the fund to only 62 percent of 1 year's benefits.

Now, let us talk about the cost of living. I share the committee's desire to see that increases in benefits keep up with inflation. Retired Americans need and deserve this consideration. The facts show that we have been doing more than is necessary to achieve this goal.

From January 1, 1970, through September 30, 1973, the latest figures available at this time—social security benefits have risen by 51.8 percent, and yet during the exact same period the cost of living has increased by only 19.6 percent. We have also already enacted this year, with my support, an additional 5.9 percent increase effective next June. When the expanded 11-percent increase in this bill takes effect next June the benefits will have been increased since January of 1970 by 68.5 percent, and the inflation during that period is estimated to be 24.4 percent.

Let me also provide figures back to 1968. From January 1, 1968, until January 1, 1973, the cost of living has gone up by 25.1 percent but the social security benefits have gone up by 71.5 percent during that same period of time.

I am concerned that the cumulative benefit increases in recent years, combined with the increase in this bill, are requiring too large a rise in the already heavy payroll tax burden borne by the workers of this Nation. It is alarming to note that over 50 percent of our wage earners now pay more in social security taxes than in income taxes. If this bill passes, in January of next year the taxable wage base will go from $10,800 to $13,200 per year. This means that those employees earning over $10,800 will face a tax increase of as much as $280.40, including the employer's contribution; and that the total maximum combined employer-employee tax will now be $1,544.40 for each worker. This bill also levies on the self-employed earning over $10,800 an increase in annual taxes of up to 20.7 percent or $178.80. And a maximum total annual tax of $1,042.80. There are 20.5 million people in the United States who are making over $10,800 and this group of people is singled out to bear the brunt of the cost burden for the entire across-the-board increases in this bill.

In addition to increasing the taxable wage base from $10,800 to $13,200, there is a subtle increase in the tax rate, which will apply to everyone in 1981. At that time the tax burden will rise to 12.6 percent of covered payroll. Even with this added tax we still leave the fund with a projected actuarial deficit of 5 percent.

Another objection to this bill is that it delays the effective date of cost of living benefit increases provided in the 1972 law from January 1, 1975, to July 1, 1975.

Now, if we consider the burden we are already imposing on today's workers, we should stop postponing the automatic benefit increases provided in the 1972 law and let the escalator clause begin working. By postponing the operation of the system the committee creates the danger that benefits will be continually increased on a political basis rather than a cost-of-living basis. Before even tasting the cake we baked in 1972 we are now putting it back in the oven to bake it again, and running a grave risk of burning it up.

I have other reservations, Mr. Chairman, about this bill.

We should examine elimination of the retirement test so that older people who have paid in their money to social security can still draw their benefits when they desire to continue working. Beginning in January, a recipient cannot earn more than $2,400 a year without suffering a loss of his social security benefits which he rightly deserves. This puts him in a different position than people retiring on most every other type of program in the country. I think it is greatly unfair.

We have talent in our older people, talent that is being prevented from implementation in our system through this limitation. If individuals pay into the system all of their lives in order to receive wage-related benefits as a matter of right when they retire at age 65, they should receive these benefits and not be

penalized because of the individual life style they prefer to follow in their later years, that is, if they prefer to work.

For further reservation about this legislation, I associate myself with the comments of the gentlewoman from Michigan (Mrs. GRIFFITHS), who has done an outstanding job in pointing out objectionable provisions for Federal funding of supplemental State benefits under SSI. Under this bill, for example, Texas taxpayers would be asked to pay a portion of the cost of higher welfare payments in the State of New York.

Let me talk again about the matter of inflation. The impact of this legislation will cause a unified budget deficit in fiscal year 1974 of $1.1 billion and an additional deficit of $1.15 billion in fiscal year 1975. These deficits will have a further inflationary impact across the board for all Americans.

On top of that this bill sets up an administrative burden of implementation unprecedented in the history of this country. Never before have we passed two separate social security increases effective in one calendar year. Yet this bill does.

Compounding this administrative problem the committee has added two increases in the same calendar year on SSI—supplemental security income—Federal welfare payments. The effect of double increases in both social security and SSI will result in extra administrative costs of over $4 million to HEW in computing and delivering accurate benefit checks.

In conclusion, Mr. Chairman, we must strengthen the insurance basis of the social security system if it is not to simply become another welfare program. Such a result would be a tragedy to millions of Americans who pay social security taxes during their working years with the expectation that they will receive benefits as a matter of right when they retire.

I am also concerned that the increase in expansion of social security may unduly impinge on private economic security measures. Social security is an important part of the retirement plans of nearly all Americans, but they should remain free to express individual preferences about current consumption and savings. When they choose to save they should have alternatives to a compulsory Government program.

Mr. Chairman, there comes a time when we must ask ourselves, "Where are we going?" There comes a time when we must be concerned about the degree to which we are mortgaging our children's earnings, when we must be concerned with the tax burden on the workers of today and when we must be concerned with the soundness of the fund which all retired persons depend upon for their later years in life. In my opinion, that time is now.

I do not think this bill makes us stop and take a thorough inventory of where we are going, not when we are consciously reducing the fund to only 62 percent of 1 year's projected benefits, not when we are subjecting the fund to a possible deficit of one-half trillion dollars during the 75-year period covered by the estimates.

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

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

Mr. ROUSSELOT. Mr. Chairman, I wish to compliment my colleague from Texas for his very thoughtful and rational presentation of some substantial defects in this legislation. I know it is not easy, and that the social security system has become a sacred cow; but no one is really willing to take a hard look to see if the kind of problems the gentleman has suggested are real or unreal.

I know it takes a special kind of courage to do this. I compliment the gentleman. I believe he has made some very rational points.

My colleague Mr. ARCHER has reviewed the following facts:

First. This House with this bill H.R. 11333 will have increased the benefits by 68.5 percent since January 1970, while the Consumer Price Index has only gone up 19.6 percent in the same period.

Second. This represents a tax increase for 20 million middle-income Americans who tend to bear more and more of the burden of government.

Third. The committee has failed to properly evaluate the actuarial assumptions with the end result that the cost will undoubtedly be much more—in billions of dollars—which means more deficit financings; that is, more tax dollars for interest charges for debt.

He has made it clear that he does not want to destroy the system, but improve it and eliminate unnecessary compulsion. I think he is to be complimented for trying to bring this to the attention of the House.

Mr. ARCHER. Mr. Chairman, I thank the gentleman from California for his comments.

Mr. BROYHILL of Virginia. Mr. Chairman, I yield such time as he may consume to the gentleman from New Jersey (Mr. WIDNALL).

Mr. WIDNALL. Mr. Chairman, I am pleased to rise in support of this bill, H.R. 11333.

To briefly summarize the legislation, it provides for a 7 percent increase in social security benefits in April 1974, and an additional 4 percent increase in July 1974. To pay for the raise in benefits, the bill would also provide for a broadening of the wage base for social security taxes.

I am also pleased that H.R. 11333 includes an automatic cost of living increase to begin in June 1975, should costs rise more than an annualized rate of 3 percent for the previous three or four calendar quarters.

For my own part, in my congressional district and as a member of the House Republican task force on aging. I have found that many older Americans encounter difficulty living in the comfort and dignity to which they are entitled after productive lives as wage earners and parents. The recent tremendous increases in the cost of living have made this even more apparent, and I believe if we in Congress had waited until next July to make a social security benefit increase effective, the Nation's senior citizens would have found it even harder to live on their small annuities.

After paying taxes all their lives, our older Americans have the right to be as independent and active as possible. Additional social security payments will assist them in this respect. The sad plight that many of them face must not be forgotten. This is why I am supporting this bill, and urge my colleagues to do likewise.

Mr. BROYHILL of Virginia. Mr. Chairman, I yield 10 minutes to the gentleman from New York (Mr. CONABLE).

Mr. CONABLE. Mr. Chairman, I expect to vote in favor of this social security increase. I do so with reservations and with concern about the future of the social security system. I am not sure my vote is correct and in the best interests of all the people who depend increasingly on the social security system for financial protection during their retirement years. We are all concerned about the difficulties old people have in making ends meet as inflation reduces the effectiveness of their resources, and this concern has been translated into politically motivated legislative action repeatedly increasing social security benefits across the board. Any single vote to do this can be justified in a vacuum, but at some point in this repeated response to natural sympathy for the elderly some responsible agency of Government must put the process in a long time perspective which reflects the obligation we must meet to the soundness of the system. Frankly, nobody is worrying about where we are headed with social security. We would better not put off a careful review much longer if we are to face the next generation with as much sympathy as we are here showing to the last generation. Ninety million people now paying payroll taxes as an investment in their retirement income have a right to consideration, too.

I want to pose some questions, today. They are only questions, because I don't know the answers. If I knew the answers, perhaps I would not vote for this bill—or perhaps I would think it inadequate. Anyway, I want these answers before we go through this vaguely degrading exercise and vote an across the board increase again, probably sometime before the next election. I would think every person in this Chamber would feel the same way. Here are the questions I want answered, and the reasons I think they are appropriate:

First. How far can we expand our payroll tax wage base without seriously undercutting the voluntary private pension plan movement? This bill puts the wage base at $13,200 as of next January 1. It will go up again to finance cost of living escalations already built into the law, and because our tax rate is already so high, will doubtless be raised to finance future benefit increases also. There will be no "cushion" to finance future benefit increases under the existing tax structure because we changed the actuarial assumptions last year—without study—to assume the increasing wage level and annual inflation which gave us windfalls in the past. Ever higher wage bases put social security in

competition with the middle area pension and profitsharing funds with which industry rewards its midde group of employees. Maybe we do not want to encourage use of voluntary private pension in industry: certainly we could not discourage them more effectively than by expanding the social security wage base and resulting social security benefits into the same salary and retirement levels. Should we not continue to encourage pluralism in this field? Do we really want to put all our eggs in the social security basket?

Second. Are not some basic reforms increasingly needed to keep social security in the real economic world, rather than in the world of the past? To do equity without reducing anyone's benefits costs money, and in a closed system like social security money spent for an across-the-board increase cannot be used to make the system fairer. For instance, how long can we ignore the plight of the working wife? Forty-three percent of the work force is female—up sharply from the days when social security was organized—but unless an employed wife makes more money than her husband her contributions in payroll tax cannot enhance her pension in the normal situation, and from her point of view it is a lost payment, subsidizing higher pensions for somebody else.

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

Mr. CONABLE. Yes; I yield to the gentlewoman from Michigan.

Mrs. GRIFFITHS. Mr. Chairman, I congratulate the gentleman. This is an extremely important point the gentleman is bringing out, and I do hope he continues on this point.

I would like to point out that with the base going to $13,200, we are going to have millions of couples in this country who are going to be paying in on a $25,000 income, neither one of whom, as a survivor, will ever draw as much as the widow of the man who paid in at $13,200.

Mr. Chairman, we need to reform social security.

Mr. CONABLE. Mr. Chairman, I would like to thank the gentlewoman for her contribution.

I must say that the gentlewoman's interest in this field is well known, and her reputation is very well deserved.

Mr. Chairman, because it's politically expedient to give an across-the-board increase as we are today, we turn our back on the working wife and ignore other possibilities for the equity which can result only from continuing reform.

Third. Who are the people at the bottom of the social security scale? Are they poor, or beneficiaries of some other system who moonlighted enough to get a minimum social security pension? At this point we do not know who they are, but they get more in relation to their contribution than anyone else, and apparently we have not cared enough to find out if this is socially justifiable. So we go on assuming they are the poorest of the poor, giving the whole system a bias in their direction on that assumption and to that degree eroding the wage-related assurances we have given those who year after year pay substantial sums into the system. To get more money to these assumed poor, we pump up the whole system, sapping its strength and stability.

In effect, what we are doing is shifting more and more of the burden of welfare onto the backs of the wage earners and off those whose taxes reflect unearned income. Our new SSI system, due to take effect January 1 and greatly reducing the allegedly demeaning impact of welfare for the aged, could be an alternative for the truly poor which would transfer the welfare functions of social security back to the general taxpayer. But that will take some doing, and in the meantime we talk about the poor to justify social security increases far beyond not only the cost-of-living increases but also actuarial, fiscal, and economic stability.

In addition to these basic questions, there are countless other areas which a basic study of the system must probe before we plunge on down the road which leads we know not where. How high a payroll burden is economically justifiable, and what is its relation to our chronically high unemployment rate? How sound is the system actuarially, and can we justify a higher imbalance now when our new assumptions of last year reduced the margin of safety in the figures? When the ripple effect of a social security increase has an economic impact far beyond other types of government spending—since the elderly have little incentive to save—should not we worry more amout economic timing and less about political timing? How big a trust fund should we have, and has trust fund manipulation possible under the unified budget system encouraged unsound fiscal policy? Is the earned income ceiling realistically related to the current benefit question needs to be answered. We cannot go on embarrassedly pretending they are not there and that we can afford continuing knee-jerk reaction to an opportunity to vote a benefit increase.

Having raised all these questions, and having voted against the 20-percent benefit increase last year, I owe my colleagues some explanation of why I intend to vote for this particular increase regardless of administration attitude, as yet unexpressed. There are several reasons: First, administration spokesmen appeared before my committee and indicated their satisfaction with proposals which did not differ markedly from this one, although they eased its fiscal impact in fiscal 1974. The Social Security Advisory Council has not been functioning, although we are assured it will be soon reconstituted, and so the administration is not in a position now to come forward with carefully prepared recommendations.

Next, I am satisfied that a substantial benefits increase is indicated at this time following the big runup of food prices this spring. Old people pay much more of their fixed income for food than do other age groups.

But lastly, I want to say that the procedure followed by the acting chairman of my committee has left me much less reason to protest than was true at the time of the 20-percent increase last year. While we did not have time to probe the basic questions I have suggested, Mr. ULLMAN did arrange for the committee to have several days of discussion of the proposal, which was not then attached to a veto-proof vehicle like the debt-ceiling increase. I want to express my gratitude for leadership which permitted us this degree of understanding. I am sure, also, that our conferees will not permit the other body to victimize us with the usual numbers-game type of bidding which has been possible with other procedures.

In summary, Mr. Chairman, I intend to vote for this bill, although I have no way of proving even to my own satisfaction that it is a proper vote in a long-term sense. It will surely be a wrong vote unless some responsible agency of the Congress follows with a careful study of where we go from here. I call upon the majority leadership of this House to insure that such a study takes place.

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

Mr. VANIK. Mr. Chairman, I would like to take this time to ask our distinguished colleague from Oregon, the acting chairman of the Committee on Ways and Means, as to the problem which developed when some of the members of the committee—and I was among them—endeavored to bring about a program which would make the social security benefit increase available as early as January 1. Will the gentleman from Oregon, the distinguished acting chairman of the Ways and Means Committee, tell the committee about the leadtime that is now required by the Social Security Administration in order to bring about a payout of benefits commensurate with the cost-of-living increases?

Mr. ULLMAN. Will the gentleman yield?

Mr. VANIK. I yield to the gentleman.

Mr. ULLMAN. I would respond by saying that I was shocked, and I think most of the members of the committee were shocked, when the administration told us there would be a minimum time of 5 months to implement a refined benefit increase. This compares with the previous 3-month timelag that existed a year or a year and a half ago.

I am putting in the RECORD an explanation from the Social Security Administration giving us their rationale and their reasons as to why it takes this much additional time.

However, they insisted on their position, saying that there was no way they could implement it in less than a 5-month time frame.

Mr. VANIK. I thank our distinguished chairman.

I want to say, Mr. Chairman, this disclosure about the leadtime required to implement the social security benefit came after we had had several days of hearings and discussions on this problem. It came as a shock to me as it did to our distinguished acting chairman and to other members of the committee.

I felt that the information had some relationship to the administration's desire, perhaps, to hold back on the social security increase throughout fiscal year 1974. Under the circumstances in which discussions began to take place in the Senate and in this body on the social security increase, it was certainly incumbent upon the Social Security Administration to advise the Committee on Ways and Means and the Finance Committee of the Senate that a leadtime of perhaps 5 or 6 months would be required in order to bring about the increased benefit payouts.

When I discussed the problem of the leadtime required by the Social Security Administration to pay higher benefits with one of my constituents, Mr. Thomas C. Westropp, president of the Women's Federal Savings & Loan Association of Cleveland, he wrote me as follows:

Recent statements carried by the news media have indicated that the Social Security Administration would be unable to comply with any forthcoming Congressional mandate to increase benefits until next May or June, because of necessary computer reprograming. In view of the fact that these benefits are sorely needed by a great number of our citizens it would seem that some emergency measures should be taken to overcome the mechanical difficulties.

One such approach that seems feasible to us would be the issuance of a schedule to all financial institutions authorizing them to pay incremental sums above the face amount of the checks by making simple monetary adjustments. For example: If the recipient receives a check for $100 and the value of the new benefits is $107, the financial institutions can be authorized temporarily to pay $107 and so indicate the disbursed amount above the endorsement on the check. Reimbursement of the sum to the paying agency would be accomplished through the clearinghouse.

This authority for an interim of time only would allow Congress and the Social Security Administration to respond immediately to the critical needs of people benefiting from these payments.

This very meritorious suggestion indicates a method by which social security benefit increases might be immediately paid out.

I want to say that while I favor a much earlier benefit payout than is possible under this legislation, I feel the committee responded as best it could to the problem of adjusting social security payments to the higher benefit levels.

I am pleased to support this legislation. I regret, however, Mr. Chairman, that we have failed to do something that ought to have been done about the social security retirement income test, that part of the income which is exempt. I think that the case is well made today for an exempt income retirement test of no less than $3,000. I think people who are on social security with no other form of income, without any other form of support, are in a rather distressing situation, and need to supplement their social security payments by some outside income. As I understand it, the social security actuaries estimate that under the present system of automatic changes the annual income exempt under the retirement test will be $2,400 for 1974, $2,520 for 1975, $2,640 for 1976, $2,880 for 1977, and $2,880 for 1978. So what we see in this projection is an even wider gap between the amount of social security received by those in the lower echelons and the rising cost of living. I think that an adjustment of the retirement test must be included in legislation next year.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ULLMAN. Mr. Chairman, I yield 1 additional minute to the gentleman from Ohio.

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

Mr. VANIK. I am happy to yield to the gentleman from New York.

Mr. PEYSER. Mr. Chairman, I thank the gentleman from Ohio for yielding. I am just curious to know whether there was any testimony offered as to why those lower levels of income earnings had to be kept at this level? Is there some rationale for this?

Mr. VANIK. I would yield to my chairman, Mr. ULLMAN, for a reply to that inquiry. We had some testimony from the actuaries.

Mr. ULLMAN. Mr. Chairman, if the gentleman would yield, this is one of the highest cost items in the system. And we are, as the gentleman from New York knows, trying to improve the base for the social security system, and therefore it was felt at this time we could not make that additional benefit because of the cost factor.

Mr. PEYSER. I thank the gentleman.

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

Mr. ULLMAN. Mr. Chairman, I yield such time as she may consume to the gentlewoman from New York (Ms. ABZUG).

Ms. ABZUG. Mr. Chairman, I support this bill, and am opposed to the amendment offered by my colleague, the gentlewoman from Michigan, because it would make it impossible for poor old people, the disabled and the blind in this country to live within this income.

Under Public Law 93–66 and sections 4(a) and (b) of this bill all SSI recipients in the 20 States with current aid to the aged, the blind, and the disabled payments below the $130 level per month for individuals and $195 per month for couples will receive increases equal to the full $16 and $29 per month, respectively, provided in these amendments. These increases will be entirely at Federal expense.

Section 4(c), of this bill, allows those States that are supplementing the Federal minimum to pass on to recipients, at Federal expense, 62.5 percent of these increases.

The elimination of 4(c) would provide not $1 of increased benefits to SSI recipients in New York State as well as recipients in California, Hawaii, Massachusetts, Michigan, Nevada, New Jersey, Pennsylvania, Wisconsin, and possibly Rhode Island. Instead of receiving a cost-of-living increase, New York State's SSI recipients remain frozen at 1972 payment levels unless the State accepts the entire cost of increased supplementation.

When Public Law 92–603 was passed we wrote into it protection for the State's against the cost of supplementing the increased Federal caseload by limiting a State's fiscal liability for supplementation to actual calendar 1972 State and local assistance outlays for the replaced categorical programs if supplementation is federally administered and State benefits do not exceed average actual assistance and food stamp benefits in the State in January 1972. This is the "adjusted payment level."

Because of the arithmetic of State supplementation State and local governments in New York would not save $1 if we pass sections 4(a) and (b) without 4(c).

In New York there will be 271,000 people starting to receive SSI benefits in January. These are people who are trying to make ends meet in a period of continually escalating cost. In the last 3 months alone the cost of living has increased at an annual rate of 10.2 percent and the food component of the cost of living has gone up an astronomical 28.8 percent in that period. We are not talking about giving people thousands of dollars but of allowing people an extra $10 per month. It is simple justice.

I urge the adoption of this bill as reported by committee.

Mr. ROSENTHAL. Mr. Chairman, today we are voting on legislation for a two-step 11-percent increase in social security benefits to be paid next spring and summer.

Frankly, I must admit I am disappointed with the delay. This increase is supposed to meet the rise in the cost of living for the year ending June 1973, but payment is being delayed nearly a year.

Social security recipients should not have to wait until next year to meet last year's inflation. Especially in light of the soaring increase in the cost of living and the worst inflation in our history. America's 21 million elderly citizens need our help now, not a year from now.

More than 2 months ago, I introduced H.R. 10236 with nearly 110 cosponsors. My bill would have made next year's social security increase effective immediately. The Senate promptly enacted this measure in early September.

I have received hundreds of calls, visits, and letters from my district and from around the country in support of this legislation. It is abundantly clear to me that most Americans are in a desperate plight because of drastically higher prices for food and other essential items. Shoppers have had their incomes practically drained because of rapidly accelerating rises in the cost of living.

While the administration has been lax in its restrictions on the big firms which are showing tremendous profits, its misguided economic policies have forced the elderly into a precarious position which has become intolerable.

The Agriculture Department predicts food prices alone will rise at least 20 percent this year and wholesale prices already have reached their highest level in history. Those hardest hit by such developments are the poor and the elderly, persons who traditionally live on small.

fixed incomes and spend 30 percent of their disposable income on food.

There is nothing inflationary about giving these persons a few extra dollars a month. The average retired individual gets $162 a month; his benefits will go to $173 in March and $181 in June. The aged couple now receiving $277 a month will get $296 after March and $310 a month starting in June.

Nearly 3 out of every 4 Americans over the age of 65 have annual incomes below $3,000, including 2.5 million persons with no income at all.

Mr. Chairman, we must not stop here. This 11-percent increase in benefits will be helpful, but our elderly citizens on social security need much more. That is why I have introduced H.R. 6958, a bill to raise cash benefits by 35 percent and to make other needed improvements in the social security program.

Features of this bill include:

First, payment of benefits to married couples will be on their combined earnings record, thus ending discrimination against the working wife;

Second, extension of social security coverage, including medicare, to Federal, State, and local employees, at their option, including postal workers;

Third, removal of the limitation on outside earnings; social security is insurance which the worker paid for, and he should not be denied the benefits because he has provided for other income in his old age;

Fourth, improvement and expansion of medicare coverage;

Fifth, lower the age of eligibility for men and women to 60.

The administration wants the elderly to pay an additional $1.9 million in their medicare costs in an effort to establish a cost awareness on the part of the medical care consumer. This is absurd. Cost-consciousness is not a trait we need to teach our older citizens. It is a trait we should learn from them. Yet, the administration is telling people who must count out pennies for a newspaper or nickels for a quart of milk that they must hold the line on costs. I wish the President would show such cost-consciousness for the multi-billion-dollar cost overruns in the Pentagon.

My bill would not increase the burden on medicare recipients as the President proposes, but reduce it by:

First, eliminating the coinsurance payment requirement for supplemental part B coverage for persons with a gross annual income below $4,800;

Second, providing home-care prescription drugs under supplemental coverage;

Third, reducing to 60 the age of entitlement to medicare benefits;

Fourth, offering free annual physical examinations for the elderly;

Fifth, eliminating the 100-day limit on post-hospital extended care services;

Sixth, extending coverage to all disabled persons, regardless of age.

On the average, an elderly person pays $791 a year for medical bills, and the price keeps going up. Hospital and doctor costs are rising rapidly, well ahead of the overall cost of living.

My bill provides optional free annual physical examinations for the elderly in order to encourage preventive care rather than rely on crisis treatment. Not only will this measure contribute to a healthier population but it also will save more money in the long run than would the administration's shortsighted method of creating a cost-consciousness by raising the price of coverage.

Not only should we promote inhospital and posthospital care for the aged, but we must also resolve to ease the financial burdens of necessary prescription costs. The elderly spend about three times more per capita on prescription drugs than the rest of the population. In 1970, that came to $50.94, compared to $16.29 for persons under 65.

My bill would extend medicare coverage to include out-of-hospital drugs. This is something I have long advocated and which has been endorsed by the White House Conference on Aging, the President's own task force on aging, the 1971 Social Security Advisory Council and the Department of Health, Education, and Welfare's task force on prescription drugs.

This specific proposal, I believe, will have a significant side benefit. Many times the elderly must be admitted to hospitals in order to qualify for medicare coverage of drug purchases that could otherwise be prescribed on an outpatient basis. This proposal will not only eliminate this unfortunate use of much needed hospital space, but will avoid the potentially tragic psychological impact that a hospital stay can have on older people. This is a price that the elderly should no longer be expected to pay.

Every part of this bill affords effective, tangible and solvent ways of correcting the question it deals with. We all face a common aging problem. We must provide and plan for a retirement period of indeterminate length and uncertain needs. In 50 years, 15 percent of all Americans will be over 65, a third of these, 15 million, will be over 75. My bill will help eliminate many of the spiraling problems that have plagued our country's aged. It must be kept in mind that social security is not charity, but insurance bought and paid for by American workers.

Mr. ULLMAN. Mr. Chairman, I yield 5 minutes to the gentleman from California (Mr. CORMAN).

Mr. CORMAN. Mr. Chairman, I agree with my colleague that it would be well worth our while to devote a substantial amount of time to a complete overhaul of the social security system. The fact of the matter is we have taken some new steps which are going to make that easier to do.

For years, many poor people in this country have been living only on their social security pensions. In our humane effort to give them some slight increase in their living standard, we kept increasing their social security minimum. This was done to help those persons who lived in States where there was inadequate supplementation for the aged, the blind, and the disabled.

On January 1, 1974, we begin a Federal program providing minimum benefits for what we called the adult category, paving the way to remove the former social security minimum and making social security benefits reflective of the amount paid in by a worker. I hope we do that. It is the only way we will be able to adjust the maximum social security benefits upward so that they will reflect what an employee has been paying over the years.

Regarding this proposal, there was some discussion whether or not it is actuarially sound. I suggest to the Members that it is. We recognize that the social security tax rate is a great imposition upon low-income workers. It is a real cost of 11 percent on the first dollar anybody earns. It is paid half by the employer, but it is money that probably would go to the employee.

In this proposal, we avoided a rate increase by increasing the wage base and still keeping the program actuarially sound. That means for anyone who earns $10,800 or less, there will be no social security tax increase. Those who will feel the bite are the ones earning from $10,800 to $13,200. Those earning substantially over $13,200 probably will not miss the dollars quite as much as those who are right at that level. It seemed to the committee that the increase in the wage base is the only reasonable way to finance a desperately needed benefit increase.

The administration made great objections to any increase that would be paid out in this fiscal year—for one simple reason: The President wants to borrow money from the trust fund to finance his general budget. The fewer benefits we pay out this year, the more he can borrow from the trust fund. This increase means that there will be about $1.1 billion less for him to borrow from the Social Security Trust Fund. He will have to go out and borrow the billion-plus someplace else.

Briefly, about the Griffiths amendment: when the committee looked at what we ought to try to do now for the aged, blind, and disabled—those who are really the poorest of all the poor people in this Nation, and when we looked at the terribly high cost of living, especially the cost of groceries, which is by far the biggest item in their budget, we said they just have to get more money and we have to get it to them as quickly as possible.

At the time we enacted the SSI program for the aged, blind, and disabled, we set the Federal minimum payment to go into effect January 1, 1974 at $130 a month for a single person and $195 for a couple, and we thought that was a reasonable floor. For those States that were paying the aged, blind, and disabled more than the Federal minimum—and they are primarily the 10 larger States where most of these people live—we agreed to hold the States harmless from any increase in State costs if they retained their existing benefit levels.

All we are saying in the legislation under discussion today is that the $130 is too low; that we are going to move it up to $140; and for those States that supplement, if they will still supplement the total dollars they spent in 1972—we will let them pass on the additional $10 to their aged, blind, and disabled. It is the

only way we can get the $10 increase to these very needy people.

It is not a matter of States being rich or poor—or of States being willing or unwilling to meet that need. The fact is that it is the only way we can get the extra $10 to these aged, blind, and disabled in January 1974.

There are two competitors in this matter: On the one hand, the Federal Treasury; on the other hand, the poorest of the aged, blind, and disabled people of this Nation. What we are talking about on the Federal Treasury side is $175 million. On the other side, we are talking about 33 cents a day for an aged, or blind, or disabled person, or 50 cents a day for a couple.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ULLMAN. Mr. Chairman, I yield 3 additional minutes to the gentleman from California.

Mr. CORMAN. I thank the gentleman for yielding time.

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

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

Mr. BURKE of Massachusetts. I thank the gentleman for yielding.

Mr. Chairman, I want to associate myself with the remarks of my distinguished colleague, the gentleman from California. He has really zeroed in on the problem here. What we are dealing with here is the blind, the disabled, and the elderly, the very poorest of the poor, and it seems to me that this great and affluent Nation of ours should not be zeroing in on economy at the expense of these poor and unfortunate people who are faced with the spiraling cost, the high cost of living, the escalation of prices, food prices, and now fuel prices, and all the dreaded costs that are going to be heaped upon them come January 1.

I certainly wish to be associated with my colleague, the gentleman from California, and I commend him for his statement.

Mr. CORMAN. I thank the gentleman from Massachusetts.

I would like to make two points. First, let us look at what the hold harmless means as far as California is concerned. It applies identically to all ten of the States involved.

If we do not retain the committee's position, the Federal Government will give $10 more to each single aged, blind or disabled person in 40 States—and $15 more to a couple—but not an additional penny to the aged, blind, or disabled in the 10 States where most of these people live.

California is spending its own money in trying to give a reasonable living standard to these persons in the State, but what does that standard mean for them? For a single person living alone now, it means $211 a month, plus $10 worth of food stamps. I cannot feed my family on $221 a month, and I doubt that any Member here can. There is rent to pay, and utilities, and clothing to buy, if there is anything left for clothing. What we are really talking about here is rationing—out of $221 a month—for food, for clothing, for shelter, for other essentials to keep body and soul together. What I am trying to get us to do is merely to increase that person's food rationing 33 cents a day.

In New York, the average payment to a single aged, blind, or disabled person presently is $207, including food stamps. In Michigan it is $200; In Pennsylvania $146 plus a bit for food stamps; and in Massachusetts $207. In these States, as well as in the other affected States, if we do not vote down the Griffiths amendment, those of the aged, blind, and disabled who also get small social security checks, are going to be hearing about an 11-percent social security increase and about a $10 increase in the basic Federal SSI payment when they are transferred into the new Federal program—but they will end up receiving the same amount of dollars as if we had not increased social security or SSI. And these are the persons hurt most by increasing costs of food, rent—and now, even fuel oil to heat their houses. These are the persons also hurt most by the devaluations of the dollar the Nation has experienced over the past couple of years. And to neither situation—inflation nor devaluation—have they contributed; they are only the victims.

The question is not the Federal Government versus the rich States. The question is the Federal Treasury versus the poorest of the aged, blind, and disabled people of this country. There is no Federal expenditure we will make in the 93d Congress that will be more meaningful than to assure these people that they will also get a pitifully small $10 increase to buy food.

I urge the Members to support the committee's recommendation and to vote down the Griffiths amendment when it comes up for a vote.

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

Mr. OBEY. Mr. Chairman, while I applaud the increase in benefits in this bill I have some questions about the financing aspects of it.

Mr. Chairman, I rise in support of this bill's provision for a two-step, 11-percent cost-of-living increase in social security benefits. Last year the Congress committed itself to maintaining the dollar value of a social security pension by providing for automatic cost-of-living increases in benefits, effective in January 1975. It is now painfully clear that the interim 5.9-percent cost-of-living increase, scheduled to take effect next June as an advance payment toward the first automatic increase, will be wholly inadequate.

While I applaud the provision of an 11-percent increase in benefits, I have some questions about other provisions of the bill affecting the financing of the social security system and about the actuarial assumptions on which those changes are based.

Under the bill, the tax rate for hospital insurance—now a flat 1 percent—would be reduced in 1974 to 0.90 percent and stay there through 1977. In 1978, the medicare rate would rise to 1.10 percent—instead of the 1.25 percent provided under present law—and stay there through 1980.

By virtue of this change, the health insurance trust fund would forgo $1 billion in income in calendar 1974. For the fiscal years 1974 through 1979, according to the committee report, the health insurance trust fund will receive $9.8 billion less income than it is expected to receive under present law. Over the course of those 6 fiscal years, nearly $10 billion will in effect have been transferred out of the health insurance trust fund and into the old-age and survivors and disability insurance trust funds.

It is hard to get used to this idea, for two reasons. First is that the health insurance trust fund used to be ailing. It is the one that was underfinanced and headed for bankruptcy. Now, suddenly, it is in the pink of health, thanks to a combination of factors, including an increase in the health insurance contribution rate this year from 0.60 percent to an even 1 percent and the restraints that the economic stabilization program have imposed on medicare costs. In the short run, in fact, the health insurance trust fund is now regarded as overfinanced, since its estimated reserves at the end of 1977 would amount to more than 100 percent of the following year's estimated outgo.

The other reason is that I have introduced legislation—now cosponsored by 111 other Members of this body—to provide an outpatient prescription drug benefit under medicare. This would be a much needed maintenance drug program for the elderly who suffer from certain specified chronic illnesses. The official cost estimate for this program, made last year for the Senate Finance Committee, was $740 million for the year beginning July 1, 1973.

In previous year, when I was proposing a comprehensive outpatient prescription drug program, the principal objection I heard was that it would be too expensive. Then, when the proposal was scaled down and tailored to the elderly who are most in need, I was told that there was not enough money in the trust fund.

Suddenly, when it appears that the health insurance trust fund will have more than enough money to finance a maintenance drug benefit, that income is diverted for OASDI purposes. As far as I am able to determine, no one has given any thought to the possibility of keeping that money in the fund to finance a maintenance drug program. Ironically, I received a letter only yesterday from a constituent whose husband, 63, suffers from Parkinson's disease. They spend $120 a month for prescription drugs.

What I want to question is the committee's contention that the old-age, survivors, and disability insurance program now shows a serious actuarial imbalance that must be corrected by increasing the income of the OASDI trust funds. Here is the chronology of progressively more bleak actuarial projections:

July 16: The 1973 annual report of the trustees of the OASDI trust funds says current estimates show a long-range actuarial imbalance of minus 0.32 percent

of taxable payroll, a deficit of about 3 percent of the long-range cost of the program.

Next, according to the gentleman from Texas (Mr. ARCHER), it was increased to minus 0.42 percent when we enacted the 5.9 percent benefit increase to take effect next June.

October 30: Again according to Mr. ARCHER, a pamphlet prepared for the committee said the OASDI program was out of balance by minus 0.68 percent. A few days later, he notes, committee members were given another estimate indicating it was out of balance by minus 0.76 percent of payroll.

I know that we all want the trust funds to be actuarially sound, given the new dynamic actuarial methodology we are using. I also note this statement in the report of the trust funds' trustees:

Variations in the actuarial balance (in either direction) arising from short-term fluctuations in consumer prices and average covered earnings are inherent in the actuarial methodology now employed. Over the 75-year period of the estimates short-term fluctuations could be expected to be in both directions and somewhat offsetting, and relatively small deviations from exact actuarial balance should not call for changes in the contribution schedule.

Mr. Chairman, I do not want us to jeopardize the future health of the Social Security System. But I would be more comfortable if I knew that the financing changes proposed by this bill are in accord with this bit of advice from the trustees of the trust funds, and that we are not unnecessarily diverting money from the health insurance trust fund that could and—in my view, anyway—should be used to finance an outpatient drug program.

Mr. ULLMAN. Mr. Chairman, I yield 5 minutes to the gentleman from California (Mr. BURTON).

Mr. BURTON. Mr. Chairman, I would hope that the proposal advanced by our distinguished colleague, the gentlewoman from Michigan (Mrs. GRIFFITHS), will be rejected. I do that for the following reasons:

As we all know, in January, a few months from now, we are moving into a new program providing a federally established minimum payment to the aged and the blind and the crippled of our country, and that program also carries with it a very thoughtful and much improved financing arrangement that ultimately redounds to the benefit of the Federal Treasury.

Let us contrast the law today with the law as it will be in effect in January. As of today all of the States receive at least 50 percent Federal matching for welfare payments made to aged and blind and disabled persons, and a number of the States receive some larger percentage, up to approximately 83 percent.

After the new law takes effect, a majority of the States will receive an increase, in effect, of their Federal matching funds, that is currently from 50 percent to 83 percent, to 100 percent Federal matching. But for some States, some 10 or more who today receive 50 percent Federal matching, the effective matching for these States is reduced as a percentage from 50 percent to perhaps one-third or perhaps 25 percent.

Now although it is very difficult without the utilization of visual aids, permit me to describe I hope in simple and understandable terms its application in at least the State of California.

As of today California's average grant is $120 a month or so in the aged program. California today receives 50 percent matching or $60 a month on the average for each recipient receiving aged aid.

In January, taking the new financing arrangement and applying it to that same older person whose benefits must be maintained because we have passed a law requiring their benefits not to be reduced, the following is the Federal commitment to California:

The Federal Government is obligated as of now to provide an assured level of income of $130; but all outside income, and that is mainly social security, is used to reduce the Federal commitment.

Under this bill the proposal is that the $130 assurance per month is to be raised to $140, so let us stay with that latter figure for purposes of this illustration. After the social security increases in the bill, the average income for an aged recipient in our State will be, approximately $100 a month of outside income, so under the new financing arrangement in California that aged person for whom we shall receive $60 Federal contribution in December, we shall receive $140, less the $100 on the average, or an average of $40 for that same recipient. Mrs. GRIFFITHS has pointed out—and she is correct—that this does not take into account the $20 per month disregard which is available to some 75 to 80 percent of our adult recipients.

(At the request of Mr. ULLMAN and by unanimous consent, Mr. BURTON was allowed to proceed for an additional 3 minutes.)

Mr. BURTON. Mr. Chairman, so where, as in December, we shall have really on the average a $60 Federal contribution, we shall after the effective date of the increases receive on the average a $40 contribution. Obviously, that is a result that could not pass political muster.

So the distinguished chairman of the Committee on Ways and Means constructed the cheapest and most efficient method of seeing that States like California were not discriminated against by having their effective matching reduced by one-third—which I have now restated for the fourth time and stand on—by providing that there be a hold-harmless provision. It is the operation of the hold-harmless provision that results in the restoration effectively to the higher cost-of-living or higher grant States of, roughly, the 50 percent.

This proposal suggests increasing the Federal commitment by $10—$10 I might note will come virtually entirely out of Federal funds. Under the wise financing, constructed by Chairman MILLS, all of the offsetting increased social security income will be used to reduce the Federal General Fund obligation to meet this Federal commitment of $140 a month.

The increase of $10 to all in the lowest grant States is entirely Federal money and all of us in the higher cost-of-living States applaud—do not decry—that the person in the lower income States receives this increase as a matter of full Federal financing. But do not deny to us the same option to receive and pass through to our elderly poor the equivalent $10 increase, because we have given up, in the process of the new financing, the 50 percent savings that otherwise would have redounded to the higher grant States because of the social security increase, by acceding to Chairman MILLS' thoughtful and wise request that all that increased income will be used to offset the Federal cost to pay the Federal minimum.

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

Mr. BURTON. I yield to the gentlewoman from Michigan.

Mrs. GRIFFITHS. Mr. Chairman, the gentleman continues to invoke the name of the Chairman. Chairman MILLS was present when we guaranteed that the gentleman's State and mine would not have to pay more because of SSI, which would go into effect next January 1, than they paid in 1972. That is what is, in effect. It has not been repealed.

The only thing your hold harmless does now is protect you and me from the increases way above that $210 that are now being voted. Mr. MILLS was not present when this was even talked about in the committee, so he had nothing to do with it.

But in addition, while the gentleman keeps talking about this, he fails to note that there are two social security raises going into effect next year. No State has ever held harmless an SSI recipient against a social security raise.

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

Mr. ULLMAN. Mr. Chairman, I yield 3 additional minutes to the gentleman from California (Mr. BURTON).

Mrs. GRIFFITHS. And you do not intend to do that either. There is nothing in here that would hold you harmless. There is nothing in here that will hold you harmless.

Mr. BURTON. Mr. Chairman, I decline to yield further for the purposes of this point: The overwhelming majority of States have disregarded, for their adult recipients, social security increases, to the extent permitted by the Federal Social Security Act, and that is a fact.

Mrs. GRIFFITHS. No, I talked with every State. They do not protect against social security, do not protect against the veterans increases. What the gentleman is asking here is for a one-shot increase, for SSI only. He is not saving harmless against the social security increases or the second SSI increase.

I am saying to the gentleman again, he is not protecting the poorest people. The poorest people are the people who are getting social security minimums or small amounts and who, because of some small asset, are not eligible for any SSI. Those are the poorest people.

Mr. BURTON. Mr. Chairman, I decline to yield any further because I have so little time.

Mrs. GRIFFITHS. I know it hurts.

Mr. BURTON. Mr. Chairman, I fully agree with the gentlewoman that there are limitations on assets that are irrelevant, and I would also like to have the

record be made clear, if I have left any inference to the contrary, I do not assume that the chairman of the Ways and Means Committee adopts any portion of what I am saying.

What I do mean to state is that there was a radical rearrangement, a wise one, of how these programs are to be financed; and I do assert further that in the Federal budget approved by the House Appropriations Committee, the administration has, for the first 6 months of this fiscal year, overstated—by from 6 to 7½ percent the costs of the current adult welfare program. HEW estimated an average caseload of 3.4 million aged, blind, and disabled recipients, when, in fact, the average caseload for July–December 1973 is going to be about 3.150 million or 250,000 caseload months less than the projected 3.4 million caseload average for that 6-month period.

For the last 6 months of this fiscal year, the administration estimated that there will be an additional 3 million recipients, on the average for the last 6 months of this fiscal year, due to the new social security insurance program.

I will stand here right now and say that I will eat cotton if there is any more than a third of that, on the average, increase for the balance of this fiscal year. Therefore, the committee bill including the hold-harmless language, is within the parameters of the administration's sought budget amount and this general revenue amount will not be exceeded even with the enactment of the recommendation of the Ways and Means Committee.

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

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

Mr. CORMAN. Mr. Chairman, I do want to point out concerning the original hold-harmless, that in the State of California, it would have to grandfather in certain recipients, and that cost the State of California $22 million, which it was perfectly willing to pay and which was mandated by this House in the summer of this year. Additionally and voluntarily, the State of California has added $56 million to their cost-of-living requirements to try to take care of them, so they have moved that State supplement from $381 million, which is the Federal requirement, to $459 million. If we do not have the hold-harmless, they can get——

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

Mr. ULLMAN. Mr. Chairman, I yield 1 additional minute to the gentleman from California.

Mr. BURTON. Mr. Chairman, I yield further to the gentleman from California (Mr. CORMAN).

Mr. CORMAN. Unless the hold-harmless provision stays in, only the States which did not supplement and paid the minimum will get the $10. States with supplementing will not get it because the Federal Government will give it per capita, but let them hold harmless.

And so the competition is truly between the Federal budget and the budget of the very poor. It seems that what we are worried about is really who are the poorest of the poor? The test of the situation for everybody is, if one has no assets and no income, one gets a minimum, throughout this entire Nation, of $130 and, as proposed now, $140. In the State of California one gets $211 because the State pays the difference.

Mr. BURTON. Mr. Chairman, I fully agree with my distinguished colleague, Mr. CORMAN. If I may conclude in the very few seconds I have left, if we want to look at this matter in terms of equity among the several States, simply stated, it is this:

A great number of us willingly supported a change in the financing, even though it resulted in an increase percentagewise to the majority of the States in this country from 17 to 50 percent of their previous matching.

We did that willingly. All we are asking is that they do not change the ground rules on us, so that we may get our piece of the action for our poor elderly, blind, and disabled.

Mr. ULLMAN. Mr. Chairman, I yield 1 minute to the gentlewoman from Michigan (Mrs. GRIFFITHS).

Mrs. GRIFFITHS. Mr. Chairman, what this does, in fact, is to say that California and nine other States—and my State is one of them—will have the Federal Government come in and help them raise their payments way above the $210 for a couple, over and above what the other States have. But if you are in one of the other States, such as Ohio, Indiana, Michigan, Illinois, Connecticut, Maine, Vermont, Florida, or Texas, any of those States, and you raise it one cent above $210, you will pay every penny of it yourself, every penny, and you will also help us raise ours above $394 or whatever our individual payment is. Now, I would like to have someone tell me where that is equitable.

If we have that kind of money to spend, let us spend it on a Federal priority, not helping the rich get richer.

Mr. ULLMAN. Mr. Chairman, I yield 3 minutes to the gentleman from Texas (Mr. MAHON).

BUDGET IMPACT OF SOCIAL SECURITY INCREASE

Mr. MAHON. Mr. Chairman, the record of the proceedings of today will contain much helpful information. This debate has been of great interest, I think, to the Congress and will be of interest to the country generally. The record, which contains this discussion, should also contain certain overall information in regard to the Federal budget.

As has been pointed out several times in the debate, this bill will increase the national debt this year by $1.1 billion and will increase the deficit by $1.1 billion. That is not to say that the bill should not pass. I intend to vote for it.

However, I believe we should also bear in mind that this will add an additional billion dollars above the January spending budget of $268.7 billion. The House earlier in the year approved an expenditure ceiling of about $267 billion. Including this social security bill, the Congress will probably be at the end of the session, about $5 billion over the January budget in expenditures.

The President revised his budget on October 18 from $268.7 billion up to $270 billion. The President having approved congressional actions above the budget at that time in the sum of $2.4 billion embraced those increases in his new budget estimate. Having signed these bills into law, he has taken them into account in revising his expenditure budget up from $268.7 billion to $270 billion.

In addition, the President has submitted the budget amendment for assistance to Israel, which brings the most recent administration spending estimate to $270.6 billion.

In actions subsequent to October 18, including the $1.1 billion increase being considered today, the Congress will add another $2.6 billion in spending. In percentage terms this amounts to less than 1 percent of the $270.6 billion estimate.

Of course, it is true that the fiscal picture has improved dramatically not as a result of reduced spending or reduced appropriations but as a result of a $14 billion unanticipated increase in revenues which has occurred since the January budget was submitted.

I would like to say again, as I have said many times on the floor, that the budget-busting problem of this Congress does not lie with appropriation bills from the Committee on Appropriations. It seems clear now that the appropriation bills in this session of Congress will be in total at the level or below that of the President's budget. Our difficulty generally in trying to hold Federal spending within the budget comes from backdoor spending or spending mandated by nonappropriation bills.

I thought it was appropriate to bring this up under the circumstances, and I shall ask unanimous consent at a later time to revise and extend my remarks on this matter. At another place in the body of the RECORD of today, I shall present a fuller discussion of fiscal matters.

Mr. ULLMAN. Mr. Chairman, I yield to the gentleman from Texas (Mr. MILFORD) such time as he may use.

Mr. MILFORD. Mr. Chairman, I want to join my colleagues who are supporting this drastically needed updating of social security benefits.

It is imperative that the retired people in our Nation who have devoted their lives to productivity and citizenship responsibility be assisted at this time.

I know of no other group of people who have felt the crunch of our galloping inflation more than these folks. Their income is fixed. And until this bill, it has taken an act of Congress to increase their income—social security payments.

I find this bill to be one of the most promising pieces of legislation coming out of this law-making body, because it will provide for increases based upon cost-of-living indexes computed annually.

Up to this time, we have been in the position of asking our retired and disabled persons to shrink their stomachs and to do without needed medical prescriptions while we debate their needs. Until now, there has been no way to increase their income in marching rhythm with rising prices and diminished dollar purchase power.

If we act now on this bill, we can put

7 percent more money—or an average of $11 a month for an individual—in their hands with the April social security checks. And, another increase—up to 11 percent, or a total average increase of $19 for an individual—by the July checks.

I would like to impress upon my colleagues that for 20, 30, or 40 years or more, these individuals—whose income we are now legislating—have poured money into our economy and into this fund over which we hold the purse strings.

It is time we let the economic situation and demands release this hold in the prudent and sound manner set forth in H.R. 11333.

Mr. ULLMAN's bill addresses itself to the immediacy of the crisis of senior citizens by calling for their receipt of the increase in April.

I would like to call attention to some Department of Labor budget statistics for a retired couple. The national average cost for people in the lowest budget is $3,442 a year. This is $118 a year more than the average couple is receiving in social security benefits. But let me make you aware of this fact: these are 1972 budget figures. If we add in the 4.7 cost-of-living increase, over the first 7 months of this year, this same couple will need $3,604 to make it.

Our bill would almost bridge this gap in April and would take care of the increase by July if—if the costs of surviving, such as food, shelter, medicine and transportation, do not rise higher than September figures.

And since that is the impossible dream, I urge the immediate enactment of H.R. 11333, so that social security income can be computed comparably with cost hikes.

I feel strongly about this issue, and as most of you know I have strongly advocated cautious and prudent budget spending. However, this bill will enable us to help the grandparents of this Nation, yet remain prudent and cautious by paying its way by raising the social security taxing maximum wage base to $13,200, and retaining the same 5.85 percent tax rate until 1977.

Because this is a compassionate bill, because it will alleviate a pressing crisis for retired people, and because it is economically sound, I would urge my colleagues to vote yes. Thank you.

Mr. BROYHILL of Virginia. Mr. Chairman, I yield 3 minutes to the gentleman from Illinois (Mr. COLLIER).

Mr. COLLIER. Mr. Chairman, in the light of what the distinguished chairman of the Committee on Appropriations just said, I believe it is in order to remind this House that in June of this year, 6 months after we enacted legislation to provide a 20-percent increase in social security benefits, we did, in fact, enact legislation for an additional increase. It included the cost-of-living escalator plus the raise in benefits to have become effective on July 1. We did this because in the interests of being fiscally responsible we thought at that time—and the House, I repeat, did approve it—that we ought to wait until July of 1974. This would have provided a period in the interim 6 months for us to accumulate through an increase in the taxable base the trust fund income to accommodate the additional burden of the July 1 increase.

However, because, as is so often the case, the second shot increase was hung on as a rider to a totally unrelated piece of legislation, the debt ceiling bill, we were then forced into what you might call an emergency situation to foreclose an even further problem facing us to move this legislation.

So I pass this on to you because I think the action we took last June, which we have now rescinded only 4 months later, represented a far more responsible approach than is the course which we are now taking.

Mr. DENNIS. Will the gentleman yield?

Mr. COLLIER. I yield to the gentleman.

Mr. DENNIS. I cannot help but wonder, in view of what the gentleman from Illinois says and what the distinguished chairman of the Committee on Appropriations had to say, why this distinguished committee that brought this bill in did not bring it in under a rule which would have permitted an amendment which would have perhaps gone back along the road we were trying to go last June.

Mr. COLLIER. I had no voice in the rule that was granted.

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

I want the record to be clear that it is only because we have a unified budget concept that this has an impact. The reason should be absolutely clear, that the trust funds are paying a substantial surplus into the unified budget.

There is in fact a $15 billion or more Federal funding deficit, but in the unified budget that is offset by the surpluses from the various Government trust funds.

Without these surpluses from the trust funds, including the social security trust funds, the budget would show a deficit of the same amount. Omitting trust fund operations is the concept of the administrative budget, which was abandoned a few years ago when the present unified budget was adopted. Some people believe that the unified budget is more a bookkeeping operation than a true measure of Federal fiscal requirements. For all intents and purposes, the administrative budget is the portion of the budget which is subject to the debt ceiling. The operations of the trust funds, on the other hand, do not affect the debt ceiling. I think it is important that the trust funds be allowed to operate consistent with the purposes of the programs under which the individual trust funds were set up. These programs should not be unduly influenced by considerations arising solely from the unified budget.

This is a responsible package, and one that I urge the House to support.

Mr. Chairman, I would ask my friend, the gentleman from Virginia (Mr. BROYHILL) if the gentleman has any additional requests for time?

Miss JORDAN. Mr. Chairman, I rise in support of H.R. 11333 which provides an 11-percent increase in social security benefits and which increases supplemental security income benefits.

This bill provides for a two-step increase in social security benefits. The first step will be a 7-percent increase which will be received in early April 1974. The second step will be an additional 4-percent increase which will be received in July 1974. The bill also raises the basic supplemental security income payments for an aged individual to $140 in January 1974 with an additional $6 increase in July 1974; and for an aged couple to $210 in January 1974 with a further increase of $9 next July.

Many of my colleagues have also risen to support this bill today. Their support for social security increases at this time attests to the success of the program. Social security keeps some 10 million people out of poverty. Poverty due to death of the breadwinner in the family has been virtually eliminated due to social security.

Social security is more than a retirement program. It is the largest life insurance program, the largest disability insurance program, the largest health insurance program, as well as the largest retirement program in the Nation. Social security is well accepted by the American people because it is a universal program providing benefits to eligible recipients as a matter of statutory right with a minimum of administrative discretion, covering the rich as well as the poor, irrespective of race, color, creed, or sex. As the board of directors of this enterprise, Congress has steadfastly kept the social security program on a financially sound basis. The long-range financial schedule in the law gives as much stability to the program as is possible in this uncertain world.

In addition, many of my colleagues in the House have joined in supporting this bill due to the astronomical price increases which have occurred over the past few months. Food prices alone have risen almost 30 percent in the past 3 months. An individual receiving a fixed check from social security cannot absorb these price increases from one week to the next.

More importantly, the social security increases provided for in this bill are desperately needed not only because of the price increases which have occurred in the past, but because of the price reductions which are not expected to occur in the future. The higher cost of eating is here to stay. Food prices are not expected to go down in the near future; they may level off, but in doing so they will remain at their highest levels ever.

Food prices will not go down because demand is up both in this country and abroad. Foreign buyers have money to pay for the food they need. They have money because they have the advantage of two devaluations of the dollar in a 15-month period. To the American consumer food prices have risen 30 percent, but to the foreign buyer food prices remain approximately the same as they were a year ago.

Food prices will not go down because supplies will not catch up with demand. Although additional acreage for corn

and soybeans is being put into production both here and abroad, most of the productive land is already being used. Meat supplies will not dramatically increase for the basic reason that it takes 9 months to produce a calf and 2 years to raise a market-ready head of cattle. Even if our supply of livestock were to be increased, it would mean less meat now as ranchers withheld stock from the market for breeding purposes.

Food prices will not go down because wholesalers and retailers will be catching up from last summer when their margins were held down by price controls.

I am particularly gratified that the members of the Committee on Ways and Means provided for increases in supplemental security income benefits beginning in January 1974.

Since the constitution of the State of Texas prohibits the State from supplementing the basic SSI benefits, the increases provided in this bill will assure that no one in Texas will receive less money under SSI than they now receive from the State under the old age, blind, and disabled program.

Last September I introduced legislation which would have provided for a 7-percent increase in social security benefits effective January 1974, I applaud the distinguished chairman of the Ways and Means Committee for providing the leadership necessary to deal with this subject in committee and to report expeditiously a bill to the House. In many ways, the committee has improved upon my original bill. It is my hope that the bill will prevail in conference with the other body and will be signed into law by the President. I urge my colleagues to give this bill their wholehearted support.

Mr. BINGHAM. Mr. Chairman, tens of millions of Americans have a direct stake in the outcome of our deliberations here today. These are the 29 million social security beneficiaries who have been bearing the brunt of this administration's disastrous inflation. Since the last benefit increase in September 1972, the Consumer Price Index has already increased 9.3 percent, with some consumer costs much higher. For example, food costs have gone up 23.5 percent in this period, but social security beneficiaries have received no additional income to meet these added costs. When Congress enacted the last effective increase, we also established an automatic cost-of-living increase, but delayed its implementation until 1975. This year we were able to accelerate the date of the first of these increases to July 1974, but even this is clearly not soon enough.

Beginning in September, I undertook a number of efforts to win congressional approval of speedier increases, since I have been convinced that the elderly should not have to wait until next year to be compensated for this year's inflation. In October, 112 of my colleagues joined me in sending letters to the acting chairman and the ranking minority member of the House Ways and Means Committee urging them to act on the immediate 7-percent across-the-board increase in social security benefits. This expression of widespread support for such an increase was clearly influential in focusing the attention of the committee on the increasingly desperate needs of the elderly. When the committee continued to delay action, however, I joined with Representatives REUSS, VANIK, FULTON, and THOMPSON in urging the Rules Committee to accept a combined social security increase and tax reform amendment to the debt limit bill. The Rules Committee accepted our proposal in the belief that both of these measures deserved consideration in this session of Congress. Adding these measures to the debt limit bill would have been attractive, since the administration would have been reluctant to veto such critical legislation despite its announced opposition to both the social security increase and the tax reform proposals.

The Rules Committee action startled the Ways and Means Committee, and led to the postponement of the debt limit bill and the decision to give separate and early consideration to the bill before us today.

H.R. 11333 provides a two-step, 11-percent cost-of-living increase in social security benefits. The first step would be a 7-percent increase effective March 1974, reflected in the checks received early in April, with the full 11-percent increase effective in June 1974, reflected in the checks received early in July. The minimum benefits would be increased from $84.50 to $90.50 a month for March through May 1974 and to $93.80 per month for months after May 1974. The average old-age benefit payable for March would rise from $167 to $178 per month and then to $186 a month for June 1974, and the average benefit for a couple would increase from $277 to $296 per month for March and to $310 for June 1974. Average benefits for widows would increase from $158 to $169 for March and to $177 for June 1974. Henceforth, benefits would be automatically adjusted each year in which there is at least a 3-percent increase in the cost of living over the previous year. I am disappointed by three aspects of the committee's bill. I have been urging an increase in social security benefits which would take effect no later than January 1974. I could not believe that social security recipients should have to wait any longer to be compensated for 1973's galloping inflation. However, the Social Security Administration has made it clear that they could not compute and process increased benefit checks any earlier than April 1974, since the agency is already hard pressed to implement the new supplemental security income program. I only regret that the Congress did not respond more quickly to our urgings for speedy action on social security increases which have been made repeatedly beginning this past summer. Earlier congressional action would have allowed an earlier effective date for increased benefits.

Second, I am disappointed that the committee decided it was necessary to raise the amount of annual earnings subject to social security taxes from $12,600 to $13,200, and in future years to increase the tax rate itself. This 22 percent increase in the effective social security tax rate for those earning $13,200 or more each year is intended to cover the additional costs to the social security trust fund attributable to the benefit increase of $900 million in fiscal year 1974 and $1.7 billion in fiscal year 1975. The seven percent increase effective in January 1974 which I advocated would not have required any increase in social security taxes as it could have been paid out of existing surpluses in the social security trust fund.

Finally, I am deeply disturbed that the committee bill has not grappled with the vexing problem of insuring that these social security increases will not be offset by reductions in other forms of Federal financial assistance. This is the so-called "pass-through problem". It is caused by the fact that social security increases in many cases make many social security recipients ineligible for, or cause payment reductions in, veterans pensions, medicaid, public housing, food stamps and public housing programs. Many of my own constituents have seen social security increases offset by reductions in other programs or have even suffered reductions in their total monthly benefits. No one should have to pay this kind of penalty simply because of the perverse operations of overlapping, uncoordinated Federal programs, thereby making consideration of this problem as well as others out of order. I am concerned that unknown numbers of social security recipients across the country will not receive the benefits of the increases we are considering today because the "pass-through problem" has been ignored once again. I urge the Ways and Means Committee and the Committee on Veterans' Affairs to act on legislation I have introduced before the effective date of these social security increases next March, so that these increases will be disregarded in determining eligibility for other Federal assistance programs.

Despite these problems, Mr. Chairman, I will vote in favor of this bill. It promises much needed relief to millions of social security recipients whose health and comfort have been steadily eroded by constant inflation. I hope the bill's shortcomings will be corrected in short order, so that millions more will receive the full benefit of the increases this bill will make possible. Finally, I hope the Congress will stand fast against the predictable opposition of this administration to the enactment of this legislation. We cannot expect the elderly to shoulder the full burden of fighting inflation when they are the most severely affected by that inflation. I urge my colleagues to support H.R. 11333.

Mrs. HOLT. Mr. Chairman, the rapidly escalating cost of living has deeply eroded the purchasing power of many Americans; it has had especially disastrous effects on those who are forced to make ends meet while living on a fixed retirement income. These older Americans with limited financial resources have no means to supplement their small annual incomes; their ability to live out their remaining years in dignity is directly dependent on the people of this country.

The bill before us will provide increases in social security cash benefits and supplemental security income payment levels. Older Americans are caught in a

vicious squeeze between rising prices and fixed income. Each increase in the cost of living has the net effect of a reduction in income for these people. The immediacy of this problem is aptly described by the statement of the National Council of Senior Citizens that older Americans "cannot wait until July to pay today's prices."

Mr. Chairman, we have a very serious problem facing this body to which we must turn our attention. I am deeply concerned that the day of reckoning is rapidly approaching for the social security system. Since January 1970, social security benefits have increased 51.8 percent; the passage of H.R. 11333 will drive this figure up to 68.5 percent. These benefit increases have been financed primarily by increases in the taxable wage base.

We must begin to consider carefully the long run effects of our actions. Increases in employer contributions to the system will naturally raise the cost of doing business and will ultimately be passed on to the consumer in the form of higher prices. The prospect of another round of spiraling inflation is very real.

In addition, there is a finite limit on what the American taxpayer can afford or will be willing to pay to support this system. Many of my constituents are extremely disturbed by the rapidly increasing bite social security taxes are taking in their pay checks. We cannot continuously vote increases in benefits without carefully reviewing the long run impact on the program. I strongly maintain that the time has come for a comprehensive review of the entire program. We must clarify its objectives and quantify its current and future abilities to meet these objectives.

Mr. Chairman, if we are not careful we are going to kill, yes, really kill, the goose that laid the golden egg.

Mr. ANDERSON of California. Mr. Chairman, I rise in support of this proposal which would provide a 7 percent increase in social security benefits beginning in March 1974, and an additional 4 percent increase beginning in June 1974.

While I strongly feel that the 30 million recipients of social security should receive an increase in benefits beginning in January, and I introduced a measure with 78 cosponsors which would have accomplished that aim, I believe the bill before us today is a belated, though necessary step in the right direction.

This increase is necessary merely to catch up with the skyrocketing cost of living which has been eating into the already limited income of the elderly. For example, during July, August, and September of this year, the cost of living rose by over 10 percent. And food costs rose by an astounding 28.8 percent.

As a result, those on retirement incomes have been particularly hard hit, and are having an even harder time making ends meet, especially since a quarter of their income goes for food. Thus, the elderly, who have a great need for a nutritious diet to maintain their health, are forced to eat less and suffer more.

This measure would result in a two-step increase in benefits with a total increase of $19 per month going to the retired worker, with no dependents, and $33 per month going to the retired couple.

It is our responsibility to insure that the elderly live out their remaining years in good health, without fear of want, and in dignity. In that regard, this measure will help, and I urge my colleagues to join with me in supporting this bill.

Mr. DORN. Mr. Chairman, the question has been asked as to the effect of the social security increases under discussion here on veterans' pensions.

Let me point out that earlier this afternoon we agreed to certain amendments and sent back to the Senate H.R. 9474, which will provide a 10-percent increase in nonservice-connected benefits effective January 1, 1974. This bill will provide about $240 million in additional benefits to veterans and dependents and will do a great deal to offset the impact of the 20-percent social security increase which became effective earlier this year.

Now, insofar as the 7-percent increase under discussion here is concerned, which may become effective next March or April, this increase would have no impact on veterans benefits for the remainder of the calendar year 1974 because we have a rule that income which becomes effective during the year will not be counted for pension purposes until the beginning of the following year. There is some debate in the Veterans' Administration as to proper application of this rule, but we are urging that the Veterans' Administration use the end of the year rule in dealing with this 7-percent increase so that it would not have an impact on veterans' pensions until January 1, 1975.

In the meantime, the administration is planning to send up a rather comprehensive package of amendments relating to the pension program and both our committee and the Senate committee has agreed to consider these proposals. They could result in substantial increases of pensions to certain individuals, particularly low income individuals.

In other words, we will be considering the pension program again before the impact of the 7-percent social security increase is felt. The committee has followed the practice in the past of raising veterans' pensions from time to time, based on cost-of-living changes and in general this has kept up, or in some instances, exceeded the changes in the social security program. I feel sure that as we make adjustments from time to time, based on cost-of-living changes, that we will be successful in the future as we have been in the past in keeping the veterans' pension program abreast of social security changes.

Mr. BADILLO. Mr. Chairman, I rise in support of H.R. 11133, the Social Security Act amendments, and urge speedy passage since inaction on the measure would mean a considerable delay in the implementation of the scheduled social security benefit increases and cause severe hardship for our senior citizens.

As my colleagues are aware, the extraordinary inflationary pressures experienced by our economy spell hardship for all American families, while the astronomically steep increase in food prices mean near disaster for those in the low and low-middle income categories who customarily spend a large portion of their disposable cash for this item. Such individuals and families are forced to devote increasing proportions of their budgets to food and in many cases are having to do without such other necessities as replacement clothing.

Since the majority of our senior citizens are on low, fixed incomes, their plight is particularly severe. Unable, in most instances, to increase their earnings, they are living in dire poverty. All of us are aware of news accounts featuring increased incidents of shoplifting among the elderly, who are reduced to stealing to secure some of the necessities of life. This Nation's failure to safeguard the welfare of those who have borne the brunt of the depression in the 1930's and can take credit for the tremendous advances in growth and prosperity made by this Nation during the past decades will remain a shameful blot on our history. If the level of a civilization can truly be measured by its care and concern for the weakest of its members then we have a long way to go. The scheduled 7 percent increase in March and the additional 4 percent effective in June will alleviate some of the hardships, but they will bring no comfort during the bleak, cold months ahead. I realize that the committee has done its utmost and that even the present compromise is opposed by the administration, but I wish that we could do more, effective immediately, for our senior citizens.

I am, however, pleased to see the cost of living provision in this bill which will cut the time lag in providing increases from 7 to 3 months.

But, while I urge the speedy and overwhelming passage of the bill, I am unhappy with some of the problems that remain in it. I refer here particularly to the language which permits States to include, under the hold-harmless provision, the scheduled $10 increase in supplemental security income grants. The bill extends the protection of the hold-harmless for 1 year only in this regard, which means that while States can, without prejudice and without revising their grant schedules, add this amount to payments going to beneficiaries effective January 1974, by January of 1975 they will have the option of either falling back to their 1972 payment levels and reducing payments to beneficiaries, or finding funds in their budgets to cover the entire amount of the increase. Recipients of these grants should be assured of the highest possible level of payments, payments adequate to enable them to live a decent life, payments subject to adjustment only to assure that they more fully meet the needs of the beneficiary.

Mr. HOGAN. Mr. Chairman, I rise in support of the bill, H.R. 11333, which would provide a 7-percent increase in social security benefits beginning in March 1974 and an additional 4-percent increase beginning in June 1974.

Congress, earlier this year, recognized its responsibility to our elderly citizens by enacting Public Law 93–66, which

would increase social security benefits by 5.9 percent effective June 1, 1974. However, it is apparent that the cost of living will have increased far in excess of the 5.9-percent rise by June of 1974.

I do not want to deliberate on our spiraling inflation and the dent that it is putting into everyone's pocketbook. And it takes little imagination to appreciate the impact that this inflation has on those with limited fixed incomes.

Currently, the average annual benefit for retired recipients amounts to $165 per month. For 1 out of 7 aged couples and 2 out of every 7 elderly single persons, this amount represents 90 percent of their total income.

Under the bill before us, the average monthly social security benefits would be increased from $165 to $177 for retired workers; from $274 to $293 for aged couples; and from $158 to $169 for elderly widows.

This increase in social security benefits would be especially helpful to those people in Prince Georges County, Md., which covers the larger part of my district. The rental rates for senior citizens' housing in Prince Georges County is based on 25 percent of the residents' adjusted gross income. In essence, these people will have to set aside 25 percent for rent regardless of the amount of increase in their social security benefits. Therefore, an increase of 7 percent would be a minimal amount to meet the escalating increase in the cost of food and other essentials.

It is our responsibility as legislators, and as human beings, to reverse the trend of neglect, and instead insure that the elderly live out their remaining years in good health without fear of want, and in dignity knowing that a grateful society appreciates their years of service and dedication to building a better America.

Mr. HARRINGTON. Mr. Chairman, more than one-quarter of the 20 million Americans over the age of 65 have incomes below the officially established poverty line. Millions of older Americans in our Nation, many of whom are living on fixed incomes, have been victimized by rampant inflation since the date of the last increase in social security benefits—the 20-percent increase that took effect in September of 1972. Since that time, consumer prices have risen by more than 7 percent, and in recent months, the consumer price index has risen at a seasonally adjusted rate of more than 10 percent, with food prices—of critical importance to elderly Americans—climbing at a rate of nearly 29 percent.

In light of the compelling needs of our elderly citizens, I appreciate the opportunity today to rise in support of legislation that will increase social security benefits by a total of 11 percent over the next 9 months. This bill, H.R. 11333, also contains important provisions which will improve the supplemental security income—SSI—program, scheduled to take effect in January of the coming year. While I support this legislation, it has a number of shortcomings which I believe should be addressed.

I cannot conceal my dissatisfaction, however, with the manner in which this legislation was brought before the House. I have consistently opposed the granting of "closed rules" for legislation, whereby a bill can be brought to the floor for consideration, but under which no Member can offer or support amendments, however desirable, and however many of us support such amendments. Frankly, I believe this procedure is undemocratic. It forces the House of Representatives simply to act as a rubber stamp, either voting a proposal up or down.

As the closed rule is almost exclusively used by only one committee, and it is used primarily on bills of critical national importance, it deprives all Members of the House other than those 25 on the committee a meaningful voice in shaping legislation of great and often enduring importance.

This procedure gives a stranglehold on key legislation to a handful of Congressmen. It frustrates the will of the House, and is at odds with the principles of representative government. Time and time again, this House considers complex legislation, where there are considerable differences of opinion, on a take-it-or-leave-it basis. While the Ways and Means Committee, which I commend for its diligence and competence, almost always produces responsible and worthwhile legislation, I nonetheless believe that the "closed rule" is an unnecessary and undesirable straitjacket on the workings of this House.

Early in the 93d Congress the Democratic Caucus took a most responsible action when it enacted restrictions governing the use of the closed rule. One caucus rule requires that whenever a committee chairman seeks a closed or modified rule, he must give to the House four legislative days notice. This rule is being skirted today—H.R. 11333 has been brought before the House without the specified notice. While I agree that the urgency of this legislation requires its prompt consideration by the House, it is my view that this exception to the caucus rule should not be considered a precedent for future actions.

BENEFIT INCREASE NEEDED NOW

The principal fault of this bill is that the increases in social security benefits will not even begin to take effect until next April—6 months from now. America's senior citizens need these benefit increases today—not months in the future. I cannot accept the argument of the Social Security Administration that they are physically unable to implement benefit increases until the March checks that will be received in April, 1974.

Were this bill open for amendment, I would support changing the legislation to provide an immediate 7-percent increase in social security benefits. But the closed rule ties my hands—as well as those of the remaining Members of this House, a majority of whom I believe would support making the benefit increase effective now.

THE NEEDS OF ELDERLY AMERICANS

There are 5 million Americans over the age of 65 who are poor. Some 234,000 elderly Americans in New England—110,000 of these in Massachusetts alone—have incomes below the poverty line. Proportionally, the elderly bear a heavy share of our Nation's poverty. While the elderly comprise about 10 percent of our total population, nearly 20 percent of our country's poor are over the age of 65. In Massachusetts, nearly one-quarter—23.5 percent—of the States poor are elderly.

The poverty of our Nation's senior citizens is a national tragedy and a national disgrace. In 1972 the median income of families headed by an individual over the age of 65 was $5,968—half that of younger families. In the same year, 91,000 elderly families had yearly incomes below $1,000. Another 5 percent of our senior families, 402,000 Americans, had incomes of less than $2,000, and 1.2 million older families had incomes smaller than $3,000.

The plight of the elderly person living alone or with nonrelatives is equally distressing. One-half of the 6.2 million older people living alone or with nonrelatives had incomes of less than $2,397 in 1972. Nearly 450,000 individuals over the age of 65 had incomes of less than $1,500. Even worse is the plight of elderly black families and women over the age of 65.

According to reports published by the Department of Health, Education, and Welfare, the proportion of black elderly families living in poverty is more than three times that of white families.

THE IMPORTANCE OF SOCIAL SECURITY

These grim statistics require a concerted effort by our Government to better the lives of elderly Americans. Social security is increasingly the key component of the income situation of Americans over the age of 65. In 1967, one-quarter of the total income of older Americans came from social security, ranking social security second only to employment earnings—30 percent—in importance. And, the proportion of dependence on social security is increasing. Earnings from employment have been in decline over the past 15 years. During the decade between 1958 and 1967, for example, the proportion of income arising from employment earnings dropped from about 38 percent to a level of 30 percent in 1967.

Government income-maintenance programs are rapidly becoming the critical element in providing for the health and welfare of our Nation's elderly. Yet the development of the social security system clearly has not kept pace with the increasing importance of social security income to our Nation's elderly. Until July of this year, when Congress enacted Public Law 93–66, there was no provision in the social security law which tied benefit levels to the cost of living. As a result, the social security system has been continually plagued by sporadic and haphazard congressional attempts to bring social security payments in line with the increases in the cost of living—attempts, not always successful but always made after the fact. The adequacy of the social security system has been questionable, and millions of older Americans who depend on social security for their welfare have on far too many occasions seen benefit increases obscured in internecine struggles within the Congress and between the Congress and the executive branch.

Clearly, the social security system must be structured so that the needs of the elderly are met without being obstructed as part of political turmoil. The cost-of-living provision of Public Law 93–66 was a step in the right direction, but an incomplete one. It promses senior citizens with a 5.9-percent increase in benefits for June of 1974—11 months after the date of enactment. In the interim, older Americans have been fighting a losing battle against higher prices—a battle they cannot win without greater and more immediate Government help.

The bill now being considered, H.R. 11333, makes further improvements, but still falls short of the mark. A 7-percent increase in social security benefits is to be provided beginning in March of 1974—the check would be received in April—and an additional 4-percent cost-of-living increase will be made for checks received in July. As a result of these increases, 30 million Americans will be eligible for an additional $2.4 billion in social security benefits. The average old-age benefit will rise from $167 to $178 per month as part of the first step in the benefit increase, and will rise further to $186 a month when the second part of the increase becomes effective. The average benefit to disabled workers will rise from the current $184 per month, first to $197 and then to $206 per month. The bill will also make improvements in the cost-of-living adjustment formula so that the time lag between computation of an automatic increase and actual payment to beneficiaries will be cut from 7 months to 3.

These are worthwhile improvements. But it should be reemphasized that by the time that these benefit increases are actually received, they will probably have no more effect than to bring most recipients back to the point they were at when the current wave of inflation began. And, senior citizens will have endured more than a year and a half without any additional compensation for the financial difficulties of soaring prices. Improvements in the social security system should do more than maintain a perilously low status quo of income. The social security system should be restructured so that increases in benefits translate to real increases in income, and subsequent improvements in the lives of elderly Americans depending on social security.

THE PAYROLL TAX

As has been typical of all increases in social security benefits the one proposed today will be financed by increasing the payroll tax. Presently, the first $10,800 of every American wage earner participating in the social security system is taxed at the rate of 5.85 percent. Congressional actions already taken raise the payroll tax wage base to $12,600 in January, and this bill would further increase the taxable income to $13,200. And, the social security tax rate on wages would begin to rise in 1977.

I believe that the time has come to question the whole manner in which the social security system is now financed. What seemed to be a proper method of financing a very limited program when the social security system started in 1936 may no longer be appropriate when the program's importance, and goals, have expanded greatly.

In recent years, the Federal tax system has become less progressive, primarily because of the regressive social security payroll tax. In 1949, the payroll tax was at a 2-percent rate, applying only to the first $3,000 of covered income, with a maximum tax of just $60. Under present law, the taxable earnings have jumped to $12,600, the maximum tax rate to 11.7 percent, and the maximum tax—which is paid by most middle-income families, has risen to $1,263.60. In the 3 years—1972 through 1974—the contribution of the social security tax to total Federal revenues has jumped from 25.8 percent to 30.5 percent, and in terms of dollar receipts, the last 3 years have shown a jump in social security tax revenues of $24 billion—or 45 percent.

The social security tax is regressive because the burden falls most heavily upon those who can least afford it. Beginning next January, an individual earning $13,200—assuming enactment of H.R. 11333—will pay exactly the same tax as an individual earning, for example, six times as much—$79,200. The effective tax rate for the individual earning $13,200 will be 5.85 percent, while the rate for the individual earning $79,200 will be less than 1 percent.

The time has come to reject the idea that the justification for the regressive payroll tax is, as argued, that "those who pay most heavily are those that stand to benefit." Put simply, there is no relation between the payroll taxes paid by any individual and whatever benefits he may receive years later, because the social security system is emphatically not an insurance program of the classical type. The benefits now being received by elderly and disabled Americans are being paid for by the current contributions of all working Americans. Thus, for example, when a worker earning $10,800 annually receives a paycheck at the end of this month, with $52.65 deducted for social security, he is not paying for his own benefits at all. He will never pay for his own benefits—instead they will be paid for by wage earners in the years hence when today's worker is a social security benefit recipient.

It seems to me that the cost of a program to help the poor, the aged and the disabled should be paid out of the income of the whole society, not just out of the first $10,800—or $13,200—of covered income. At the least, the social security tax itself should be revised so as to cover more earned income, but with progressive tax rates and complete exemptions for the very poor wage earner. More appropriately, it seems to me, Congress should consider financing a portion of the costs of social security out of general revenues—which are derived from the generally progressive personal income tax structure and from corporate taxes.

SUPPLEMENTAL SECURITY INCOME (SSI)

H.R. 11333 also contains important improvements in the supplemental security income—SSI—program, some of which are controversial. When Congress passed the Renegotiation Act—now Public Law 93–66—it provided for an increase in SSI benefits of $10 for individuals and $15 for couples, to become effective on July 1, 1974. H.R. 11333 would implement this increase on January 1, when the SSI program takes effect, and would further increase benefits on July 1, 1974, by $6 for individuals and $9 for couples. As a result, on January 1, 1974, monthly SSI benefits would be increased to $195 for individuals and $210 for couples, and 6 months later these benefits would rise further to $201 and $219.

The SSI program provides for Federal assumption of the costs of assistance programs to the aged, blind, and disabled. More than 1.8 million recipients of old-age assistance, 78,000 recipients of aid to the blind, and 1.2 million recipients of aid to the permanently and totally disabled stand to be helped by the SSI program. Federal minimum payment levels have been established, and in many States these levels exceed existing assistance payments, so that benefit levels within these low-payment States will increase markedly.

However, in other States, such as Massachusetts, the current State benefit levels for the same categories of assistance are far above the Federal benefit level under the SSI program.

Public Law 93–66 provides, in States where current State benefits exceed SSI benefits, that those 8 to 10 States will be "held harmless" to the levels of State expenditures for the affected programs in fiscal year 1972. In other words, the "hold harmless" provision assures those States with high benefit levels that implementation of the SSI program will cost them no more, in State funds, than what had been previously expended under the old matching-grant program. However, the law provides that when a State wants to increase its benefit levels above the levels of 1972, then these additional costs must be paid for entirely by the State.

The increases in benefit levels for SSI recipients contained in both Public Law 93–66 and H.R. 11333 could work to the inequitable disadvantage of these high-payment States. Increasing SSI benefit levels greatly increases the amount of Federal funds that will flow to those States whose previous benefit levels had been below the federally guaranteed SSI minimums, while not improving assistance benefits to recipients in high-benefit States, such as Massachusetts, at all, because these States already pay benefits in excess of even the increased SSI payment level.

Commendably, the Ways and Means Committee has included in H.R. 11333 a provision which would restore balance to SSI assistance to States and which would give assistance recipients in high-benefit States the same effective increases in benefits that will be received by SSI recipients in those States with low benefits, where the SSI benefit level is what the recipient will actually get. This provision would allow for a "one-shot" increase in the allowable State benefits, the cost of which would be entirely assumed by the Federal Government under the "hold harmless" provision. This one-shot increase will allow States, like Massachusetts, at no cost to themselves, to increase their bene-

fits by the same amount of the SSI benefit increases also contained in H.R. 11333—$10 for individuals and $15 for couples. This provision of H.R. 11333 would increase Federal grants to the affected States by $100 million.

My distinguished colleague, Congresswoman GRIFFITHS, has argued against this provision of H.R. 11333, and has announced her intention to offer an amendment which would delete this section from the bill. I intend to vote against this amendment. It is argued, in favor of the amendment, that the Nation's taxpayers should not have to bear an additional $100 million cost, the benefits of which will be received by those few States which already have assistance benefits in excess of both the national norm and the SSI levels. However, without this provision, the taxpayers from some of our most populous States—including Massachusetts, California, New York, Michigan, New Jersey, Pennsylvania, and Wisconsin—will be footing a large part of the bill for very substantial increases in SSI benefits that do nothing for their States at all. Further, why should those States which have, in a progressive character, been paying comparatively good assistance benefits, be penalized for their achievements? Why should not assistance recipients in those high-benefit States receive the same benefit increases that will go to individuals in every other State of the Union?

I believe that, as a matter of equity, the States which have been generous in their assistance payments to the aged, blind, and disabled should receive the same benefits of the SSI program that will accrue to those States which, for a variety of reasons, have had less generous assistance programs. I urge that my colleagues defeat this amendment.

NEED FOR A PASS-THROUGH PROVISION

Perhaps the most critical shortcoming of H.R. 11333 is that it fails to insure against the possibility that increases in social security and SSI benefits will result in corresponding decreases in the benefits that recipients receive from other assistance programs. This problem, recurrent in congressional efforts in recent years to increase social security benefits, is not adequately addressed in this bill.

When Congress passed a 20-percent social security benefit increase in 1972, one of the more unfortunate results was that many individuals received social security benefit increases that raised their incomes to the point that they were no longer eligible for other assistance programs—such as Veterans Assistance, to name but one. In many cases, in fact, the increase in social security benefits left the recipient in worse shape, in terms of total income, than he or she had been before the 20-percent social security boost. There is no reason to believe that a similar misfortune will not befall many Americans as a result of enactment of this bill.

Congress should not take away with the one hand what it gives with the other. The intent, as I have noted, of our assistance programs to our elderly and to our needy should be increased to genuinely provide the financial means through which the standard of living of the elderly and the needy can be improved. The illusion of help is not good enough. It is my view that as a matter of highest priority, the Congress should rapidly enact legislation to guarantee that the increases in social security and SSI benefits contained in H.R. 11333 should not result in any reduction in the benefits of other programs.

While clearly not a perfect bill, H.R. 11333 is nonetheless legislation which will improve the lives of millions of Americans, those receiving social security assistance as well as those eligible for the supplemental security income program. Congress now has an opportunity to show that it can and will act to help millions of elderly, poor, handicapped and disabled Americans. Now is the time to pass this bill.

Mr. BROYHILL of Virginia. Mr. Chairman, we have no additional requests for time.

Mr. ULLMAN. Mr. Chairman, we have no additional requests for time, and I yield back the balance of my time.

Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. DINGELL, 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. 11333) to provide a 7-percent increase in social security benefits beginning with March 1974 and an additional 4-percent increase beginning with June 1974, to provide increases in supplemental security income benefits, and for other purposes, had come to no resolution thereon.

GENERAL LEAVE

Mr. ULLMAN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks on the bill H.R. 11333, and to include extraneous material, and tables, and further, Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on H.R. 11333.

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

There was no objection.

FURTHER MESSAGE FROM THE SENATE

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

H. Con. Res. 378. Concurrent resolution providing for an adjournment of the House from November 15 to November 26, 1973.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1570) entitled "An act to authorize the President of the United States to allocate crude oil and refined petroleum products to deal with existing or imminent shortages and dislocations in the national distribution system which jeopardize the public health, safety, or welfare; to provide for the delegation of authority to the Secretary of the Interior; and for other purposes."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 7746) entitled "An act to establish the American Revolution Bicentennial Administration, and for other purposes."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 8916) entitled "An act 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."

The message also announced that the Senate agrees to the House amendments to the Senate amendments Nos. 30, 37, and 46 to the foregoing bill.

CONFERENCE REPORT ON S. 2408, MILITARY CONSTRUCTION AUTHORIZATION, FISCAL YEAR 1974

Mr. PIKE. Mr. Speaker, I ask unanimous consent to call up the conference report on the Senate bill (S. 2408) to authorize certain construction at military installations, and for other purposes.

The Clerk read the title of the Senate bill.

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

Mr. GROSS. Mr. Speaker, reserving the right to object—and I shall not object—I should like to ask the gentleman from New York to explain the conference report.

Mr. PIKE. Mr. Speaker, if the gentleman will yield, I certainly intend to explain the conference report. I also would like to say to the gentleman from Iowa that yesterday I asked unanimous consent that this particular bill be brought up on Thursday, and it was our intention to bring it up on Thursday. However, because of the fact that we have finished consideration of the other legislation so early, I thought that it would be a convenience to the Members to bring it up at this time. But I assure the gentleman from Iowa that we will explain the conference report.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

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

There was no objection.

Mr. PIKE. Mr. Speaker, I ask unanimous consent that the statement of the managers be read in lieu of the report.

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

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of November 13, 1973.)

Mr. PIKE (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the statement be dispensed with in view of the fact that both the conference report and the joint statement of the managers have been printed and are available to the Members, and they are printed in the CONGRESSIONAL RECORD of November 13, 1973, on pages 36848 through 36859.

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

There was no objection.

The SPEAKER. The gentleman from New York (Mr. PIKE) is recognized for 30 minutes, and the gentleman from Indiana (Mr. BRAY) is recognized for 30 minutes.

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

Mr. Speaker, on September 13, 1973, the Senate passed the fiscal year 1974 military construction authorization bill (S. 2408) in the total amount of $2,835,444,000.

On October 11, 1973, the House considered this legislation and provided new authorizations in the total amount of $2,715,924,000.

As a result of a conference, House and Senate conferees worked out the differences and agreed to a new adjusted authorization for military construction for fiscal year 1974 in the amount of $2,773,584,000.

The amount of new authority approved is $220,120,000 below the amount requested by the Department of Defense. A further reduction of $22.1 million was made in the amount of new funding authorized. This was made possible by applying unobligated balances against new authority granted to the Army, Navy, and defense agencies.

I am pleased to state that insofar as the monetary differences between the two Houses were concerned, there was about an even split.

The total authority granted is approximately $57.7 million above that granted by the House, and about $61.8 million below the Senate figure.

There were over 140 differences in the House and Senate versions. However, we were able to arrive at an agreement on each one. I will not go into a lot of detail because the Statement of Managers explains the action of the Conferees.

The most difficult problem encountered in the conference with the Senate was on the subject of bachelor enlisted quarters. The House added a provision to require a planned occupancy for permanent barracks of a minimum of four persons per room for enlisted grades E–4 and below and no fewer than two persons per room for enlisted grades E–5, E–6, and E–7. Based on the progress the services have made on the design of this year's bachelor enlisted quarters projects and the increased costs that would result as a consequence of a change at this time, the House reluctantly receded from the inclusion of this provision this year. However, the Secretary of Defense is directed to make a study of a planned occupancy for permanent barracks with a minimum of four persons per room for enlisted grades E–4 and below.

This study should provide by service, the one-time costs for changing criteria, the construction cost savings that will accrue in the fiscal year 1975 military construction program, an estimate of the construction cost savings for the next four military construction programs, impact on morale of personnel, the impact on recruitment of personnel under an all-volunteer force and the flexibility of room assignments. This study will be submitted to the Committee on Armed Services of the House and Senate prior to February 1, 1974.

However, we were able to retain many projects not included in the Senate version. In other words, we had to do some plain old horse trading. Section 610 was added by the House to insure that the Bolling-Anacostia complex in the District of Columbia would be retained for defense purposes. It would also permit previously authorized construction, which has been held up because of lack of approval of the National Capital Planning Commission to proceed with or without the approval of the NCPC.

No such provision was included in the Senate bill. This particular point was the subject of some discussion and debate among the conferees. The House provision was approved with general agreement among the conferees that in the next session of the 93d Congress both the House and the Senate committees would conduct hearings to determine the feasibility of the defense retention of all of the lands now comprising the Bolling-Anacostia complex.

Therefore, after giving a little here and taking a little there, your conferees did the best they could and believe that they have brought to the House a good bill that will provide adequately for the construction needs of the military during this fiscal year.

I want to thank the gentleman from New York (Mr. KING) for his dedication and assistance during our hearings and more especially in the conference. Also, I want this House to know that all members of your conference committee worked hard to bring this conference report before you, and I urge its adoption.

Mr. KING. Mr. Speaker, my colleague, the distinguished chairman of the Military Construction Subcommittee, has explained the details of our conference with the Senate. Therefore, I will not go into the matters he has discussed with you.

As in all conferences, it was necessary to compromise on individual line items requested by the services, and in some instances valid items were left out of the program we bring to the House today.

I want to congratulate my colleagues on conference committee for their dedication and efforts to bring this report to the House. Also, I especially want to point out to the Members of the House the excellent leadership provided by the gentleman from New York (Mr. PIKE).

Mr. Speaker, I cannot let this opportunity go by without paying a well-deserved tribute to the very capable and hard-working staff of the Committee on Armed Services and on the subcommittee which handled this legislation. The staff was invaluable in the markup of both the bill and the conference report.

Mr. Speaker, I urge the adoption of the conference report.

Mr. GROSS. Mr. Speaker, will the gentleman yield for two questions?

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

Mr. GROSS. Mr. Speaker, may I assume that all amendments adopted in conference are germane to the bill?

Mr. PIKE. All amendments adopted in conference, I can assure the gentleman, are germane to the bill.

Mr. GROSS. Was there any money inserted in the conference to fund the President's unilateral action in intervening in the Middle East war?

Mr. PIKE. No, the action of the President had taken place after either the House or Senate acted and there is no such money.

Mr. GROSS. I thank the gentleman.

Mr. BRAY. Mr. Speaker, I have no request for time.

Mr. PIKE. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. PIKE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the conference report just passed (S. 2408).

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

PROVIDING FOR ADJOURNMENT OF CONGRESS OVER THE THANKSGIVING HOLIDAY

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the concurrent resolution (H. Con. Res. 378) providing for an adjournment of the House from November 15 to November 26, 1973, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the concurrent resolution.

The Clerk read the Senate amendment, as follows:

Senate amendment: On page 1, line 4, strike out "1973." and insert: "1973, and that when the Senate adjourns on Wednesday, November 21, 1973, it stand adjourned until 12 o'clock meridian, Monday, November 26, 1973."

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

There was no objection.

MOTION OFFERED BY MR. O'NEILL

Mr. O'NEILL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. O'Neill moves to concur in the Senate amendment.

The motion was agreed to.

The title was amended so as to read: "Concurrent resolution providing for an adjournment of the Congress over the Thanksgiving holiday."

A motion to reconsider was laid on the table.

CONFERENCE REPORT ON H.R. 7446, ESTABLISHING AMERICAN REVOLUTION BICENTENNIAL ADMINISTRATION

Mr. DONOHUE submitted the following conference report and statement on the bill (H.R. 7446) to establish the American Revolution Bicentennial Administration, and for other purposes:

CONFERENCE REPORT (H. REPT. No. 93–639)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 7446) to establish the American Revolution Bicentennial Administration, 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 Senate recede from its amendment numbered 6.

That the House recede from its disagreement to the amendments of the Senate numbered 1 and 4, and agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, 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:

"SEC. 7. (a)(1) There are hereby authorized to be appropriated annually to carry out the provisions of this Act, except for the program of grants-in-aid established by section 9(b) of this Act, not to exceed $10,000,000, of which not to exceed $1,375,000 shall be for grants-in-aid pursuant to section 9(a) of this Act.

"(2) For the purpose of carrying out the program of grants-in-aid established by section 9(b) of this Act, there are hereby authorized to be appropriated such sums, not to exceed $20,000,000, as may be necessary, and any funds appropriated pursuant to this paragraph shall remain available until expended, but no later than December 31, 1976."

And the Senate agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, 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:

"SEC. 9. (a) The Administrator is authorized to carry out a program of grants-in-aid in accordance with and in furtherance of the purposes of this Act. The Administrator may, subject to such regulations as he may prescribe—

"(1) make equal grants of appropriated funds in each fiscal year of not to exceed $25,000 to Bicentennial Commissions of each State, territory, the District of Columbia, and the Commonwealth of Puerto Rico, upon application therefor;

"(2) make grants of nonappropriated funds to nonprofit entities, including States, territories, the District of Columbia, and the Commonwealth of Puerto Rico (or subdivisions thereof), to assist in developing or supporting bicentennial programs or projects. Such grants may be up to 50 per centum of the total cost of the program or project to be assisted."

And the Senate agree to the same.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, 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:

"(b) For the purpose of further assisting each of the several States, the Territories, the District of Columbia, and the Commonwealth of Puerto Rico in developing and supporting bicentennial programs and projects, the Administrator is authorized, out of funds appropriated pursuant to section 7(a)(2) of this Act, to carry out a program of grants-in-aid in accordance with this subsection. Subject to such regulations as may be prescribed and approved by the Board, the Administrator may make grants to each of the several States, Territories, the District of Columbia, and the Commonwealth of Puerto Rico to assist them in developing and supporting bicentennial programs and projects. Each such recipient shall be entitled to not less than $200,000 under this subsection. In no event shall any such grant be made unless matched by the recipient."

And the Senate agree to the same.

HAROLD D. DONOHUE,
JAMES R. MANN,
M. CALDWELL BUTLER,
Managers on the Part of the House.

JOHN L. MCCLELLAN,
EDWARD M. KENNEDY,
ROMAN HRUSKA,
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 amendments of the Senate to the bill (H.R. 7446) to establish the American Revolution Bicentennial Administration, 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 Conferees agreed to the language of Senate Amendment No. 1 amending Section 4 of H.R. 7446. This language is consistent with the basic principle of the legislation in encouraging State and local participation in the Bicentennial observance. The Senate language further implemented this purpose in providing that the Administrator is to coordinate his activities to the extent practicable with those being planned by State, local and private groups. He is further authorized to appoint special committees with members from among those groups to plan such activities as he deems appropriate.

The Senate amended Section 7(a)(1) of the House bill by placing a ceiling of $10,000,000 annually for the expenses of the Administration. Included in that amount was an authorization of not more than $2,475,000 for annual grants of $45,000 to each State, Territory, the District of Columbia and the Commonwealth of Puerto Rico. The provision for the $45,000 grants was contained in a parallel amendment to Section 9 of the bill which authorized the Administrator to make equal grants from appropriated funds of not more than $45,000 to each of the recipients.

The Conferees agreed to reduce the $45,000 figure to $25,000 per entity and the annual authorization for this grant program to $1,375,000.

Section 7(a)(2) as added by the Senate authorized an appropriation of not more than $20,000,000 for grants-in-aid on a matching basis to the several states to assist them in developing and supporting Bicentennial programs and projects as provided in the new Section 9(b) as added by the Senate, the amount to remain available until expended but no later than June 30, 1976.

The Conferees changed this date to December 31, 1976, because of the continuing celebrations and commemorations anticipated throughout the calendar year of 1976.

The language of Section 9(b) as contained in the Conference Report is the revised language agreed to by the Conferees. The Senate language provided that the amounts received under Section 9(b) by any State could not exceed $400,000 per state on a matching basis. In Conference, it was agreed to change this language so that each recipient would be entitled to not less than $200,000 in grants on a matching basis under the Subsection. In addition, the District of Columbia, the Territories and the Commonwealth of Puerto Rico were included as eligible recipients. The Conferees recognized that each jurisdiction would, therefore, be assured of the right to participate in this grant program up to the amount of $200,000. The language of the Subsection makes it clear that these grants are subject to regulations prescribed and approved by the Board. The $200,000 amount is available for grants to each jurisdiction and considered obligated for that purpose, which, if not used, would lapse. It is not intended that the unused portion of the $200,000 minimum earmarked for each jurisdiction will be available for distribution to any other jurisdiction or for any other purpose. The remaining funds under the $20,000,000 authorization are automatically available for grants to any eligible jurisdiction that presents a program found acceptable to the Administration.

The Conferees retained Senate Amendment No. 4. It is merely a conforming amendment made necessary by the renumbering changes in Subsection (a) of Section 9.

The Senate Conferees receded from Senate Amendment No. 6 which would have provided that the Administrator would serve as Chairman of the American Revolution Bicentennial Board and the Vice Chairman shall be elected by members of the Board from members of the Board. The Conferees agreed to retain the original House language providing that the Chairman and Vice Chairman shall be elected by members of the Board from members of the Board other than the Administrator.

The Conferees intend that the regulations provide a reasonable period for applications for grants by eligible entities.

HAROLD D. DONOHUE,
JAMES R. MANN,
M. CALDWELL BUTLER,
Managers on the Part of the House.

JOHN L. MCCLELLAN,
EDWARD M. KENNEDY,
ROMAN HRUSKA,
Managers on the Part of the Senate.

PROVIDING FOR CONSIDERATION OF H.R. 11459, MILITARY CONSTRUCTION APPROPRIATION FOR 1974

Mr. McSPADDEN. Mr. Speaker, by direction of the Committee on Rules I call up House Resolution 701 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES 701

Resolved, That upon the adoption of this resolution it shall be in order to move, clause 6 of rule XXI 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. 11459) making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1974, and for other purposes and the provisions of clause 2, rule XXI are hereby waived with respect to any appropriation contained in such bill.

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

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

Mr. Speaker, House Resolution 701 provides for a waiver of the provisions of clause 6 of rule XXI of the Rules of the House of Representatives—the 3-day rule—in order that the House may consider the bill H.R. 11459, a bill making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1974.

House Resolution 701 also provides for a waiver of the provisions of clause 2, rule XXI of the rules of the House—prohibiting unauthorized appropriations.

H.R. 11459 makes appropriations for military construction and family housing for the Department of Defense for the fiscal year ending June 30, 1974. The bill recommends new budget authority of $2,609,090,000, an increase of $285,869,000 above the amount provided in fiscal year 1973 and $335,810,000 below the requests of fiscal year 1974.

H.R. 11459 includes appropriations for construction in support of the Trident submarine and underwater-launched ballistic-missile systems.

Mr. Speaker, I urge the adoption of House Resolution 701 in order that we may discuss and debate H.R. 11459.

Mr. Speaker, I yield 30 minutes to the gentleman from Ohio (Mr. LATTA).

Mr. LATTA. Mr. Speaker, I agree with the statements just made by the gentleman from Oklahoma.

House Resolution 701 provides for the consideration of H.R. 11459, the military construction appropriation bill, 1974. This resolution waives the 3-day rule in order that we may consider the bill this week, and also waives points of order with regard to clause 2, rule XXI.

The purpose of this legislation is to make appropriations for military construction and family housing for the Department of Defense for fiscal year 1974.

The committee has recommended new budget authority of $2,609,090,000, which is an increase of $285,869,000 above the appropriations for fiscal year 1973, and a decrease of $335,810,000 in the request for fiscal year 1974.

The increase is due to several large programs. Most important is the construction in support of the Trident submarine and underwater-launched ballistic missile systems. This construction, to be initiated in fiscal year 1974, is a net increase of $112,320,000 over fiscal year 1973. Additionally, the cost of operating and maintaining military family housing has increased, therefore, there is an increase of $94,131,000 to meet these costs. Also, the Army has increased its bachelor housing program.

The reduction of $335,810,000 is due primarily to the announced and pending base closure actions on the military construction and family housing programs. Also, because of these announced closures, there have been a number of projects canceled at these bases.

Mr. Speaker, I urge the adoption of this rule.

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

Mr. LATTA. I will be happy to yield.

Mr. GROSS. This is a most unusual procedure. Not 5 minutes ago the House approved the conference report on the authorization bill and 5 minutes later we are called upon to take up a rule-making in order for a bill that provides funds for the authorization measure.

How the Committee on Appropriations could know what the House would do with the conference report is a mystery.

Mr. LATTA. Let me say to my good friend from Iowa, this shows that this body can act with expedition if it really wants to.

Mr. GROSS. Yes; if it does not show anything else, it does show that.

Mr. McSPADDEN. 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. SIKES. 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. 11459) making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1974, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate on the bill be limited to 2 hours, one-half the time to be controlled by myself and one-half by the gentleman from California (Mr. TALCOTT).

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

There was no objection.

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

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. 11459, with Mr. ANNUNZIO 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. The Chair recognizes the gentleman from Florida (Mr. SIKES).

Mr. SIKES. Mr. Chairman, I yield myself 20 minutes.

Mr. Chairman, this bill comes to you under a rule which waives the 3-day requirement and waives the necessity for completion of the authorization process. We in the committee have no desire to circumvent the authorization process. The bill is brought to you in this manner because of the prospect for delays in the completion of the authorization process. There is no nongermane material in the bill.

It is the desire of the leadership that we expedite all essential legislation in every way that we can. This is one of the last remaining appropriations bills and it is deemed important to clear it in the House so that this part of our legislative program can be advanced as far as possible prior to the Thanksgiving recess and in that way help to avoid the logjam of uncompleted legislation which might build up early in December.

First let me express my very great appreciation to the members of the subcommittee and to the staff. I have highest commendation of this able group for the dedicated and conscientious manner in which they carried on the difficult work of the Subcommittee on Military Construction. It is an exacting task because hearings must be conducted day after day and week after week as line items are examined and witnesses are questioned on the requirements for funding proposals which are submitted by the various departments.

Understandably, there is not full agreement within the committee on some items, but the net result is a sound and workable package which I can strongly recommend to the House.

Again, let me say that I do so with appreciation for the outstanding contributions of my fellow members and the staff of the subcommittee.

The committee recommends that you approve new budget authority in the amount of $2,609,090,000 for military construction for fiscal year 1974. The original estimate submitted by the Department of Defense was for $2,944,900,000. An additional $35,400,000 was requested subsequently but was not approved by the authorizing committees and could not be considered by this subcommittee. The figures which I will cite for authorization reflect the effect of authorization action on new budget authority and are not necessarily the same as the totals shown in the authorizing bill.

Conferee agreement on the authorizing bill was in the amount of $2,723,711,000, a cut of $221,189,000. Your committee has made further cuts of $114,621,000 below the recommendations of the Armed Services Committees of the House and Senate. This is a total cut of $335,810,000.

Broken down by services, we have the following figures.

For the Department of the Army, the total request was $740,800,000. The authorization is for $684,394,000. Your committee recommended $627,475,000.

For the Department of the Navy, the total request was $705,700,000. The total of the authorization is $661,049,000. Your committee recommended $610,541,000.

For the Department of the Air Force the request was for $321,900,000. The committee authorized $294,096,000. We recommend funding of $269,702,000.

For family housing, the request was for $1,181,500,000 for 12,688 units. The committe is recommending $1,094,372,000 which will permit construction of 10,691 units, and which is approximately the amount authorized.

For your information, the funding for family housing includes much more than the construction of housing units. Costs in addition to construction of new units include modernizing, relocating, operat-

ing, maintaining, and leasing military family housing, as well as debt principal and interest payments on military family housing indebtedness. Also covered are construction of trailer spaces, minor construction, acquisition of Wherry housing, planning, furniture procurement, payments under the rental guarantee and section 809 which is armed services housing for essential civilian employee housing programs, payments to the Commodity Credit Corporation for housing built with funds obtained from the surplus commodity program, and servicemen's mortgage insurance premiums. Still other costs associated with housing miiltary families are carried in the military personnel appropriations. Housing allowances and cost of transportation of personnel and of household goods are examples.

To some extent, savings resulting from cancellation of prior-year projects as the result of base closures or other changes in requirements can be applied to finance the fiscal year 1974 program. Sufficient funds have been provided to allow for the construction of adequate units for those projects which remain valid in the fiscal year 1972 and 1973 family housing programs.

For defense agencies the total request was $19,100,000. The amount authorized is $10,000,000. We find available revenues are sufficient to finance this program through fiscal year 1974 so no new appropriation is approved.

This year's reduction in authorization is much higher than usual. However, your committee has recommended additional cuts as indicated. I can assure you there is no justification for other cuts. The Nation is moving into a peacetime force status—the level-off period when there are no longer requirements for participation in the conflict in Southeast Asia—and we begin with what we hope will be a long period of relative stability for our forces at strength levels based on worldwide treaty commitments.

Most base closures and realinements have now been finalized and are in process of being carried out. That means we are dealing primarily with permanent bases. We also are seeking to achieve an all-volunteer force. To do these things successfully we must attract a high-level type of personnel. Modern, sophisticated equipment demands personnel who are capable of manning and maintaining it. This also requires training facilities which are modern and barracks and homes which are livable. Providing these is a slow process. Construction is now very costly. Inflation continues to exact a heavy toll and the military construction budget is never large in comparison with other defense costs or domestic budgets. So this can be accepted as a modest program for an essential requirement.

"TRIDENT" PROGRAM

You will note from the report that we are embarking in a sizable way on the Trident program. It is discussed in the report before you on page 5. The Trident is a new, improved ballistic missile submarine which is larger and more survivable than any other submarine in the world. It has new, long-range missiles. As antisubmarine weapons are improved and as land-based missiles become more fearsome, we must have a new trump card which has a better prospect for survival in the years ahead. The Trident promises to give us such a weapon, one which the Soviets will know they cannot expect to knock out with a first strike. The Trident will increase the possible worldwide patrol area of our submarine fleet six-fold over that of current submarines. That means they can wait and watch just about anywhere in the world. We hope to assure maximum time for the submarines on station and minimum time undergoing repair and overhaul. Present plans call for the support facility for 10 Tridents at Bangor, Wash., with essential operational capability for the system in the late calendar year 1978, 5 years hence. The Navy originally requested $125,000,000 for military construction for this program. The request was revised to $118,000,000. We have cut it by $6,000,000. We expect a total cost of more than a half billion dollars for Trident construction. This is a new program and a big one, but it is for America's survival.

BASE CLOSURES AND REALINEMENTS

Your committee devoted much time to the question of base realinements. Substantial base closures and realinements were announced earlier this year. The announcement came late. It has resulted in significant delays in the preparation of this bill and it is unfortunate we did not have the announcement earlier. The Department of Defense has identified large savings associated with these realinements and closures, but it must be realized there will also be significant first costs. This is the shakedown period during which realinements are taking place and closure proceedings are being initiated—274 specific actions to consolidate, reduce, realine, or close military installations in the United States and Puerto Rico have been announced. This is expected to save $3.5 billion over the next 10 years and to result in the elimination of 42,800 military and civilian positions.

There is the possibility of a few additional closures or realinements, particularly it appears in the Army. However, the committee has taken into consideration all of the announcements to date in the preparation of this bill and we have carefully sought to identify possible weak bases which are likely to be found in any remaining closure or realinement actions. We seek to avoid funding new construction for bases which will not remain operational.

The committee also has consistently urged that a strong effort be made to utilize existing facilities during realinements rather than to undertake the construction of new facilities.

REDUCTIONS IN OVERSEAS BASES

There is a subject of particular concern to the committee. We did not feel that the Department of Defense is pursuing a cutback of unnecessary functions overseas and the reduction or closure of excess overseas facilities with the same determination that has been applied to functions and installations in the United States. The committee realizes that it would be a grave mistake to be too hasty in removing U.S. combat units overseas thereby undermining the military and political strength of the United States and the allies. We know there must be adequate facilities for the troops who are stationed overseas. In most areas land is scarce and once a base is given up, there is little likelihood of getting it back. However, taking all the factors into account, it appears there is room for reductions in our base structure overseas and wherever this could be accomplished, it would save money. We just do not feel the Department of Defense is giving adequate consideration to base closures or realinements overseas.

NATO INFRASTRUCTURE

In the report the committee has gone quite fully into the NATO infrastructure program. It begins on page 13 of your report. I recommend that you give it careful thought. Infrastructure has provided a flexible and useable instrument. It has made possible $3.4 billion worth of installations in support of the common defense of Europe. It represents a very fine example of cooperation and realistic cost sharing between the NATO allies.

We have from time to time noted disappointing delays by our own representatives and by our allies in taking full advantage of the opportunities provided by the NATO infrastructure toward saving money for the United States. Nevertheless, we are consistently gaining ground in that the NATO allies are providing year by year for an increasing share of the cost of the facilities which are a common requirement for the military defense of Europe. As a matter of fact, in 1951 we were paying 43 percent of the joint cost of the program. Now we are paying less than 20 percent.

This bill contains $40 million for our contribution to the NATO infrastructure. The figure of $95,650,000 which is carried on page 55 of your report may appear contradictory. That figure represents the total NATO infrastructure program—$20 million of this amount is in reimbursements from NATO allies and the remainder is transferred from other accounts such as Safeguard.

The committee is mindful of the uneasiness expressed in some quarters about the stability of the NATO alliance. This results from incidents occurring during the war in the Middle East. It is not the business of this subcommittee to analyze the future of NATO. Our job is to fund the U.S. part of its construction requirements. However, it is my personal opinion that the NATO alliance is a strong and viable organization and that when danger threatens within Western Europe, it will function as planned and anticipated. The war in the Middle East brought questions about the supply of oil which is essential to Europe and about transfers of equipment which had been prepositioned in Europe for the defense of Europe. These questions would not arise if Europe were threatened militarily.

HOUSING FOR BACHELOR PERSONNEL AND MILITARY FAMILIES

The committee is continuing its support for improved housing for bachelor personnel and for military families. We

have departed from the old idea of open bay barracks with their noise and lack of privacy which was the standard for so many years. It is the policy now to provide uniform rooms with bath for not more than three men per room for the lower grades of enlisted personnel, up to one man per room for the highest grades of enlisted personnel.

The family housing has improved accordingly. Quarters are now on a par with the average of those in private communities although it is not possible under present funding limitations to provide some desirable amenities such as garages and additional recreational space. However, there has been a steady effort on the part of the commtitee to insure the availability of more of the things which housewives very much want in their homes and on which until recent years they were not even consulted when military housing was designed. The bachelor housing program is proceeding in a very satisfactory manner. Family housing in this year's program has suffered a setback because of the limitations imposed by the authorizing committees.

By the use of the turnkey program, it has been possible to get more originality in the housing program and in most instances to save money by encouraging the contractor to develop his own designs and plans in competition with other bidders.

HOMEPORTING FOR THE NAVY

The committee is continuing to support homeporting for the Navy. The program is still somewhat small but it gives to a limited number of Navy families an opportunity to live where their men are stationed. The Army and the Air Force have long been able to accomplish this by allowing dependents to live overseas. Navy families could not enjoy the same privilege and this has meant additional family separations. One of the chief problems for retention of skilled and desirable personnel in the Navy is the simple fact that the family has been separated for such long periods from the man in uniform. In a partial effort to offset this, the Navy has transferred personnel so frequently the transfer costs have been excessively high.

COMMISSARY FUNDING

It should be noted that the committee has denied funding in a number of cases for commissaries. This action should not be construed as a policy decision. We realize the commissary facilities are a traditional part of military benefits. Our action is intended to stimulate the military toward devising other means of providing such facilities without coming to the Congress for public moneys. This could be done through a surcharge with which to establish a building fund for commissaries. The Government is subsidizing the commissary program at a level of nearly $300 million a year. They do not pay taxes. Their overhead is low. They are important to the military program but less so than in the days when military pay scales were very low and adequate shopping facilities were limited near the average military base. Now there are food stores and shopping centers around nearly all bases.

SOUTHEAST ASIA FUNDS

The end of hostilities in Southeast Asia left some unused funds which have been appropriated in prior years. At the beginning of the fiscal year there still remained in Southeast Asia funds for military construction $59.9 million. Of that amount $29.2 million is programed for use during fiscal years 1974 and 1975. This is for facilities for South Vietnam, Thailand, and other areas. Nothing is planned for Laos and Cambodia. In the main this is for roads and bridges and there is some vertical construction.

The means $30.8 million of the remaining SEA funds is not programed for expenditure at this time. Accordingly the committee has recouped $15 million of this amount and applied it to other projects. The remainder is available in case of unexpected emergencies.

AIR AND WATER POLLUTION

I am very glad to report to the House the continuing support and significant progress in both air and water pollution control programs. We are now well over the hump in these two essential programs. The committee recognizes their importance and has given solid support to them.

STATUS OF SAFEGUARD PROGRAM

There are no construction funds requested for the Safeguard program in fiscal year 1974. However, some $35,650,000 has been reprogramed from the Safeguard reserve to meet requirements which were generated in the NATO infrastructure account as the result of dollar devaluation.

A summary of the present funding situation of the Safeguard program follows:

The total amount of appropriation available to the Safeguard program is $646.8 million.

Against this, the current total estimated cost of the construction program including claims is $597.1 million.

Prior to the reprograming to NATO infrastructure, the Safeguard reserve was $59.7 million.

Transfer to NATO, $35.6 million.

Remaining Safeguard reserve is $14.1 million.

Obligations as of September 30, 1973, $568.8 million.

Expenditures as of September 30, 1973, $485.3 million.

DECENTRALIZATION OF FACLITIES

For a number of years this subcommittee has pressed the military services to decentralize some of the military programs away from Washington. Progress has been slow and tedious and results are minimal. It should be obvious the concentration of additional military activities in and around our Nation's Capital makes it a more inviting military target. It also means that personnel are being moved to one of the highest cost areas in the land. It means further congestion in an already congested area. Yet everyone wants to be close to the throne. Everybody wants to be in a position to influence the powers that be and impress the admirals and generals. We have even withheld appropriation but rental space is available.

I have to confess that during the year immediately preceding we have made less progress than in prior years. Some of this has been due to the large turnover of individuals in the Secretariat. It has been hard in recent months to find someone to talk to in these positions who was still there 3 or 6 months later. Nevertheless this committee wants it understood that we are very displeased at the comparative indifference to efforts to decentralize military programs away from the Capital. This is one good way to achieve revenue sharing. Certainly there is no reason why more of the activities and the funding which now come to Washington should not be in various States and cities throughout the country.

The committee has spent weeks and months in a dedicated effort to bring to the Congress a bill in which unnecessary projects are eliminated. In some cases, we may have been over zealous but I can assure you the committee is not prejudiced toward any project which may have been deferred. If a stronger case can be made in the Senate and the project is retained there, we shall give it a fresh look and an unbiased one when we go to conference. We feel that we have a good program, one that will help to meet the requirements for a strong defense program in the years ahead and one which will help to provide adequate living quarters, training facilities, research facilities and all the other things which are essential to a modern defense. We believe you can safely place your confidence in this bill.

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

The CHAIRMAN. Evidently a quorum is not present.

The call will be taken by electronic device.

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

[Roll No. 584]

Abdnor	Fascell	Pike
Anderson, Ill.	Fraser	Reid
Archer	Goodling	Roberts
Baker	Gubser	Rooney, N.Y.
Blackburn	Hays	Rooney, Pa.
Blatnik	Hébert	Rosenthal
Brasco	Holifield	Rostenkowski
Brown, Ohio	Howard	St Germain
Buchanan	Jarman	Schroeder
Burke, Calif.	Karth	Seiberling
Chisholm	Kastenmeier	Sisk
Clancy	Keating	Spence
Clark	Kluczynski	Stuckey
Clawson, Del	Lehman	Teague, Tex.
Collins, Ill.	Madden	Udall
Davis, Wis.	Martin, Nebr.	Waggonner
Dellums	Mills, Ark.	Wyatt
Devine	Minshall, Ohio	Young, S.C.
Diggs	Murphy, N.Y.	
Edwards, Calif.	O'Brien	

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. ANNUNZIO, 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. 11459, and finding itself without a quorum, he had directed the electronic device, whereupon 375 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. The chair recognizes the gentleman from California (Mr. TALCOTT).

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

Mr. Chairman, I do not intend to reiterate what the gentleman from Florida (Mr. SIKES) has already told the House but there are a few comments I think would be pertinent.

First of all, our subcommittee was unanimously in favor of this bill. We have mixed feelings about the bill, of course. We have some definite differences of opinion about the bill, of course.

Nevertheless we were able to work out an agreement. The committee has had to work long and conscientiously over a very difficult and tedious subject. There are many installations involved.

There are hundreds of special interests involved, there are various priorities, and there are constant, continuing changes. The entire Defense Department is in a state of turbulence, with the changes we have undergone, the winding down of the war in Southeast Asia, as an example. There has been a dramatic reduction in forces; there is considerable development of new weaponry. There are the needs of the Volunteer Army, which have to be considered.

There have been many base closures and realinements. There is a shifting from wartime to peacetime activities, which has required many changes in many facilities.

Mr. Chairman, there is a new emphasis on responsible family men in the service rather than bachelor draftees and adventurers.

There is considerable construction which had to be delayed during the Vietnam war. There is a good deal of maintenance and repair that was neglected.

So we have tried to pare down to the low-dollar figure, without jeopardizing the morale or the readiness of our forces. We have tried to develop those projects which are essential to the modernization of our defense forces. We have tried to cut or defer those projects which have not been justified or which might not fit into the new programs of base relocations.

However, our cuts have been selective. Because of the turbulence and indecision of the Defense Department, our committee has spent more than 50 percent more time last year in hearings.

There are three increases that amount to $336 million which I think are important. These are as follows: $112 million for Trident; $94 million for family housing, the maintenance and operation of family housing; and $130 million for bachelor housing. These figures amount to $336 million of increases.

Even so, this budget is below the budget proposed by the President.

Mr. Chairman, we have made cuts in various other areas, mainly in those which affect the changes in base utilization plans.

There are three items which I would like to mention that have been neglected in our military construction program.

One pertains to language teaching. Language teaching has been neglected in our military forces. It may be more important than missiles in the future Army and in our defense and peacekeeping efforts. I believe we need to pay more attention to language teaching.

We have neglected our maintenance and repair of all our installations. Any private landlord or private operator would spend a good deal more on maintenance and repair than we have spent in protecting our military facilities.

Mr. Chairman, the hospital at West Point may be one of the most outdated, neglected, medical facilities in the forces. I think that we deferred this hospital because of the exorbitant price and some concern over the plans that were presented by the Army.

I happen to believe that they need to look into this matter quickly, review it quickly, and present to the committee and the Congress next year the plans and the appropriation for the medical facility there.

The gentleman from New York (Mr. GILMAN) has made a very persuasive presentation concerning this. He is one of the most knowledgeable Members of the Congress on this subject, and he urges us to do it. We deferred it, but I hope that we can get to it next year.

Mr. Chairman, I think the cut of $335 million reflects a degree of fiscal restraint which is responsible and appropriate at the present time. It is a prudent and selective bill in terms of the increases which are approved and those which are denied.

I think we have approved those projects which are truly necessary for national security. An example is the $112 million which is allowed for Trident construction to be initiated this year. We need the Trident system to assure our deterrence capability toward the end of this decade, and if we are to have these larger submarines and missiles, we must start acquiring the facilities to support them this year.

We have, hopefully, where it was possible, allowed additional amounts to cover increased costs. An example of this is in the family housing area where, of the total increase of approximately $127 million allowed, $94 million is merely to meet the increased cost of performing adequate operation and maintenance. Also, the allowed unit cost of new housing has increased by an average of $3,500 each from that allowed 2 years ago, and this is not really sufficient to meet the increases in construction costs which have occurred and are projected. We had to provide additional funds to meet these costs.

A third and very important area in which a significant increase of $130,084,000 has been provided is the Army barracks construction and modernization program. For years, testimony before our subcommittee has indicated that enlisted personnel were growing increasingly unhappy with open bay bachelor housing. We have worked with the military departments to encourage them to upgrade their standards for bachelor housing, and they have done so. The Army's fiscal year 1974 request, which has been very largely approved, reflects both the additional cost of building adequate bachelor housing and the size of the construction program which is needed to provide modern, permanent, adequate barracks at the Army's hardcore installations.

When one considers just these 3 increases for Trident, $112 million; family housing operation and maintenance, $94 million; and bachelor housing for the Army, $130 million; their total, $336 million exceeds the amount of the increase which is recommended over last year, which is approximately $286 million.

Obviously, there have had to be compensating savings and reductions elsewhere in the program. One factor which has brought about these reductions is the emphasis on base realinements which has been apparent in the past year. The administration has taken steps to reduce unnecessary costs of maintaining more military bases than are needed. As a result, many projects for which funds had been provided in prior years are no longer needed. Also, in an environment in which base utilization plans are changing, the requirements for construction projects do not, in many cases, become clear until force deployments have settled down. As a result, many projects are held in abeyance or deferred. In some cases, the original decisions reflect inadequate planning and require further study. The Army is currently engaged in such a study of its smaller bases now, and there will doubtless be further reductions in some of these bases in the future. In this situation, it seems unwise to proceed with construction projects at many of these bases.

One area in which I have become particularly concerned about the adequacy of the Army's planning is in language training. They seem to regard this very critical program as something which can be moved around the country whenever a barracks building or two is vacated at any location. Anyone familiar with education in general and with language training in particular should realize that this is not the case, that the heart of such training lies in its dedicated professionals and its academic traditions which cannot be duplicated at just any place where there happens to be space available.

To some extent the budget request this year is lower than it might have been because expensive programs such as the Safeguard antiballistic missile have been dropped. One cannot but regret the large amounts that have been spent and largely wasted upon this program. One can, however, be glad that, to some extent, our pushing ahead with this program, with the considerable cost and waste that that entailed, enabled the strategic arms limitation agreements to come about. As a result of that, enormous costs in this and in other strategic weapons programs can be kept within bounds, provided the letter and the spirit of this agreement is maintained. Funds appropriated for Safeguard in prior years which are not required to cover claims and necessary work have been reapplied to other programs to reduce new budget authority to the extent that the committee feels is prudent at this time.

In addition, many of the projects which were requested, which were nice to have, but not necessary, or which were

badly planned, have been eliminated from the bill by both the authorizing action and committee's recommendation. There are so many examples of the former that I will not offend anyone by simply pointing out a few projects. But, most of the projects which can be deferred, which should be restudied, or which may be at weak installations have been deleted.

One project which I feel I should mention and which confronted the committee with a real dilemma was the request for $25 million for a new hospital at the U.S. Military Academy at West Point, N.Y. I have seen the existing facility. It is certainly a hospital that needs to be replaced sometime in the near future. It may be the most inadequate medical facility in the Services. On the other hand, the Army's plans for providing a new hospital were so expensive as to be shocking. The hospital, for instance, was to be a 100-bed hospital at a cost of $25 million. We have built 400-bed hospitals for considerably less in recent military construction programs in other areas of the country, of course. Furthermore, 100 beds seem to be too many for the actual or projected workload for cadets at West Point. Finally, moving the hospital away from its present location, paradoxically, may make it harder to provide for cadets' medical needs without further large expenditures. All of this is spelled out in the committee's report and in our hearings. I feel that we had to defer this hospital at this time to force the Army to really restudy their plans for this facility. I hope our review can be completed promptly, because a new hospital is direly needed at West Point—and before the costs escalate even more.

The gentleman from New York (Mr. GILMAN) has made a persuasive presentation—he is the most knowledgable member concerning this hospital need.

Mr. Chairman, I yield 2 minutes to the gentleman from New York (Mr. McEWEN), a member of the committee.

Mr. McEWEN. Mr. Chairman, I would like to associate myself with the remarks of the gentleman from California (Mr. TALCOTT) concerning the hospital at the U.S. Military Academy at West Point.

Mr. Chairman, I had the opportunity of visiting this hospital just this past week, and I would confirm everything that the gentleman from California has said. This is an old, obsolete facility, with a great deal of maintenance that has been deferred, and deliberately deferred, in anticipation of the construction of a new facility.

I do not suggest, Mr. Chairman, that I know all of the answers on exactly the location or the size that the proposed new facility should be, but from my own viewing of the existing facility I know it is obsolete and I know of the need for a new facility.

I would like to say that the gentleman from New York (Mr. GILMAN) has been most industrious in bringing to the attention of all of us on the subcommittee the need for this hospital.

I was pleased at having the opportunity to see it. Everything Mr. GILMAN told us has been confirmed; namely, that the existing hospital is obsolete and the need for a replacement is great.

Mr. GILMAN. Mr. Chairman, I thank the gentleman from New York (Mr. McEWEN) for his thoughtful remarks concerning the long-needed West Point hospital proposal and appreciate the concern of the Subcommittee's distinguished chairman (Mr. SIKES).

I am hopeful that the deletion of funds for this project from the committee bill will only be temporary, and I am confident the Army will respond in the days ahead to the objections raised by the subcommittee. The Army has demonstrated its concern for the high costs of this and other construction projects at the Academy and has consistently and conscientiously tried to keep costs as low as possible.

Impressive documentation has been presented supporting the need for this new 100-bed hospital facility. The present hospital, already more than 50 years old, serves a large and growing community, both on the Academy grounds and in the surrounding region. Its archaic systems, extremely limited space and poor location have all been cited as major deficiencies. These obstacles have hindered the delivery of first-rate medical service to the thousands of patients who are served annually.

As these deficiencies become more acute with the passage of time, the costs of construction increase to even higher levels.

The Army Corps of Engineers has exhaustively examined alternative proposals in an effort to find a way of providing the needed improvements in medical service at the lowest possible cost.

All of the alternative proposals have been found wanting. The construction of a smaller facility or renovation of the existing hospital would result in only a nominal saving, if a saving at all, as compared with an entirely new 100-bed facility. But more important, the end result would still be a marginal facility that would not have the approval of the Army Surgeon General or the Assistant Secretary of Defense for Health and Environment. Sacrificing efficiency and the complete utilization of the latest medical technology would be false economy.

Twice in recent years, Congress has authorized this project, including current approvals by both the House and Senate in connection with the military construction authorization bill. This clearly demonstrates a legislative recognition of the necessity for a new West Point hospital.

I know the Army will now approach the committee's concerns with the same thoroughness and diligence that it has previously displayed in documenting the need for this facility. I trust there will yet be an opportunity to resolve these concerns as the other body prepares to consider the military construction appropriation.

One of the finest military institutions in the world is deserving of a first-rate hospital.

Mr. SIKES. Mr. Chairman, I yield 10 minutes to the distinguished resident commissioner of Puerto Rico (Mr. BENITEZ).

Mr. BENITEZ. Mr. Chairman, I rise once again, this time hopefully to help rectify a deplorable situation which affects the good name of the United States, the good name of those of us who in Puerto Rico defend the United States and identify ourselves with its basic values and perhaps more importantly to defend the right of the people of a very small island in Puerto Rico to live, work, and go about without the constant threat, danger and perturbation of bombardment.

I refer to the issue of Culebra. This is a very small Puerto Rican island on our eastern shore which for a number of years has been the subject of special discussion and debate here and throughout the Hemisphere. A week ago, we thought in Puerto Rico that the matter had been adjudicated finally. We felt that the action of the conferees of the House and the Senate on the military construction authorization, fiscal year 1974, the report of which we approved just 30 minutes ago, would forestall any additional delay. However, that report has been completely ignored in the appropriations bill now before us for our consideration.

Members of the Appropriations Committee have been surprised to discover that the military construction bill authorizes according to the recommendation of the conferees the necessary funds to settle the Culebra issue; but nonetheless no appropriation ensues in the bill now under consideration. Why?

In the conference report which we received half an hour ago it is stated specifically in section 204(a):

SEC. 204. (a) In order to facilitate the relocation of the ship-to-shore and other gun fire and bombing operations of the United States Navy from the island of Culebra, there is hereby authorized to be appropriated the sum of $12,000,000 for the construction and equipage of substitute facilities in support of such relocation.

This section continues, establishing a number of conditions and requirements to insure that the Navy will have full occasion and opportunity to protect the vital national interests that might be involved, making as a prerequisite to the disbursement of any appropriations, a mutually satisfactory agreement.

Under the circumstances which, I may say, motivated and required the appearance here on three separate occasions of the Governor of Puerto Rico to give assurances at different moments before Members of the other body, before the chairman of the Committee on Armed Services of the House, and afterward before the House conferees on the military construction authorization fiscal year 1974, full satisfaction was accorded to the conferees on both our willingness and even eagerness to meet all reasonable conditions required and presented. And then we, to our amazement, find that your committee's appropriation bill lacks any recommendation of funds for these purposes.

I would like, Mr. Chairman, to point out that three successive Secretaries of Defense, Secretary Laird, Secretary Richardson, and Secretary Schlesinger, reported publicly in answer to the request of Governors of the people of Puerto Rico, that the Navy operations at Culebra would be terminated no later than July 1, 1975.

I may say that this morning at breakfast, I had the opportunity to talk to Secretary Schlesinger and to express to the Secretary my amazement that the

Navy, having requested this course of action necessitating more funds apparently had made no such funding request—at least in a timely way—to the Committee on Appropriations. Mr. Schlesinger was, I am sure, surprised at this, and indicated to me that he would study the matter and help to rectify what he thought had been an oversight.

I wish to add that this pledge was first made to the former Governor of Puerto Rico, Governor Ferré, several times, and was used as an electoral commitment. Governor Ferré's pledge was negated 6 weeks thereafter by Secretary Laird.

But former Secretary Richardson promised to review the policy in his confirmation hearings after consulting several voluminous studies prepared by the Defense Department at the direction of Congress. He conducted extensive discussions with Navy officials and obtained personal assurances from the Government that a transfer of the operations from this small inhabited island of Culebra would not be impeded in any way, should it be made anywhere in the uninhabited islands of Puerto Rico.

Mr. Richardson made the commitment that was afterward echoed by Mr. Schlesinger.

Here we stand after 3 years of commitments concerning Culebra, with the dignity and welfare of our people profoundly involved with a final approval obtained from this House on the conference committee recommendations on the authorization bill and now we are to return home to be expected to say all this was in jest.

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

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

Mr. BADILLO. Mr. Chairman, I want to commend the distinguished Resident Commissioner of Puerto Rico on the statement. As he indicates, we have been talking about this issue for years. This is not a case merely of failing to have an appropriation. If there is no appropriation to follow the authorization, we are failing to keep a promise not only to the people of Puerto Rico but a promise that affects the credibility of the United States of America.

Mr. Chairman, I call upon the conferees to see to it when they go to the Senate that this matter is rectified and that appropriations are made for the relocation of the facilities.

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

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

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

Mr. LEGGETT. Mr. Chairman, I want to commend my friend, the gentleman from Puerto Rico, on the statement he has made. Certainly we visited together on the beach at Culebra and looked at the installations there and talked to the mayor.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SIKES. Mr. Chairman, I yield 1 additional minute to the gentleman from Puerto Rico.

Mr. BENITEZ. I thank the gentleman for yielding.

I yield to the gentleman from California.

Mr. LEGGETT. Certainly this has been a matter where the gentleman has been very, very aggressive to try to fulfill the commitments of the three Secretaries of Defense that he mentioned, but we do have a problem where these funds were not requested at the outset by the Navy. We had inserted them in the Senate in the authorization bill. We later had, through the gentleman's aggressiveness, I guess, the conference committee approve the item, so we have the matter authorized. But still there is nothing before the Committee on Appropriations, I guess, to date. I would certainly hope that the Committee on Appropriations would consider the matter and that this has come about in an irregular way.

If the Senate chooses to act on this matter and be a little more aggressive than we have, I certainly hope that we can favor the Secretary's recommendations in a positive way in conference.

Mr. Chairman, I should like to direct the question to the chairman of the subcommittee.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SIKES. Mr. Chairman, I yield myself 1 minute. I had not intended to engage in this discussion at this time. The fact is that the committee has had no request for funds. The request for funding went to the Senate after we had completed our work, and it has not yet come to this committee.

There is another side to this case which I expect to discuss in detail if an amendment is offered. At the moment let me say that if the matter is taken up and considered favorably in the Senate, we will look at it carefully with an open mind. We are not prejudiced against the project.

Mr. LEGGETT. I thank the gentleman.

Mr. SIKES. Mr. Chairman, I yield 1 additional minute to the gentleman from Puerto Rico.

Mr. BENITEZ. I thank the gentleman.

I wish to say that I appreciate and understand the explanations given by the distinguished chairman of the subcommittee and wish to say that I trust the Members understand perfectly well that our interest is not only the interest of the people of Culebra, but this House's common interest in making clear to everyone in Puerto Rico and outside of Puerto Rico that these commitments pertaining to human beings will be observed. I trust that this will be the case, and I would continue to pledge my support to the processes that will make it possible.

Mr. TALCOTT. Mr. Chairman, we have no further request for time.

Mr. SIKES. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from Maryland (Mr. LONG), a member of the subcommittee.

Mr. LONG of Maryland. Mr. Chairman, as a member of the committee I support this bill.

The bill does represent a substantial cut below the authorization. The authorization, it is fair to say, cut quite substantially below the budget request, with the net result that we do have a very substantial cut here below the budget request. While this is a bigger bill than last year, it is a bigger bill roughly by the factor of inflation only.

I wish we could have cut more. I have been one of those who have been fighting for years to cut the military spending particularly after the war in Vietnam. But, let us face it, the cold war is heating up. I have not always been convinced by the warnings of the hawks and I am still not entirely, but it is better to be safe than to be sorry.

The sums of money involved in what we are doing are relatively small in relation to the tremendous dangers this country faces in the perilous world in which we live today.

There are some problems of military construction I have felt some concern about. I do think the military is often asking us for new buildings or is often leasing when it could be using old buildings which are perfectly serviceable buildings. There is a vacant base in my district, Fort Holabird, which the Army has appraised as having buildings good until 1994. Although they are not beautiful they are serviceable. It is a great mistake to walk away and leave that money there.

In connection with some of the overseas bases I have had some concern but we have found ourselves in something of a dilemma. A great deal of our overseas housing is in very bad shape, yet we are not replacing it now because it is not clear how long we are going to be at those bases.

I think we should have taken more into account the lack of combat readiness of certain National Guard units. Some of them are in a C–4 category. They are just not ready and the buildings are not going to make them ready. Combat readiness depends on other factors than buildings.

I have some concern about the construction for Trident because we are putting all our eggs in one basket at one base in one place in Bangor, Wash. A single bomb could knock out a very large part of the Trident. Should we be putting so much investment in one spot.

I have some concern about emergency funds. But the sums are not great and this is a matter on which reasonable people can come to some sort of agreement.

On the matter of Culebra I would like to point out to the gentleman from Puerto Rico that no one can commit the Congress of the United States to move a base from anywhere. Congress is not at the beck and call of the Secretary of Defense or any other administrative agency that wants to tell some area that we plan to move out.

I hope Congress and these other people keep that in mind. There are other things that bother me, but nevertheless, I think this is a reasonably prudent bill.

I want to commend Congressman SIKES, who has been a very distinguished chairman. He is always tolerant and understanding and listens to the views of everybody on the committee.

I think this is a reasonably prudent bill, which is a reasonable compromise, and I ask my colleagues to vote for it.

Mr. SIKES. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Texas (Mr. PICKLE).

Mr. PICKLE. Mr. Chairman, I would

like to ask the chairman about one item in the military construction bill providing for funds for the construction of one facility in my particular district, a commissary at Bergstrom Air Force Base. We have been waiting for the authorization of this project for over 30 years. Finally, after waiting this period of years, it was authorized. I am advised that the bill before us now does not provide the funds in this instance. Is that correct?

Mr. SIKES. Yes. I will be glad to respond to the distinguished gentleman. I commend him for his interest in his own district and the military installations there.

The facility which the gentleman refers to, the commissary, is an authorized item. It is one of several commissaries deleted by the Appropriations Committee. The committee went rather fully into this subject, and the majority of the members of the committee felt that the Department of Defense should take a new look at commissaries in general. It is costing the Government nearly $300 million a year in personnel costs to operate the commissaries. They do not pay any taxes. Their overhead is low. They obtain land, and in many cases facilities, without charge. A surcharge is added to the commissary prices to pay for overhead expenses. In many cases this has been used to construct new commissaries or to rehabilitate existing ones.

The majority of the members of the committee felt that this procedure might be a rational way for the construction of this and other commissaries to be funded.

We are not prejudiced against commissaries. We accept the fact they are important to the military programs. The committee feels however, that the need may not be as great as it was in prior years when the military pay scale was very low and when there were very few good shopping facilities and food stores in the vicinity of most bases. That picture has changed. The committee felt that the Department of Defense should take a new look at the commissary structure. That does not mean that we are asking that the commissaries be eliminated, but that consideration be given to having commissaries carry more of the costs which are now borne by the taxpayers.

Mr. PICKLE. I believe the gentleman would understand that this action catches many Members by surprise, because we had assumed that once the authorization was in this year and without any notice of difficulty, that it would not be taken out. Will this matter now go to conference?

Mr. SIKES. This bill now goes to the Senate and, of course, if the Senate restores the commissaries, including that of the distinguished gentleman, I assure the gentleman that I as one member of the subcommittee will view the matter with an open mind. I am not prejudiced against any of the commissaries.

Mr. PICKLE. I appreciate that very much. It will be a harsh act to deprive that base the funds we have been waiting for during these 30 years.

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

Mr. TALCOTT. Mr. Chairman, with respect to the Atlantic Fleet Weapons Range and its activity on the property owned and developed by the U.S. Navy on the island of Culebra, the one criterion by which this activity should be judged—the one question that we should put above all others: "Is this activity essential to the defense requirements of the United States?"

We cannot seek the answer to this question from unqualified critics, self-serving interests, inconsolable instigators, political opportunitists, and kibitzers from afar.

But seeking an honest answer to the question: "Is this activity essential to the defense of my country?" ought to be the overriding consideration for every patriotic American, whether he is wearing the uniform of this country, whether he has the honor and responsibility of high public office, whether he is selling newspapers in San Juan or real estate from New York or beer to the white hats in the little town of Dewey (Culebra).

Every American is expected to make needful sacrifices for the security of his country, certainly when it is a matter of his convenience compared to the preparedness of the forces first committed to lay down their lives in a challenge to our national interests.

The good citizens of Puerto Rico would be deeply insulted—and rightly so—to have it suggested that they would be less willing than their fellow citizens of any other part of these United States to bear their share of the burden of eternal vigilance.

Communities across the country daily endure a much greater burden of annoyance and inconvenience for the sake of their military neighbors—without nearly the perfect record of safety which Culebra can claim.

So we go back to the basic question—disregarding for the moment even the arguments of the dollar cost to our taxpayers or the convenience of the naval services—"Is this activity essential to the defense requirements of these United States?"

And I refer you to the testimony of Rear Adm. A. R. Marschall, CEC, USN, Commander, Naval Facilities Engineering Command, on page 907 of the hearings on this bill—and let only those better qualified contradict him—"Is this range on Culebra essential?"

Admiral Marschall's answer:

Most essential, Sir.

Mr. RONCALIO of Wyoming. Mr. Chairman, I would like to take this opportunity to express my thanks to Chairman ROBERT SIKES of the Subcommittee on Military Construction Appropriations and the other members of the subcommittee for recommending favorable action on the construction of a composite medical facility at F. E. Warren Air Force Base in Cheyenne, Wyo.

As noted in the hearing record on the legislation, Warren's medical facilities were built in 1887 and have outlived their usefulness as a base hospital. I heartily agree with the subcommittee that it is time for newer facilities to meet the new demands of modern medical science.

I might point out that as well as serving the more than 4,400 officers, enlisted men, and civilians at the base, this facility will provide medical treatment to the thousands of retired servicemen living in the State of Wyoming. I thank the subcommittee and its chairman for not only the men serving at Warren but for the people of Wyoming.

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

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

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

There was no objection.

AMENDMENT OFFERED BY MR. BARRETT

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

(The portion of the bill to which the amendment refers is as follows:)

MILITARY CONSTRUCTION, NAVY

For acquisition, construction, installation, and equipment of temporary or permanent public works, naval installations, and facilities for the Navy as currently authorized in military public works or military construction Acts, and in sections 2673 and 2675 of title 10, United States Code, including personnel in the Naval Facilities Engineering Command and other personal services necessary for the purposes of this appropriation, $587,641,000, to remain available until expended.

The Clerk read as follows:

Amendment offered by Mr. BARRETT: Page 2, line 12, strike the figure "$587,641,000" and insert in lieu thereof "$582,437,000".

Mr. BARRETT. Mr. Chairman, this is an amendment to reduce the appropriations of funds for Navy construction by the sum of $5.204 million, for the construction of a building at Albany, Ga., which is intended to house the administrative functions of the Marine Corps supply activity now located in Philadelphia, Pa.

Mr. Chairman, many of us from Pennsylvania have had extensive discussions with the military—the DOD, Navy, and Marine Corps—concerning this proposal. We are firmly convinced that it is ill-conceived and totally unwarranted. Further, it is a needless expenditure of funds.

The Marine Corps supply activity serves as the single inventory control point for the corps in support of the operating forces and the supporting establishments. It is also the sole activity providing provisioning to support the introduction of all new or modified end items of equipment and systems, cataloging of all items of supply including the preparation of all Marine Corps stock lists and central computation and validation of prepositioned war reserve requirements, including the forced issue in support of contingency withdrawal plans.

This proposal was first presented in April of this year to the employees. It was explained at that time, that the proposed relocation would ultimately result in an annual savings to the Federal Government of $2.6 million—primarily through the reduction of maintenance cost and to a lesser degree through the reduction of overall personnel cost. A critical scrutiny of this proposal, and the ra-

tionale which supports it, refutes the reliability of these anticipated economies.

The fact sheet prepared by the Marine Corps states that there are no facilities available at Albany, Ga., for this function and the initial estimate of construction is $5.2 million. It was noted that the age of the Philadelphia buildings had resulted in increasing annual maintenance costs and programmed requirements of $4,924,000 were currently identified. Thus it was argued, the continued maintenance cost and out-year military requirements exceeded 50 percent of the cost to construct a new administrative building at Albany, Ga. In fact, the total funds expended in fiscal year 1972 for the maintenance and repair of the present facility in Philadelphia was only $357,703.35. The programed requirements of almost $5 million are based almost exclusively on fiscal year 1968 estimate of the cost of complete central air conditioning of the Philadelphia complex. This plan was never implemented since 40 percent of the administrative areas of the command are effectively air conditioned by individual air conditioning units. Actual time lost in administrative shutdowns due to excessive heat has been negligible. Specifically a portion of the workforce has lost a total of 5 hours over the last 6 years ending June of this year.

Mr. Chairman, the initial cost estimate has been set at $5.2 million by the military. We know what these initial estimates have been in the past. They have amounted to the camel getting his nose under the corner of the tent. These estimates are already several years old and we know that the costs of construction have increased greatly in the past several years. There is no doubt in my mind that once they get started on this building they will be back asking for additional funds.

The Marine Corps has expressed concern over the availability of family housing units for the marines in Philadelphia. It should be pointed out however, that less than 6 years ago over 800 marines and their families were adequately housed and there are currently less than 200 marines, eligible for housing, onboard. I doubt that serious problems of military housing now exist.

The Marine Corps fact sheet frequently refers to the proposed relocation as a "consolidation of functions." The fact is that the proposed move does not in any way involve a change to the current mission of the activity. There is no change or modification planned for any functions now performed in Philadelphia and thus there is no planned major modification to the number and type of occupational specialists who now accomplish the assigned mission. This in itself is significant. An inventory control point is responsible to perform a variety of duties in the management of equipment. Most of these responsibilities require a professional expertise greater than that of a purely clerical nature. The Marine Corps inventory control point is unique in that it manages all commodity areas; electronic, missile, automotive, engineer, ordnance, general property and clothing. Highly qualified technical people are required to analyze the design of a radar system or truck or refrigerator or missile to determine which repair parts should be acquired and the proper quantities for continued support. Technical people are required to analyze engineering drawings for these repair parts in order to properly catalog them. These are but a few of the functions performed by the center. The opinion of those who have visited Albany, Ga., on other business for the Marine Corps, there is a warehouse located there, is generally that the area will not provide for a future labor market of the type required. In fact, inquiry has disclosed that there are currently considerable vacancies at Albany for technical positions which they have not been able to fill from the local labor market.

Mr. Chairman, technically capable people are vital to the function of this military facility. The Marine Corps itself states that out of the present 1034 civilian positions in Philadelphia only 184 are to be abolished by the proposed move to Georgia and these are fringe jobs not related to the basic function of the inventory control operation.

They propose to move 984 positions. The Corps itself estimates that of this number from 250 to 350 personnel are expected to relocate. The employee group indicates that this is an optimistically high figure. The large minority complement in Philadelphia will probably not relocate because of area and the higher housing costs compared to their present situation.

It has been admitted that the present Albany, Ga., labor market is unable to supply the needed personnel to fill technical positions presently vacant in the area. The Marine Corps is unable to respond to the question and problem which would result if this move takes place—namely, where would the technical personnel come from?

In conclusion, Mr. Chairman, I submit that this proposal by the Marine Corps is not a consolidation in any sense of the word and will not save the taxpayers any money. It is a relocation which may well jeopardize the efficient operation and functioning of this activity and will surely cost the taxpayers of this country additional dollars in taxes.

I urge my colleagues to support my amendment.

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

Mr. Chairman, the Marine Corps plan to move the supply activity now located in Philadelphia to Albany is an ill-conceived, poorly planned operation.

I believe the decision was made simply to show some activity on the part of the Marine Corps in response to public demands for a reduction in military spending. It is also my opinion that the cost-savings figures presented in support of this plan do not represent the true cost to the taxpayers of this project.

The Marine Corps states that it will have to construct a completely new facility in Albany, Ga., for $5.2 million. It justifies this expense by stating that the annual maintenance and programed requirements of the present facility in Philadelphia are $4.9 million.

However, the fact is that in the last fiscal year the maintenance and repair costs to the Philadelphia plant were only $375,703. The remaining $4.55 million would be for the proposed air-conditioning of the entire facility which was first suggested in 1968. This plan was never implemented and 40 percent of the areas which should be air-conditioned are already serviced by individual air-conditioning units and estimates for taking care of the remaining areas are considerably lower than the original $4.9 million.

Additionally, Mr. Chairman, the Marine Corps has not figured into its cost projections the effect of this move on the economy of the city of Philadelphia and the surrounding suburbs.

The loss in much needed revenue to our public transportation system which serves the Marine facility will eventually have to be made up by other Federal agencies along with the reduction in payments to our school systems now made through impacted aid grants.

As I said before, this is an ill-conceived, poorly planned decision and I urge my colleagues to support Congressman BARRETT'S amendment to strike funds for this project from the military appropriations bill.

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

Mr. Chairman, we have heard something here today about saving money, and I can tell the Members that one of the best ways by which we can save $5.2 million plus is to adopt the amendment offered by the gentleman from Pennsylvania (Mr. BARRETT).

The Marine Corps supply activity is located at Broad and Washington Streets in Philadelphia. It is in no part of my district. However, I visited there, and they have substantial buildings, with a very low maintenance cost. I do not understand why they want to air-condition parts of the building in which only uniforms and things of that nature will be stored. The fact of the matter is that the building is now 40 percent air-conditioned.

Now, as far as the Broad and Washington Street location is concerned, the railroads run right into the Marine Corps supply activity, the truck terminals are right there, and 14 blocks away there is the Delaware River, one of the biggest ports in the country. So if the Marine Corps wants to ship anything any place in the world, they can.

Mr. Chairman, the irony of this whole thing is that just about 12 blocks away from this spot there is the Tunn Tavern, where it is reported the Marine Corps was founded. And now, after spending substantial sums of money on modernizing these buildings in Philadelphia, they want to turn around and spend $5.2 million some place else for new buildings.

I can tell the Members that this $5.2 million figure was developed almost a year ago, and since that time building expenses have increased by some 30 percent. So if we want to save some money, without taking anything away from anybody, and keeping an installation in a very strategic location where all forms of transportation are readily available to it, we should adopt the amendment offered by the gentleman from Pennsyl-

vania (Mr. BARRETT) and keep the Marine Corps supply activity in Philadelphia.

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

Mr. Chairman, first let me state that I rise reluctantly to oppose the amendment of my distinguished friend, the gentleman from Pennsylvania. Mr. BARRETT is a distinguished and able Member, a very kindly gentleman, and a warm personal friend. I know that this is a matter of great concern to him. I applaud him for the zeal with which he fights for the interests of his own district.

Now I must give to the House the justification submitted by the Department of the Navy in support of the proposed transfer of supply activities from Philadelphia to Albany, Ga. The subcommittee went carefully and fully into the proposal. It is the Navy's position that by this move the Marine Corps will be able to effect significant personnel strength reductions and cost savings.

By this move the Marine Corps will reduce 184 civilian and 50 military personnel commencing in fiscal year 1976, when the move will take place, the Government will experience $1.2 million in savings because of these personnel cuts. Thereafter the annual personnel savings will amount to $2.6 million each year.

Mr. Chairman, the old Marine Corps facility in Philadelphia consists of buildings which date back to 1908, which were not designed for their present use and needs. By this transfer we shall avoid $4.9 million in improvement costs which are absolutely necessary to the Philadelphia installation.

The committee supports the move for these reasons:

Colocation of the inventory control and data processing installations and the materiel which is at Albany.

The naval air station at Albany is closing at the end of this year. We can use facilities and quarters there for the incoming people. The individual marine can live on post, not subsist out on the Philadelphia community as he must now.

There is a very large and relatively new facility now in existence in Albany. This is a proposal to consolidate a small facility with a larger one. Consolidation of the two facilities is realistic. Albany can accommodate the move. The Navy asks for one administration building to be constructed at Albany which costs $5.2 million.

I urge the amendment of the gentleman from Pennsylvania be defeated.

Mr. BARRETT. Will the gentleman yield?

Mr. SIKES. I yield to the gentleman from Pennsylvania (Mr. BARRETT).

Mr. BARRETT. I would like to point out to the gentleman that we have given long study to this relocation with the Department of Defense, the Navy, and the Marine Corps and have searched out every possible facet as to its maintenance and durability. The gentleman spoke very kindly about the need of substantial maintenance in another 2 years. I would like to inform the gentleman that there will be no need of substantial maintenance to the Marine Corps building in Philadelphia for the next 15 or 20 years. It is a very fine structure; the exterior and interior architecture are comparable to that of any building. I just cannot see why the Government wants to spend $5.2 million at this time when we are clamoring for economy.

Mr. SIKES. If I may respond, this building was constructed in 1908 and Navy witnesses said that substantial renovation will be required if it will continue to be used. I am giving you the information that was given to my committee in support of the move. They estimate these costs would be more than $4 million, which is very close to the cost of the new facility at Albany. I am sure their analysis of the cost was made carefully and that they are considered accurate.

Mr. MATHIS of Georgia. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, it also gives me a great deal of pain to rise in opposition to the amendment offered by my friend from Philadelphia, who is an eloquent spokesman for his district and State, but the facts outlined by the distinguished chairman of the subcommittee speak for themselves.

There will be substantial savings effected by this move from Philadelphia to Albany, Ga. The chairman touched on those very briefly and effectively, I think.

The chairman mentions and I think I should emphasize that there are at the present time 630 Capehart housing units that are among the best available anywhere which will be available immediately for the military people being transferred to Albany, Ga.

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

Mr. MATHIS of Georgia. I will be delighted to yield to the gentleman from Pennsylvania.

Mr. BARRETT. Mr. Chairman, I would state to the gentleman from Georgia that we have made a very, very thorough check on this, and our findings indicate to us that they do not have the personnel involved who would be capable of performing the services comparable to what they have been doing here in Philadelphia for the last close to 150 years.

Mr. MATHIS of Georgia. May I say to the gentleman from Pennsylvania, with all due respect, that I think if the gentleman would check that he would certainly find personnel in Georgia who are just as capable as personnel in Philadelphia, Pa.

I do not want to boil this down to a fight between districts, because I have too much respect for my friend, the gentleman from Pennsylvania.

Let me also say to my friend that I am losing a military installation in my district in Albany, Ga., which is being implemented, and I may say that this gives me a great deal of pain to lose that facility because there are a number of military personnel involved in it. But I must say that the bulk of the activities are being transferred to Key West, and I do not feel that it is my responsibility to raise an issue, or to try to block the move of the Navy from Albany, Ga., to Key West.

So, as I say, I do not want to break this down as to an issue concerning the capabilities of the workers in Georgia versus the workers in Pennsylvania.

I simply think that the committee has done its homework, the Marine Corps has done its homework, and I would urge the defeat of the amendment.

Mr. BARRETT. Mr. Chairman, if the gentleman would yield further, I am sure the gentleman from Georgia would certainly defend the relocation of an installation where there was going to be a savings to the taxpayers of $5.2 million. I believe that the gentleman from Georgia is a good Congressman, and I have great respect for the gentleman, but where the gentleman could save $5 million the gentleman would do it. And I am quite sure we can save the taxpayers $5.2 million.

Mr. MATHIS of Georgia. I would say to the distinguished gentleman from Philadelphia that we have been told that we are going to effect a savings of $2.6 million annually based solely on the personnel, and it would not take very long at annual savings of $2.6 million to make up the $5.2 million of new construction authorization.

Again I urge defeat of the amendment.

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

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

Mr. PEYSER. I yield to the gentleman from Pennsylvania.

Mr. WILLIAMS. Mr. Chairman, I would like to call to the attention of the chairman of the subcommittee that the gentleman has been furnished erroneous information by the Navy. In a similar move we were told it would cost $28 million, and when we informed them they left out $6 million, they promptly reduced the cost to $20.1 million. Anyone knows that one cannot build a building for $5.2 million and at the same time save $2.6 million on personnel.

It is quite true that this building was built in 1908, but the Members should see the construction of that building, the all masonry construction. It was built to last for at least 100 years, and substantial sums have already been spent in the renovation of this building in Philadelphia.

As far as savings are concerned, they are entirely fictitious, because they are not going to save $2.6 million in salaries over this period of time. In fact, with the enlisted personnel that we have there it would not permit anywhere near a savings of $2.6 million.

The gentleman has given us the Navy case. I must say to my distinguished colleague, the gentleman from Florida (Mr. SIKES) that we questioned the Navy, and they have not been able to substantiate their figures. And in the other similar move which I previously mentioned, they came down $8 million when they should have been going up $6 million.

So, all that I can say is that if we want

to save money and use what we have already now in the facility, that is being used very, very efficiently, then do not waste the money on building new buildings some place else, even if you want to build them in my own district in Pennsylvania, which is not Philadelphia.

Let us use what we have now and let us stop throwing our money away on military programs where it can be used more helpfully in other ways by the military or by other agencies.

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

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

Mr. Chairman, I share the respect that the chairman of the committee indicated for the gentleman from Philadelphia and those who are interested in the Philadelphia installation. I should just like to say that the reason our subcommittee and our full committee made this proposal was to save money, to consolidate facilities, to improve working and living conditions, and to permit better management of the Marine Supply Services. We were trying to consolidate facilities wherever we could and to do it in the most efficient manner. We were told that the renovation and modernization at Philadelphia was simply not economical or practical. At least, that was the information given to us. We were told that this inventory control function would be more effective and less costly at Albany. There are existing data processing and other supporting functions there that are necessary to the materiel and supply functions and which will allow considerable reductions in overhead costs.

We were only trying to save money and improve the services.

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

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

Mr. GROSS. As a compromise, why not move the installation out to Iowa? We do not have any military installations and we will not feed them grits and fat pork.

Mr. TALCOTT. I think the gentleman from Iowa may have a good idea.

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

Mr. TALCOTT. I yield to the gentleman from Pennsylvania.

Mr. WILLIAMS. I thank the gentleman for yielding.

In answer to the question that was asked about the necessary personnel, when the new Clinton Industries Shipyards were being built in Mississippi or Louisiana—whichever they were—where do the Members think they were recruiting their personnel? At the Philadelphia Naval Shipyard, at the Sun Shipbuilding Co., and in the areas around Philadelphia. We have those highly skilled personnel there right now. Let us keep them there, and let us save at least $8 million by adopting this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania (Mr. BARRETT).

The question was taken; and on a division (demanded by Mr. BARRETT) there were—ayes 21, noes 54.

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

Mr. Chairman, I withdraw my request for a recorded vote and I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count.

One hundred eight Members are present, a quorum.

Mr. BARRETT. Mr. Chairman, surely I can make a request for a recorded vote again.

Mr. Chairman, I demand a recorded vote.

A recorded vote was refused.

So the amendment was rejected.

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

Mr. Chairman, I rise to ask the chairman of the subcommittee a question or two concerning this bill. On the face of it, it appears to call for $2,609,000,000 which is an increase of approximately $286 million over expenditures for military construction in 1973, the last fiscal year. What precisely causes this increase over last year, this increase of $286 million?

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

Mr. GROSS. I yield to the gentleman from Florida.

Mr. SIKES. Mr. Chairman, a great deal of the additional cost of this bill is the result of increased family housing operating and maintenance costs and additional costs of construction. Inflation has entered very strongly into all the construction programs. Then there are several new programs such as Trident for which construction funds are provided in the amount of $112 million and an increase of $130 million for Army bachelor quarters which amount for the rest of the increase. We feel that the increase over last year is a modest one.

I think what is of the greatest significance is that this bill as a result of the action of the authorizing committees and the House Appropriation Committees is cut $335 million below the total request of $2,944 million. That is a very significant reduction and I believe it is all that can be cut.

Mr. GROSS. Can the gentleman give us a figure as to the added cost of this bill in terms of the devaluation of the dollar?

Mr. SIKES. I think the gentleman can figure that as well as I can but it has had its effect and of course it means everything is costing more.

Mr. GROSS. I understand that but I just wondered how much more was added to this bill by virtue of devaluation.

Mr. SIKES. With the exception of two or three small items added in the authorizing bill, no funds were added to the bill by the committee as a result of devaluation.

Mr. GROSS. It is mentioned in the report on the bill that devaluation has added to the cost.

Mr. SIKES. Devaluation has.

Mr. GROSS. But there is no figure given.

Mr. SIKES. Devaluation has added to the cost but no substantial amount of money was added because of that.

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

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

Mr. BURKE of Massachusetts. I might point out to the gentle man from Iowa he should ask where are the savings that were made as a result of all those closings in Massachusetts and Rhode Island? They were cited as saving hundreds of millions of dollars in their claims, but in looking over the budget for the next year I see they are coming in and asking for millions of dollars more for housing down in Norfolk that they have to build to provide housing for personnel. Every time they close an installation the cost goes up.

Mr. GROSS. The gentleman has raised an excellent question. I fail to see anywhere any result by way of savings from the closings of bases and other installations.

Mr. SIKES. If the gentleman will yield further, I will again call to his attention figures which were used in my discussion earlier, in which I did discuss the base closure picture and the amount of savings which the Government anticipates will result. It is anticipated that the savings will be $3.5 bililon over the next 10 years. These actions would result in the elimination of 42,800 military and civilian positions.

Obviously, there is not going to be a great deal of savings in the first year. This is the first year. It may even cost more in the first year because of the relocation of personnel and the cost of closing bases. But, in the next 10 years the Department will save $3.5 billion.

Mr. GROSS. Apparently inflation is feeding on itself, as evidenced by this bill. If inflation continues I would hesitate to predict whether there would be any savings on the closing of these bases in the next 10 years.

Mr. SIKES. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House, with the recommendation that the bill do pass.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. ANNUNZIO, 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. 11459) making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1974, and for other purposes, had directed him to report the bill back to the House, with the recommendation that the bill do pass.

The SPEAKER. Without objection, the previous question is ordered.

There was no objection.

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. SCHERLE. 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 366, nays 29, not voting 38, as follows:

[Roll No. 585]

YEAS—366

Abdnor	Daniel, Robert W., Jr.	Harsha
Adams	Daniels, Dominick V.	Hastings
Addabbo	Danielson	Hawkins
Alexander	Davis, Ga.	Hays
Anderson, Calif.	Davis, S.C.	Hébert
Andrews, N.C.	de la Garza	Heinz
Andrews, N. Dak.	Delaney	Helstoski
Annunzio	Dellenback	Henderson
Archer	Denholm	Hicks
Arends	Dennis	Hillis
Armstrong	Dent	Hinshaw
Ashbrook	Derwinski	Hogan
Ashley	Devine	Holifield
Aspin	Dickinson	Holt
Bafalis	Diggs	Horton
Baker	Donohue	Hosmer
Bauman	Dorn	Howard
Beard	Downing	Huber
Bell	Dulski	Hudnut
Bennett	Duncan	Hungate
Bergland	du Pont	Hutchinson
Bevill	Eckhardt	Ichord
Biaggi	Edwards, Ala.	Jarman
Biester	Erlenborn	Johnson, Calif.
Boggs	Esch	Johnson, Colo.
Boland	Eshleman	Johnson, Pa.
Bolling	Evans, Colo.	Jones, Ala.
Bowen	Evins, Tenn.	Jones, N.C.
Brademas	Fascell	Jones, Okla.
Bray	Findley	Jones, Tenn.
Breaux	Fish	Jordan
Breckinridge	Fisher	Karth
Brinkley	Flood	Kazen
Brooks	Flowers	Kemp
Broomfield	Flynt	Ketchum
Brotzman	Foley	King
Brown, Calif.	Ford, Gerald R.	Koch
Brown, Mich.	Ford, William D.	Kuykendall
Broyhill, N.C.	Forsythe	Kyros
Broyhill, Va.	Fountain	Landgrebe
Burgener	Frelinghuysen	Landrum
Burke, Fla.	Frenzel	Leggett
Burke, Mass.	Frey	Lehman
Burleson, Tex.	Froehlich	Lent
Burlison, Mo.	Fulton	Litton
Burton	Fuqua	Long, La.
Butler	Gaydos	Long, Md.
Byron	Gettys	Lott
Camp	Giaimo	Lujan
Carey, N.Y.	Gibbons	McClory
Carney, Ohio	Gilman	McCloskey
Carter	Ginn	McCollister
Casey, Tex.	Goldwater	McCormack
Cederberg	Gonzalez	McDade
Chappell	Goodling	McEwen
Clark	Grasso	McFall
Clausen, Don H.	Gray	McKay
Clawson, Del	Green, Oreg.	McKinney
Cleveland	Griffiths	McSpadden
Cochran	Grover	Macdonald
Cohen	Gubser	Madden
Collier	Gude	Madigan
Collins, Tex.	Gunter	Mahon
Conable	Guyer	Mailliard
Conlan	Haley	Mallary
Conte	Hamilton	Mann
Corman	Hammer-schmidt	Maraziti
Cotter	Hanley	Martin, Nebr.
Coughlin	Hanna	Martin, N.C.
Crane	Hanrahan	Mathias, Calif.
Cronin	Hansen, Idaho	Mathis, Ga.
Culver	Hansen, Wash.	Matsunaga
Daniel, Dan	Harrington	Mayne
	Hechler, W. Va.	Mazzoli
	Heckler, Mass.	Meeds
	Holtzman	Melcher
	Kastenmeier	Metcalfe
	Mitchell, Md.	Mezvinsky
	Moakley	Michel
	Nix	Milford
	Rangel	Miller
	Reuss	Minish
	Rhodes	Mink
	Riegle	Minshall, Ohio
	Rinaldo	Mitchell, N.Y.
	Robinson, Va.	Mizell
	Robison, N.Y.	Mollohan
	Rodino	Montgomery
	Roe	Moorhead, Calif.
	Rogers	Moorhead, Pa.
	Roncalio, Wyo.	Morgan
	Roncallo, N.Y.	Mosher
	Rooney, Pa.	Moss
	Rose	Murphy, Ill.
	Roush	Myers
	Rousselot	Natcher
	Roy	Nedzi
	Roybal	Nelsen
	Runnels	Nichols
	Ruppe	Obey
	Ruth	O'Hara
	Ryan	O'Neill
	Sandman	Owens
	Sarasin	Parris
	Sarbanes	Passman
	Satterfield	Patten
	Scherle	Pepper
	Schneebeli	Perkins
	Seiberling	Pettis
	Shipley	Peyser
	Shoup	Pickle
	Shriver	Pike
	Shuster	Poage
	Sikes	Podell
	Sisk	Powell, Ohio
	Slack	Preyer
	Smith, Iowa	Price, Ill.
	Smith, N.Y.	Price, Tex.
	Snyder	Pritchard
	Staggers	Quie
	Stanton, J. William	Quillen
	Stanton, James V.	Railsback
	Steed	Randall
	Steele	Rarick
	Steelman	Rees
	Steiger, Ariz.	Regula
	Steiger, Wis.	Stubblefield
	Stephens	Sullivan
	Stokes	Symington
	Stratton	Talcott
	Stuckey	Taylor, Mo.
	Studds	Taylor, N.C.
	Sullivan	Teague, Calif.
	Symington	Thomson, Wis.
	Symms	Thone
	Talcott	Thornton
	Taylor, Mo.	Towell, Nev.
	Taylor, N.C.	Treen
	Teague, Calif.	Ullman
	Thomson, Wis.	Van Deerlin
	Thone	Vander Jagt
	Thornton	Vanik
	Towell, Nev.	Veysey
	Treen	Vigorito
	Ullman	Walsh
	Van Deerlin	Wampler
	Vander Jagt	Ware
	Vanik	Whalen
	Veysey	White
	Vigorito	Whitehurst
	Walsh	Whitten
	Wampler	Widnall
	Ware	Wiggins
	Whalen	Williams
	White	Wilson, Bob
	Whitehurst	Wilson, Charles H., Calif.
	Whitten	Wilson, Charles, Tex.
	Widnall	Winn
	Wiggins	Wolff
	Williams	Wright
	Wilson, Bob	Wyatt
	Wilson, Charles H., Calif.	Wydler
	Wilson, Charles, Tex.	Wylie
	Winn	Wyman
	Wolff	Yates
	Wright	Yatron
	Wyatt	Young, Alaska
	Wydler	Young, Fla.
	Wylie	Young, Ill.
	Wyman	Young, Tex.
	Yates	Zablocki
	Yatron	Zion
	Young, Alaska	
	Young, Fla.	
	Young, Ill.	
	Young, Tex.	
	Zablocki	
	Zion	

NAYS—29

Badillo	Gross	Sebelius
Barrett	Harrington	Skubitz
Bingham	Hechler, W. Va.	Stark
Chisholm	Heckler, Mass.	Studds
Clay	Holtzman	Symms
Conyers	Kastenmeier	Thompson, N.J.
Drinan	Mitchell, Md.	Waldie
Edwards, Calif.	Moakley	Young, Ga.
Eilberg	Nix	Zwach
Green, Pa.	Rangel	

NOT VOTING—38

Abzug	Dingell	Rooney, N.Y.
Anderson, Ill.	Fraser	Rosenthal
Blackburn	Harvey	Rostenkowski
Blatnik	Hunt	St Germain
Brasco	Keating	Schroeder
Brown, Ohio	Kluczynski	Spence
Buchanan	Latta	Stuckey
Burke, Calif.	Mills, Ark.	Teague, Tex.
Chamberlain	Murphy, N.Y.	Tiernan
Clancy	O'Brien	Udall
Collins, Ill.	Patman	Waggonner
Davis, Wis.	Reid	Young, S.C.
Dellums	Roberts	

So the bill was passed.

The Clerk announced the following pairs:

Mr. Rooney of New York with Mr. Stuckey.
Mr. Brasco with Mr. Young of South Carolina.
Mr. Blatnik with Mr. Anderson of Illinois.
Mr. Kluczynski with Mr. Davis of Wisconsin.
Mr. St Germain with Mr. Brown of Ohio.
Mr. Rostenkowski with Mr. Blackburn.
Mr. Mills of Arkansas with Mr. O'Brien.
Mrs. Burke of California with Mr. Reid.
Mr. Dellums with Ms. Abzug.
Mrs. Collins of Illinois with Mr. Rosenthal.
Mr. Dingell with Mr. Patman.
Mrs. Schroeder with Mr. Fraser.
Mr. Hunt with Mr. Chamberlain.
Mr. Spence with Mr. Clancy.
Mr. Waggonner with Mr. Buchanan.
Mr. Murphy of New York with Mr. Harvey.
Mr. Teague of Texas with Mr. Keating.
Mr. Tiernan with Mr. Latta.
Mr. Roberts with Mr. Udall.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. SIKES. 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 Florida?

There was no objection.

NUTRITION FOR THE ELDERLY

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

Mr. BRADEMAS. Mr. Speaker, on September 26, together with the distinguished gentleman from Florida (Mr. PEPPER) introduced H.R. 10551, a bill to extend the nutrition program for the Elderly Act for 3 years.

Evidence of the overwhelming bipartisan support enjoyed by this program, Mr. Speaker, is that since that date 137 Members of the House, on both sides of the aisle, have joined the gentleman from Florida and me in cosponsoring this legislation.

Mr. Speaker, the nutrition program for the elderly began as a demonstration program under the Older Americans Act of 1965, and last year it evolved into an ongoing service when Congress overwhelmingly approved the nutrition program for the Elderly Act as a separate title of the Older Americans Act.

Because of several presidential vetoes of Labor-HEW appropriations bill, which included funds for the nutrition program, the act is only now beginning to be implemented.

But the program, Mr. Speaker, is not a partisan issue. For Congress has demonstrated its support for the nutrition program by appropriating funds for it, and the President, as well, has evidenced his backing by requesting $100 million to implement nutrition programs across the land.

Mr. Speaker, when this program is fully implemented, nutrition centers will be able to provide one hot, nutritious meal a day, 5 days a week, for thousands of Americans aged 60 and over in every State.

And the meals can be served not only in community centers, such as schools and churches, but also directly in the homes of elderly shut-ins.

Mr. Speaker, the bill, H.R. 10551, which Mr. PEPPER and I have introduced, would authorize $150 million for 1975, and $175 million and $200 million, respectively, for 1976 and 1977.

Surely, Mr. Speaker, we can afford these modest increases in this program which is, even now, assisting the elderly poor, who, living on fixed incomes, are

now the victims of the worst inflation in a generation.

Mr. Speaker, just 2 days after the gentleman from Florida and I introduced this bill, an excellent article, which cogently describes the problems faced by older citizens experiencing higher prices for food, appeared in the Chicago Sun-Times.

And the article, "Inflation Means Hunger to the Forgotten Elderly," describes the plight of 65-year-old Asmund Bodin, who must pay $85 a month for his hotel room and $6.30 for medicaid, out of his $107 monthly social security check.

Says the article:

The rising food prices mean he does not eat enough; he skips meals. "It's a bad thing" he says. "I eat a can of this, a can of that. I keep margarine, tea and bread in my room, and I make toast on a hot plate."

But, Mr. Speaker, the article goes on to quote Florence A. Smith, a nutrition specialist, who said at a recent conference:

When anyone decreases his food intake to tea and toast, he literally commits himself to the cruelest method of biological destruction.

Last month, Mr. Speaker, Asmund Bodin enjoyed, for the first time in months, a meal of roast beef, salad, green beans, and fruit, at a nutrition center on north Michigan Avenue in Chicago—a center funded under the provisions of the nutrition program for the Elderly Act.

The center, one of 35 such sites sponsored by Mayor Richard J. Daley's office for senior citizens, offers nutritious meals at a cost of from 45 cents to 90 cents depending upon the person's income.

Mr. Speaker, the article I have cited goes on to document other shocking instances of our society's neglect of the elderly.

I was, in particular, touched by the description of 63-year John Leske, who can no longer work as a painter because of a disability.

Said Mr. Leske at the nutrition center:

I don't eat much anymore. I can't afford it. I lost 25 pounds this summer. I just go to sleep sometimes instead of eating. . . .

Mr. Speaker, quite apart from the nutritional good which comes from this program, there are, of course, other benefits, some difficult to measure.

I speak, of course, of the improved health of the elderly, as well as the opportunity such programs provide for older people to have a chance to meet and chat with others of their generation, who share their interests.

Mr. Speaker, because I believe that all of my colleagues will be interested in the article to which I have alluded, I ask unanimous consent to insert it at this point in the RECORD.

INFLATION MEANS HUNGER TO THE FORGOTTEN ELDERLY

The 1970 census listed 516,000 persons living in Chicago 60 years of age and older—15 per cent of the city's population. With most of them in retirement on small, fixed incomes from pension plans, Social Security and other annuities, inflation has been particularly difficult, in many cases devastating.

Three elderly women are enjoying the sun on a bench in Margate Park on the North Side. "I get by," says one. "I have $111 a month from Social Security and I pay $33.25 a month rent. We have learned to tighten our belts. We shop for food very strictly. I buy hamburger mostly and a lot of beans."

In a recent speech to a conference of the National Council on Aging, Sen. Charles H. Percy (R-Ill.) said, "The emphasis in this country is still placed on youth. Or perhaps I should say, 'still misplaced.' "

There are 20 million elderly persons in the United States; by the year 2000, there will be 33 million. The percentage will rise also. Today, 1 out of 10 Americans is over 65; by the year 2000, it will be 1 in 9.

Asmund Bodin is 65 years old. He lives in a hotel at 516 N. Clark. From his $107 monthly Social Security check, $85 goes for rent and $6.30 is taken out for Medicaid. The rising food prices mean he does not eat enough; he skips meals.

"It's a bad thing," he says. "I eat a can of this, a can of that. I keep margarine, tea and bread in my room, and I make toast on a hot plate."

Florence A. Smith, a federal nutrition specialist, said at the recent conference on aging: "When anyone decreases his food intake to tea and toast, he literally commits himself to the cruelest method of biological destruction."

On Thursday Asmund Bodin was enjoying a meal of roast, salad, green beans and fruit at a nutrition center at 209 N. Michigan that is one of 35 such sites sponsored by the Mayor's Office for Senior Citizens.

Depending on a person's income, the meals cost from 45 to 90 cents. The nutrition centers serve 15,000 meals a month under federal and city funding. Any Chicago resident over 60 may eat at any of the centers, most of which are located in churches, YMCAs, schools and Chicago Housing Authority buildings. In November, the centers are to begin providing a meal a day for five days each week.

Not all those who use the service are in severe financial straits but all are affected by the financial squeeze that inflation causes.

A white-haired 74-year-old schoolteacher, still agile and with bright blue eyes, says she tries to eat balanced meals but that it is not easy.

"It's bad," she said. "If things keep up this way, old people won't be able to eat by next year. I'm partial to fruits, but even half a cantaloupe costs 28 cents. It's no joke to be old."

"I like a fried egg now and then," Bodin said. "But I haven't had eggs for quite a long time. I have a friend who works in the Loop. He gives me some cheese sometimes."

Jerome Fredericks, 68, lives alone on $130 a month from Social Security and pays $45 a month rent. "I'm ashamed to say the address," he said. His address is on W. Madison. He gets his clothes from the Salvation Army and has a hot plate in his room where he cooks soup and pork and beans.

John Leske is 63 and can no longer work as a painter because of a disability. "I don't eat much anymore," he said. "I can't afford it. I lost 25 pounds this summer. I just go to sleep sometimes instead of eating, and I snitch a meal whenever I can.

"Know where I ate yesterday? A guy here told me to come with him to a church. They took us to a real high-class restaurant. We went first to the basement of the church. They never asked us anything. At the restaurant, they had real good soup, meat loaf, vegetables, potatoes, bread and butter. We even got a second cup of coffee. I went back to the church to thank them, but the door was locked."

In his speech to the aging conference, Percy said, "In the 1960s we built new colleges and classrooms for the young people from the 'baby-boom' of World War II. We poured federal monies into massive social programs to improve their lives.

"Indeed, the whole structure of American life was changed to accommodate them. We are left now, as they grow into adulthood with more than enough facilities for the young and not enough for the old."

One of the three elderly women on the bench in Margate Park says, "Maybe the government will begin paying more attention to the old people, but that will take time. What is the answer now?"

CASE OF MILIA LAZAREVICH FELZENSHTEIN

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

Mr. COUGHLIN. Mr. Speaker, during the course of this vigil on behalf of the Mills-Vanik amendment, it has been stressed that freedom of emigration is a universal human right which the Soviet Union endorses in principle but ignores in practice.

It is especially disconcerting to me that Soviet officials have distorted and acted capriciously in interpreting their policy regarding the reunion of families. On October 3, 1966, at a Paris press conference, Soviet Premier Alexei Kosygin declared that "if any families which come together or wish to leave the Soviet Union, for them the road is open, and no problem exists here.

However, this has not been the case in fact. In December 1972, Milia Felzenshtein, a World War II hero from the city of Kharkov, and his family applied for permits to emigrate to Israel, expressing a desire to be reunited with Milia's father and sister. He was certain that this request qualified under the reunion of families policy. Furthermore, since Felzenshtein is a pensioner, his wife and daughter are minor bank employees, and his son a mere schoolboy, he did not anticipate that his family's applications would present any problems.

But Kharkov OVIR, the passport office, rejected the application on two grounds: first, Felzenshtein's father and sister were not considered to be members of his family. Second, as a hero of the Soviet Union, a title of honor conferred by the Soviet Government, Felzenshtein was told that his emigration to Israel was considered undesirable.

Appealing to Premier Kosygin for a reconsideration of his application, Milia argued for the fundamental right of human beings to emigrate and pointed out that he and his family were being penalized for his heroic deeds on the battlefield in World War II.

Mr. Speaker, the plight of the Felzenshtein family is not unique. Last year I was able to speak by telephone with a Jewish woman living in Moscow who, along with her husband and two children, was attempting to emigrate to Israel. She related to me the many hardships, including the loss of her job and her husband's, which they encountered following their application for permission to leave the country. She stressed that their misfortune was not an isolated

example of Soviet harassment but rather one of many similar cases.

The time has come for Soviet leaders to revise their stand on emigration. It is time for Congress to pass the Mills-Vanik amendment.

THE NUECES RIVER PROJECT

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

Mr. DE LA GARZA. Mr. Speaker, last week the Water and Power Resources Subcommittee of the House Committee on Interior and Insular Affairs held a hearing in my district, the 15th Congressional District of Texas, on a project of immense importance to a large south Texas area. This is the Nueces River project, and the hearing was held at Three Rivers near the site of the Choke Canyon Dam and Reservoir.

The hearing was conducted by the Honorable BIZZ JOHNSON, chairman of the subcommittee. Also participating was the Honorable KEITH SEBELIUS, a member of the subcommittee. My friend, the Honorable JOHN YOUNG, although not a member of the panel, was very actively present, his district being included in the area that will benefit from this tremendous water development project. The subcommittee's able staff members contributed greatly to the success of the hearing.

As host Congressman, I was privileged to welcome my colleagues. I insert as part of my remarks what I said on this auspicious occasion:

Mr. Chairman, on behalf of the people of the 15th Congressional District, I welcome you to South Texas.

I hope and believe you have already been made to feel welcome at the reception arranged in your honor last night in Corpus Christi by my friend and colleague, John Young, and the people of that city.

I trust the overflow attendance of interested and concerned citizens will assure you that Three Rivers and the surrounding area welcome you here. This is truly a splendid turnout.

We owe special thanks to the Honorable John Bright, mayor of Three Rivers, for making arrangements for this session. The Three Rivers Independent School District has cooperated one hundred percent and to those responsible we are deeply grateful.

My colleague, I will tell you that the reception accorded you since you arrived in South Texas is typical of the kind of hospitality our people extend to visitors from other less fortunate regions.

We're delighted that you are here. We hope you enjoy every minute of your stay. We cordially invite you to come again.

THE NEED TO PROHIBIT MASS TRANSIT FARE INCREASES

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

Mr. KOCH. Mr. Speaker, with the energy crisis upon us, it seems to me it is now more essential than ever before that we provide operating subsidies for mass transit and that we bar mass transit fare increases across the country. We all know that public transportation consumes far less fuel than the private automobile per passenger mile. And so, in a time of an energy crisis, it is imperative that we encourage more people to ride public transportation and leave their automobiles at home.

Unfortunately, the effect of today's economic pressures is to send fares up. And with every fare increase, transit ridership declines with a consequent increase in automobile usage.

Therefore, I am introducing a joint resolution with our colleague from New York (Mr. BRASCO) to prohibit any transit company from increasing its fare beyond the level existing today. This freeze on fares would be effective for 2 years during which time the bill would provide $400 million annually in mass transit operating assistance in the same manner as provided by H.R. 6452, passed by the House on October 3. Thus, while freezing transit fares, the Federal Government would recognize its responsibility in helping to make up the deficits that would be incurred as a result of the fare freeze in the face of concomitant increases in operating costs. At the same time, the bill includes the original objectives of H.R. 6452—and that is to utilize these Federal funds to encourage local transit systems to improve their service and attract more passengers to their systems, objectives that certainly are consistent with energy conserving efforts now underway in other public sectors; thus, the resolution I am introducing today would require that localities provide a comprehensive service improvement program before receiving Federal aid. The resolution also provides the guidelines established in H.R. 6452 for the distribution of aid. The distribution formula is based on three factors given equal weight: population of the area served, revenue passengers carried by a system, and the vehicle miles in the system.

Mr. Speaker, to date President Nixon has opposed Federal assistance to assist transit systems in meeting the everyday costs of operating their buses, subways, and commuter railroads. He has done so even though a report made by the Department of Transportation in 1971 acknowledged that the farebox can no longer finance all transit operating costs if fares are to be maintained at a reasonable level. With the evolution of first the pollution crisis and now the energy crisis, coupled with the continual mobility problems of our cities, the importance to all members of the public of having efficient and highly utilized mass transit is amplified. If more people ride mass transit, more fuel will be available for other uses; if pollution is reduced because of a decrease in automobile traffic, a healthier environment will be provided for all of us; and if there are fewer cars on the road, traveling for those who have no choice but to use private automobiles will be easier and quicker.

In October 1972 the Office of Emergency Preparedness issued a report entitled "The Potential for Energy Conservation." One of the recommendations in this report was that the country seek to "stimulate the development of sufficiently fast, safe, inexpensive, comfortable, convenient, and reliable mass transit systems to draw passengers away from automobiles and airplanes—short trips in particular." In making this recommendation the Office of Emergency Preparedness went on to make the following pertinent points:

The program of subsidies, tax incentives and regulatory standards designed to accomplish this must take into account tradeoffs between energy consumption and attributes such as speed and service on which demand will depend.

The President is imposing a number of limitations on fuel usage. Increasing transit use is an obvious means of fuel conservation and one that does not require the bureaucratic—and often ineffective—redtape of federally imposed controls on consumption.

The need to make the most efficient use of our energy resources is apparent. In addition, the fuel shortage is a national problem and so we cannot expect localities alone to bear the burden of maintaining—and ideally lowering—transit fares.

I recommend the resolution to our colleagues and I urge the President to incorporate a freeze on transit fares coupled with Federal mass transit operating assistance in his plans for energy conservation.

BILINGUAL EDUCATION AT THE CROSSROADS

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

Mr. COHEN. Mr. Speaker, I am introducing today legislation to amend title VII of the Elementary and Secondary Education Act of 1965 to extend, improve, and expand programs of bilingual education, teacher training, and child development.

The right of a non-English-speaking child to a meaningful education is currently an issue with which all three branches of the Government are concerned. Recently, the Office of Education held hearings on new rules and regulations it was proposing to the Bilingual Education Act, title VIII ESEA. In the Congress, the House Committee on Education and Labor continues its markup sessions to extend and amend ESEA, and the Senate Subcommittee on Education has completed hearings on two bilingual education bills introduced by Senators CRANSTON, KENNEDY, and MONTOYA. Finally, the U.S. Supreme Court is scheduled this term to hear the case of Lau against Nichols, which will decide whether non-English-speaking children have the constitutional right to special help enabling them to gain an equal educational opportunity. Certainly, we can assume that there would not be such a concerted effort within the Federal Govern-

ment to find ways to better our treatment of the non-English-speaking or bilingual child, if this was not also an issue of national prominence in the minds of the American public itself.

When the Bilingual Education Act expires next year, we will clearly be at a crossroads. Critical decisions must be made about the scope of the program and the goals it should embrace. On the first point, continuing and expanding the size of the program is, in my opinion, imperative. Fortunately, our decisions need not be made in a void. In the areas where bilingual programs have been established, the results have been very good. However, there is still an enormous gap between what we are doing and what we need to do. While over 5 million children in this country are in need of bilingual education, only 147,000 will be reached this year. We profess to believe in the availability of an equal educational opportunity for everyone. Yet, for all our idealistic rhetoric, the remaining 4,853,000 children are still denied that opportunity. If a child is provided with the same facilities, textbooks, teachers, and curriculum as other children, but that child cannot understand the medium in which the material is taught, he is effectively excluded from the educational process. Though such action by a school appears neutral on its face, it constitutes a case of fundamental discrimination.

What does this men in actual fact? In my State, it is estimated that 21 percent of all elementary and secondary pupils are familiar with French; yet in one area surveyed, where the concentration of pupils who speak French is 96 percent, only 2 percent ever enter college. In the State as a whole, 51 percent go to college. Results from a 3-year survey at one school show the dropout rate among Franco-Americans is 12 percent higher than the national average.

Furthermore, some 500 children of the State's Passamaquoddy Indian tribe speak a dialect of the Algonquin language at home, and learn English as a second language only when they enter school. Tests indicate that by the time these children reach secondary school one-third of them are two grade levels behind other children their age. No wonder interest in formal education wanes. This is expressly exemplified by one of the Passamaquoddy schools where 27 percent of the children were absent at least 77 days during 1 academic year. I know many of my colleagues could cite similar examples from their own States.

We have an obligation to make good on the promise of equal education to all schoolchildren, and a strengthened bilingual education program is a vital element in achieving that goal. I believe that passage of several of my amendments will move us in this direction.

First, a most serious discovery we are making is that we do not have the teachers, or even the teacher-training programs, to handle a program of the magnitude of bilingual education. The Office of Education has found in a study of 76 of its own programs that some or all of the teachers involved were not adequately prepared to teach bilingual programs. In my own State, the lack of adequate staff has had the effect of closing down one project. Since I feel that a quality teacher is a program's most important feature, the amendment I offer today will begin to provide more realistically for the teacher need. It earmarks one-third of all bilingual appropriations in excess of $35 million for teacher training programs in order to produce a core of experienced and qualified bilingual professionals and paraprofessionals.

Second, the amendments initiate an incentive program for State supervision of bilingual programs. To encourage the States to assume an authority over the bilingual programs which will continue after Federal sponsorship has ended, an additional 5 percent of the aggregate amount the Federal Government is paying to the local educational agencies for bilingual education would be provided at the State level.

Although State and local governments are encouraged to assist in funding bilingual projects, there has been no matching requirement with the Federal Government. Consequently many programs have failed after the initial 5 years of the program because no State commitment has been developed for continuation.

Only 11 States now have any form of bilingual education plans and only 4 are making use of them: Texas, New Mexico, California, and Massachusetts. Massachusetts has gone farther than any State by requiring every district with more than 20 non-English-speaking students to provide them with a bilingual education. Unless the Federal Government plans to continually subsidize these projects, which is not the intent of Congress, the States must be motivated to develop bilingual programs of their own.

Third, my bill upgrades the administrative structure for the bilingual education program within the Office of Education of establishing a Bureau of Bilingual Education. I feel the additional administrative authority is necessary to carry out the functions of this increasingly important program.

Fourth, the bill provides for supportive services from the National Institute of Education. Under this provision, research can be carried out to develop new books, new testing materials, new visual aids and equipment, and new curriculum plans.

Fifth, an amendment creates a new 15-member National Advisory Council on Bilingual Education to replace the old Advisory Council. The composition of the Council will stress participation from the bilingual community. The Council will have the responsibility to review and evaluate the bilingual education program.

Earlier, I spoke of the need for decisions about the goals the bilingual education program should embrace. Those of us who are fully assimilated into our traditional American society find it hard to appreciate the difficulties and barriers our great melting pot society creates for those with different languages and cultural backgrounds. In the past, we have tended to view our educational process partially as a means of enabling—or perhaps even forcing—such ethnic peoples to become an indistinguishable part of our society. We have done so by ignoring or even suppressing their cultural heritage. To many, even our program of bilingual education is defined as a means to accomplish the annihilation of foreign cultures.

More recently, we have discovered that this restrictive view of our melting-pot philosophy can have serious adverse effects on students. Educators have learned that exclusion from one's own cultural heritage and history, from one's language and community, can be so destructive to the self-confidence of a student that he gradually loses his ability to learn. Ethnic students must be able to relate their mother tongue to their personal identity, because language and the culture it carries are at the very core of a child's self-concept. Destroy this self-concept and you can destroy the child. The children who drop out of school and become part of our unemployment, welfare, and crime statistics because their heritage and special language abilities are ignored, are an economic burden which this Nation can ill afford.

Several of the amendments contained in the bill I am introducing relate specifically to the need to use bilingual education as a means to instill within the non-English-speaking child a permanent appreciation of and attachment to his cultural and linguistic heritage.

First, the language in the original legislation encouraged the idea that bilingual education was a form of "remedial" education, another method of correcting a defect in the child. The bilingual child was so abused by this "remedial" doctrine that the former Director of HEW's Office of Civil Rights, J. Stanley Pottinger, issued a memorandum which prohibited school districts from assigning non-English-speaking students to classes for the mentally retarded on the basis of criteria which essentially measured or evaluated English language skills.

The amendment I propose would eliminate the phrase "children of limited English-speaking ability." The fact that a child does not speak English does not mean necessarily that his training is inadequate. A phrase which more properly reflects the attitude promulgated today is "children who speak primarily a language other than English." By such a change, we are recognizing the fact that children who enter school with the ability to speak a language other than English have an educational asset which can be built upon and should not be discarded or destroyed.

Second, my legislation provides that an English-speaking child can participate on an elective basis in the bilingual activities offered at his school. When the bilingual education program was initiated, we were looking only at the specific needs of children who were being educationally handicapped because they did not speak English. However, it seems time to broaden our outlook on the program to recognize that children who would like to participate in the programs should have the opportunity to utilize the multiple language and cultural resources of their communities. Such flexibility, I believe, would assist in recognizing the common interests among neighbors and students which transcend cultural differences. In an age where our relations

with other countries and cultures are becoming much more extensive, such educational opportunities could prove vital to English-speaking students as well as non-English-speaking students. Certainly, in a democratic country where multiple cultures and heritages are our pride, we should be making every effort to encourage that kind of voluntary opportunity for all our children.

Third, present legislation requires that the families of children eligible for bilingual programs must have incomes below $3,000 or be receiving public assistance. Seen in a wider perspective, however, this restriction is not logical. The fact that a child primarily speaks a language other than English in no way means that the child is also poor. Likewise, the fact that a child is poor does not imply that the child primarily speaks a langugae other than English. Nobody should be excluded from receiving help in overcoming those difficulties, whatever his income. Under present law, the poor are able to improve their lot through the bilingual program, while the not-so-poor may receive an inferior education. Any child who could benefit from a bilingual program should have the opportunity to participate.

It is time for us to seize the initiative and meet the needs of this new movement toward cultural pluralism. Because of our diversity, a fully functioning program of bilingual education will bring a great renaissance to the United States. The intent of the bilingual program should reflect the renovation of this diversity, and thus the enrichment of America's culture.

ERNEST PETINAUD: A FRIEND INDEED

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

Mr. MILLER. Mr. Speaker, last evening, I had the pleasure of joining over 300 persons in paying tribute to one of Capitol Hill's most distinguished citizens, Mr. Ernest Petinaud.

After more than 40 years of service to the Members of the House of Representatives, Ernie Petinaud is retiring. I fully expect to see him welcoming Members to the dining room out of habit after his retirement date has passed. I know that the many people who dine there will expect to see Ernie wheeling around the corner with a smile on his face, a warm handshake and a hearty "hello."

Long after leaving the Congress and the hustle and bustle of Washington, my wife, Helen, and I will long remember the thoughtfulness of Ernie and his charming wife Jeannette. More than the maitre d' of the Members' dining room, Ernie himself is an institution. Always on the job, always responsive and cordial, he seems to take the greatest pleasure in doing things for others.

His consideration for the Members of Congress, their families, our staffs, and the thousands of visitors to the Capitol building is unmatched in sincerity and I know that I echo the sentiments of all who know Ernie well, or who have met him only once, in saying that we appreciate his hard work, his personality and his perserverance. He is one in a million.

Talking with Ernie today, I asked him what he would miss most.

He answered without hesitating, "I will miss the atmosphere of friendship." Paraphasing Will Rogers, Ernie commented that he has "never met a Member he did not like."

At the same time, it goes without question that I have never met a Member—or anyone else, for that matter—who does not like Ernie.

During his brief remarks at the reception honoring Ernie last evening, he said:

To the Committee and friends who planned this fine affair for me, thanks sincerely.

In the course of human events, this is the greatest tribute that I will ever have the pleasure of enjoying.

Never has so much appreciation and kindness been expressed by so many for my wife Jeannette and I and for this I am duly grateful.

And if I should live a thousand years, this affair will remain in my memories as my finest hour.

This, my friends, is the end of an era—a time that had a certain element of people who believed and cemented the principle that a member of Congress was highly regarded.

I am proud to have been and still am a member of that dedicated group of people. To me whenever a man or woman is elected to the Congress, he instantly becomes my friend, regardless of his or her race, creed, or political persuasion. I have continued to maintain that feeling through the years of my service in the House of Representatives Dining Room and thank God I have never had to regret that attitude and manner.

And so tonight on the eve of the beginning of the end of my wonderful years on Capitol Hill, I am reaping the harvest of my labor and the compensations of my dedications.

Again, I say thanks a million and may God's blessings be with all of you and in abundance. Good night and good luck from my dear wife and I to each and everyone of you.

Ernie called his retirement an "end of an era" and said that he would miss Capitol Hill deeply.

The truth is, it is he who will be missed most of all.

TRIBUTE TO JOHN P. SAYLOR

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Massachusetts (Mrs. HECKLER) is recognized for 5 minutes.

Mrs. HECKLER of Massachusetts. Mr. Speaker, I feel a tremendous sense of loss as a result of the recent death of our colleague from Pennsylvania, John Saylor.

For several years I have known Mr. Saylor through our work on the Veterans' Affairs Committee. Not only did he hold the respect and confidence of the committee members for his capable service, but he also received the admiration of all the veterans organizations who have honored him with awards or trophies at one time or another. Shortly before his death he received the coveted Silver Helmut Award from the AMVETS for distinguished service to all American veterans.

A spellbinding orator, John Saylor could hardly complete a sentence at a veterans' affairs hearing without the interruption of strong applause from veterans present who enjoyed his sentiments, his wit, and his sense of humor. He was especially interested in assisting our Vietnam veterans through their difficult period of readjustment and continually urged our national veteran organizations to orient themselves to the new problems facing our young veterans.

In addition to his outstanding work in behalf of our veterans, Mr. Saylor was a powerful and creative force in the area of conservation as the ranking member of the House Interior and Insular Affairs Committee where he consistently championed his conservation causes. Many Members of the House would not cast a vote on a conservation issue without seeking out John Saylor's opinion of the measure. I am extremely saddened by the death of this dear friend and respected colleague and extend my deepest sympathy to his beloved wife, Grace, and to his children, Susan and Phillips.

CANADIAN FUEL OILS TO FLOW ONCE AGAIN TO THE UNITED STATES

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

Mr. KEMP. Mr. Speaker, I am pleased to announce to this body that the Department of State has just notified me that negotiations have produced a relaxation in the Canadian Energy Board's recent directive to curtail oil exports to the United States.

The problem is not wholly resolved, for the Canadian Government must continue, understandably, its review of its own domestic supplies and needs and its capabilities for future exports to the United States. But, those particular American corporations which had already bought Canadian oil and were storing it in Canada, but whose supplies were intercepted and denied export to the United States by the board's directive, have been assured that, on a monthly allocation basis, that oil will now be shipped to the United States. This will meet immediate demands for November. More importantly, it reflects a continuation of the spirit of cooperation between the United States and Canada—so essential to obtaining future allocations.

Mr. Speaker, a firm posture has always been an effective instrument of foreign policy.

This was proved to be true once again, as the United States—both the administration and concerned Members of Congress—initiated such a firm policy with respect to the Canadian Energy Board's decision to trim the export of those home and heavy industrial heating oils to the United States.

To those Americans, from Maine to Alaska, who have enjoyed close economic interdependency and cooperation with the Canadian Government and people over the decades, it was both distressing and a heavy burden to bear when the Canadian Government, albeit, acting out of apparent self-interest, curtailed further exports of heating oils to the United

States. That action was not consistent with the close spirit of cooperation which has traditionally pervaded United States-Canadian relations. Millions of Americans along the border, principally in the major industrial cities of Buffalo and Detroit, were faced with an immediate crisis—grossly insufficient supplies of oil with which to heat homes and to heat and operate plants.

Jobs were at stake.

Economic production was at stake.

Public health, safety, and welfare were at stake.

And, the vitality of Western New York was soon to be put to the test.

Prompt—yet, prudent—action had to be the order of the day, if we were to succeed, first, in obtaining a relaxation of the Canadian Energy Board's directive, and, second, in preserving harmonious United States-Canadian relations essential for future cooperation. Sincere, candid, firm, and decisive appeals were to produce within a few days the relaxation sought in the board's policy. I am satisfied that without these personal initiatives, that relaxation might not have come as quickly as it did—or, perhaps, not at all.

On November 8—after receiving new information from a major distributor of No. 6 oil in western New York, whose supplies were already reaching the critical stage—I appealed to the Secretary of State, Dr. Henry Kissinger; to former Colorado Gov. John A. Love, presently the chief of the White House's Office of Energy Policy and principal adviser to the President on energy matters; and, to the Honorable Donald S. McDonald, Minister of Energy, Mines, and Resources, in Ottawa. A copy of my appeal to Minister McDonald follows:

NOVEMBER 8, 1973.

Hon. DONALD S. MCDONALD,
Minister of Energy, Mines, and Resources, Ottama, Ontario.

DEAR SIR: As a Member of Congress from Western New York State, I respectfully direct your attention to the current emergency situation affecting our area and all of New York State as a result of the curtailment of exports of No. 6 industrial heating oil from Canada.

The President of the R. B. Newman Fuel Corporation in Buffalo, New York, for instance, informed me today that his firm, which supplies 25 percent of the industrial oil to our area, is literally on a day-to-day basis with his customers which include hospitals, school systems, heavy industrial manufacturers, Buffalo Sewer Authority and the Main Post Office.

The Ashland Petroleum Company, I am told, is in a similar, critical position with regard to its ability to supply Canadian exported industrial oil to its customers.

It is my understanding, Sir, that the Canadian Energy Board's curtailment is in conjunction wtih your Government's current assessment of Canadian demands. In that connection, I am deeply aware of the concern you must have, in light of curtailments by the Arab States and other adverse conditions.

However, at a time when we in New York State are confronted with severe community and economic dislocations, it is incumbent upon me to apprise you of our situation with the hope that you can lend whatever assistance is practical and available and in the best interests of our traditional beneficial trade.

Sincerely,

JACK KEMP.

The following day, I went "straight to the top" and appealed to Prime Minister Pierre Trudeau:

DEAR PRIME MINISTER: On behalf of the hospitals, school systems, public authorities, heavy industrial and commercial operations of Western New York, and in the spirit of cooperation which has traditionally characterized matters of mutual Canadian-U.S. concerns, I urgently appeal to you to relay the Energy Board's current directive trimming exports of No. 6 industrial heating fuel to U.S. distributors.

I appreciate the need of the Canadian Government to review, in light of its own domestic consumption demands, its exports to U.S. firms, but the intensity of the immediate crisis in Western New York compels me to ask for a relaxation of the Board's directive even during the period in which future policies are being reviewed. Some major users we have been advised, have less than one full day's supply remaining, with only a minority of heavy users having sufficient supplies for the next two weeks. One major distributor has stopped delivery to major users this day.

In the spirit of cooperation which has pervaded Canadian-American relations, I urge this relaxation.

Very sincerely,

JACK KEMP,
Member of Congress.

While continuing efforts through the Department of State and the administration, I initiated similar efforts through the Congress. On Monday, November 12, I submitted formal testimony to the Subcommittee on Interior and Related Agencies of the prestigious Committee on Appropriations, stressing the ever-increasingly urgent nature of this crisis. And, we kept the people most effected thoroughly informed:

KEMP ASKS FIRM DIPLOMACY TO GET CANADA TO SHIP OIL

WASHINGTON.—Rep. Jack F. Kemp, R-Harrisburg, exhorted the Nixon administration Monday to employ "the strongest sort of diplomatic effort" with Canada to get vitally-needed fuel oil into the Buffalo area to stave off imminent closings of schools, factories and hospitals.

* * * * *

Kemp's comments were made in testimony Monday before the House subcommittee on interior and related agencies. He also appealed to top State Dept. officials to exert pressure on the Canadian Energy Board to permit resumption of shipments of No. 6 industrial heating oil to the Buffalo area from Canada.

Canada, faced with an energy crisis of its own, has curtailed shipments of the oil to the United States, and Kemp warned that a variety of Buffalo-area institutions might be forced to close if the oil isn't forthcoming quickly.

Kemp identified those institutions as schools, hospitals, industries and possibly the main Post Office and the Buffalo Sewer Authority.

"What good does it do to slow down to 50 miles an hour if, when you reach your destination, your place of employment is closed or the school door is locked," Kemp asked.

IMMEDIATE SOLUTION NEEDED

"As I said last week after the President's address on the energy crisis. the proposals are worthy of support and in the right direction. But they are too late and too little if we can't solve this immediate problem.

"We must deal just as hard with our friends in Canada as we do with the Soviet Union where it comes to trade bargaining. We must remind our friends to the north that they are highly dependent on U.S. exports for agricultural and other products, and that their present curtailment of critical oil supplies is jeopardizing nearly 200 years of traditional and mutual beneficial relations," Kemp told the subcommitee.

"The President told us Wednesday that 'to be sure that there is enough oil to go around for the entire winter, all over the country, it will be essential for all of us to live and work in lower temperatures.' "

"I am confident Americans are willing to make sacrifices. But they also expect their government to exercise the strongest possible efforts to alleviate the type of critical situation we have in our community and avoid outright closings, loss of wage-earning opportunities and other critical situations," Kemp said.

On Tuesday, November 13, I submitted testimony to the Subcommittee on Inter-American Affairs of the Committee on Foreign Affairs:

STATEMENT OF THE HONORABLE JACK KEMP

Mr. Chairman and Members of the Subcommittee: As a Member of Congress from Western New York, I am greatly aware of the impact of the Canadian Energy Board's current policy of curtailing exports of No. 2 and No. 6—home and industrial heating fuels, respectively—to the United States during that Board's reassessment of its domestic inventory and demand.

This impact is not potential; it is real:

Some 1700 employees of the Dunlop Tire & Rubber Corporation plant in Tonawanda, N.Y., were notified on Monday, November 12, that production activities may be closed at the end of this week because two suppliers—Ashland Oil, Inc., and R. B. Newman Fuel Corporation—can no longer obtain sufficient exports of No. 6 fuel from Canada.

Other Buffalo area institutions and firms confronted with immediate shortages of No. 6 oil include—

Children's Hospital;
Millard Fillmore Hospital;
Sisters' Hospital;
The school systems of Niagara Falls, Amherst, West Seneca, and Tonawanda;
The Main Post Office;
The Buffalo Sewer Authority;
The plants of General Mills, Goodyear, Calspan, Carborundum, Allied Chemical, Bell Aerospace; and
American Airlines.

Suppliers have been operating on a day-to-day basis during the past two weeks because of the unavailability of Canadian supply, coupled with the small reserves of domestic suppliers now being overextended and not capable of additional allocation.

Relations between the United States and Canada particularly with respect to matters of mutual economic concern, have always been good. One can appreciate and understand the need, from their perspective, for the Canadian Government to order an assessment of its own domestic inventory and needs; this is nothing more than national self-interest. Yet, as a result of this close economic cooperation in the past, we have become, particularly along the border, interdependent as to supply and demand. The Canadian people buy vast amounts of agricultural and other products from the United States; the United States buys large amounts of goods from Canada. It would be an unfortunate consequence of the present fuel shortage—over which neither nation had a great deal of control—to have relations between Canada and the U.S. strained, but we are fast reaching that point.

In furtherance of my responsibilities to the people of Western New York, I have been active in trying to secure an immediate relaxation of the Canadian Energy Board's curtailment of fuel to the United States. I have made personal appeals to former Governor John A. Love, chief of the White House's office of energy policy and principal adviser to the President on energy matters, and to

the Secretary of State, Dr. Henry Kissinger. I realize the Department of State has some other priority problems on its hands—not the least of which is resolving the Middle East crisis itself—but I do not think that the Administration has responded adequately to date in helping to secure a relaxation of the Canadian Government's decision.

Immediately upon learning last Friday from a major distributor that some major users of No. 6 fuel in Western New York had only a few days supply remaining, I dispatched an urgent telegram to Pierre Trudeau, the Canadian Prime Minister.

Yesterday, I called the critical urgency of this shortage to the attention of the Subcommittee on Interior and Related Agencies of the prestigious and powerful Committee on Appropriations.

The long-range solution to the energy crisis lies in a fuller development of domestic crude oil, a development which has been slowed in recent years by the failure to act promptly on the request for construction of the trans-Alaskan pipeline, by a failure to construct offshore facilities for the development of untapped reserves on the continental shelf, and by a failure of government to remove various disincentives to exploration, recovery, and refining. It is because of the unforeseen Middle East war that this crisis, which could in time have been alleviated by gradual increases in supply to have met gradually increases in demand, has been brought to a head. I do not think either the Canadian government or our government can be faulted for not having foreseen a war in the Middle East, but we can both be faulted for not having acted more promptly to develop independent sources.

Mr. Chairman, I request this Committee's immediate assistance with whatever means are readily available, including support for the strongest sort of diplomatic effort, to get the Canadian Government to relax its Energy Board's policy. Such a relaxation should help give us adequate time within which to develop other sources of these important fuels.

In an editorial today in the Buffalo Evening News, that influential paper called upon the Canadian Government to "keep those oil lines open." A copy of that editorial follows:

KEEP THESE OIL LINES OPEN

The peril of imminent shutdown of Buffalo-area schools and plants certainly points up the urgency of Washington's diplomatic exertions to assure a prompt resumption of the crucial heating oil shipments recently embargoed by the Ottawa government.

Canada's export restriction reflects understandable anxieties felt in Ottawa about the energy pinch in eastern provinces heavily dependent upon oil imports from Venezuela and the Arab producers.

The fact remains, however, that for Buffalo, Detroit and other metropolitan areas along the border, the action by our Canadian neighbors dramatizes the risk of intolerable disruptions of vital public services or industries at the mercy of oil-delivery shutdowns beyond their control.

Surely any restriction generated by a Canadian concern for protecting its own energy needs should take proper account of the grossly disruptive impact of a sweeping embargo on vital public institutions on the American side—an impact which we hope the Ottawa energy officials simply did not foresee in this case.

While a prompt decision to lift an unfair restriction would hopefully stave off an immediate fuel crisis this winter, no one can derive much comfort from such a chilling reminder of the dependence of the Western New York economy on oil supplies in Canada that can be shut off at will.

This is not to suggest that the main pipelines through Canada serving this area are in any imminent danger of a shutdown. The economies of the U. S. and Canada are too interdependent and too intertwined for any such follies. Nevertheless, the latest episode, coupled with Canada's self-protective action in jumping the export tax on oil from 40 cents to $1.90, does point up the timely need on both sides of the border to hasten the development of sensible, co-operative policies for dealing with continental energy shortages on a rational basis.

Apart from the international overtones of this latest energy crisis, the further lesson that it vividly illustrates is the absolutely urgent need for federal and local decision-making mechanisms that can insure proper priority in the emergency allocation of heating fuels to schools, hospitals, and similar facilities.

The energy measure now moving through Congress will presumably include the stand-by authority sought by President Nixon for the rationing of oil and gas. The White House energy office appears to be moving reluctantly toward a mandatory allocation plan to relieve critical shortages of heating oil. With the impact of Middle East oil embargoes falling so heavily on New York State and the East Coast, we see no alternative to having ready a mandatory plan to insure a fair distribution to homes and vital public services.

I am, therefore, most pleased to have been able to announce to this body today's relaxation of the board's directive. I trust that the ultimate resolution of the problem will be equally satisfactory.

FOREIGN TENDER OFFERS DOUBLE

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

Mr. DENT. Mr. Speaker, last week, 13 colleagues joined with me in introducing H.R. 11265, the Foreign Investors Limitation Act. This bill would require foreign investment in the United States in a manner consistent with the national security, the conservation of national resources, and the protection of the economy of the United States. One way of determining the extent of foreign interest in the United States is to analyze tender offers made by foreign groups to American corporations. In a recent communication, I asked the Securities and Exchange Commission to provide me with a list of all foreign originated tender offers filed with the SEC. I am submitting the results of that request, as well as explanatory information for the information of my colleagues. It is worthwhile to point out that tender offer bids in fiscal year 1973–74 will undoubtedly double those made in fiscal year 1972–73. It is also necessary to distinguish tender offers from foreign direct investment:

SECURITIES AND EXCHANGE COMMISSION,
Washington, D.C., October 23, 1973.

Hon. JOHN H. DENT,
House of Representatives,
Washington, D.C.

DEAR MR. DENT: This is in response to an October 11, 1973, request made by Ms. Julie Domenick, of your staff, for a list of all foreign originated acquisitions and tender offers filed with the Securities and Exchange Commission since the adoption of the Williams Act, which amended the Securities Exchange Act of 1934, on July 29, 1968.

Attached hereto is a recently compiled list of foreign bidder tender offers filed with the Commission since July 1, 1972. The list was originally prepared because of the growing interest in tender offers by foreign entities and will be maintained so long as there is a continuing interest therein.

Although Ms. Domenick requested that the compilation include all foreign originated tender offers and acquisitions filed with the Commission since 1968, such a list would involve a very considerable amount of staff time to prepare. Our experience in preparing the attached list, which started with the 1972–1973 fiscal year, showed that it was necessary to thoroughly examine each of the 75 tender offers filed with the Commission during the 1972–73 fiscal year because some of the tender offers were made by foreign bidders through wholly-owned or controlled subsidiaries in the United States. This review required many man-hours, many of which were spent on the staff member's own time. In light of the time spent reviewing those 75 tender offers, it is obvious how difficult, costly and time-consuming it would be to review the 3,012 acquisition statements and the 272 tender offers filed since July 1968.

As you know, on December 22, 1970, the Williams Act was amended, extending the coverage to encompass acquisitions of and tender offers for equity securities of insurance companies and extending the disclosure provisions to acquisitions and tender offers for amounts in excess of 5%, instead of 10%, of a class of equity security. Thus, a review of all the filings since July, 1968 will not reflect a standard minimum percentage of ownership and will not include the same types of target companies.

Since the Williams Act filing requirements are triggered by a percentage of ownership of a class of equity security which is registered pursuant to Section 12 of the Exchange Act, or any equity security of an insurance company which would have been required to be so registered except for the exemption contained in Section 12(g) (2) (G) of the Exchange Act or any equity security issued by a closed-end investment company registered under the Investment Company Act of 1940, a review of the Williams Act filings will omit all tender offers or acquisitions involving securities of companies which do not fall within these categories. Similarly, such a review will not cover those acquisitions and tender offers which are exempt from filing under the Williams Act. Accordingly, the preparation of a complete list of foreign ownership and control would require, in addition to the review of the Williams Act filings, an examination of the several hundred thousand Forms 3 and 4 filed pursuant to Section 16(a) of the Exchange Act and Rule 16a–1(a) promulgated thereunder. Form 3 (the initial report) and Form 4 (the current report) are required to be filed by every person who owns more than 10% of a class of equity security registered pursuant to Section 12 or who is a director or an officer of an issuer of such security. It should be noted that none of the filings whether pursuant to tender offers, acquisitions, or Forms 3 and 4 are filed according to the nationality of the person filing the statement.

With the present heavy workload and limited staff, we would have great difficulty in complying with your request. However, if you should desire information in addition to that enclosed, please feel free to contact me again.

Sincerely yours,

GEORGE A. FITZSIMMONS,
Secretary.

FOREIGN BIDDERS

Number and target	Bidder	Foreign country	Tender offer or acquisition	Date filed
1973-74 FISCAL YEAR				
2. The Conrex Corp	Chloride Group Ltd	England	Tender offer	July 10, 1973
3. Texasgulf Inc	Canada Development Corp	Canada	do	July 24, 1973
4. Dearborn Storm Corp	Trafalgar House Investments Ltd	England	do	Aug. 7, 1973
7. The Signal Companies, Inc	John L. Loeb Group	United States, Italy, Canada, France, England.	do	Aug. 8, 1973
5. Sonesta International Hotels Inc	Morris Saady	England	Acquisition	Aug. 10, 1973
6. Sea Containers Inc	Bankers Trust International	do	do	Aug. 13, 1973
1. Travelodge International Inc	Trust House Forte Ltd	do	Tender offer	Aug. 17, 1973
8. GRI Computer Corp	Eastern International Investment Trust Ltd	do	Acquisition	Aug. 20, 1973
9. Lewis Refrigeration Corp	Toromont Industrial Holdings Ltd	Canada	Tender offer	Sept. 5, 1973
10. Whitney Fidalgo Seafoods, Inc	Kyokuyo Co. Ltd	Japan	do	Sept. 10, 1973
11. Western Decalta Petroleum Ltd	Anglo American Corp. of Canada Ltd	Canada	Acquisition	Sept. 12, 1973
12. United Brands Company	Rederi Ab Salenia	Sweden	do	Sept. 24, 1973
13. I-T-E Imperial Corporation	IFI International S.A. (whose largest stockholder—Italian).	Luxembourg	do	Sept. 26, 1973
14. Indian Head Inc	Thyssen-Bornemisza Group, N.V	Netherlands	Tender offer	Do.
15. Allied Aero Industries, Inc	Audi S/A	Brazil	Acquisition	Oct. 9, 1973
1972-73 FISCAL YEAR				
1. Akzona, Inc	Akzo N.V	Netherlands	Tender offer	July 20, 1972
2. Kings Lafayette Corp	Edmond J. Safra	Switzerland	do	Aug. 8, 1972
3. General Host Corp	Triumph American Inc	England (sub)	do	Mar. 15, 1973
4. Mercantile Industries Inc	Kay Corp	do	do	Apr. 24, 1973
5. Certain-teed Products Corp	Compaigne de Saint-Gobain-Pont-a-Mousson	France	do	May 3, 1973
6. Franklin Stores Corp	Slater Walker of America, Ltd	England (sub)	do	May 11, 1973
7. Ronson Corp	Liquigas S.P.A. and Lifquifin	Italy and Liechtenstein	do	May 31, 1973
8. Gimbel Brothers, Inc	Brown and Williamson Tobacco Corp	England (sub)	do	June 11, 1973

CPA AT AEC

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

Mr. FUQUA. Mr. Speaker, I wish to continue sharing with the Members material I have been receiving concerning the effect of the proposed Consumer Protection Agency on various Federal agencies mentioned in our hearings as major targets for CPA advocacy.

There are three CPA bills now pending in a Government Operations Subcommittee on which I serve—H.R. 14 by Congressman ROSENTHAL, H.R. 21 by Congressmen HOLIFIELD, HORTON and others, and H.R. 564 by Congressman BROWN of Ohio and myself.

The principal difference among the bills is that H.R. 14 and H.R. 21 would grant the CPA the right to challenge in court the final actions of other agencies, including their decisions not to act on given matters. The Fuqua-Brown bill would not grant the CPA court appeal power, an extraordinary power for a nonregulatory agency.

As we prepare for a potentially difficult winter due to the energy crisis, the question of CPA's role in the various agencies associated with power supply becomes a critical one. I have already introduced into the RECORD material from the Tennessee Valley Authority and the Federal Power Commission. Another important agency in the power community is the Atomic Energy Commission. I shall introduce material on the AEC today.

The AEC, of late, has been beseiged by environmentalists and consumerists, including Ralph Nader who has expressed deep concern over the safety of nuclear reactors. In our hearings this year on the CPA bills, the American Bar Association used the AEC to illustrate how the CPA would appeal final agency actions under the two bills which would allow such CPA action.

In regard to the question of CPA appeals, I should note that the General Counsel of the AEC reports the following with respect to areas technically subject to CPA appeal under all the bills except the Fuqua-Brown bill:

As you know, in addition to Regulatory authority, the AEC has the responsibility for opertaing a number of Government installations and national laboratories. These operations, under the direction of the General Manager, involved in 1972 over two billion dollars. Substantially, all actions taken by him could be tested in the courts.

In addition, every issuance, modification, denial, etc. of a licensing or enforcement decision, and every adoption of a regulation by the Director of Regulation is also subject to court review (Representative types can be found in the answer to questions 1, 3 and 4).

There are literally millions of actual annual final agency actions subject to CPA court appeal under the bills, and perhaps billions of such actions if we consider that inaction is final action under the CPA bills which would grant the CPA the power to take its sister agencies to court. No one can say whether the CPA will decide to challenge any of these actions, because the bills which would allow CPA appeals leave this up to the CPA's discretion.

I personally think granting the nonregulatory CPA the right to challenge in court the final decisions of regulatory agencies in an abdication of Congressional responsibilities. If we lodge the duty of making a final decision for the Government in one agency, we should not create another agency with a countervailing right to remove that duty and place it on the overburdened courts. The Fuqua-Brown bill, therefore, would grant the CPA the right to seek a rehearing at the administrative agency level, but not at the court level.

For the important reason of preventing confusion when a CPA bill comes to the floor this Congress—and, we experienced considerable confusion when such a bill came to the floor last Congress—I now continue to share with the Members material submitted to me by key federal agencies.

This material divides the AEC's 1972 activities into the various areas in which the CPA would act as an advocate under the bills now pending. I place it in the RECORD with the hope that it will be reviewed by all Members who are interested in creating a responsible CPA:

U.S. ATOMIC ENERGY COMMISSION,
Washington, D.C., November 9, 1973.

Hon. DON FUQUA,
House of Representatives.

DEAR MR. FUQUA: Your letter of September 7, 1973 to Chairman Ray has been referred to me for reply. The information you have requested follows:

Question 1. Regulations (or proposals) issued in accordance with 5 USC 553 during 1972 included:

1. Unclassified Activities in Foreign Atomic Energy Programs (37 F.R. 92, 14872 and 23953; 01/05/72, 07/26/72 and 09/05/72; 10 CFR Part 110).

2. Licensing of Production and Utilization Facilities—Effluents from Light Water Cooled Nuclear Power Reactors; Supplemental Notice of Hearing (37 F.R. 287; 01/08/72; 10 CFR Part 50).

3. Facilities and Materials Licenses—Proposed Fee Schedules (37 F.R. 1121; 01/25/72; 10 CFR Part 170).

4. Licensing of Production and Utilization Facilities—Information Requested by Attorney-General for Antitrust Review of Facility License Applications (37 F.R. 7810; 04/20/72; 10 CFR Part 50).

5. Financial Protection Requirements and Indemnity Agreements—Indemnity Locations (37 F.R. 9227; 05/06/72; 10 CFR Part 140).

6. Rules of Practice; Licensing of Production and Utilization Facilities—Restructing of Facility License Application Review and Hearing Processes and Consideration of Environmental Statements. (37 F.R. 9331; 05/09/72; 10 CFR Parts 2, 50).

7. Operators' Licenses—Requirements for Renewal (37 F.R. 11785; 06/14/72; 10 CFR Part 55).

8. Requests for Declassification Review (37 F.R. 15624; 08/03/72; 10 CFR Part 9).

9. Fees for Licenses Issued to Government Agencies for Nuclear Power Plants—Removal of Exemption (37 F.R. 20871; 10/04/72; 10 CFR Part 170).

10. Standards for Protection Against Radiation—Posting of Enforcement Correspondence at Licensee's Facilities (37 F.R. 21652; 10/13/72; 10 CFR Part 20).

11. Environmental Effects of the Uranium Fuel Cycle—Notice of Proposed Rulemaking (37 F.R. 24191; 11/15/72; 10 CFR Part 50).

12. Grand Junction Remedial Action—Proposed Criteria (37 F.R. 22391; 10/19/72; 10 CFR Part 12).

13. Permits for Access to Restricted Data—Data Concerning the Separation of Uranium Isotopes (37 F.R. 26344; 12/09/72; 10 CFR Part 25).

Question 2. None.

Question 3. Administrative adjudications proposed or initiated in 1972 included the following licensing actions:

Materials Licenses—none.

Facility Licenses.

1. Construction Permit Applications:

Plant—Notice of Hearing

Zimmer 1, Mar. 7, 1972.
Arkansas 2, Apr. 13, 1972.
Hatch 2, July 18, 1972.
San Onofre 2 and 3, Aug. 10, 1972.
Waterford 3, Aug. 16, 1972.
Forked River, Aug. 16, 1972.
Nine Mile Point 2, Sept. 23, 1972.
Susquehanna 1 and 2, Sept. 23, 1972.
Summer 1, Sept. 27, 1972.
Watts Bar 1 and 2, Sept. 27, 1972.
Hanford 2, Sept. 28, 1972.
Harris 1, 2, 3 and 4, Sept. 29, 1972.
North Anna 3 and 4, Oct. 4, 1972.
LaSalle 1 and 2, Oct. 6, 1972.
Beaver Valley 2, Nov. 28, 1972.
Catawba 1 and 2, Dec. 1, 1972.
Grand Gulf 1 and 2, Dec. 12, 1972.

2. Mandatory Hearings for Reactors Under Construction in accordance with Appendix D, 10 CFR 50.

Plant—Notice of Hearing

North Anna 1 and 2, February 22, 1972.
Diablo Canyon 2, December 27, 1972.
Trojan, December 29, 1972.

3. Operating License Applications.

Plant—Notice of Consideration of Issuance of Operating License

Calvert Cliffs 1 and 2, March 25, 1972.
Surry 2, March 28, 1972.
Ft. St. Vrain, May 4, 1972.
Ft. Calhoun, May 12, 1972.
Kewaunee, June 22, 1972.
Cook 1 and 2, June 29, 1972.
Zion 1 and 2, June 30, 1972.
Three Mile Island, July 7, 1972.
Oconee 2 and 3, August 10, 1972.
Midwest Fuel, August 11, 1972.
Browns Ferry 1, 2 and 3, September 20, 1972.
Arnold, September 30, 1972.
Fitzpatrick, October 3, 1972.
Peach Bottom 2 and 3, October 3, 1972.
Millstone 2, October 11, 1972.
Prairie Island 1 and 2, October 11, 1972.
Arkansas 1, October 12, 1972.
Cooper, October 13, 1972.
Crystal River 3, October 14, 1972.
Rancho Seco, October 18, 1972.
Hatch 1, October 19, 1972.
Salem 1 and 2, October 20, 1972.
Indian Point 3, October 25, 1972.
Brunswick 1 and 2, November 3, 1972.
Beaver Valley 1, November 10, 1972.

4. Opportunity for Hearing for Reactors with Operating Licenses in accordance with Appendix D, 10 CFR 50.

Plant—Notice of Opportunity for Hearing

Point Beach 1, July 7, 1972.
Monticello, August 25, 1972.
Millstone 1, November 28, 1972.
Oyster Creek 1, November 28, 1972.
San Onofre 1, December 1, 1972.
Nine Mile Point 1, December 5, 1972.
Ginna, December 8, 1972.

Question 4. During 1972 there were no hearings held which resulted in the imposition of civil penalties. There were, however, four occasions when monetary civil penalties were imposed in which payment was remitted without a request for a hearing. The firms so affected were: Pittsburgh Testing Laboratory; New England Nuclear Corporation; Interstate Industrial Laundry and Decontamination Services and Universal Testing Corporation.

Question 5. None.

Question 6. Representative public and nonpublic activities proposed or initiated by the AEC during 1972 included:

1. Proceedings concerning the health and safety, environmental and antitrust aspects of construction permits and operating licenses for nuclear reactors including power plants, test facilities and research reactors, as well as fuel cycle facilities.

2. Proceedings relating to the issuance of licenses for possession and use of special nuclear material, source material and by-product material, including licenses for the disposal of radioactive waste material and radioactive waste burial, some licenses to manufacture products containing radioactive material, and some licenses for shipment of radioactive material.

3. Contractor selection actions.

4. Contract awards.

5. Assignments of a given portion of research and development to a particular organization.

6. Establishment of AEC prices for special nuclear material, toll enrichments, etc.

7. Inspection of licensed facilities.

8. Contract negotiations and positions to be taken concerning negotiations.

9. Telephone conversations between AEC staff and outsiders concerning any subject under Commission consideration.

Question 7. As you know, in addition to Regulatory authority, the AEC has the responsibility for operating a number of Government installations and national laboratories. These operations, under the direction of the General Manager, involved in 1972 over two billion dollars. Substantially, all actions taken by him could be tested in the courts.

In addition, every issuance, modification, denial, etc. of a licensing or enforcement decision, and every adoption of a regulation by the Director of Regulation is also subject to court review (Representative types can be found in the answer to questions 1, 3 and 4).

If we can be of further assistance, please let us know.

Sincerely,

MARCUS A. ROWDEN,
General Counsel.

FIFTY-FIFTH ANNIVERSARY OF LATVIAN INDEPENDENCE

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

Mr. ANNUNZIO. Mr. Speaker, on November 18 the United Latvian Associations of Chicago will commemorate the 55th anniversary of Latvian independence at the River Forest High School, 201 North Scoville Avenue in Oak Park, Ill.

An organization active in making the facts about Latvia and the Latvian nation available to people in the free world who are interested in the Baltic problem, and dedicated to the preservation of Latvian cultural awareness, the United Latvian Associations of Chicago is headed by capable leaders: Rolands Kirsteins, president; Alberts Raidonis, vice president; and Rudolfs Arums, secretary.

Although Latvia has been occupied by foreign powers throughout most of its history, the people of this nation have maintained their language and cultural identity. In November of 1918 they had their chance for freedom and proclaimed their independence.

The new state, with a population of slightly over 1 million was in a precarious position from the beginning as it was surrounded by more powerful neighbors. However, Latvia survived and the interwar years marked a renaissance of Latvian politics and culture. For 22 years the Latvian Government functioned on the basis of a true proportional representation. Numerous political parties, of all opinions, existed and actively contested free and open elections. Latvia was a model democracy. Because the basis of a healthy democracy is an enlightened electorate, Latvians spent over 15 percent of their national budget on education. Free public schools were open to all and by 1940 the literacy rate was over 90 percent.

The vitality of the Latvian people was also indicated in their economic accomplishments. Latvia was one of the first European countries to reform its currency and financial system. The land reform law of 1920 distributed land of the old feudal estates on a democratic basis.

All segments of Latvian society participated in its economic life. By 1937 there were 5,717 industrial enterprises in Latvia and some 70,000 farmers were enrolled in 2,300 educational societies. Latvian trade was almost completely with the West, being carried on Latvian ships.

On February 5, 1932, Latvia and the Soviet Union signed a treaty of nonaggression which absolutely forbade Russian intervention in Latvian affairs. But, soon afterward, in violation of their written promise, the Communists began to undertake the active subversion of free Latvia.

In August of 1939 Latvia's fate was sealed by the infamous Nazi-Soviet Pact. It was indeed a dark day when Joseph Stalin, in open violation of international law and the nonintervention treaty, unleased the Red army to invade Latvia in accordance with the terms of the Nazi-Soviet Pact.

When Hitler invaded the Soviet Union in 1941, there was a change in the status of the people of Latvia, but only in that their destiny was transferred from the hands of one totalitarian regime into the hands of another. For 2 years Latvians were subject to Nazi control, but as Hitler's army retreated, the Red army and its legions of political agents returned to subjugate Latvia anew. After the war, the Russians consolidated their hold on Latvia by incorporating it into the Soviet Union.

At the end of World War II, approximately 100,000 persons emigrated from Latvia and later were dispersed throughout the free world.

Today, statistics show that, through three generations, many hundreds of this number are true scholars of higher learning in the humanities, as well as in the technical sciences. The numerical majority are of the younger generation, who attained their success in emigration, and this shows the strength of vital creativity in these people even during difficult times.

The Latvian people and their great endeavors fit into the pattern of the "mosaic of America." They have brought their hopes of freedom to this great country in addition to their ethnic heritage and culture, arts, science, history, and knowledge, and have contributed much to this great country of America.

The liberty that we enjoy in America, however, has been denied those who remain in Latvia. On this 55th anniversary of Latvian Independence Day, I am honored to join Latvian-Americans in the 11th Congressional District, which I am proud to represent, in the city of Chicago, and all over this Nation in their fervent hope that the people of Latvia will soon achieve their freedom once again. Let the people of Latvia know full well of our uncompromising support for their unquenchable thirst for liberty.

Mr. Speaker, at this point in the RECORD I would like to include a statement unanimously adopted by the Association of the Latvian Societies in the United States at their meeting in Grand Rapids, Mich., on October 20 and 21, with reference to the 55th anniversary of the proclamation of Latvian independence. The statement follows:

STATEMENT

The Association of the Latvian Societies in the United States, at their meeting on October 20 and 21, 1973 in Grand Rapids, Michigan, unanimously adopted the following statement:

1. On the Eve of Latvia's 55th Anniversary of the proclamation of Independence, we thank again the United States government for not recognizing the forcible incorporation of Latvia and other Baltic States into the Soviet Union.

2. We implore the government to aid the cause of freedom and self-determination in the Baltic States. The freedom of speech and intellectual creativity is being stifled since the occupation of 1940. We express our hopes that the government of the United States will actively proclaim the need to restore the lost freedoms in Latvia, Estonia and Lithuania in the European Security Council and other world forums.

3. The proposed new economic regions in the USSR essentially announce intensification of the campaign to russify the non-Russian people in the Soviet Union. We urge the United States government to interfere with this plan in Latvia and other Baltic states.

4. With deep concern we are following the policy of the United States government regarding the detente with the Soviet Union. The United States and the Soviet Union has signed 52 agreements of which the Soviet Union so far has kept only 2.

5. We have not been in favor of and we are not supporting the economic help to the Soviet Union at the taxpayers expense until freedom and humanity is restored in Latvia, Estonia, Lithuania and other Captive Nations. We have reasons to believe that the Soviet Union's imperialistic policy has not been changed and will not be changed, and the economic assistance will only help the Russians to reach their goal—world domination.

6. Since the year of 1973 has been proclaimed as Europe's year, we urge the United States government to use its influence to end the occupation of the Baltic States by the Soviet Union.

This statement is to be forwarded to the President of the United States, Secretary of State, United States Senators and Members of the House of Representatives.

TEAPOT DOME AGAIN REVISITED

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

Mr. MOSS. Mr. Speaker, a few weeks ago, in a floor statement, I revealed the contents of a letter I had sent the President and appropriate Cabinet members over a situation pertaining to two naval petroleum reserves, Elk Hills, Calif., and Teapot Dome, Wyo.

In that letter and accompanying statement, I made public the fruits of certain researchers I have been conducting into how private interests, with knowledge of several government agencies, have been extracting oil for a number of years under the most questionable circumstances from the environs of these reserves, set aside for national defense. Naturally, there has been significant reaction. It is my purpose today to deal with comments emanating from the State of Wyoming, where Teapot Dome is located.

In the case of that reserve, we find a longstanding Federal regulation against drilling by private interests on Federal land within a 1-mile buffer zone any reserve boundary has been violated as a result of actions taken by the Bureau of Land Management. At Teapot, BLM allowed an oil company to drill within 50 feet of the actual reserve boundaries, despite Navy protests. This has been going on for years, and is corroborated by documents in my possession, starting with a GAO report, a document provided by the Navy's Office of Petroleum Reserves and GAO testimony before the House Armed Services Committee. Any Member of Congress, private citizen and member of the media may inspect these papers to verify their existence and contents.

Regrettably, some few critics refuse to accept such facts as truth. I have been in receipt of a letter from the Governor of Wyoming, the Honorable Stanley K. Hathaway, admonishing me to "validate your allegations before releasing them to the press." He enclosed a letter sent him by a Mr. Donald B. Basko, Wyoming's State oil and gas supervisor, purporting to disprove both my revelations and accompanying evidence.

Taking the Governor at his word, I have indeed "validated my allegations," and have sent them to him in the form of a letter, citing chapter and verse from government documents I earlier referred to. Knowing they will be of intense interest to the Governor, Mr. Basko, the American public, the media and of course the people of Wyoming, I now take the step of making them known to the widest possible audience as a means of protecting the public interest against further damage to the Reserve, and to accelerate the move towards a full, formal investigation of what has been going on.

Therefore, I take the liberty of including Governor Hathaway's letter, Mr. Basko's communication and my response, which, by courtesy, has already reached the Governor. With unanimous consent, I include them here in my remarks at this point, in the humble hope that enlightenment is but the prelude to reform.

WYOMING EXECUTIVE DEPARTMENT,
Cheyenne, Wyo., October 31, 1973.

Hon. JOHN E. MOSS,
Members of Congress, House Office Building, Washington, D.C.

DEAR CONGRESSMAN MOSS: Your recent allegations that Naval Petroleum Reserves are being depleted by the major oil companies in Wyoming does not appear to be borne out in fact.

The enclosed letter from the Supervisor of the Wyoming Oil and Gas Conservation Commission provides information with respect to the Teapot Naval Petroleum Reserve in the State of Wyoming. Perhaps it would be well for you to validate your allegations before releasing them to the press.

Very truly yours,

STAN HATHAWAY.

THE STATE OF WYOMING,
Casper, Wyo., October 26, 1973.

Hon. STANLEY K. HATHAWAY,
Governor of Wyoming, State Capitol Building, Cheyenne, Wyo.

DEAR GOVERNOR HATHAWAY: On Thursday, October 25, 1973, the Casper radio stations carried a report that Representative John E. Moss from California had written to President Nixon alleging that major oil companies were depleting Naval Petroleum Reserves in California and Wyoming by locating and producing wells adjacent to the Reserve boundaries. It is my understanding that this story also appeared in the Laramie newspaper on Friday, October 26, 1973.

Representative Moss claimed in his statement that this was resulting in "windfall" profits to major oil companies and that the situation paralleled the Teapot Dome scandal in magnitude, and that something should be done to remedy the situation immediately.

The facts of the matter are that the Teapot Naval Petroleum Reserve No. 3 is adjoined on the East by producing wells operated by Union Oil Company of California and Teapot Oil & Refining Company, a very small independent. The Reserve is bordered on the Northwest by Terra Resources, Inc., the operator of the South Salt Creek Unit. Almost the entire West flank and North and South boundaries have no wells that are producing outside of the Petroleum Reserve. Wells which are operated by Terra Resources, Inc. on the Northwest flank are alternated with water injection wells, which effectively prevent the migration of oil across the boundary line.

The following is a statistical review of the volumes of fluid which have been produced during August of 1973:

Union Oil Company of California:
No. of producing wells: 11.
No. of shut-in wells: 66.
Oil: 1,722 bbls.
Water: 23,954 bbls.
Gas: None.
Teapot Oil & Refining Company:
No. of producing wells: 40.
No. of wells shut-in: 21.
Oil: 2,435 bbls.
Water: 2,123 bbls.
Gas: None.
Terra Resources, Inc.:
No. of producing wells: 7.
No. of wells shut-in: 6.
No. of active injection wells: 8.
Oil: 3,840 bbls.
Water: 2,637 bbls.
Gas: None.
U.S. Navy:
No. of producing wells: 75.
No. of wells shut-in: 60.
Oil: 12,930 bbls.
Water: 207,104 bbls.
Gas: 8,029 MCF.

This situation has prevailed for a considerable length of time, and it is my opinion that the substantial imbalance of total fluid withdrawals from within the Reserve over that from offsetting properties precludes any possibility of drainage from the Reserve to offsetting property. Conversely, if drainage is occurring, it is more likely to be toward the Reserve and to the benefit of the U.S. Navy.

This information is furnished for your consideration and disposition as you see fit.

Very truly yours,

DONALD B. BASKO,
State Oil and Gas Supervisor.

CONGRESS OF THE UNITED STATES,
Washington, D.C. November 12, 1973.

Hon. STAN HATHAWAY,
Governor, State of Wyoming, Cheyenne, Wyo.

DEAR GOVERNOR: I am in receipt of your letter of October 31, accompanied by an enclosure purporting to contradict evidence I have made available to the President regarding the Teapot Dome Naval Petroleum Reserve. Perhaps the following information and citations will illuminate the situation for you regarding how certain private interests have been allowed to drain oil from and damage the Teapot Dome Reserve.

To substantiate your disagreement with my public position, you included a letter sent you by Mr. Basko, Wyoming's State Oil & Gas Supervisor, purporting to develop factual material. If anything, that communication further reinforces my position that private oil interests have been allowed by government agencies to violate Federal regulations, and have drilled wells against Navy protests, damaging Teapot Dome and forcing the Navy to drill offset wells within the Reserve to prevent further drainage.

As Basko's letter points out, drilling around boundaries of Teapot has been going on since 1958. The U.S. Geological Survey bears the onus of having allowed an exception to a Federal regulation forbidding drilling of wells by private operators within 200 feet of a Naval Petroleum Reserve. Title 30, Part 221.20, Code of Federal Regulations.

This situation was conclusively revealed by a report to the Congress from the Comptroller General of the United States and his General Accounting Office. That report, dated October 5, 1972, No. B–66927, is entitled: "Capability of the Naval Petroleum & Oil Shale Reserves to Meet Emergency Oil Needs." I refer you specifically to pages 26 and 27.

Private drilling in the Shannon Sand, on the eastern boundary of Teapot, created a drainage problem for the Navy in 1968. As a result, Navy has drilled some 104 offset wells within the Teapot Dome Reserve in a period of three years.

The next drainage problem occurred northwest of the reserve in the Second Wall Creek Sand in October of 1965, causing the Navy to drill 18 offset wells between that time and 1967. The Shannon case involved MKM Co. The Second Wall Creek Sand case involved a subsidiary of American Metal Climax; a company named Amax, later bought out by Consumers Refining Association, which was in turn purchased by Terra Resources. Amax received an exception from the Geological Survey, allowing it to violate the Federal regulation over Navy protests, and to drill within 200 feet of the Teapot boundary. This occurred in 1965.

In the Shannon Sand case, from December 9, 1958, to January 1, 1973, 2 and ½ million barrels of oil have been taken out by the Navy through offset wells and disposed of through Western Crude Refining Co.; oil the Navy would rather not produce, preferring instead to keep it in the ground for national defense purposes. In the case of the Second Wall Creek Sand, the Navy has had to produce 1.1 million barrels from September of 1965 to January 1, 1973. This makes a total of 3.6 million barrels of oil reserved for national defense produced and sold because of the Survey's actions. It is known that private operators have produced 1.8 million barrels of oil up to January, 1973, from the area known as B–1, Salt Creek South Unit, Second Wall Creek Sand. This comes to a grand total of 5.4 million barrels of oil taken out, to the best of my knowledge, by both private operators and the Navy, from Teapot and its environs, all in violation of Federal regulations.

Activities by private operators have caused water from the process used to invade the Teapot Reserve, damaging its wells and eroding their produceability. To get oil out, the Navy must drill more wells and extract water. All such damaging activities were going on with full knowledge and permission of the Bureau of Land Management of the Interior Department.

To further enlighten you and Mr. Basko let me quote from a second document verifying this situation. Entitled: "History of Naval Petroleum & Oil Shale Reserves," and dated October 1 1973, it was prepared by the Office of Naval Petroleum & Oil Shale Reserves of the Department of the Navy. Quoting from pages 11 and 12:

"Operators on the eastern boundary of the reserve obtained commercial oil production from the shallow Shannon Sand by use of the then new oil production technique called 'sand fracturing'. This again opened the question of drainage. Operations of these adjacent operators were placed under surveillance and data were assembled to permit an engineering study. Both Geological Survey and Navy's engineering consultants concluded that drainage from the Reserve was probably occurring."

"All information obtained indicated production (inside the reserve) was necessary to prevent drainage of oil from the Reserve." "To date some 104 Shannon wells have been drilled to protect 4 and ½ miles of common boundary."

"Private operators on the northwest border of the reserves initiated a secondary recovery project in October, 1965 by injecting water into portions of the Second Wall Creek formation. Offset production by Navy became necessary after efforts to persuade the private operators to change their flood pattern failed. With the concurrence of another government agency the private operators drilled water injection wells 50 feet from the reserve boundary which compelled the Navy to commence a costly offset drilling and producing program in order to protect the Reserve from most of the damaging effects of the invading waters."

Returning to Mr. Basko's letter, we can note that he has apparently overlooked the illegality of activities at taxpayer and national defense expense, while acknowledging they have been going on. If he has documentation refuting what the Navy and U.S. General Accounting Office have published, by all means let him enlighten me. I hope this communication has helped clear up questions you have had about this situation. I know you share my concern over what has occurred and will join in seeking a full investigation.

Sincerely,

JOHN E. MOSS,
Member of Congress.

TRIBUTE TO THE PROGRESSIVE

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

Mr. STARK. Mr. Speaker, the editors of the magazine The Progressive have written an editorial statement followed by a draft bill of impeachment in the December issue that I commend to the attention of my colleagues. I am today introducing these articles of impeachment. The high crimes and misdemeanors presented form the most concise yet comprehensive statement I have seen on the need to begin impeachment proceedings:

A CALL TO ACTION

(By the Editors of The Progressive)

Crisis. The word has been overworked by all of us, and particularly by those engaged in reporting, analyzing, and interpreting the news. We have been recording monthly, weekly, daily crises for longer than we care to remember—foreign and domestic crises, military and political crises, economic, moral, and cultural crises. A headlined crisis no longer generates alarm, or even profound concern. Ho hum, another crisis. . . .

But the crisis that grips America today is of another, higher magnitude—one that deserves, perhaps, a new term that has not been eroded by abuse. It swirls, of course, around the person of the President of the United States, but it impinges on every facet of the national life and character. We are confronted, suddenly and dramatically, with fundamental questions about our national community—questions that demand swift and decisive answers.

Are we prepared, after almost 200 years, to abandon our experiment—intermittently successful but always hopeful—in enlightened self-government? Will we permit our highest and most powerful office—an office whose occupant can literally decide the future and even the survival of the nation and the world—to remain in the hands of a man who has, in the words of the American Civil Liberties Union, "made one thing perfectly clear: He will function above the law whenever he can get away with it"? Will we refrain, because of our timidity or sheer inertia, from availing ourselves of the remedies provided by the Constitution of the United States for precisely such an emergency?

Three years remain in Richard M. Nixon's second Presidential term—time enough for him to compound and render irreversible the catastrophic damage he has already done. It is understandable that the President may feel that if he can survive in office for those three years, he will have achieved a measure of vindication. But his vindication will be our indictment and conviction. If we, the American people, knowing what we now know about this President and his Administration, permit him to serve out his term, we will stand condemned in history for the grave offense of murdering the American dream.

These pages go to press amidst a chorus of demands for Mr. Nixon's resignation. The demands emanate not only from Mr. Nixon's long-standing critics—his "enemies," as he would doubtless style them—but from many who were, until recently, among his most enthusiastic supporters. The editors of Time, in the first editorial of the magazine's fifty-year history—at least the first so labeled—called on him to "give up the Presidency rather than do further damage to the country." The same suggestion has been advanced by newspapers which, only a little more than a year ago, were unreservedly advocating his re-election and which, only months ago, were minimizing the gravity of the Watergate disclosures; by Republican politicians who fear, not without justification, that the President is now an intolerable burden to their party; by businessmen who no longer can vest their confidence in Mr. Nixon as the chosen instrument of corporate prosperity.

Mr. Nixon would derive some obvious benefits if he were to heed this advice and relinquish his office. Unlike his recently departed Vice President, Spiro T. Agnew, he would not have to couple his resignation with a guilty plea to any crime. Like Mr. Agnew, he could continue to proclaim his innocence—and to denounce his "enemies"—in

perpetuity. He has always relished the role of victim, and he could carry it to oblivion.

At the same time, the Congress would be spared from exercising a responsibility which it clearly does not welcome—the responsibility of impeaching the President of the United States. And the American people, the people who only a year ago gave the President an unprecedented mandate and whose disenchantment has now reached unprecedented depths, could breathe a deep sigh and go about the business of restoring a measure of order and hope to their national affairs.

But the decision to resign is, ultimately, the President's alone to make, and the word from the White House at this writing is that he will not be moved (or removed). He has "no intention whatever of walking away from the job I was elected to do," he told the nation on November 7.

It is our judgment, and we believe it is the American people's judgment, that the job he has done is enough.

Until and unless the President changes his mind about resigning, the decision to resolve the crisis that grips the nation will be ours to make—for only by exerting immense and unremitting pressure can we convince the Congress that it must discharge its constitutional responsibility. Public opinion has already persuaded some legislators to abandon their customary vacillating stance. Public opinion, forcefully applied, can move the requisite number of Representatives to embark on the process of impeachment.

The first order of business confronting Congress is to fill the vacancy in the Vice Presidency. Mr. Nixon's designee, Representative Gerald R. Ford of Michigan, would hardly be our first (or thousandth) choice; he is, in our view, unsuited intellectually and politically to hold the nation's highest office. But given the choice—and it is the choice we are given—between mediocrity (Mr. Ford) and moral disgrace (Mr. Nixon), we have no difficulty choosing the former. America has muddled through with mediocre leadership before, but it cannot go on much longer with leadership that is morally bankrupt.

Once a Vice President has been installed, the "engine of impeachment"—James Madison's term—can be set in motion. It is an engine that the leaders of the House and Senate clearly would prefer not to start, but it can be ignited by any member of the House of Representatives who chooses to take the floor and declare: "Mr. Speaker, I rise to a question of constitutional privilege. . . . I impeach Richard M. Nixon, President of the United States, for high crimes and misdemeanors."

RESOLUTION

Whereas there is substantial evidence of President Richard M. Nixon's violation of his oath of office, the Constitution and laws of the United States, and his unlawful usurpation of power: Now, therefore be it

Resolved, That President Richard M. Nixon be impeached for high crimes and misdemeanors under article II, section 4, of the Constitution of the United States; and be it further

Resolved, That the articles agreed to by this House, as contained in this resolution, be exhibited in the name of the House and of all the people of the United States, against Richard M. Nixon, President of the United States, in maintenance of the impeachment against him of high crimes and misdemeanors in office, and be carried to the Senate by the managers appointed to conduct the said impeachment on the part of the House.

Articles exhibited by the House of Representatives of the United States, in the name of themselves and all the people of the United States, against Richard M. Nixon, President of the United States, charging him with high crimes and misdemeanors in office.

ARTICLE I

That Richard M. Nixon, President of the United States, through his personal acts and those of his appointees and aides, has fostered, tolerated, and attempted to conceal the worst political scandals in this nation's history, thereby paralyzing the Government, inviting the contempt of the American people, and casting discredit on our country and its leadership throughout the world.

ARTICLE II

That he is, and must be held accountable for the crimes committed by many of his subordinates, for it is his responsibility, as Madison observed, "to superintend their conduct so as to check their excesses." If he was aware of their offenses, he is criminally culpable; if he was unaware, he is criminally inept.

ARTICLE III

That he has attained and retained the high office he now holds through the use of illegal means, to wit: His agents have extracted secret and unlawful campaign contributions from various special interests in return for pledges of favorable government action in their behalf; they have authorized and commissioned snoopers and second-story men, styled "plumbers," to burglarize and spy on his political opponents, in violation of the common criminal statutes; they have hired saboteurs to employ various "dirty tricks" to disrupt a political campaign.

ARTICLE IV

That he has attempted to undermine, circumvent, or annul the guarantees of the Bill of Rights—particularly the rights to privacy, freedom of speech, and freedom of the press—by: mounting an unprecedented campaign of harassment and vilification against the media of news and information; employing illegal wiretaps to spy on journalists and critics of his Administration; encouraging his aides to devise means of intimidating the media by use of governmental powers; embarking on political trials designed to silence those who dissented from his policies.

ARTICLE V

That he has arrogated to himself powers not conferred by the Constitution, or powers expressly reserved to Congress, to wit: He has secretly, illegally, and deceptively ordered the bombing of a nation—Cambodia—without the knowledge or consent of the American people and their elected representatives; he has unlawfully impounded Federal funds totaling many millions of dollars that were duly appropriated by Congress in legislation he himself had signed; he has invoked a nebulous and dubious doctrine of "executive privilege" to withhold from the people information about the people's business.

ARTICLE VI

That he has employed fraudulent schemes to muster—or create an appearance of—public support for his Administration's major policies, especially with respect to the unlawful invasion and bombing of Cambodia. These schemes have involved the placement of newspaper advertisements concocted in the White House, the generation of inspired letters and telegrams of support, and the manipulation of public opinion polls.

ARTICLE VII

That he and his associates have conspired in sundry schemes to obstruct justice by: attempting to withhold evidence in criminal cases pertaining to the Watergate Affair; dismissing the Special Prosecutor, Archibald Cox, when he proved determined to do his job; tendering bribes to defendants and witnesses to induce them to remain silent or offer perjured testimony; persuading the former director of the FBI to destroy evidence; invoking "non-existing conflicts with CIA operations" to thwart an FBI inquiry; attempting to influence the judge in the Pentagon Papers trial; ordering the Attorney General not to press a series of antitrust actions against the International Telephone and Telegraph Corporation.

ARTICLE VIII

That he has subverted the integrity of various Federal agencies by sanctioning efforts to: bring about a reversal of the Agriculture Department's policy on dairy price supports to accommodate major campaign contributors; involve the CIA and the FBI in unlawful operations associated with the operations of the "plumbers;" exert pressure on independent regulatory agencies to hand down decisions favorable to his friends and supporters; employ the Internal Revenue Service to punish his "enemies."

ARTICLE IX

That he has conducted his personal affairs in a manner that directly contravenes the traditional Presidential obligation to demonstrate "moral leadership," to wit: He has used substantial amounts of the taxpayers' money to pay for certain improvements and maintenance of his private homes—expenditures that can in no way be related to security requirements or any other public purpose; he has taken advantage of every tax loophole permitted by law—and some of doubtful legality—to diminish his own tax obligations; he has entered into questionable arrangements with his friends to acquire large personal property holdings at minimal cost to himself; he has publicly and emphatically defended one of these friends, C. G. (Bebe) Rebozo, at a time when various Federal agencies were conducting supposedly impartial investigations into his financial affairs.

ARTICLE X

That he has attempted to deceive the American people with respect to virtually every particular cited in this Bill of Impeachment, by withholding information and evidence; by misstating the facts when they could no longer be totally suppressed; by constantly changing his version of the facts, so that the people could no longer place any credibility whatever in statements emanating from the Chief Executive of their Government, to the point where it now seems doubtful that he would be believed even if he were to begin, miraculously, to tell the truth.

HEALTH CURES ARE NOT THROW-AWAYS

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

Mr. CAREY of New York. Mr. Speaker, today in America there are over 100,000 sufferers from hemophilia—100,000 Americans, young and old, who cannot live the kind of active, productive, and secure life you and I and our children are privileged to live. These 100,000 of our fellow citizens live in a kind of physical limbo, never knowing when next they may be struck with crippling pain and possible death. For the hemophiliac routine dental care is extremely dangerous—surgery can be fatal.

The efforts in research for cancer and heart disease have been accelerated in the past several years. We expect to be spending close to a billion dollars a year in seeking to conquer cancer alone. This is not only necessary and good, it is the least the world, and the civilizations this

globe bears, should expect from a Nation whose wealth and power have been the wonder of the world.

But Mr. Speaker, there is no need to look further for a cure to hemophilia. While research is needed, and needed very badly, to improve the therapeutic agent and to make it more effective and available, still the treatment cure is now in our hands. We have it in hand and it works. A parallel can be drawn between the effectiveness of insulin in the treatment of diabetics, and the effectiveness of Factor VIII in the treatment of hemophiliacs.

Yet, the parallel between Factor VIII and insulin collapses when you discuss availability. Insulin is affordable to the average family; treatment for the hemophiliac with Factor VIII costs approximately $6,000 per year. Obviously, the average family cannot afford to pay this $6,000 per year—a small amount when you realize it permits a hemophiliac to live a normal life, but such a large amount when it means draining the economic life from a whole family, depriving other children of higher education, cutting off the family from pleasures and educational experiences they cannot ever afford, plaguing the parents and the child with needless guilt.

That is why I say to this honorable House that we must not permit the scientific breakthrough that controls hemophilia to become a "throw-away." We must not and cannot see the lives of these Americans thwarted because the economic means are not to be found in the private sector to permit these Americans to live sound and productive lives—contributing to the economic and social mainstream of the Nation and their neighborhoods.

Mr. Speaker, it is for this reason that today I introduce legislation to make treatment available to every hemophiliac, to stimulate scientific research to make this treatment accessible without any outside financial assistance, and to help assure that these Americans are able to live lives of self-respect and self-support.

Hearings are scheduled to begin tomorrow on companion legislation in the Senate before the Health Subcommittee, chaired by Senator KENNEDY. I am pleased to join with the distinguished chairman of the Senate Labor and Public Welfare Committee, Senator WILLIAMS, in introducing the Hemophilia Act of 1973.

It is my understanding that early next year, the distinguished chairman of the House Public Health and Environment Subcommittee, Congressman ROGERS, plans to hold hearings on the Nation's needs for a coordinated and more efficient blood-collecting, processing and distribution policy and system.

I am pleased to hear that the legislation I introduce today will be part of the subject matter considered at these hearings. I find this very gratifying, not only because of my determination to push for passage of hemophilia legislation, but because the legislation I introduce today, through its provisions for treatment and fractionating centers, can make a signal contribution to whatever national policy and system Chairman Rogers and the Subcommittee on Health devise.

Mr. Speaker, just a few moments ago, I was privileged to meet and host a luncheon for the Hemophilia Poster Child. Andrew Thorne, the 7-year-old son of Mr. and Mrs. Lawrence Thorne of Upper Saddle River, N.J., and his brother Stephen, and sister Suzanne, visited the Capitol with their parents today, and were able to spend some time visiting with me and other Members of Congress.

I welcome Andrew Thorne, the Hemophilia Poster Child to the Nation's Capitol. I am sure I express the feelings of the entire membership of the House when I wish Andrew and his brother, Stephen, who is also a hemophiliac, the best of everything. And, clearly, Mr. Speaker, the legislation I introduce today will help make that possible not only for Andrew and Stephen, but for the tens of thousands of young boys across the Nation, who will be able to live and grow as your son and my sons are able to live and grow.

Mr. Speaker, at this point in the RECORD I include the text of the bill:

H.R. 11479

A bill to amend the Public Health Service Act to provide for programs for the diagnosis and treatment of hemophilia.

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 "Hemophilia Act of 1973".

STATEMENT OF FINDINGS AND PURPOSE

SEC. 2. (a) Congress finds and declares—

(1) that there are a significant number of individuals residing in the United States who suffer from hemophilia;

(2) that there exists today the technology and the skills to enable such individuals to lead productive lives;

(3) that the high cost of such technology and skills are in most cases denying the benefits of such advances to individuals suffering from hemophilia.

(b) It is therefore the purpose of this Act to guarantee individuals suffering from hemophilia their entitlement to care commensurate with the technology and skills that are available.

SEC. 3. Title XI of the Public Health Service Act (42 U.S.C. 201) is amended by adding at the end thereof the following new part:

"PART C—HEMOPHILIA PROGRAMS

"DEFINITIONS

"SEC. 1121. As used in this part the term—

"(1) 'hemophilia diagnostic and treatment center' means an entity which provides the following:

"(A) access for all individuals suffering from hemophilia who reside within the geographic area served by the center;

"(B) programs for the training of professional and paraprofessional personnel in hemophilia research, diagnosis, and treatment;

"(C) a program for the diagnosis and treatment of individuals suffering from hemophilia who are being treated on an outpatient basis;

"(D) a program for association with providers of health care who are treating individuals suffering from hemophilia in areas not conveniently served directly by such center but which is more convenient (as determined by the Secretary) than the next geographically closed center;

"(E) programs of social and vocational counseling for individuals suffering from hemophilia;

"(F) individualized written programs for each person treated by or in association with such center; and

"(G) complies with guidelines for treatment established by the National Hemophilia Advisory Board, under this part.

"ENTITLEMENT TO TREATMENT

"SEC. 1122. (a) Any individual suffering from hemophilia may file a claim for benefits under this part with the Secretary in such form and containing such information as he may reasonably require.

"(b) Benefits under this part shall be paid to, or on behalf of a claimant, in an amount equal to 100 per centum of the actual cost of providing blood, blood products, and services associated with the treatment of hemophilia, less—

"(1) amounts payable by third parties (including governmental agencies), and

"(2) amounts determined by the Secretary (in accordance with subsection (c)) to be payable by the individual suffering from hemophilia.

"(c) In determining the amount which may be payable under subsection (b) (2) the Secretary, after consultation with the Secretary of the Treasury, shall establish a schedule of cost sharing by such individual based upon the adjusted gross income of such individual.

"(d) Any claim submitted under this part shall contain a certification that treatment provided to the claimant is in accord with the guidelines promulgated by the National Hemophilia Advisory Board pursuant to the authority granted under this Act.

"(e) There are authorized to be appropriated for the fiscal years beginning July 1, 1973, and ending June 30, 1976, such sums as may be necessary to carry out the purposes of this section.

"TREATMENT CENTERS

"SEC. 1123. (a) The Secretary shall provide for the establishment of no less than fifteen new centers for the diagnosis and treatment of individuals suffering from hemophilia.

"(b) (1) In carrying out the purposes of subsection (2) the Secretary may make grants to public and nonprofit private entities, and may enter into contracts with public and private entities for projects for the establishment of hemophilia diagnostic and treatment centers as defined in section 1121.

"(2) No grant or contract may be made under this part unless an application therefor has been submitted to and approved by the Secretary. Such application shall be in such form, submitted in such manner and contain such information as the Secretary shall by regulation prescribe.

"(3) An application for a grant or contract under this part shall contain assurances satisfactory to the Secretary that the applicant will serve the maximum number of individuals that its available and potential resources will enable it to effectively serve.

"(c) In establishing such centers the Secretary shall—

"(1) take into account the number of persons to be served by the program supported by such center and the extent to which rapid and effective use will be made of funds by such center; and

"(2) give priority to programs operating in areas which the Secretary determines have the greatest number of persons in need of the services provided under such programs.

"(e) There are authorized to be appropriated to carry out the purposes of this section $5,000,000 for the fiscal year ending June 30, 1974, $10,000,000 for the fiscal year ending June 30, 1975, and $15,000,000 for the fiscal year ending June 30, 1976.

"PUBLIC HEALTH SERVICE FACILITIES

"SEC. 1124. The Secretary shall establish a program within the Public Health Service to provide for diagnosis, treatment, and counseling of individuals suffering from hemophilia. Such program shall be made available through the facilities of the Public Health Service to any individual requesting diagnosis, treatment, or counseling for hemophilia.

"BLOOD FRACTIONATION CENTERS

"SEC. 1125. (a) The Secretary may make grants to public and nonprofit private entities, and may enter into contracts with public and private entities and individuals to establish blood fractionation centers, for the purpose of fractionating and making available for distribution blood and blood products, in accordance with regulations prescribed by the Secretary to hemophilia treatment and diagnostic centers.

"(b) For the purpose of making payments pursuant to grants and contracts under this section, there are authorized to be appropriated $5,000,000 for the fiscal year ending June 30, 1974, $10,000,000 for the fiscal year ending June 30, 1975, and $15,000,000 for the fiscal year ending June 30, 1976.

"ADVISORY BOARD FOR HEMOPHILIA TREATMENT STANDARDS

"SEC. 1126. (a) There is hereby established in the National Institutes of Health a National Hemophelia Advisory Board (hereinafter in this section referred to as the 'Board') to be composed of twenty members as follows:

"(1) the Secretary and the Director of the National Institutes of Health; and

"(2) Eighteen members appointed by the President.

The persons appointed to the Board shall be appointed from among persons who are among the leading scientific or medical authorities outstanding in the study, diagnosis, or treatment of hemophilia or in fields related thereto.

"(b)(1) Appointed members shall be appointed for six-year terms, except that of the members first appointed, six shall be appointed for a term of two years, and six shall be appointed for a term of four years, as designated by the President at the time of appointment.

"(2) Any member appointed to fill a vacancy occurring prior to expiration of the term for which his predecessor was appointed shall serve only for the remainder of such term. Appointed members shall be eligible for reappointment and may serve after the expiration of their terms until their successors have taken office.

"(3) A vacancy in the Board shall not affect its activities, and eleven members thereof shall constitute a quorum.

"(4) The President shall designate one of the appointed members to serve as Chairman for a term of two years. The Board shall meet at the call of the Chairman, but not less often than four times a year.

"(c) The Board may hold such hearings, take such testimony, and sit and act at such times and places as the Board deems advisable to investigate programs and activities conducted under this part.

"(d) Members of the Board who are not officers or employees of the United States shall receive for each day they are engaged in the performance of the duties of the Board compensation at rates not to exceed the daily equivalent of the annual rate in effect for GS–18 of the General Schedule, including traveltime; and all members, while so serving away from their homes or regular places of business, may be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as such expenses are authorized by section 5703, title 5, United States Code, for persons in the Government service employed intermittently.

"(e) The Director of the National Institutes of Health shall make available to the Board such staff, information, and other assistance as it may require to carry out its activities.

"FUNCTIONS OF THE BOARD

"SEC. 1127. It shall be the function of the Board to (1) establish guidelines for the diagnosis and treatment of persons suffering from hemophilia; and (2) submit a report to the President for transmittal to the Congress not later than January 31 of each year on the scope of activities conducted under this part.

"RECORDS AND AUDIT

"SEC. 1128. (a) Each recipient of a grant or contract under this part 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 used, and 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.

"(b) The Secretary of Health, Education, and Welfare 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 under this title which are pertinent to any such grant.".

ADMINISTRATION SPOKESMEN DISPLAY LACK OF DIRECTION ON ENERGY POLICY OR: WHO'S IN CHARGE DOWN THERE?

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

Mr. FULTON. Mr. Speaker, yesterday I spoke to my colleagues about the need for leadership, contingency preparations, and careful planning to meet the current fuel emergency and future energy supply problems.

Today I read in the evening paper the following statements from leading administration spokesmen:

Mr. Herbert Stein, Chairman of the Council of Economic Advisers, is reported as saying we need sharp fuel price increases and new taxes to relieve the energy shortage.

Mr. Melvin Laird, the President's Chief Domestic Adviser, is quoted as saying Tuesday that we need fuel rationing and a tax system that would give the proper incentive for energy conservation.

Mr. George Shultz, the Treasury Secretary, says rationing should be used only as a last resort and that "if we are intelligent about it—rationing—we should be able to avoid it."

In the meantime Gov. John Love, the President's Energy Adviser, says he believes rationing will be necessary but he does not know when.

Mr. Speaker, is there any wonder that the people of this Nation are confused, concerned, and growing irate about this energy mess?

The administration is not only not speaking with one voice on this emergency it is not even speaking with two or three voices.

I suppose the best assessment of this demonstrated and flagrant lack of policy was given yesterday by Mr. Bob R. Dorsey, president and chief executive officer of the Gulf Oil Corp. While the statement was not made in the context of reply to these statements cited above I believe it is most appropriate. Mr. Dorsey said:

If we are deprived of Mideast oil to take care of growth, it will take us 10 years to develop the nuclear plants, the coal mines—that's the horrible thing. I don't think the public realizes the gravity of the situation today and the possible gravity of the situation 10 to 15 years from now.

Anytime we start, we've got a 10-year program in front of us, and we haven't started yet. We won't start it until the public and the federal government believe that. Mr. Dorsey added, and I don't think the federal government believes it yet.

Nor do I believe the Federal Government believes it yet, Mr. Speaker, at least the executive branch. There is no unanimity of opinion downtown as to how to meet the current challenge. There is not even unanimity of opinion as to how to approach the problem.

As I said yesterday—

It is my fervent hope that the Administration will finally learn that meeting the fuel emergency requires more than asking America to turn down its thermostats and to drive 50 miles an hour. It requires long and careful planning. It requires contingency programs and it requires leadership.

The need for these is just as great today and, judging from the statements in today's news, it is still unfilled.

DRINAN SUPPORTS AID TO ISRAEL

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

Mr. DRINAN. Mr. Speaker, the request of the President for emergency aid in the amount of $2.2 billion for Israel cannot and must not be delayed.

Despite the fact that Israel has been "victorious" in the recent tragic war the grim reality is that Israel now confronts problems perhaps more severe than at any moment in the 25-year history of this heroic nation.

Among the severe problems confronting Israel are the following:

First. In the recent conflict the number of nations that lined up against Israel is appalling. Among them were the Warsaw Pact nations, all Moslem countries, India, and several other Asian and African nations. The Government of mainland or Red China lent uncritical support to the onslaught of the Soviet Union which, of course, must have been the prime force in planning the date, the strategy, and the unprovoked assaults by Egypt and Syria on October 6, Yom Kippur.

Second. In addition to the hostility of at least two-thirds of humanity, Israel's traditional friends in Europe have adopted a policy of neutrality. The Common Market nations, anxious about the oil from Arab States, gave the impression that they would be prepared to allow Israel to go down to defeat rather than

jeopardize their sources of oil in Arab nations.

Third. Israel could not secure replacement parts for Centurion tanks from England nor could she obtain equipment for Mirage jets from France. In addition Yugoslavia allowed Soviet military transports to refuel on Yugoslavian soil while Spain denied similar requests for U.S. military planes to refuel in that nation. Only Portugal gave some assistance to the United States as it transported to Israel on an emergency basis military equipment worth almost $1 billion.

Fourth. During the recent war one-half of all the nations of the world blamed Israel for starting the 1973 war when it was overwhelmingly clear that Egypt and Syria were the clear aggressors.

Fifth. As Israel mourned for the 1,854 Israeli soldiers who died in the war it became clearer every day that the Soviet involvement in the war of 1973 was even greater than the participation of the U.S.S.R. in the 6-day war in 1967. The massive intervention of Russia in the war that began on October 6, was novel even by Soviet patterns. It is also very clear that Russia has continued to furnish military equipment to the Arab nations even after the cease-fire.

Sixth. In the Security Council, Israel finds a body of 15 nations, 8 of which do not even have diplomatic relations with Israel. Two of these nations—the U.S.S.R. and mainland China—always vote against any resolution unless it has the full support of the Arab States.

In the United Nations there are 12 members of the Soviet bloc, 18 of the Arab bloc, 41 in the African bloc, and 75 in the nonalined group. Each of these blocs takes an anti-Israel position. In addition, the Arab bloc can also dominate the 41 African votes because it provides financial assistance to the Africans. The nonalined group of nations has a voting record that is so consistently against the United States that it practically conforms with the voting pattern of the Soviet bloc in its stand against Israel.

As a result, Israel can count only on the votes of a handful of northern and western European countries along with a few Latin American and Asian countries with Australia.

This contemporary situation is entirely different from the picture some years ago when Israel was looked upon in the family of nations as a young and hard-working country that was struggling to win its liberation.

In recent years African countries, yielding to Arab pressures, have reluctantly broken off relations with Israel. Liberia and Kenya were the latest to yield. At this time Israel has 5 diplomatic nations in black Africa whereas 18 months ago Israel had formal diplomatic nations in 31 African nations.

Seventh. The oil lobby in America and, indeed, in the entire world continues to be critical of Israel. In the United States where the oil lobby has access to the highest level of Government it has experienced a new strength by the manufactured link between the Arab-Israeli conflict and the oil shortage.

Texaco, Mobil, and other oil companies have sought to link the energy crisis with the Arab-Israel war and are subtly working to modify or even reverse the bipartisan commitment which the Congress of the United States has always implemented toward Israel since 1948.

It is significant to note that Egypt and Kuwait are members of GATT—General Agreement on Tariffs and Trade—and thus subscribe to article 11 of GATT which states that—

> No prohibitions or restrictions other than duties, taxes or other charges . . . shall be instituted or maintained by any contracting party on the importation of any product or on the exportation or sale of any product destined for the territory of another contracting party.

Although Saudi Arabia and Iraq are not members of GATT the United States has treaties of friendship with Saudi Arabia and Iraq going back, respectively, to 1933 and 1940. Discriminatory boycotts violate at least the spirit and probably the letter of these treaties. In addition a resolution adopted by the U.N. General Assembly in 1970 spells out the friendly relations and cooperations which nations adhering to the United States should follow. The resolution states that—

> No state may use or encourage the use of economic, political or any other type of measures to coerce another state in order to obtain from it the subordination of the exercise of its sovereign rights and to secure from it advantages of any kind.

I have yet to see any reference by commentators to the illegality of the threatened embargo on oil by the Arab nations.

Eighth. The recent war cost Israel an estimated $7.1 billion. This sum is astronomical when one considers that the entire annual budget of the small State of Israel comes to $5 billion.

The direct and indirect loss to Israel is, moreover, also astronomical. Israel was compelled to mobilize 35 percent of its labor force during the recent war. Building activity came to a halt. Tourism, a major industry in Israel, fell off catastrophically. Israel's annual growth rate which prior to the war had averaged 9.9 percent over the years will in the present fiscal year be substantially reduced. Complicating the export-import problems of Israel this nation is now under an Arab blockade which cuts off access to the Indian Ocean and to the Orient.

There are many reasons in addition to the above, Mr. Speaker, why the Congress should act promptly to guarantee the $2.2 billion grant to Israel. If this sum proposed in H.R. 11088 is enacted for Israel it will be the first substantial sum ever given by the United States to Israel for military purposes. It is astonishing, Mr. Speaker, that between 1946 and 1972, according to the Agency for International Development—AID—the United States provided to foreign countries grants and military assistance totaling approximately $55 billion. None of this grant military assistance ever went to Israel.

What does détente mean after what Russia did to Israel in October 1973?

It is self-evident that the Arab nations would never have started the recent war unless they had Soviet support and encouragement, Soviet training and equipment, and Soviet diplomatic backing. The Soviets, in short, have provided the weapons, the incentive, and the powder keg. Since 1970, the Soviet Union has engaged in one of the largest military buildups in its entire history. A constant flow of tanks, aircraft, missiles, and guns has been directed at Egypt and Syria. All of this was clearly in violation of the agreement entered into on August 7, 1970, between the United States, the Soviet Union, Egypt, and Israel.

That agreement stipulated that none of the parties to the agreement would introduce any new military installations in a zone extending 30 miles on either side of the Suez Canal. That agreement was broken almost immediately after it was entered into by the placing of surface-to-air missiles in forbidden places. The Israeli Air Force paid a high price in the recent war for the failure of the United States to insist that Egypt and the Soviet Union adhere to the terms of the agreement which they made in August of 1970. It would seem that the Russians by the illegal buildup of SAM's sought to bring about circumstances that would leave the Soviets in possession of the Suez Canal. The Russian objective was presumably to make the Suez Canal a highway for the Soviet navy and merchant fleet.

One of the fundamental purposes of the proposed $2.2 billion grant for Israel is to inform the Arab nations and the Soviet Union that Israel will remain militarily invulnerable and that any further attempt by the Arab nations, armed to the teeth with sophisticated military hardware from Russia, will end in disaster for the aggressors.

The proposed $2.2 billion to Israel will be a sign to the Soviet Union that we want détente but at the same time we are making it unmistakably clear that we expect to continue to assist Israel to retain defensible borders and to keep itself invulnerable to any external attack. The $2.2 billion would state categorically to Russia that we will not allow the Soviet Union to continue to rush missiles into the Suez area and to transform the Middle East into a shooting gallery where the Jewish people and the State of Israel are used as a target for the testing of the most sophisticated weapons. The $2.2 billion proposed for Israel would signify a thunderous proclamation to Russia that the United States is not going to allow the U.S.S.R. to consolidate its territorial gains in the Middle East just as it conquered and subjugated the countries of Eastern Europe during and after World War II.

Israel's war of 1973 demonstrates once again overwhelmingly that Israel is a an enormous strategic disadvantage because it has so little space for a nation surrounded by neighbors who openly swear to destroy it. Prior to 1967, Egyptian forces were within 10 minutes walking distance of Israeli villages; today they are at least 250 miles away. Prior to 1967, the Jordanian army was 10 minutes from Tel Aviv and was actually inside Jerusalem. Today Jordan's nearest

troops are 55 miles from Tel Aviv and 25 miles from Jerusalem. Prior to 1967, the borders between Israel and Arab nations that were dangerous to Israeli citizens totalled 350 miles; today these borders number 185 miles. Prior to 1967, virtually all of Israel was within enemy artillery range; today no significant part of Israel can be reached by enemy artillery group

It is understandable, therefore, that Israel is resisting pressures to withdraw to its pre-1967 borders or to the pre-1973 borders.

The Government and the people of Israel would be delighted to withdraw from the burdens of the vast lands which they have occupied in the wars of 1967 and 1973. But Israel knows that Egypt has some 220 Russian-supplied Mig–21 interceptors, 120 Su–7 fighter bombers, 180 helicopters, and at least 130 surface-to-air missile batteries. On the other side of Israel, Syria has about 30 Su–7 fighter bombers, 100 Mig–29 interceptors, and 8 surface-to-air missiles.

In addition to all of these hideous weapons Israel knows that the armies of Saudi Arabia, Jordan, and Lebanon, when combined with the armies of Egypt and Syria, bring the vast army that surrounds Israel to about 500,000 ground troops.

Mr. Speaker, Israel needs assistance in the immediate future. I hope that the Congress will furnish this assistance even before all of the Israel POW's are returned along with the POW's from the Arab nations. At this time Egypt holds about 350 Israel prisoners while Syria has approximately 130. According to an official Israel defense spokesman Israel holds 8,239 prisoners of war from Egypt, Syria, Iraq, and Morocco.

There is ghastly evidence that Syria and Egypt are not complying with the 1949 Geneva Convention with respect to the humane treatment of prisoners of war. The Soviet Union appears to have repudiated its agreement with the United States to the effect that an immediate exchange of POW's would be carried out after the cease-fire. It is lamentable that the Soviet Union was the sole country among the 15 members of the Security Council to block a statement on behalf of the Security Council President and the U.S. Secretary General calling for the cooperation of all parties with the International Red Cross regarding the POW's.

The agonizing question of the POW's is but one of the several problems besetting Israel at this time. As this nation of 3 million seeks to return to normalcy and to prepare for its general elections on December 31, 1973, it deserves to have, and I hope that it will have, a commitment by the United States that, despite the abandonment of Israel by so many nations of the Earth, the United States will continue and, in fact, deepen the commitment which this Nation has had to Israel since its establishment in 1948. I hope, Mr. Speaker, that Congress can demonstrate its continued commitment to Israel by enacting prior to the adjournment of Congress on December 15, 1973, the President's proposed grant of $2.2 billion for Israel.

U.S. DISTRICT COURT RULES COX'S DISMISSAL ILLEGAL

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York (Ms. ABZUG) is recognized for 10 minutes.

Ms. ABZUG. Mr. Speaker, this afternoon Judge Gerhard A. Gesell of the U.S. district court for the District of Columbia ruled favorably in a lawsuit filed by Ralph Nader, Senator FRANK E. Moss, Congressman JEROME R. WALDIE, and myself against Acting Attorney General Robert Bork for his dismissal of Special Prosecutor Archibald Cox. The court noted that Mr. Cox served subject to congressional rather than Presidential control, and that Congress had the power to limit the circumstances under which Mr. Cox could be discharged and to delegate that power to the Attorney General.

As for Mr. Bork's abolition of the Office of Special Prosecutor on October 23 only to reinstate it less than 3 weeks later, Judge Gesell stated:

> It is clear that this turnabout was simply a ruse to permit the discharge of Mr. Cox without otherwise affecting the Office of the Special Prosecutor—a result which could not legally have been accomplished while the regulation was in effect under the circumstances presented in this case. Defendant's Order revoking the original regulation was therefore arbitrary and unreasonable, and must be held to have been without force or effect.

This decision represents an impressive victory for all the American people who were gravely shocked and disturbed at the resignations of former Attorney General Elliot Richardson, Deputy Attorney General William Ruckelshaus, and the arbitrary discharge of Mr. Cox, all precipitated by a President who considers himself above the law. Since Mr. Cox's dismissal, I have received thousands of letters, telegrams, and phone calls demanding the impeachment of the President for this illegal act. Resolutions calling for the impeachment of the President or calling for an inquiry into impeachment have been submitted by a number of Representatives, including myself, citing the dismissal of Cox as an impeachable offense. Today, the court has ruled that Cox's dismissal was indeed illegal. This decision should leave no doubt in the minds of Members of Congress and the American people that serious grounds for impeachment do, in fact, exist, and should hasten the Judiciary Committee's reporting out a bill of impeachment.

This decision also makes it imperative that the Congress defer action on the nomination of Congressman FORD as Vice President until such time as the Congress decides one way or another on impeachment. It would be unthinkable that, if a simultaneous vacancy does come into being, the American people should be governed by an appointed Chief Executive. The Congress should therefore defer action on the nomination, and enact legislation creating a special Presidential vacancy.

I insert the full text of Judge Gesell's memorandum and order in the RECORD:

[In the United States District Court for the District of Columbia, Civil Action No. 1954–73]

RALPH NADER, SENATOR FRANK E. MOSS, REPRESENTATIVE BELLA S. ABZUG AND REPRESENTATIVE JEROME R. WALDIE, PLAINTIFFS, VERSUS ROBERT H. BORK, ACTING ATTORNEY GENERAL OF THE UNITED STATES, DEFENDANT

MEMORANDUM

This is a declaratory judgment and injunction action arising out of the discharge of Archibald Cox from the office of Watergate Special Prosecutor. Defendant Robert H. Bork was the Acting Attorney General who discharged Mr. Cox. Plaintiffs named in the Amended Complaint are as listed above.

Some issues have already been decided. The matter first came before the Court on plaintiff's motion for preliminary injunction and a request that the trial of the action on the merits be consolidated with the preliminary injunction pursuant to Rule 65(a) of the Federal Rules of Civil Procedure. Defendant filed opposition papers, and a hearing was held on the detailed affidavits and briefs filed by the parties. The Court determined that the case was in proper posture for a determination on the merits at that time.

All injunctive relief requested in the proposed preliminary injunction tendered at the hearing and in the Amended Complaint was denied from the bench. The effect of the injunctions sought would have been to reinstate Mr. Cox as Watergate Special Prosecutor and to halt the Watergate investigation until he had reassumed control. It appeared to the Court that Mr. Cox's participation in this case was required before such relief could be granted. *See* Rule 19(a) of the Federal Rules of Civil Procedure. Yet Mr. Cox has not entered into this litigation, nor has he otherwise sought to be reinstated as Special Prosecutor. On the contrary, his return to prior duties at Harvard has been publicly announced. Moreover, a new Watergate Special Prosecutor was sworn in on November 5, 1973, and the Court felt that the public interest would not be served by placing any restrictions upon his on-going investigation of Watergate-related matters.

Plaintiffs continue to press for a declaratory judgment on the only remaining issue to be resolved: the legality of the discharge of Mr. Cox and of the temporary abolition of the Office of Watergate Special Prosecutor. To this end, it must initially be determined whether plaintiffs have standing and whether a justiciable controversy still exists.

Defendant Bork contends that the congressional plaintiffs lack standing[1] and that the controversy is moot. This position is without merit. The discharge of Mr. Cox precipitated a widespread concern, if not lack of confidence, in the administration of justice. Numerous bills are pending in the Senate and House of Representatives which attempt to insulate the Watergate inquiries and prosecutions from Executive interference, and impeachment of the President because of his alleged role in the Watergate matter—including the firing of Mr. Cox—is under active consideration.[2] Given these unusual circumstances, the standing of the three congressional plaintiffs to pursue their effort to obtain a judicial determination as to the legality of the Cox discharge falls squarely within the recent holding of the United States Court of Appeals for the District of Columbia Circuit in *Mitchell* v. *Laird*, No. 71–1510 (D.C. Cir. March 20, 1973). Faced with a challenge by a group of congressmen to the legality of the Indo-China War, the Court recognized standing in the following forceful terms:

"If we, for the moment, assume that defendants' actions in continuing the hostilities in Indo-China were or are beyond the authority conferred upon them by the Con-

Footnotes at end of article.

stitution, a declaration to that effect would bear upon the duties of plaintiffs to consider whether to impeach defendants, and upon plaintiffs' quite distinct and different duties to make appropriations to support the hostilities, such as raising an army or enacting other civil or criminal legislation. In our view, these considerations are sufficient to give plaintiffs a standing to make their complaint. . . ." *Id.* at 4.

Unable to distinguish this holding, defendant Bork suggests that the instant case has been mooted by subsequent events and that the Court as a discretionary matter should refuse to rule on the legality of the Cox discharge. This view of the matter is more academic than realistic, and fails to recognize the insistent demand for some degree of certainty with regard to these distressing events which have engendered considerable public distrust of government. There is a pressing need to declare a rule of law that will give guidance for future conduct with regard to the Watergate inquiry.

While it is perfectly true that the importance of the question presented cannot alone save a case from mootness, *Marchand* v. *Director, United States Probation Office*, 421 F.2d 331, 333 (1st Cir. 1970), the congressional plaintiffs before the Court have a substantial and continuing interest in this litigation. It is an undisputed fact that pending legislation may be affected by the outcome of this dispute and that the challenged conduct of the defendant could be repeated with regard to the new Watergate Special Prosecutor if he presses too hard,[3] an event which would undoubtedly prompt further congressional action. This situation not only saves the case from mootness, *see United States* v. *Concentrated Phosphate Export Assoc.*, 393 U.S. 199, 203–04 (1968); *Friend* v. *United States*, 388 F.2d 579 (D.C. Cir. 1967), but forces decision. The Court has before it an issue that is far from speculative and a strong showing has been made that judicial determination of that issue is required by the public interest. Under these circumstances, it would be an abuse of discretion not to act.

Turning then to the merits, the facts are not in dispute and must be briefly stated to place the legal discussion in the proper context.

The duties and responsibilities of the Office of Watergate Special Prosecutor were set forth in a formal Department of Justice regulation,[4] as authorized by statute.[5] This regulation gave the Watergate Special Prosecutor very broad power to investigate and prosecute offenses arising out of the Watergate break-in, the 1972 Presidential election, and allegations involving the President, members of the White House staff or presidential appointees. Specifically, he was charged with responsibility to conduct court proceedings and to determine whether or not to contest assertions of Executive privilege. He was to remain in office until a date mutually agreed upon between the Attorney General and himself, and it was provided that "The Special Prosecutor will not be removed from his duties except for extraordinary improprieties on his part."

On the same day that this regulation was promulgated, Archibald Cox was designated as Watergate Special Prosecutor.[6] Less than four months later, Mr. Cox was fired by defendant Bork. It is freely admitted that he was not discharged for an extraordinary impropriety.[7] Instead, Mr. Cox was discharged on the order of the President because he was insisting upon White House compliance with a Court Order which was no longer subject to further judicial review. After the Attorney General had resigned rather than fire Mr. Cox on this ground and the Deputy Attorney General had been discharged for refusing to do so, defendant Bork formally dismissed Mr. Cox on October 20, 1973, sending him the following letter: [8]

DEAR MR. COX: As provided by Title 28, Section 508(b) of the United States Code and Title 28, Section 0.132(a) of the Code of Federal Regulations, I have today assumed the duties of Acting Attorney General.

In that capacity I am, as instructed by the President, discharging you, effective at once, from your position as Special Prosecutor, Watergate Special Prosecution Force.

Very truly yours,

ROBERT H. BORK,
Acting Attorney General.

Thereafter, on October 23, Mr. Bork rescinded the underlying Watergate Special Prosecutor regulation, retroactively, effective as of October 21.[9]

The issues presented for declaratory judgment are whether Mr. Cox was lawfully discharged by defendant on October 20, while the regulation was still in existence, and, if not, whether the subsequent cancellation of the regulation lawfully accomplished his discharge. Both suppositions will be considered.

It should first be noted that Mr. Cox was not nominated by the President and did not serve at the President's pleasure. As an appointee of the Attorney General,[10] Mr. Cox served subject to congressional rather than Presidential control. *See Myers* v. *United States*, 272 U.S. 52 (1926). The Attorney General derived his authority to hire Mr. Cox and to fix his term of service from various Acts of Congress.[11] Congress therefore had the power directly to limit the circumstances under which Mr. Cox could be discharged, *see United States* v. *Perkins*, 116 U.S. 483 (1886), and to delegate that power to the Attorney General, *see Service* v. *Dulles*, 354 U.S. 363 (1957). Had no such limitations been issued, the Attorney General would have had the authority to fire Mr. Cox at any time and for any reason. However, he chose to limit his own authority in this regard by promulgating the Watergate Special Prosecutor regulation previously described. It is settled beyond dispute that under such circumstances an agency regulation had the force and effect of law, and is binding upon the body that issues it. *Accardi* v. *Shaughnessy*, 347 U.S. 260 (1954) ("*Accardi I*"); *Bonita* v. *Wirtz*, 369 F. 2d 208 (D.C. Cir. 1966); *American Broadcasting Co.* v. *F.T.C.*, 179 F. 2d 437 (D.C. Cir. 1949); *United States* v. *Chapman*, 179 F. Supp. 447 (E.D. N.Y. 1959). As the Ninth Circuit observed in *United States* v. *Short*, 240 F. 2d 292, 298 (9th Cir. 1956):

"An administrative regulation promulgated within the authority granted by statute has the force of law and will be given full effect by the courts."

Even more directly on point, the Supreme Court has twice held that an Executive department may not discharge one of its officers in a manner inconsistent with its own regulations concerning such discharge. *See Vitarelli* v. *Seaton*, 359 U.S. 535 (1959); *Service* v. *Dulles*, *supra*. The firing of Archibald Cox in the absence of a finding of extraordinary impropriety was in clear violation of an existing Justice Department regulation having the force of law and was therefore illegal.

Defendant suggests that, even if Mr. Cox's discharge had been unlawful on October 20, the subsequent abolition of the Office of Watergate Special Prosecutor was legal and effectively discharged Mr. Cox at that time. This contention is also without merit. It is true that an agency has wide discretion in amending or revoking its regulations. *United States* v. *O'Brien*, 391 U.S. 367, 380 (1968). However, we are once again confronted with a situation in which the Attorney General voluntarily limited his otherwise broad authority. The instant regulation contains within its own terms a provision that the Watergate Special Prosecutor (as opposed to any particular occupant of that office) will continue to carry out his responsibilities until he consents to the termination of that assignment.[12] This clause can only be read as a bar to the total abolition of the Office of Watergate Special Prosecutor without the Special Prosecutor's consent, and the Court sees no reason why the Attorney General cannot by regulation impose such a limitation upon himself and his successors.

Even if the Court were to hold otherwise, however, it could not conclude that the defendant's Order of October 23 revoking the regulation was legal. An agency's power to revoke its regulations is not unlimited—such action must be neither arbitrary nor unreasonable. *Kelly* v. *United States Dept. of Interior*, 339 F. Supp. 1095, 1100 (E. D. Cal. 1972). *Cf. Grain Elevator, Flour and Feed Mill Workers* v. *N.L.R.B.*, 376 F. 2d 774 (D.C. Cir.), *cert. denied*, 389 U.S. 932 (1967); *Morrison Mill Co.* v. *Freeman*, 365 F. 2d 525 (D.C. Cir. 1966), *cert. denied*, 385 U.S. 1024 (1967) In the instant case, the defendant abolished the Office of Watergate Special Prosecutor on October 23, and reinstated it less than three weeks later under a virtually identical regulation.[13] It is clear that this turnabout was simply a ruse to permit the discharge of Mr. Cox without otherwise affecting the Office of the Special Prosecutor—a result which could not legally have been accomplished while the regulation was in effect under the circumstances presented in this case. Defendant's Order revoking the original regulation was therefore arbitrary and unreasonable, and must be held to have been without force or effect.

These conclusions do not necessarily indicate that defendant's recent actions in appointing a new Watergate Special Prosecutor are themselves illegal, since Mr. Cox's evident decision not to seek reinstatement necessitated the prompt appointment of a successor to carry on the important work in which Mr. Cox had been engaged. But that fact does not cure past illegalities, for nothing in Mr. Cox's behavior as of October 23 amounted to an extraordinary impropriety, constituted consent to the abolition of his office, or provided defendant with a reasonable basis for such abolition.

Plaintiffs have emphasized that over and beyond these authorities the Acting Attorney General was prevented from firing Mr. Cox by the explicit and detailed commitments given to the Senate, at the time of Mr. Richardson's confirmation when the precise terms of the regulation designed to assure Mr. Cox's independence were hammered out. Whatever may be the moral or political implications of the President's decision to disregard those commitments, they do not alter the fact that the commitments had no legal effect. Mr. Cox's position was not made subject to Senate confirmation, nor did Congress legislate to prevent illegal or arbitrary action affecting the independence of the Watergate Special Prosecutor.

The Court recognizes that this case emanates in part from congressional concern as to how best to prevent future Executive interference with the Watergate investigation. Although these are times of stress, they call for caution as well as decisive action. The suggestion that the Judiciary be given responsibility for the appointment and supervision of a new Watergate Special Prosecutor, for example, is most unfortunate. Congress has it within its own power to enact appropriate and legally enforceable protections against any effort to thwart the Watergate inquiry. The Courts must remain neutral. Their duties are not prosecutorial. If Congress feels that laws should be enacted to prevent Executive interference with the Watergate Special Prosecutor, the solution lies in legislation enhancing and protecting that office as it is now established and not by following a course that places incompatible duties upon this particular Court. As Judge Learned Hand

Footnotes at end of article.

warned in *United States* v. *Marzano*, 149 F.2d 923 926 (1945):

"Prosecution and judgment are two quite separate functions in the administration of justice; they must not merge."

This Memorandum contains the Court's findings of fact and conclusions of law. The rulings made are set out in the attached Final Order and Declaratory Judgment.

GERHARD A. GESELL,
United States District Judge.

November 14, 1973.

FOOTNOTES

[1] At the injunction hearing, the Court dismissed Mr. Nader as a plantiff from the bench, it being abundantly clear that he had no legal right to pursue these claims. *Flast* v. *Cohen*, 392 U.S. 83, 102 (1968).

[2] Referring to various bills pending in the Senate, Senator Moss stated, "I am severely hampered in my ability to discharge my duties because of uncertainty which exists with respect to the legality of Special Prosecutor Cox's dismissal and the abolition of his office." Affidavit of Sentaor Frank E. Moss, dated October 29, 1973. Congressman Waldie is a member of the House Judiciary Committee and both he and Congresswoman Abzug have introduced resolutions calling for the impeachment of the President because of the Cox dismissal and other matters.

[3] The regulation from which the present Watergate Special Prosecutor, Mr. Leon Jaworski, derives his authority and his independence from the Executive branch is virtually identical to the original regulation at issue in this case. *See* note 13 *infra*. It is therefore particularly desirable to enunciate the rule of law applicable if attempts are made to discharge him.

[4] 38 F.R. 14688 (June 4, 1973). The terms of this regulation were developed after negotiations with the Senate Judiciary Committee and were submitted to the Committee during its hearings on the nomination of Elliot Richardson for Attorney General. Hearings Before the Senate Comm. on the Judiciary, 93rd Cong., 1st Sess. 144–46 (1973).

[5] *See* U.S.C. § 301.

[6] Justice Department Internal Order 518–73 (May 31, 1973).

[7] *See* Defendant's Brief in Opposition to Plaintiffs' Motion for Preliminary Injunction, at 13.

[8] Exhibit 12 to the Affidavit of W. Thomas Jacks.

[9] 38 F.R. 29466 (Oct. 23, 1973).

[10] *See* 38 F.R. 14688 (June 4, 1973).

[11] 5 U.S.C. § 301; 28 U.S.C. §§ 509–10.

[12] *See* 38 F.R. 14688 (June 4, 1973): "The Special Prosecutor will carry out these responsibilities with the full support of the Department of Justice, until such time as, in his judgment, he has completed them or until a date mutually agreed upon between the Attorney General and himself."

[13] The two regulations are identical, except for a single addition to the new regulation which provides that the Special Prosecutor may not even be discharged for extraordinary improprieties unless the President determines that it is the "consensus" of certain specified congressional leaders that discharge is appropriate. *Compare* 38 F.R. 30738 (Nov. 9, 1973) *with* 38 F.R. 14688 (June 4, 1973).

RALPH NADER, SENATOR FRANK E. MOSS, REPRESENTATIVE BELLA S. ABZUG AND REPRESENTATIVE JEROME R. WALDIE, PLAINTIFFS, v. ROBERT H. BORK, ACTING ATTORNEY GENERAL OF THE UNITED STATES, DEFENDANT

[In the United States District Court for the District of Columbia, Civil Action No. 1954–73]

FINAL ORDER AND DECLARATORY JUDGMENT

On the basis of findings of fact and conclusions of law set forth in an accompanying Memorandum filed this day, it is hereby

Ordered and decreed that:

(1) Plaintiff's motion for leave to file an Amended Complaint and add additional plaintiffs is granted.

(2) Plaintiff's motion for preliminary injunction is denied, and the trial of the action on the merits is advanced and consolidated with the hearing on said motion.

(3) Mr. Ralph Nader is dismissed as plaintiff for lack of standing.

(4) All injunctions prayed for in the Amended Complaint are denied.

(5) The Court declares that Archibald Cox, appointed Watergate Special Prosecutor pursuant to 28 C.F.R. § 0.37 (1973), was illegally discharged from that office.

GERHARD A. GESELL,
United States District Judge.

November 14, 1973.

PROJECTION OF FISCAL SITUATION AT THE END OF 93D CONGRESS, 1ST SESSION

(Mr. MAHON asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MAHON. Mr. Speaker, the President in his January budget proposed an expenditure ceiling for this fiscal year of $268.7 billion, an increase in spending over the prior fiscal year in the sum of $18.9 billion. He proposed a unified deficit in the sum of $12.7 billion which would translate into a debt increase in the fiscal year of $29.7 billion.

CONGRESSIONAL SPENDING TOTALS

The House in the anti-impoundment bill approved a spending ceiling of $267.1 billion and the Senate in a similar bill approved a ceiling of $268 billion. The House reduced by $2.3 billion a debt limit bill that was based on spending of $270 billion. These bills have not been enacted into law.

CURRENT ADMINISTRATION ESTIMATE OF SPENDING

During this session of Congress, the President has signed into law certain congressional add-ons to the budget. There has been a sharp increase in the estimated interest on the national debt and other fiscal developments. The President has—as of October 18—revised his January budget upward to the figure of $270 billion. That figure includes $2.4 billion in congressional increases signed into law by the President. The aid to Israel budget amendment raised the estimate to $270.6 billion.

CONGRESSIONAL BUDGET INCREASES

We can now see rather clearly what the overall fiscal outcome of this session will be. Actions by Congress have already added to the estimated spending above the January budget by about $2.4 billion. I estimate that by the end of the session, Congress will have added an additional sum of $2.6 billion to the amended spending budget, resulting in a total of about $5 billion over the January budget.

APPROPRIATION BILLS WITHIN THE BUDGET

I estimate that in appropriation bills handled by the Appropriation Committees, the amounts approved will not exceed the President's budget for new spending authority. We should be at about the level of the President's budget.

BUDGET INCREASES IN NONAPPROPRIATION BILLS

I wish to say again what I have said so many times before, that budget busting does not result in the overall from actions by Congress on appropriation bills. Budget busting results from actions by Congress on nonappropriation bills which mandate spending. Here is a partial list of mandated spending in nonappropriation bills which have been approved at this session:

	(*In millions*)
Food Stamp Amendments (P.L. 93–86)	$+724
Repeal of "bread tax" (P.L. 93–86)	+400
Federal employee pay raise, Oct. 1, 1973 (S. Res. 171)	+358
Welfare-medicaid amendments (P.L. 93–66)	+122
Unemployment benefits extension (P.L. 93–53)	+116
Veterans' national cemeteries (P.L. 93–43)	+110
Social security—liberalized income exemption (P.L. 93–66)	+110
School lunch amendments (H.R. 9639)	+100

In and out of Congress there is a great deal of talk about getting a better handle on Government spending. The principal remedy lies in better control of spending provided in nonappropriation bills.

FEDERAL BORROWING

The President estimated on October 18 that it appeared that the unified budget for this year would be in balance as a result of a dramatic increase in revenues of $14 billion over the January estimate.

Putting it another way, and with more reality, the most recent administration estimate is that for this year the Federal funds deficit will be $15 billion, and the National debt will increase this year by about $19 billion. This inconsistency is explained by the fact that the Treasury borrows from the excess social security and other trust funds but fails to count these borrowings as part of the unified budget deficit even though the borrowed funds must be repaid with interest.

THE DEBT LIMIT AND TOTAL SPENDING

It is difficult to calculate what may develop as a result of increases approved for spending this year and the debt ceiling of $475.7 billion recently approved by the House. The administration debt limit estimate of $480 billion and the committee recommendation of $478 billion were based on total outlays of $270 billion in fiscal year 1974. My current estimate of total outlays is about $273 billion, including the aid to Israel budget amendment and congressional increases subsequent to October 18. Funds cannot be expended which would up the debt ceiling above the authorized amount. Whether this will be used by the Office of Management and Budget this fiscal year as it was last year to justify impoundment of funds made available by Congress remains to be seen.

RESPONSIBILITY FOR FISCAL SITUATION

The responsibility for our fiscal situation must be borne jointly by the executive and legislative branches. The Congress continues to approve budgets badly out of balance, and the executive continues to approve congressional initiatives in excess of the budget.

BUDGET CONTROL BILL

The issue clearly points up the necessity of better congressional control of all spending, especially so-called backdoor spending. Hopefully a large part of the answer will be found as Congress

pushes to final enactment the proposed budget control measure.

At this point I will place in the RECORD a table setting forth more details on the spending estimate for fiscal year 1974.

Fiscal year 1974 spending estimate

Current estimate of fiscal year 1974 spending:	*Billions*
Administration October 18 estimate	$270.0
Aid to Israel budget amendment	0.6
Congressional increases subsequent to Oct. 18	2.6
Total	273.2
Expenditure impact of congressional actions on January budget:	
Detail on major completed actions (estimated fiscal year 1974 outlay impact):	
1. Appropriation bills:	
Regular bills:	*Millions*
Agriculture	+$250
Interior	+75
Public Works	+20
Transportation	−30
District of Columbia	−14
Legislative	−16
Treasury-Postal Service	−42
HUD-Space-Science-Veterans	------
1973 Supplemental bills (1974 outlay impact)	+557
Subtotal, appropriation bills	+799
2. Legislative bills—backdoor and mandatory:	
Food stamp amendments (P.L. 93-86)	+724
Repeal of "bread tax" (P.L. 93-86)	+400
Federal employee pay raise, Oct. 1 1973 (S. Res. 171)	+358
Welfare—medicaid amendments (P.L. 93-66)	+122
Unemployment benefits extension (P.L. 93-53)	+116
Veterans national cemeteries (P.L. 93-43)	+110
Social security—liberalized income exemption (P.L. 93-66)	+100
Winema forest expansion (P.L. 93-102)	+70
Veterans dependents' health care (P.L. 93-82)	+65
Airport development (P.L. 93-44)	+15
REA—removed from budget (P.L. 93-32)	−146
School lunch amendments (H.R. 9639)	+100
Civil service retirement items	+37
Subtotal, legislative bills	+2,071
Total, 1974 outlay impact of completed congressional action	+2,870
Detail on major pending actions:	
1. Appropriation bills:	
Labor-HEW	−800
Defense	
Foreign aid	
State-Justice-Commerce-Judiciary	
Military construction	
2. Possible Inactions: The net effect on outlays of inaction on legislative proposals that would reduce budget outlays in fiscal year 1974 and on legislative proposals that would increase outlays for fiscal year 1974 could be about $800 million	+$800
Total—Congressional increases over January budget	+5,000

	House	Senate
2. Legislative bills—backdoor and mandatory:		
Civil service minimum retirement	+172	+200
Mass transit operating subsidies		+400
Federal employee health insurance	+234	
Veterans pensions	+208	+172
Trade reform—readjustment costs	+300	
Veterans drug treatment		+144
Social security	+1,100	+1,400
Total		+2,100

[In billions]

The October 18 $270 billion outlay estimate for 1974:	
Includes the effect of the following major developments:	
1. Net increase of $2.4 billion due to congressional action through October 18.	
2. Significant increases in estimates for certain uncontrollables:	
Interest	+2.9
Medicaid cost increases	+0.6
Disaster assistance	+.6
Veterans readjustment benefits	+.4
3. Significant decreases in estimates for certain uncontrollables:	
Outer Continental Shelf rents and royalties (offset against outlays)	−2.9
Farm price supports	−1.0
Stockpile sales	−0.9
Interest received and other offset payments	−.7
Unemployment trust fund	−.5
Excludes the effect of the following major developments:	
1. Assistance to Israel budget amendment	+0.6
2. Congressional increases subsequent to October 18	+2.6

IVAN DZYUBA: A UKRAINIAN HERO

(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, I rise to bring to my colleagues' attention the most recent illustration of the brutal policies of the Soviet Government toward its own citizens. It is the case of Ivan Dzyuba, a prominent Ukrainian writer and critic of Soviet policy on domestic nationalities. In January 1972, Mr. Dzyuba was arrested and held incommunicado until he was sentenced in March of this year to 10 years of prison and exile. His crime was his ardent defense of the cultural independence of religious and national groups within the Soviet Union. The Soviet Government knows of this man's long record of courage in opposing cultural coercion. Dzyuba's concern has not been confined to his Ukrainian brothers and sisters. His universal feeling for ethnic and religious freedom is reflected in this eloquent statement he delivered on the 25th Anniversary of the Babi Yar massacre of 40,000 Jews: "Let the Jews know the Jewish history, the Jewish culture, and the Yiddish language and be proud of them."

Today's New York Times reports that Dzyuba has been pardoned from his sentence. He has been quoted by Tass as having said that he now "unequivocally condemns" his previous work and is now writing a new book to correct his "past fallacies." Again the world is being asked to believe that the atmosphere of a Soviet prison has opened the mind of an intellectual to the truths that had previously eluded him. What Tass does not reveal is that Dzyuba is suffering from tuberculosis. According to the Times, other Soviet dissidents, have expressed doubts that he would be able to survive a full term of 5 years in penal camp and 5 years in exile.

It is reasonable to believe that Dzyuba was given a choice between his life and the integrity of his beliefs. It is the choice imposed upon countless other Soviet citizens who have dared take exception to State policies. Such a dilemma must be especially cruel to a man who has defended the intellectual and cultural diversity of his countrymen against government demands of conformity.

If we cannot expect Russia to reverse its habits of oppression, surely we can do all that is peaceably possible to encourage it to allow those subject to brutalization to leave. This is the clear intent of the Jackson-Mills-Vanik Trade Amendment. Certainly we need no further revelations of mental and physical violence against religions, nationalities and intellectuals to demonstrate the need for this kind of economic sanction against the Soviet Union. As the Dzyuba case shows, this is not simply a Jewish issue. There is no indication that any group in Russia wishing to maintain its freedom of thought is exempt from reprisal. As the Ukrainians also know, all Soviet citizens must face the real possibility that hypocrisy may become necessary for life itself. Those forced into this position deserve our understanding and support.

TRUCK POLLUTION: EPA RESPONDS

(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, on October 23 I wrote to Russell E. Train, Administrator of the Environmental Protection Agency stating my view that according to newspaper reports, it would not be possible until 1977 or even 1980 that sufficiently stringent antipollution measures for trucks would be operative. In the RECORD of October 25 I raised the problem for the benefit of our colleagues.

In addition, I made the suggestion that the Environmental Protection Agency might consider New York City's testing methods as temporary measures until better ones were perfected by EPA in the near future. Most of all, I stressed that it was intolerable that center cities should increasingly submit to pollution emissions from trucks. It was estimated that 80 percent of central Manhattan's air pollution would derive from trucks by 1980.

I am glad to report that the response of the Assistant Administrator for Air and Water programs of EPA, Mr. Robert L. Sansom, made clear that the Agency was at work on more relevant test proce-

dures to regulate stringent antipollution measures. Mr. Sansom also reported that EPA is considering accelerating the schedule for stricter emission standards for trucks. If the EPA decides to do so, Mr. Sansom has stated that full consideration will be given "to the feasibility of utilizing the standards developed by New York City."

The correspondence between Mr. Sansom of EPA and myself follows:

U.S. HOUSE OF REPRESENTATIVES,
Washington, D.C., October 23, 1973.

Hon. RUSSELL B. TRAIN,
Administrator, Environmental Protection Agency, Waterside Mall, Washington, D.C.

DEAR MR. TRAIN: I was distressed to read in the accompanying *New York Times'* article the prediction by Deputy Assistant Administrator Eric Stork that new antipollution regulations for trucks would not be in effect until 1977 or 1978 and that some officials of EPA do not expect new standards until 1979 or 1980.

This delay is intolerable for cities such as New York, where Department of Air Resources Commissioner Fred C. Hart has estimated that by 1980, 80% of central Manhattan's air pollution will derive from trucks if new standards are not soon imposed. In addition, the delay in creating viable antipollution standards will make it virtually impossible for New York City and many other cities to comply with EPA's clean air standards.

New York City has devised test standards for trucks which however imperfect, is better than nothing. Is it not possible for the EPA to establish test procedures by which truck anti-pollution levels could be created according to the current state of the technological art? If established now, to be in effect in one year's time, modifiable with increased knowledge, these regulations will serve to substantially reduce the presently intolerable air pollution our cities suffer.

Sincerely,

EDWARD I. KOCH.

U.S. ENVIRONMENTAL
PROTECTION AGENCY,
Washington, D.C., November 9, 1973.

Hon. EDWARD I. KOCH,
House of Representatives,
Washington, D.C.

DEAR MR. KOCH: This is in response to your request for our comments on an article that appeared in the October 13 issue of the New York Times. In that article it was suggested that the trucking industry "had pulled off a coup on the EPA" by escaping stringent anti-pollution regulations on their vehicles.

Heavy duty engines used in trucks and buses have been subject to Federal emission control requirements, including smoke limitation requirements, since the 1970 model year. Effective with the 1974 model year, these requirements have been made more stringent. Particularly as regards smoke, there is no reason today for a well maintained and properly operated post-1970 model truck or bus to emit significant quantities of visible smoke. The key phrase in the foregoing is "well maintained and properly operated." If the operator of a diesel powered heavy duty vehicle "lugs" that vehicle, i.e., if he fails to shift to a lower gear and thus attempts to get more power out of the engine than it can reasonably be expected to deliver for sustained periods of time, the engine will burn substantially more fuel (in relation to air) than it should, and thus will smoke. As regards maintenance, when an engine in a heavy duty vehicle is not properly maintained, it is very likely that vehicle will emit visible smoke.

In addition to emission control standards that have already been imposed on trucks and buses, the Environmental Protection Agency is at work on the development of new and more valid emission test procedures, and on the evaluation of the feasibility of more stringent emission control for heavy duty engines. We fully expect as a result of this work to propose even more stringent standards for heavy duty engines than apply currently.

As regards your question as to whether test standards devised for trucks for New York City which, however imperfect, may be better than nothing, could be adopted for the interim until final emission standards for such vehicles can be developed, we are currently making another review to determine whether or not the schedule for imposing more stringent emission standards for trucks can be accelerated. In that evaluation, we will give full consideration to the feasibility of utilizing the standards developed by New York City.

Sincerely yours,

ROBERT L. SANSOM,
Assistant Administrator for Air and Water Programs.

A DEATH IN CHILE

(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, I have been very concerned over the barbaric acts perpetrated by the military junta that now rules in Chile. The still unexplained slaying—apparently by summary military execution—of one of my constituents, Charles E. Horman, has driven home the brutality of this regime. In addition, the allegations cited by members of Charles Horman's family describing the indifference, incompetence, or brutal callousness of the American Embassy in Santiago, raises the most serious ethical questions.

I believe that the allegations of Edmund Horman, father of Charles, which I placed in the CONGRESSIONAL RECORD of October 31, and those of Joyce Horman, Charles' widow, which are set forth in this statement, warrant a full investigation by the House Foreign Affairs Committee. I have urged Chairman THOMAS E. MORGAN of that committee to make such an investigation.

The letter of Mrs. Joyce Horman to Senator FULBRIGHT, a copy of which was sent to me, follows:

NEW YORK, N.Y. *November 7, 1973.*

Hon. J. WILLIAM FULBRIGHT,
Chairman, Foreign Relations Committee,
U.S. Senate, Washington, D.C.

DEAR SENATOR FULBRIGHT: I returned to New York City on October 21st, after spending a tortourous month in Santiago, Chile, looking for my husband, Charles Horman, who was taken from our home on September 17th, and summarily executed on September 18th by the Chilean military.

I hope that the treatment to which I was subjected both by the Chilean military and by the U.S. Embassy/Consulate will never be experienced by any person ever again. I realize that I have little hope of influencing the Chilean military's brutal abuse of human rights and civil liberties, but I hope that my statement and the statements of others can help remedy the callous, uncaring treatment which we received from the U.S. Embassy/Consulate in Santiago.

The three points which I wish to emphasize in this letter are:

1. the slow, inadequate steps taken by the Embassy/Consulate personnel during the first crucial days after Charles was taken.

2. the general lack of concern for and irritation with the U.S. citizens who sought aid and protection of the Embassy/Consulate at this time.

3. the use of rumors and intimidation on the part of this same personnel and by the U.S. State Department to cover and excuse their non-action.

In the case of my husband, Charles Horman, the most irresponsible non-action of the Consulate took place on September 18th. The Consulate received two telephone calls early that day stating that my husband was in the hands of the Chilean military. Purdy states in a written report that he telephoned "pertinent" local police stations on that day.

Why did he not go directly to the National Stadium?

Why did he not contact the Navy?

Why did he not contact the Army—the Air Force—the Military Intelligence Service?

I feel that rapid, forceful action at this time could have saved Charles' life. In a meeting with Ambassador Davis, Col. Hon. Edmund Horman (Charles' father) and me on October 5, Consul Fred Purdy denied knowledge of telephone calls to the consulate. I reminded him that both calls had been noted on the Consulate cards being kept concerning my husband's case. He checked the cards and confirmed that the calls had been noted.

In the interviews I had with the Consulate concerning Charles' case, it seems to me that the consulate staff established a line of questioning for the purpose of ascertaining a justification for Charles' seizure—(Was he politically involved? What were Charles' activities? What kind of things were his friends doing?)—rather than being sufficiently interested in the facts and details of his seizure. It was necessary for me to reconfirm and repeat at various interviews that Charles had been taken from our home by the Chilean military on September 17th and that telephone calls had been made by the Military Intelligence Service to friends on September 18th, asking about Charles' character.

The attitude which I encountered in the Embassy/Consulate personnel was one of irritation and annoyance with U.S. citizens seeking the Consul's aid during this time of emergency. For example, after a meeting with Mr. Purdy, he followed me out of his office to the outer office where two friends were waiting for me. He asked for Charles' passport number. I was present when the passport number was telephoned to Mr. Purdy's office by an Embassy official earlier that week. I asked if he had not already received it. He suggested that perhaps it had been sent through the mail. I said incredulously "the mail?" To this Mr. Purdy responded, "Mrs. Horner (sic) . . . I mean the Embassy mail. Now listen, you can read anything you like into what I say, but if you people don't think I've been doing my job . . . I haven't had a good lunch with my friends for the past 11 days . . . and I missed my baby's birthday on the 18th and I've worked late two nights." One of my friends gave him Charles' passport number and my friends and I left the consulate.

Another example of the attitude of the embassy personnel was shown at a meeting on September 26th in Ambassador Davis' office. Ambassador Nathaniel Davis and Captain Ray Davis were present at this meeting. Captain Davis was asked by the Ambassador to report on Charles' case. Afterwards, the Ambassador asked me, "What more can we do for you?" I said, "Well—has anyone from this Embassy gone into the stadium? I understand that other Embassy representatives have gone to the Stadium, and have gotten their people out. Is it possible that it be arranged that someone from this Embassy or

that I go to the Stadium and look? It seems possible that his (Charles') records may be lost, and that he's misplaced, and I would like to look.

Ambassador Davis said that we don't want to ask favors of this government. If we get favors, everyone else will expect to get them too. Then he said something to the effect that we do not wish to do possible damage to our relations with this new Chilean government.

I repeated my question and he said, "Now just what did you wish to do at the stadium? Would you like to look under all the bleachers and into all the corners?" I replied, "Yes—why shouldn't I?" At this point Captain Davis changed the subject and we ended on the note that the Embassy/Consulate would telephone Col. Espinoza (the officer in charge of the stadium) and ask him if Charles' name was on any of the new lists. He also told me that I should be patient and that they would do their best to find Charles.

The two examples described above illustrate the irritation and unwillingness to act which I encountered in the Embassy/Consulate in Santiago.

The third point I wish to illustrate involves the use of rumors by the State Department in Washington. When I returned to New York, a friend reported to me that she had spoken with other friends and members of the press who had called or visited the State Department to obtain information about Charles' case. These people received inaccurate, derogatory and prejudicial information. One example appeared as follows in the *New York Post*:

"State Dept. officials said they had requested an investigation of Horman's death. They said they were not convinced he was not killed by left wing groups masquerading as soldiers and 'parading around in uniforms' after the coup.

"If it were people on the Left, it would have to be really wicked people who would kill him just to make the military look bad," said State Dept. spokesman Kate Marshall."

Before Charles' death was made official, a rumor reportedly came from the State Department suggesting that Charles was in hiding. This covered and confused the fact that the Chilean military had him and that the Embassy/Consulate had not located him.

I want to relate a conversation which I had with my husband after he returned from five days in Vina, (trapped by the coup). He and Terry Simon, who was visiting us from New York City conversed with and were entertained by U.S. military personnel in Vina. Charles told me that the U.S. military officials exhibited much enthusiasm about the success and "smooth operation" of the coup. He also told me that they expressed a high level of antagonism towards the former Allende regime. He said he had been told by the same military personnel that the Chileans were expecting aid from the United States, to be channeled through the North American Naval Mission.

What is the significance of these remarks? Do they reflect a point of view shared by the Embassy/Consulate personnel? Would such a point of view affect the treatment of Americans in Chile who were not connected with the Embassy? Who is responsible for the unwillingness to act and irritation which I encountered at the Embassy/Consulate? Is the Ambassador responsible for setting the tone of Embassy/Consulate personnel? Was it Ambassador Davis' decision to set the tone which I encountered? Did orders come down to him from elsewhere? Is it possible that the kind of people representing the United States in Santiago were chosen because of their attitudes? Were they selected for a purpose? Who are these people? Who brought them together?

The cooperation of the Embassy/Consulate improved somewhat during the last two weeks of my search for Charles. I feel that this was due to inquiries about Charles made by U.S. Senators, Congressmen, the White House, the United Nations, prominent U.S. citizens, and the arrival of Charles' father, Edmund Horman, in Santiago.

Nevertheless, the facts stand that Charles was taken from our home by the Chilean Military, and killed in the National Stadium the day after he was seized. There were no charges against him. Why was my husband brutally executed?

Sincerely,

(MRS.) CHARLES E. HORMAN.

WORLD CONGRESS OF PEACE FORCES FOR INTERNATIONAL SECURITY AND DISARMAMENT

(Mr. ICHORD asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. ICHORD. Mr. Speaker, as chairman of the House Committee on Internal Security, I have on several occasions in the past called attention to the continuing efforts of Communist groups and organizations to exploit the peace movement in this country. On those occasions, I have noted that much of the preliminary planning for the violent antiwar protest demonstrations in this country in recent years was done at international conferences sponsored by the World Peace Council. In view of this, I believe it is important that all Members of Congress and the American public be informed of a meeting of the World Congress of Peace Forces for International Security and Disarmament which was held in Moscow, U.S.S.R. from October 25–31, 1973, under the sponsorship of the World Peace Council.

Described as "the largest such gathering in history," the Congress was opened in the Kremlin's Palace of Congresses. Romesh Chandra, the Secretary General of the World Peace Council, who is also the leader of the Indian—pro-Soviet—Communist Party, was elected to be the chairman. Over 2,000 delegates from some 140 countries were represented at the Moscow Congress, with the U.S. delegation of over 150 being among the largest.

The World Peace Council is an international Communist front which came into existence in 1948 and currently embraces "national peace committees" in over 80 countries. From its inception, the World Peace Council has defended the policies of the Soviet Union and has attacked those of the Western Powers. In recent years, the World Peace Council's activities have focused primarily upon "U.S. aggression" in Southeast Asia and support of the Soviet call for a new European security system. Other activities of the World Peace Council have included the organizing of mass protests against U.S. involvement in Southeast Asia; chartering a ship to collect medical goods for the North Vietnamese; waging a boycott of U.S. firms supplying war materials and campaigning for the granting of political asylum in any country for U.S. military deserters.

It is not surprising that a U.S. delegation would participate in this October 1973 Moscow meeting in view of the fact that the chairman of the U.S. delegation, Carlton Goodlett, is a member of the Presidential Committee of the World Peace Council. Goodlett, who has a long record of affiliation with Communist front groups, was once a teacher at the Communist-run California Labor School. Other prominent members of the U.S. delegation were Helen Winter and Hyman Lumer, both of whom are members of the Political Committee of the Communist Party, USA. The attendance of CPUSA delegates at this international gathering should help to dispel the notion in some quarters that the CPUSA acts in isolation and makes its own decisions in complete independence of the world communist movement.

I have received a firsthand report of what transpired at this conclave from a member of the U.S. delegation who has just returned to the United States. My source tells me that the U.S. delegation was given a hearty welcome upon its arrival in Moscow and was treated royally. In fact, some members of the U.S. delegation were somewhat embarrassed in that they were afforded better treatment than that received by other delegations.

On the first day of the Moscow Congress, Leonid Brezhnev, General Secretary of the Communist Party of the Soviet Union, delivered a lengthy welcoming speech to the Congress, which was termed by U.S. delegation chairman Carlton Goodlett as "an unforgettable moment in history."

Profaning the very meaning and spirit of peace, the delegates to the Moscow Congress declared that V. I. Lenin, the architect of the Soviet power apparatus, had been a foremost proponent for peace, and honored Lenin's memory by visiting his mausoleum.

The Congress received a message of greetings from U.S. industrialist Cyrus Eaton, who is well known for his frequent public statements extolling the virtues of the Soviet Union while at the same time attacking what he has characterized as the "anti-Russian belligerence of the United States." Eaton, in his message to the Moscow Congress, expressed his delight over the recent agreements expanding trade between the U.S.S.R. and the United States.

I have been informed by my source that although the U.S. delegation was composed of various groups, the CPUSA was actually in control of the delegation and gave it leadership and direction. This appeared to be obvious when the CPUSA organ, Daily World, reported in its October 30, 1973 issue that the U.S. delegation had expressed its indignation upon hearing that the U.S. Government had declared a state of alert to its Armed Forces. The U.S. delegation, according to the Daily World, endorsed a statement by the Soviet news agency TASS which declared that the alert was "an effort to intimidate the Soviet Union but that such tactics could never succeed."

The Moscow Congress set up 14 work commissions which included those devoted to peaceful coexistence and international security; Indochina; the Middle East; Disarmament; National Liberation; Chile; and Struggle Against Colonialism and Racism. It is significant to note that CPUSA official Hyman Lumer

chaired the Middle East Commission, and CPUSA official Helen Winter played a leading role in the work of the Chile Commission.

The Reverend Paul Mayer, a Catholic priest and longtime antiwar activist, tossed a bombshell into the Moscow Congress when he submitted a document titled "On Soviet Dissidents." This document, according to the Daily World, adopted the position on Soviet citizens Alexander Solzhenitsyn and Andrei Sakharov that has long been promoted by anti-Soviet forces desperately seeking to block détente. Reverend Mayer was charged with having violated the congress' rules of procedure which directs that documents should first be presented for discussion to fellow members of the participant's delegation.

It was interesting to note that Reverend Mayer's document caused a great deal of consternation and embarrassment of the CPUSA members of the U.S. delegation. CPUSA member Pauline Rosen, a member of the U.S. delegation's steering committee, declared that Reverend Mayer's comments were "uncorroborated" and called his document as a whole "devisive." Mrs. Rosen was instrumental in having the steering committee quickly draw up a resolution to the full U.S. delegation completely disavowing Reverend Mayer's document.

The Daily World was particularly incensed that Reverend Mayer's plan to submit his document had been told in advance to the New York Times and Washington Post. The Daily World, in a published statement, declared that:

> The biased positions of these two papers on Solzhenitsyn and Sakharov and on Soviet international affairs are notorious all over the world.

"U.S. imperialism" was singled out by the Moscow Congress as the main enemy of peace and social progress and the "peace forces" were urged to unite in a common struggle against imperialism.

Among the actions decided on by the Moscow Congress were the following:

First, the spirit of détente affords an opportunity to rouse the public conscience in all countries to advance disarmament;

Second, the peace of humanity is jeopardized by Israeli aggression backed by U.S. forces. The occupation of Arab land by Israel is unacceptable and all political parties, mass movements and public organizations in all countries are to mobilize public opinion to insure an immediate implementation of the resolutions of the U.N. Security Council for settlement of the Middle East conflict; and

Third, peace forces in all countries are to give the widest possible support to the struggle of the Chilean people. Peace forces are urged to set up National Solidarity Committees in all countries and to launch a campaign for an end to terror in Chile.

The steering committee of the U.S. delegation in a press statement at the conclusion of the Moscow Congress stated that it had learned of "continuing bloodshed in Indochina, similar struggles in Africa and Latin America and of movements and people fighting apartheid, racism and colonial rule so often supported by the government which acts in our name." The steering committee also commented that the U.S. delegates have vowed to return to the United States with new vigor and will join together in the continuing struggle for peace.

My source has advised that primarily through the efforts of the CPUSA members of the U.S. delegation, Mrs. Salvatore Allende, wife of the late Chilean Marxist leader, was persuaded to make a speaking tour in the United States. Tentative plans call for Mrs. Allende to deliver her first Communist propaganda tirade in San Francisco on November 17.

I was particularly interested in the comments of my source who indicated that there were a great number of Soviet police everywhere the U.S. delegation went. My source noted that the Soviet citizens appeared to be terrified of the police.

Mr. Speaker, it is clear that the Moscow Congress sponsored by the World Peace Council is not one motivated for peace but rather by a desire to arouse emotional hatred against the United States and its democratic society. Communists masquerading as prophets of peace must be placed in proper perspective for our citizens. Maneuvering under the appealing label of peace, they serve only to help achieve Communist objectives. Their self-proclaimed objective may be peace, but always on Communist terms.

The World Peace Council, operating on the international level, has demonstrated once again in Moscow that it views the struggle against the United States as one of worldwide scope. This gathering shows that the strategy and tactics to be used in protest against the United States are continuing to be mapped out on an international scale with the World Peace Council calling the shots.

The decisions made at the Moscow Congress calling for actions by "peace" groups around the world for mounting pressure of the governments of their nations opposing their cooperation with the United States takes on an entirely different significance when viewed in this light. It may well be projected that these "peace" forces will continue to seek to build a strong political movement spurred on by a continuous propaganda barrage to alter U.S. policies and to demean the United States in the eyes of the world.

COMMUNIST PROPAGANDA

(Mr. ICHORD asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. ICHORD. Mr. Speaker, several of my colleagues have recently called to my attention that they have received through the mail a copy of the magazine, Korea Focus, which apparently has been sent unsolicited to Members of Congress.

Korea Focus is self-identified as an official publication of the American-Korean Friendship and Information Center in New York City. The 1971 Annual Report of the House Committee on Internal Security described the American-Korean Friendship and Information Center as a "recently formed Communist Party, U.S.A. front group" that reflects the Party's current attempt to unite the issues of withdrawal from Vietnam with that of withdrawal from Korea. The committee's report noted that literature disseminated by the AKFIC bears union printing label 209, the label of the Prompt Press, a New York firm that has officially been cited by the Attorney General of the United States as being owned by the CPUSA and which traditionally prints material for party front groups. Further, the key leadership positions in the AKFIC are in the hands of identified CPUSA members. The executive director and editor of Korea Focus, for example, is CPUSA National Committee Member Joseph Brandt, and the secretary is George B. Murphy, Jr., identified as a member of the CPUSA in sworn congressional committee testimony in 1956. The vice chairmen include two current members of the CPUSA National Committee: Dr. Herbert Aptheker, party theoretician, and Jarvis Tyner, head of the party's youth group, the Young Workers Liberation League. At least 27 of the 54 initial sponsors of the AKFIC have been identified at various times as members of the CPUSA and the party has given highly favorable publicity to the activities of the organization in its press.

The concern and indignation expressed by some of my colleagues over the receipt of this unsolicited Communist propaganda is certainly understandable. Propaganda has become the Communist Party's most powerful single weapon. No segment of our population and no sphere of activity in this country has been overlooked or neglected by the Communists as targets for their propaganda.

V. I. Lenin, the principal theorist and organizer of the world Communist movement, many years ago, while stressing the importance of the distribution of what he termed "illegal literature" by his band of secret Communist revolutionaries, pointed out the difficulties which the opponents of communism would find in coping with it. Lenin said:

> The police will soon come to realize the folly and futility of setting the whole judicial and administrative machine into motion to intercept every copy of a publication that is being broadcast in thousands.

Under the circumstances the remedy and antidote for the poison of Communist propaganda, such as that published in Korea Focus must finally be, as in the case of other propaganda, the counter-dissemination of knowledge and truth. This can be most effectively accomplished through the educational process, by which our citizens are alerted to the import and purpose of Communist propaganda. Educational programs, by which our citizens are fully informed of Communist tactics and objectives, will generally nullify any possible adverse effect achieved by the dissemination of Communist literature, and will further serve to strengthen our democracy and its democratic processes.

ADMINISTRATION PLANS ENDANGER VOCATIONAL REHABILITATION

(Mr. BRADEMAS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. BRADEMAS. Mr. Speaker, on August 3 of this year the Select Subcommittee on Education, which I have the honor to chair, conducted an oversight hearing on the future directions of the rehabilitation program for handicapped Americans.

I convened this hearing, Mr. Speaker, because of my concern, following two Presidential vetoes of rehabilitation legislation, as well as the administration's announced intentions of cutting back on rehabilitation training and research, that this universally acclaimed program to assist handicapped adults might be drifting aimlessly.

Imagine our surprise, Mr. Speaker, when it became apparent at that hearing that the Administration was seriously considering a proposal to "cash out" the highly successful 52-year vocational rehabilitation program.

I refer, Mr. Speaker, to a June 28 planning memorandum, written by William A. Morrill, Assistant Secretary for Planning and Evaluation of the Department of Health, Education, and Welfare.

So alarmed did Corbett Reedy, Acting Commissioner of the Rehabilitation Services Administration, become over the implications of the memorandum, that on July 18, 1973, he wrote to James Dwight, Administrator of the Social and Rehabilitation Service, warning that the memorandum proposed the "fractionation and dissolution of the State-Federal program" of vocational rehabilitation.

Mr. Speaker, let me take a few moments to advise my colleagues of the contents of the Morrill proposal.

For what he proposed was a series of options, any one of which would have had the effect of crippling the highly successful 52-year-old program to provide rehabilitation services to handicapped men and women.

And among those options, Mr. Speaker, the one which appeared to find the most favor with Mr. Morrill was a proposal to disband the State-Federal rehabilitation and replace it with a cash assistance scheme which would enable the disabled recipient to purchase the services he needed.

On what basis was that startling proposal put forward?

The basis, I suggest, was almost entirely an ideological one—namely, that government is best which governs least.

Listen, Mr. Speaker, to the sentence with which Mr. Morrill began to justify his proposition:

> The following discussion is based upon the tenet that any given governmental function should be carried out at as decentralized a level as possible.

And, continued Mr. Morrill:

> This assumption is made for a variety of reasons, including:
>
> A belief that decentralized government can better address specific problems of a specific area; and
>
> A concern for the potential loss of personal liberties brought on by strong centralized government.

And, Mr. Speaker, while I do not accept the narrow and simplistic assumptions on which Mr. Morrill rested this highly important public policy proposal, I did not become overly distressed with the Morrill document until it became apparent that Mr. Morrill proposed not new legislation to accomplish his objectives, but rather, he suggested implementing his proposals behind the back of Congress.

For Mr. Morrill acknowledged that Congress would not sit idly by while he eviscerated this program.

But, he said, no matter, for:

> An alternative is to administratively implement this option under current legislation.

And, he continued:

> Specifically, DHEW rhetoric should reinforce strict observance by the states but SRS management efforts should be focused upon reducing unnecessary restrictions, reporting requirements, data collection, et cetera, by the states.

And, finally, Mr. Speaker, I should quote to you the following interesting language from Mr. Morrill's document. He said:

> In general, the programs in this area have not held up well under critical scrutiny of their performance.

And he said this was true for a number of reasons, including:

> The program objectives are vaguely defined, or conflicting objectives are held by various actors in the process. For example, the Federal goal for vocational rehabilitation is to obtain employment for the physically handicapped; at the individual counselor level that goal tends to translate into "classify as rehabilitated as many eligible persons as possible."

But if we turn to Mr. Reedy's July 18th memorandum to Mr. Dwight, in defense of the rehabilitation program, we hear a different conclusion. Mr. Reedy says, not so:

> There is general goal congruence within the State-Federal VR Program. Traditionally, the Federal role has included leadership, transfer of resources, and capacity building.

And, Mr. Reedy continued:

> As we move into the rehabilitation of the more severely disabled, the Federal role becomes more crucial in these areas, particularly in capacity building in special disability areas.

And Mr. Reedy continued to label as incorrect any notion that the handicapped person is generally able to purchase the services he needs without counseling assistance. Said he:

> The assumption behind the proposal to substitute cash assistance for the current VR program is that the disabled individual is capable and motivated to plan his rehabilitation program and to seek from vendors the services which he needs to implement that program, and further that such services are readily available for purchase. Generally, this is not the case. Normally, the disabled individual has little knowledge as to his specific rehabilitation needs or of the availability of essential services.

And, concluded Mr. Reedy:

> This is where the VR counselor plays a critical role in providing professional advice in helping the individual develop an appropriate rehabilitation plan tailored to his needs, while preserving the client's freedom of choice.

Now, I know, Mr. Speaker, that any of my colleagues who had the opportunity to attend the oversight hearing conducted by the Selected Education Subcommittee last August, or who have had a chance to read the transcript of that hearing, are aware that Mr. Morrill was simply unable to answer these objections on the part of Mr. Reedy.

SUPPORTING RHETORIC

Nor, Mr. Speaker, was Mr. Morrill able to tell us how his criticisms of the effectiveness of the rehabilitation program could be reconciled with the following statement:

> The Vocational Rehabilitation program is among the successful in HEW. A number of benefit-cost analyses have been made. They differ with respect to methods and assumptions, but agree on an important point: the benefits of the program are many times its cost. Conservative estimates of the ratio of benefits to costs have ranged between 8 to 1 and 35 to 1.

Whose words are those? They are those of none other than Caspar Weinberger, Secretary of the Department of Health, Education, and Welfare, spoken before the Senate Labor and Public Welfare Committee earlier this year during his confirmation hearings.

And, continued Mr. Weinberger:

> I can assure you there is not the slightest question as to the Administration's support of the vocational rehabilitation program, nor is there on my part.

Mr. Speaker, I should point out that we did, indeed, hear such supportive rhetoric for the rehabilitation program during the oversight hearing at which the planning memorandum came to light.

For, said Mr. Dwight in his opening statement:

> I would like to state at the outset my strong belief in the goals and activities of the rehabilitation program. It is one of the oldest and certainly one of the most successful of the Federal human resources programs.

And Mr. Morrill, himself, at that hearing went out of his way to endorse Mr. Dwight's statement, saying: "the evidence I have seen clearly supports that judgment."

And the evidence Mr. Morrill had—if we are to believe the testimony of Secretary Weinberger—clearly did support that judgment, Mr. Speaker.

But Mr. Morrill clearly was not interested in pursuing that evidence. For, as he admitted to me under questioning:

He had not consulted the rehabilitation experts in the field with respect to his plans; and

He had no evaluation to back up his contention that the rehabilitation program was ineffective.

In short, he had no evidence, but only ideology, to back up the drastic proposals with respect to rehabilitation which his memorandum outlined.

And when I asked Mr. Morrill how he could possibly reconcile the radical and unsupported attack on the rehabilitation program represented in his memo with

the high praise for the program which he expressed before our subcommittee, he implied that the planning memorandum was only a kind of academic exercise requiring tough questions so that he could get straight answers.

REHABILITATION UNDER NIXON

But that kind of explanation really does not hold water, Mr. Speaker—at least it does not with me, and it did not with my subcommittee.

For the Morrill memorandum comes to light not in a vacuum, but in the context of a long and continuous history of active opposition on the part of the administration to the rehabilitation program.

Consider that in the last 4 years we have seen:

Repeated vetoes of the Labor-HEW appropriations bill providing funds for the rehabilitation program;

Two vetoes of legislation to extend the vocational rehabilitation program;

Adamant hostility to the construction of facilities in the rehabilitation field;

The rehabilitation research budget cut in half from fiscal 1972 to fiscal 1973;

An attempt to kill the rehabilitation training programs after fiscal 1974.

We have seen the growth of the State programs virtually ground to a halt while the States are beginning to pull their own weight;

And we have seen the Rehabilitation Services Administration submerged more and more within the Social and Rehabilitation Service, while RSA staff is being reduced, and RSA research funds are diverted into other areas.

And I am sure that many of you recall the image of John Ehrlichman last March—then at the height of his powers as the President's Domestic Counselor—brandishing 15 bills, including the Rehabilitation Act, before the television cameras, and describing them as "budget-busters." Mr. Ehrlichman said:

These bills represent a $19 billion herd of Trojan horses that are thundering our way out of the Congress, brightly painted and outfitted with very attractive accessories.

So in the context of that attitude, and that history, Mr. Speaker, the emergence of this planning document is evidence, to me in any event, that this administration is now attempting to implement by administrative fiat what it has been unable to obtain by the passage of legislation.

In brief, I suspect that if this administration has its way, it will seek to render the Rehabilitation Act of 1973 inoperative.

Mr. Speaker, I have already cited the favorable statistics on vocational rehabilitation quoted by Secretary Weinberger during his confirmation hearings before the Senate Labor and Public Welfare Committee.

But I have recently come across additional evidence, from the State of Texas, which indicates the enormous value of this program which Mr. Morrill so carelessly suggested we "cash out."

I refer, Mr. Speaker, to the Texas Rehabilitation Commission's 1972 Report to the Governor, which indicated that in 1971–72 the commission services helped 2,254 individuals, receiving $3.4 million in welfare payments, to obtain employment worth $6.3 million in wages.

And the commission estimated, Mr. Speaker, that the dramatic turn-around was a contribution of $8.6 million to the economy of the State of Texas.

For the State saved $2.1 million in public assistance payments, as well as $405,000 in medicaid premium payments, in addition to the $6.3 million earned by the 2,254 individuals rehabilitated.

HUMAN FACTOR

But what I want to stress to my colleagues, today, Mr. Speaker, is that these figures, encouraging as they are, often hide the appalling human tragedies to which this legislation is addressed.

And I think, Mr. Speaker, that no better illustration of these problems could be found than a letter from 15-year-old Jeanette Larson to the Texas Rehabilitation Commission.

For Jeanette, though disabled in body, is not handicapped in spirit, and her letter describing her difficulties, and her hopes, expresses far better than I the great courage, as well as the great needs, exhibited by our handicapped fellow citizens.

I include her letter, Mr. Speaker, at this point in the RECORD:

DEAR SIR: My name is Jeanette Larson. I am fiftheen (sic) and one half years old. I am in the ninth grade in Del Rio, Texas. The school I attend is called San Felipe Del Rio consolodated (sic) Freshmen School.

Your name was given to me by a D.P.S. officer because I am handicapped and interested in finding a school that specializes in helping handicapped people depend upon themselves and not on others all the time.

My handicapps (sic) are my height because I am three feet and 10 inches tall. My legs are only 18 inches long and are curved where the kneed should be. Even though my legs don't bend I can still walk and run pretty good. (Not fast but fast enough for me.) My other handicapps (sic) are my hands. Both hands are bent inward. I only have three fingers and one thumb on each hand. I am interested in learning how to drive a car, and also learning some kind of work that I can do so I can go out and get a job so I won't always have to depend on someone else to take care of me.

I stated earlier that I am in nineth (sic) grade well I think I should tell you more about what kind of education I have had so here it goes: When I was 6 years old special education class—speech class, 1½ years.

7 yrs. old, 1st grade (regular), speech class 1 yr., 1 yr. 1st grade.

8 yrs. old, 2nd grade (regular), speech class 1 yr., 1 yr. 2nd grade.

9 yrs. old, 3rd grade (regular), speech class 1 yr., 1 yr. 3rd grade.

10 yrs. old, 4th grade (regular), speech class 1 yr., 1 yr. 4th grade.

11 yrs. old, 5th grade (regular), speech class 1 yr., 1 yr. 5th grade.

12 yrs. old, 6th grade (regular), speech class 1 yr., 1 yr. 6th grade.

13 yrs. old, 7th grade (regular), spanish class ½ yr., 1 yr. 7th grade.

14 yrs. old, 8th grade (regular), spanish class 1 yr., 1 yr. 8th grade.

15 yrs. old, 9th grade (regular), Homemaking class, 1 yr., 1 yr. 9th grade.

I worked at babysitting from 8:00 to 4:00 every day last summer taking care of my niece (sic) who was 2 to 4 months old. In October 1971 I started selling Avon in my spare time. I am still babysitting on weekends and I am still selling Avon.

My father died when I was about seven years old. My mother has given me permission to write you myself because she feels I can tell you more about what I am interested in than she can.

Any help or information you could send us would be greatly appreciated. If it would help us to find out more about one of these schools we would be more than willing to come to Austin to talk to you. So if you want to you can make the appointment and then write us and let us know and we will come down there or do whatever has to be done.

Sincerely,

JEANETTE LARSON,
BESSIE D. LARSON,
Mother.

P.S.—Our address is: 909 Ave. D., Del Rio, Texas 78840, Ph. 775-3993, Area Code 512.

Mr. Speaker, the Jeanette Larsons of this great land of ours need our continued support of the rehabilitation program.

I urge my colleagues to oppose the proposals so thoughtlessly drafted by high ranking officials of the Department of Health, Education, and Welfare.

DRUG PROGRAM EDUCATION PROGRAM EFFECTIVE

(Mr. BRADEMAS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. BRADEMAS. Mr. Speaker, during the recent debate on the bill to extend the Drug Abuse Education Act, several of my colleagues expressed a concern that drug abuse education programs actually do more harm than good since they arouse the curiosity of students about dangerous drugs.

Several of us, however, Mr. Speaker, pointed out that the studies which had reached that conclusion evaluated, not educational programs, but the kinds of false and misinformed information programs which the Office of Drug Abuse Education does not support—and was not intended to support.

Mr. Speaker, a recent study has come to my attention which confirms that genuine educational efforts about the dangers of drugs can have a positive effect in changing drug-using behavior.

I refer to an evaluation of the SPARK—school prevention of addiction through rehabilitation and knowledge—drug abuse education program, recently completed by GEOMET, Inc., for the Special Action Office for Drug Abuse Prevention.

The SPARK program, Mr. Speaker, is operated by the New York City Board of Education, and Mr. Eugene P. Visco, a senior analyst for GEOMET, wrote that his study indicated:

An almost amazing relationship between participation in the SPARK program and behavior; such consistent results rarely appear in studies such as these. Further, the regression of the behavior of the students in the control population (non-participants in the SPARK program) is equally consistent and equally startling.

Mr. Speaker, because I believe that Mr. Visco's letter, and his study, speak for themselves, I insert them at this point in the RECORD:

GEOMET, INC.,
Rockville, Md., October 31, 1973.

BERNARD R. MCCOLGAN,
Special Action Office for Drug Abuse Prevention, Executive Office of the President, Washington, D.C.

DEAR BERNIE: I am enclosing three copies of the preliminary report of Phase I of the SPARK analysis. The report is preliminary because data from only two schools were available for the initial analysis and because pairing of the experimental subjects with control subjects has not yet been done. The report is issued at this time in accordance with our contractual agreement with you and because of your expressed immediate need for the information. I hope you will find it useful.

Briefly, the report provides a gross comparison between an experimental sample and an unmatched (as yet) control sample, with data representing high school students' behavior during the period of time: September 1971 to June 1972 and September 1972 to June 1973. The results indicate an almost amazing relationship between participation in the SPARK program and behavior; such consistent results rarely appear in studies such as these. Further, the regression of the behavior of the students in the control population (non-participants in the SPARK program) is equally consistent and equally startling.

We will continue to process the data, adding the information from the third school, carrying out the matching effort, and subjecting the comparisons to a variety of statistical tests. A complete report on Phase I will be issued when those analyses are completed.

I am prepared to discuss the information with you at your convenience. I will be out of town from 1 through 8 November, but can be reached through the office.

Sincerely,

EUGENE P. VISCO,
Senior Operational Analyst.

GEOMET REPORT, OCTOBER 31, 1973

(Preliminary report, phase I of SPARK program analysis, for Special Action Office for Drug Abuse Prevention)

INTRODUCTION

Background

This is the first report on the analysis of data representing the performance of the SPARK (School Prevention of Addiction through Rehabilitation and Knowledge) drug abuse program. The analysis is being carried out under the Basic Ordering Agreement 73-2 between the Special Action Office for Drug Abuse Prevention and GEOMET, Incorporated.

The New York City SPARK Program is: "The Nation's largest school-based program (approaching) addiction education and preventing through group and individual counseling, training of a peer leadership cadre, home visits, parent workshops, parent/child group sessions, community involvement, curriculum development, and in-service training for teachers."

Four major program goals have been established:

"Establishing a setting within each school where young people can go to learn to like themselves and cope with one another;

"Helping students to make decisions, solve problems, and in the process, to grow;

"Providing young people intellectual, social cultural and recreational alternative to drug abuse; and

"Improving communication with the existing services within each school."

The program is operated by the New York City Board of Education within the school system. Doctrine, guidance and staff recruitment, training, and assignment, as well as overall coordination is the responsibility of the SPARK Program Management group, an element of the Board of Education. The direct on-the-scenes activity of the program, in the 94 high schools making up the New York City secondary school system is the responsibility of the individual high school principals. The SPARK teams located in the schools are members of the individual school faculty and are supervised by the principal.

Three different types of SPARK teams are represented in the school system. They are:

One Drug Education Specialist (DES) at each of 45 schools;

One DES and one Instructor/Addiction at each of 40 schools; and

One DES, two Instructors/Addiction, and three additional professionals (usually including a psychologist, guidance counselors, or attendance teachers) at each of the remaining nine schools.

The last type of team configuration is responsible for the operation of an intervention and prevention center.

The program got underway about 1970. A full description of its development, organization, and operations will be included in a subsequent report. It is sufficient to state here that a brief analysis carried out early this year under the auspices of the New York Addiction Services Agency (ASA), the general delegate agency for drug abuse funds, indicated striking changes in behavior among the students who participated in the SPARK program. A major limitation of that analysis was that it sampled only SPARK enrollees and did not include observations of behavior among students who were not associated with SPARK. The analysis included SPARK involvement data for only the first semester of the 1972–1973 school year, compared with "baseline" data on the same students for a comparable semester (the previous year) before they became involved in the SPARK program.

To augment the observations of the ASA-sponsored analysis and to probe somewhat deeper into the performance of the SPARK program, SAODAP asked GEOMET to carry out "an evaluation of the SPARK high school drug abuse program in New York City in terms of changes in the functional behavior of students in an experimental group, as compared with a control group."

Technical approach

The basic approach is to compare the behavior of students in the SPARK program with students not in the SPARK program. Behavior is represented by four parameters: referrals for drug-related activity, instances of misbehavior (referred to as "acting-out behavior"), truancy, and classroom grades. Samples of students have been drawn from three of the nine schools that have intervention and prevention centers. The objective sample distribution is 100 SPARK students per school for a total sample size of 300 "experimental" subjects and 100 non-SPARK students per school for a total of 300 "control" subjects. The control samples are to be matched or "paired" with the experimental samples. The matching will be done in terms of the four behavior variables plus sex (gender) on the basis of data representing the students during the period September 1971 to June 1972 (before the SPARK population enrollment). The students are selected from the populations who were in the 9th and 10th grades during the baseline period; thus, they are in the 11th and 12th grades as of the beginning of the present school year. The matching will be done by computing the distributions of the various variables for the experimental group for the period prior to the group's entry into the program. Control samples will be selected on the basis of one-for-one pairing in terms of the same behavior characteristics for the same time period. In order to facilitate the data collection effort (carried out by members of the SPARK intervention and prevention center teams at the three schools), the same baseline period and first "treatment" period data were drawn for the experimental sample (100 students) and the larger control sample at the same time. The first "treatment" period is the period September 1972 to June 1973, or the first year of SPARK involvement for the experimental group.

Comparisons will be carried out covering the present school year (September 1973 to June 1974); plans also call for an interim data point at the end of the first semester (January 1974).

The behavior variables specifically represents:

The number of referrals for drug-related behavior from a wide range of sources including school security guards, professional staff members, family, and other students; and

The number of reported instances of misbehavior including fighting, abusive oral language, and stealing;

The total number of absences, unexcused absences, class cuttings, and tardiness events; and

Grades on at least the five basic courses generally required.

Since the data to be used are as filed in the various schools and some variations in data recording systems is expected, the analysis will be adjusted to make maximum use of the data in their original form.

STATUS AS OF OCTOBER 31, 1973

Three basic sets of data have been drawn, using random procedures, by the SPARK school staffs and are being processed at GEOMET. The data generally consist of the following information:

A student identification number (so the longitudinal data can be correctly drawn in the future);

Indication of the sample category (experimental or control);

The student's sex;

Whether or not the student is presently enrolled (for the data now in hand, all are still enrolled);

The number of referrals for drug-related behavior from: police, security guard, professional staff, self, family, other students, emergency room, other medical facility.

The number of events of acting-out behavior, categorized as: fighting with other students, fighting with staff, abusive oral language, disrupting classroom activities, inappropriate conduct in lunch or recreational areas, damaging school property, stealing from school, other students, or faculty, setting fires, setting false alarms.

The number of events associated with truant behavior as represented by: total absences, unexcused absences, classes cut, tardiness.

Final grades on six courses.

Data were not available on all elements at all schools. For example, there appear to be no (or very few) instances of "setting fires" or "false alarms." Similarly, information on unexcused absences is not filed at some schools. The composition of the samples is indicated in Table 1 below:

TABLE 1.—SAMPLE SIZE AND COMPOSITION

Group	School 1		School 2		School 3	
	Male	Female	Male	Female	Male	Female
Experimental	42	58	54	46	30	70
Control	111	90	81	75	60	140

As of this report, the data are in computer accessible form. The matching process, a somewhat tedious task, is underway. Initial frequency distributions have been computed for all the groups for Schools 1 and 2; the data for School 3 (slightly delayed) has only recently been prepared for entry into the computer and the distributions are not yet available. The preliminary results are presented in the next section.

PRELIMINARY RESULTS: TWO SCHOOLS

This section presents the tentative results obtained by analysis of the available data for two schools.

The results of principal concern are those that indicate the change in the experimental group over time. In interpreting these results it is important to recognize that the control population has not yet been matched. Thus, on the basis of the statistics computed from the entire population, results are only preliminary. It may be expected that the differences between the experimental and control groups for the first "treatment" period (September 1972 to June 1973) will change, given that the two groups are about the same (matched) for the baseline period. Tables 2 through 5 summarize the observations and display the summary data by school, by time period, and by sample group.

TABLE 2.—AVERAGE NUMBER OF REFERRALS FOR DRUG-RELATED BEHAVIOR (ALL SOURCES)

Group	School 1		School 2	
	1971–72	1972–73	1971–72	1972–73
Experimental	3.88	2.83	3.31	1.33
Control	1.31	1.86	1.79	4.91

TABLE 3.—AVERAGE NUMBER OF MISBEHAVIOR EVENTS (ALL TYPES OF ACTING-OUT BEHAVIOR)

Group	School 1		School 2 [1]	
	1971–72	1972–73	1971–72	1972–73
Experimental	12.84	6.05	14.28	3.89
Control	4.05	7.68	7.11	15.13

[1] Includes suspensions; data not available for School 1.

TABLE 4.—AVERAGE NUMBER OF TOTAL ABSENCES

Group	School 1		School 2	
	1971–72	1972–73	1971–72	1972–73
Experimental	21.15	19.16	17.87	12.06
Control	23.96	33.52	28.24	33.90

TABLE 5.—AVERAGE GRADES (5 COURSES)

Group	School 1		School 2	
	1971–72	1972–73	1971–72	1972–73
Experimental	64.18	69.32	60.86	70.29
Control	60.46	48.48	52.38	40.73

The preliminary data indicate that the number of referrals for drug related activity for members of the experimental group (in the SPARK Program) decreased, while the number of referrals for members of the control group (not in the SPARK Program) increased from the baseline period to the 1972–73 period. The same is essentially true for the number of absences. In the case of average grades, the grades for the members of experimental group were higher during the period they were in the Program than before, while the grades for the control group members dropped during the same period.

Although there are many factors that may influence the results presented here, we can tentatively conclude that there is an association between participation in the SPARK Program and improvement in the attributes of socially desirable behavior. In turn this result may mean that there is some "treatment" to which the SPARK-enrolled students are exposed that affects their behavior in a positive or "good" manner. Correspondingly, there is some influence or treatment to which the non-SPARK students are exposed that has the opposite effect. The data indicate these observations without exception. Such consistancy is quite rare in analyses of the present type.

* * * * *

ARREST RECORD INFORMATION IN JEOPARDY

(Mr. EDWARDS of California asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. EDWARDS of California. Mr. Speaker, the conference report on H.R. 8916, the appropriations bill for the Departments of State, Justice, Commerce, the judiciary and related agencies, contains language which seriously jeopardizes the authority of the Federal Bureau of Investigation to disseminate arrest record information to State and local governments.

For the past 2 years the Justice Department with the help of the House Appropriations Committee has been attempting, by an appropriations order, to reverse the decision in the case of *Menard* v. *Mitchell*, 328 F. Supp. 718 (1971). This decision prohibited the FBI's dissemination of arrest and fingerprint records to nonlaw-enforcement agencies. Riders were added to both the fiscal year 1972 and 1973 appropriations bills which would temporarily suspend the rule of the Menard case. When the fiscal year 1973 appropriations measure came before the House, I was sustained on a point of order striking the rider since such a rider was in violation of the House rule prohibiting the inclusion of substantive legislation in an appropriations bill. The conference report on that bill reinserted compromise language which again temporarily suspended the Menard order. However, when the administration presented its fiscal 1974 budget, it took the position that the language contained in the fiscal year 1973 appropriations measure had the effect of making the rider into permanent legislation and that the Menard order has been permanently repealed by enactment of the appropriations measure.

The idea that the rider accompanying the fiscal year 1973 appropriations measure is permanent legislation was, this year, rejected by both the Senate Appropriations Committee and the full Senate when both bodies voted to include the Bible-Ervin rider in this year's appropriations bill. The Bible-Ervin rider sought to rectify this situation by providing a definite legislative foundation for the FBI's dissemination of arrest record information and by distinctly defining the scope of the FBI's authority to disseminate this information. Since the Bible-Ervin rider was deleted by the conference, it would appear that the issue is once again unresolved and that the entire FBI fingerprint and arrest record operation has once again been placed in a state of limbo.

This year's conference report states that—

The conferees understand that this matter is before the Judiciary Committees of the House and the Senate and urge expeditious consideration thereof.

Since the conference has clearly asked that the Judiciary Committees of both Houses move quickly to resolve the legal ambiguity surrounding this matter, I am today proposing legislation which will temporarily resolve the controversy created by the conference committee's action. This legislation would, in effect, enact the Bible-Ervin rider into substantive law, but only until the end of the current Congress. This legislation is intended to give only temporary authority because I believe that more comprehensive legislation, such as my own H.R. 188 is need to deal with the issue of dissemination of information from law enforcement data banks and information systems. However, in the interim, I believe that temporary corrective legislation is needed in order to safeguard the FBI fingerprint operation from adverse court decisions which might result from the conflicting authorities created by the Menard decision and the confusing legislative history of the appropriations riders.

OKLAHOMA'S TEACHER OF THE YEAR

(Mr. ALBERT (at the request of Mr. STARK) was given permission to extend his remarks at this point in the RECORD, and to include extraneous material.)

Mr. ALBERT. Mr. Speaker, I wish to call the attention of my colleagues to an interesting article which appeared in the November 1973 issue of the Oklahoma Teacher, the magazine published monthly by the Oklahoma Education Association, about Oklahoma's 1973 Teacher of the Year. Mrs. Valerie Carolina of Wewoka, Okla., is the first black teacher to receive the State honor. I salute her. The article follows:

VALERIE CAROLINA—OKLAHOMA TEACHER OF THE YEAR

(By Patty Anderson)

A living example of honesty, integrity and commonsense is Oklahoma's 1973 Teacher of the Year, Mrs. Valerie Carolina of Wewoka.

Mrs. Carolina, who teaches the second grade at Wewoka Elementary School, has engaged herself in boundless activities not only in the Wewoka school system but also the community.

Among her many activities are memberships in several professional organizations. She holds memberships in the OEA–NEA and the state ACT where she has served as ACT Vice-President. Mr. Carolina is also a member of the American Association of University Women (AAUW) and the Oklahoma Reading Council.

Her participation in community activities include a variety of humanistic projects. She is a member of the St. Paul Baptist Church where she is an adult leader for teenagers that go to church camp each year. During her tenure as president of the Penny Unit of the Federated Clubs, she was a great influence in organizing groups to render programs for the aged.

Rev. E. C. Walters, pastor of the St. Paul Baptist Church describes Mrs. Carolina as "a person whose love for people is exemplified through her many acts of kindness to all with whom she is associated—young and old alike, and through many Christian acts to those who are less fortunate."

A woman who is endowed with an abundance of energy, knowledge, love for children, know-how and initiative are words used by Carl Roblyer, superintendent of Wewoka City Schools, to describe Mrs. Carolina's abilities.

Camilla Nash, principal of Wewoka Elementary School, says "Mrs. Carolina has that rare ability to take a slow child and somehow convince him that he is as smart as anyone in the room. Once she has convinced him of this, he is on his way to becoming just that."

One of the best ways to describe Mrs. Carolina is to quote a parent of one of her children when he said, "Mrs. Carolina has made my child believe that he is the most important child in her room. I'm sure all the other children feel the same way."

The Teacher of the Year award is given to the outstanding teacher selected from more than 100 teachers nominated by local units of the OEA. The event is co-sponsored by the Oklahoma Education Association, the Oklahoma City Chamber of Commerce, the State Fair of Oklahoma and the Oklahoma City Hotel and Motor Hotel Association.

Mrs. Carolina, the first black teacher to receive the state honor, and other nominees were honored at a Chamber of Commerce Luncheon held in the Myraid Convention Center.

Being a winner of the State Teacher of the Year award, Mrs. Carolina becomes eligible to compete for the title of "National Teacher of the Year".

Mrs. Carolina has devoted 27 years to the teaching profession. She has taught eight years at Wewoka. Previously, she taught 14 years at New Lima, two years at Poteau, two years at Spiro, and one year at San Angelo, Texas. She holds a bachelor's degree in English from Langston University, and a master's degree in education from Oklahoma University.

The best way to describe how the Wewoka community feels about Mrs. Carolina can be quoted from the Seminole County OEA unit that nominated her. "We think our community is a better place to live because Valerie Carolina lives here."

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. KLUCZYNSKI (at the request of Mr. O'NEILL), for today, on account of official business of the Committee on Public Works.

Mr. DELLUMS (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:

Mrs. GREEN of Oregon, for 60 minutes, on Thursday, November 15, 1973, and to include extraneous material.

(The following Members (at the request of Mr. PEYSER) and to revise and extend their remarks and include extraneous matter:)

Mr. COHEN, for 10 minutes, today.

Mr. MILLER, for 10 minutes, today.

Mrs. HECKLER of Massachusetts, for 10 minutes, today.

Mr. KEMP, for 10 minutes, today.

(The following Members (at the request of Mr. STARK) and to revise and extend their remarks and include extraneous matter:)

Mr. DENT, for 10 minutes, today.

Mr. GONZALEZ, for 5 minutes, today.

Mr. FUQUA, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. Moss, for 5 minutes, today.

Mr. STARK, for 5 minutes today.

Mr. CAREY of New York, for 5 minutes, today.

Mr. FULTON, for 5 minutes, today.

Mr. DRINAN, for 10 minutes, today.

Ms. ABZUG, for 10 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. SIKES to revise and extend his remarks and include extraneous matter and tabulations.

(The following Members (at the request of Mr. PEYSER), and to include extraneous matter:)

Mr. BROYHILL of Virginia in two instances.

Mr. ESCH.

Mr. STEIGER of Wisconsin.

Mr. SARASIN.

Mr. ERLENBORN.

Mr. HOSMER in two instances.

Mr. HUBER in three instances.

Mr. GOODLING.

Mr. DERWINSKI in three instances.

Mr. CRANE in five instances.

Mr. FROEHLICH.

Mr. DICKINSON.

Mr. HUDNUT.

Mr. BURGENER.

Mr. ROUSSELOT.

Mr. MCCLORY in two instances.

Mr. RAILSBACK.

Mr. LENT in five instances.

Mr. BAUMAN in two instances.

Mr. BEARD in two instances.

Mr. HOGAN.

Mr. KING in two instances.

(The following Members (at the request of Mr. STARK) and to include extraneous material:)

Mr. MCSPADDEN in two instances.

Mr. PICKLE in 10 instances.

Mr. DRINAN.

Mr. HARRINGTON in five instances.

Mr. GONZALEZ in three instances.

Mr. RARICK in three instances.

Mr. Moss.

Mr. KARTH.

Mr. OBEY in three instances.

Mr. STOKES.

Mr. ROONEY of Pennsylvania in three instances.

Mr. LEHMAN.

Mr. ADDABBO.

Mr. ST GERMAIN in five instances.

Mr. WALDIE in two instances.

Mr. ROE in five instances.

Mr. VANIK in three instances.

Mr. KASTENMEIER.

Ms. ABZUG in 10 instances.

Mr. BRINKLEY.

Mr. HAWKINS.

Mr. MILFORD.

Ms. HOLTZMAN in 10 instances.

Mr. ROONEY of New York.

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. 2315. An act relating to the compensation of employees of Senate committees; to the Committee on Post Office and Civil Service.

ENROLLED BILLS SIGNED

Mr. HAYS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 3801. An act to extend Civil Service Federal Employees Group Life Insurance and Federal Employees Health Benefits coverage to United States nationals employed by the Federal Government;

H.R. 5692. An act to amend title 5, United States Code, to revise the reporting requirement contained in subsection (b) of section 1308;

H.R. 8219. An act to amend the International Organizations Immunities Act to authorize the President to extend certain privileges and immunities to the Organization of African Unity; and

H.R. 8916. An act 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.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 1570. An act to authorize and require the President of the United States to allocate crude oil, residual fuel oil, and refined petroleum products to deal with existing or imminent shortages and dislocations in the national distribution system which jeopardize the public health, safety, or welfare; to provide for the delegation of authority; and for other purposes; and

S. 2645. An act to amend Public Law 93–60 to increase the authorization for appropriations to the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes.

ADJOURNMENT

Mr. STARK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 5 minutes p.m.), the House adjourned until tomorrow, Thursday, November 15, 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:

1554. A letter from the Secretary of Health, Education, and Welfare, transmitting the third annual report on the Department's administration of the black lung benefits program, pursuant to section 426(b) of Public Law 91–173 (30 U.S.C. 936(b)); to the Committee on Education and Labor.

1555. A letter from the Acting Secretary of State, transmitting reports of the Secretary of Commerce and the Acting Secretary of the Interior on the implementation of the international program of the Marine Mammal Protection Act of 1972, pursuant to section 108(a)(6) of the Act (16 U.S.C. 1361); to the Committee on Merchant Marine and Fisheries.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DONOHUE: Committee of conference. Conference report on H.R. 7446; with amendment (Rept. No. 93–639). Ordered to be printed.

Mr. EVINS of Tennessee: Select Committee on Small Business. Report on the role of small business in franchising (Rept. No. 93–640). Referred to the Committee of the Whole House on the State of the Union.

Mr. THOMPSON of New Jersey: Committee on House Administration. House Resolution 702. Resolution to provide funds for the Committee on the Judiciary; with amendment (Rept. No. 93–641). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BROWN of California (for himself, Mr. ADAMS, Mr. BADILLO, Mr. BRASCO, Mrs. BURKE of California, Mrs. COLLINS of Illinois, Mr. COTTER, Mr. DELLUMS, Mr. DULSKI, Mr. GILMAN, Mrs. GRASSO, Mr. HARRINGTON, Mr. HELSTOSKI, Mr. LEGGETT, Mr. MOAKLEY, Mr. MOSS, Mr. O'HARA, Mr. ROSENTHAL, Mr. ROYBAL, Mrs. SCHROEDER, Mr. SEIBERLING, Mr. CHARLES H. WILSON of California, Mr. WOLFF, and Mr. WON PAT):

H.R. 11460. A bill to improve the service which is provided to consumers in connection with escrow accounts on real estate mortgages, to prevent abuses of the escrow system, to require that interest be paid on escrow deposits, and for other purposes; to the Committee on Banking and Currency.

By Mr. BROYHILL of Virginia:

H.R. 11461. A bill to protect the consumer against worthless money orders, and for other purposes, to the Committee on Banking and Currency.

H.R. 11462. A bill to provide for the licensing by the District of Columbia of the business of selling, issuing, or delivering checks, drafts, and money orders as a service or for a fee or other consideration in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. DON H. CLAUSEN (for himself, Mr. ARMSTRONG, and Mr. RINALDO):

H.R. 11463. A bill to amend chapter 29 of title 18, United States Code, to prohibit certain election campaign practices, and for other purposes; to the Committee on House Administration.

By Mr. COHEN:

H.R. 11464. A bill to amend title VII of the Elementary and Secondary Education Act of 1965 to extend, improve, and expand programs of bilingual education, teacher training, and child development; to the Committee on Education and Labor.

By Mr. COLLIER:

H.R. 11465. A bill to amend the District of Columbia Police and Firemen's Salary Act of 1958 to increase salaries, and for other purposes; to the Committee on the District of Columbia.

By Mr. CORMAN (for himself, Mr. RINALDO, Mr. WHALEN, and Mr. HICKS):

H.R. 11466. A bill to amend the Social Security Act to provide the States with maximum flexibility in their programs of social services under the public assistance titles of the act; to the Committee on Ways and Means.

By Mr. DENNIS (for himself, Mr. MCCLORY, Mr. HUTCHINSON, Mr. SMITH of New York, Mr. SANDMAN, Mr. MAYNE, Mr. HOGAN, Mr. BUTLER, Mr. COHEN, Mr. LOTT, Mr. MOORHEAD of California, Mr. MEZVINSKY, and Mr. FLOWERS):

H.R. 11467. A bill to define the powers and duties and to place restrictions upon the grounds for removal of the Special Prosecutor appointed by the Acting Attorney General of the United States on November 5, 1973, and for other purposes; to the Committee on the Judiciary.

By Mr. DONOHUE:

H.R. 11468. A bill to direct the President to halt all exports of gasoline, distillate fuel oil, and propane gas until he determines that no shortage of such fuels exists in the United States; to the Committee on Banking and Currency.

By Mr. DORN:

H.R. 11469. A bill to amend title 38, United States Code, to increase the rates of disability compensation for disabled veterans, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. FRASER (for himself, Mr. MEEDS, Ms. MINK, Mr. MOAKLEY, Mr. MOLLOHAN, Mr. MOSHER, Mr. PEPPER, Mr. PODELL, Mr. RANGEL, Mr. RIEGLE, Mr. RODINO, Mr. ROSENTHAL, Mr. ROYBAL, Mr. SARBANES, Ms. SCHROEDER, Mr. SEIBERLING, Mr. STUDDS, Mr. THOMPSON of New Jersey, Mr. TIERNAN, Mr. WHITEHURST, Mr. CHARLES H. WILSON of California, Mr. WOLFF, Mr. YOUNG of Georgia, and Mr. GAYDOS):

H.R. 11470. A bill to limit the medicare inpatient hospital deductible; to the Committee on Ways and Means.

By Mrs. GRASSO (for herself, Mr. ASHLEY, Mr. BADILLO, Mr. BINGHAM, Mr. BOLAND, Mr. BRASCO, Mr. BROWN of California, Mr. BURKE of Massachusetts, Mr. CARNEY of Ohio, Mr. COHEN, Mrs. COLLINS of Illinois, Mr. DELLUMS, Mr. DRINAN, Mr. EDWARDS of California, Mr. FASCELL, Mr. WILLIAM D. FORD, Mr. FROEHLICH, Mr. GREEN of Pennsylvania, Mr. GUNTER, Mr. HAMILTON, Mr. HARRINGTON, Mr. HELSTOSKI, Mr. HICKS, Mr. LEHMAN, and Mr. MCDADE):

H.R. 11471. A bill to limit the medicare inpatient hospital deductible; to the Committee on Ways and Means.

By Mr. GRIFFITHS (for herself, Mr. CORMAN, and Mr. MOAKLEY):

H.R. 11472. A bill to create a national system of health security; to the Committee on Ways and Means.

By Mr. GUNTER (for himself, Mr. RINALDO, and Mr. WHITEHURST):

H.R. 11473. A bill to prohibit the importation into the United States of meat or meat products from livestock slaughtered or handled in connection with slaughter by other than humane methods; to the Committee on Agriculture.

By Mr. ICHORD:

H.R. 11474. A bill to change Veterans' Day to November 11; to the Committee on the Judiciary.

By Mr. SATTERFIELD:

H.R. 11475. A bill to amend the Clean Air Act to modify the emission standards required for light duty motor vehicles and engines manufactured during model year 1975 and thereafter; to the Committee on Interstate and Foreign Commerce.

By Mr. WYATT:

H.R. 11476. A bill to direct the President to halt all exports of gasoline, distillate fuel oil, and propane gas until he determines that no shortage of such fuels exists in the United States; to the Committee on Banking and Currency.

H.R. 11477. A bill to provide for the conservation of energy by amending the Internal Revenue Code of 1954 to permit a taxpayer an income tax deduction for insulation improvement or repair expenditures; to the Committee on Ways and Means.

By Ms. ABZUG:

H.R. 11478. A bill to authorize and direct the President to develop and implement certain federally sponsored incentives relating to mass transportation; to the Committee on Public Works.

By Mr. CAREY of New York:

H.R. 11479. A bill to amend the Public Health Service Act to provide for programs for the diagnosis and treatment of hemophilia; to the Committee on Interstate and Foreign Commerce.

By Mr. CARTER:

H.R. 11480. A bill to establish an Energy Management and Conservation Corporation, and for other purposes; to the Committee on Interior and Insular Affairs

By Mr. CLARK:

H.R. 11481. A bill to prohibit the export of the energy resources of the United States; to the Committee on Banking and Currency.

By Mr. DELANEY:

H.R. 11482. A bill to provide that daylight saving time shall be observed on a year-round basis; to the Committee on Interstate and Foreign Commerce

By Mr. EDWARDS of California:

H.R. 11483. A bill to protect the constitutional rights of the subjects of arrest records and to authorize the Federal Bureau of Investigation to disseminate conviction records to State and local government agencies and for other purposes; to the Committee on the Judiciary

By Mr. FULTON:

H.R. 11484. A bill to amend section 101 (1) (3) of the Tax Reform Act of 1969 in respect of the application of section 4942(d) of the Internal Revenue Code of 1954 to private foundations subject to section 101 (1) (4) of the Tax Reform Act of 1969; to the Committee on Ways and Means.

By Mr. FUQUA:

H.R. 11485. A bill to prohibit the export of domestically extracted crude oil, and any petroleum products made from such oil, unless Congress first approves such exportation; to the Committee on Banking and Currency.

By Mr. HANLEY:

H.R. 11486. A bill to protect the public health and welfare by providing for the inspection of imported dairy products and by requiring that such products comply with certain minimum standards for quality and wholesomeness and that the dairy farms on which milk is produced and the plants in which such products are produced meet certain minimum standards of sanitation; to the Committee on Agriculture.

By Mr. HANRAHAN (for himself and Mr. COUGHLIN):

H.R. 11487. A bill to provide that daylight savings time shall be observed on a year-round basis; to the Committee on Interstate and Foreign Commerce.

By Mr. KASTENMEIER:

H.R. 11488. A bill to amend title 35 of the United States Code to provide a remedy for postal interruptions in patent and trademark cases; to the Committee on the Judiciary.

By Mr. KEMP:

H.R. 11489. 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. MCKINNEY (for himself and Mr. WALSH):

H.R. 11490. A bill to amend the Federal

Food, Drug, and Cosmetic Act with respect to dietary supplements, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. PATTEN:

H.R. 11491. A bill to amend the Urban Mass Transportation Act of 1964 to permit financial assistance to be furnished under that act for the acquisition of certain equipment which may be used incidentally for charter or sightseeing purposes, and for other purposes; to the Committee on Banking and Currency.

H.R. 11492. A bill to amend the Public Health Service Act to provide for programs for the diagnosis and treatment of hemophilia; to the Committee on Interstate and Foreign Commerce.

By Mr. KOCH (for himself and Mr. BRASCO):

H.J. Res. 825. Joint resolution prohibiting urban mass transportation systems from raising their fares above present levels during a 2-year period, and providing for the payment of operating subsidies to urban mass transportation systems which incur deficits as a result of such prohibition; to the Committee on Banking and Currency.

By Mr. POWELL of Ohio:

H.J. Res. 826. Joint resolution authorizing the President to proclaim the period from February 17 to February 23 as Sertoma Freedom Week, and to call upon the people of the United States and interested groups and organizations to observe such period with appropriate ceremonies and activities; to the Committee on the Judiciary.

By Mr. WHITEHURST (for himself and Mr. DENNIS):

H.J. Res. 827. Joint resolution proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. FUQUA:

H. Con. Res. 379. Concurrent resolution calling for the President to curtail exports of goods, materials, and technology to nations that restrict the flow of oil to the United States; to the Committee on Banking and Currency.

By Mr. HUDNUT (for himself and Mr. ECKHARDT):

H. Con. Res. 380. Concurrent resolution expressing the sense of Congress concerning the use of chauffeur driven limousines by the Federal Government; to the Committee on Government Operations.

By Mr. THOMPSON of New Jersey:

H. Res. 702. Resolution to provide funds for the Committee on the Judiciary; to the Committee on House Administration.

By Mr. STARK:

H. Res. 703. Resolution impeaching Richard M. Nixon, President of the United States for high crimes and misdemeanors; to the Committee on the Judiciary.

SENATE—*Wednesday, November 14, 1973*

The Senate met at 10 a.m. and was called to order by the President pro tempore (Mr. EASTLAND).

PRAYER

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

Eternal Father, amid the confusion of our times, we pause to open our hearts and minds to Thy presence. Give us the wisdom to discern the spirits—whether they be of God or of the enemy of man's soul. Above all other voices may we hear Thy clear voice saying "This is the way, walk in it." Support the President and the Congress in all righteous endeavors. From troubled times make triumphant souls and in difficult days wilt Thou produce dividends of character and grace. Guide those whose labor makes for peace and justice in the world. May Thy will be done and Thy kingdom be nearer its fulfillment because we serve Thee here.

In His name who is King of Kings and Lord of Lords. Amen.

REPORT OF A COMMITTEE SUBMITTED DURING ADJOURNMENT

Under authority of the order of the Senate of November 13, 1973, Mr. MCGEE, from the Committee on Post Office and Civil Service, reported favorably, without amendment, on November 13, 1973, the bill (S. 2673) to insure that the compensation and other emoluments attached to the office of Attorney General are those which were in effect on January 1, 1969, and submitted a report (No. 93-499) thereon, which was printed.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Tuesday, November 13, 1973, be dispensed with.

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

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House had passed without amendment the Senate bill (S. 2645) to amend Public Law 93-60 to increase the authorization for appropriations to the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1570) to authorize the President of the United States to allocate crude oil and refined petroleum products to deal with existing or imminent shortages and dislocations in the national distribution system which jeopardize the public health, safety, or welfare; to provide for the delegation of authority to the Secretary of the Interior; and for other purposes.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 8916) 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; that the House had receded from its disagreement to the amendments of the Senate numbered 24, 26, 27, 39, and 50 to the bill and concurred therein; and that the House had receded from its disagreement to the amendments of the Senate numbered 30, 37, and 46, and concurred therein severally with an amendment in which it requests the concurrence of the Senate.

The message also announced that the House had disagreed to the amendment of the Senate to the bill (H.R. 5874) to establish a Federal Financing Bank, to provide for coordinated and more efficient financing of Federal and federally assisted borrowings from the public, and for other purposes, agreed to the conference requested by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. ULLMAN, Mr. BURKE of Massachusetts, Mrs. GRIFFITHS, Mr. SCHNEEBELI, and Mr. COLLIER were appointed managers of the conference on the part of the House.

The message further announced that the House had agreed to the concurrent resolution (H. Con. Res. 378) providing for an adjournment of the House from November 15 to November 26, 1973, in which it requests the concurrence of the Senate.

The message also informed the Senate that pursuant to the provisions of section 9(b), Public Law 89-209, as amended by section 2(a)(8), Public Law 93-133, the Speaker appointed Mrs. GRASSO a member of the Federal Council on the Arts and Humanities.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills:

S. 1081. An act to amend section 28 of the Mineral Leasing Act of 1920, and to authorize a trans-Alaska oil pipeline, and for other purposes; and

S. 2645. An act to amend Public Law 93-60 to increase the authorization for appropriations to the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes.

The enrolled bills were subsequently signed by the President pro tempore.

COMMITTEE MEETINGS DURING SENATE SESSION

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

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

PROVIDING FOR THE CONVEYANCE OF CERTAIN LANDS TO THE STATE OF LOUISIANA

Mr. MANSFIELD. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on H.R. 9295.

The PRESIDENT pro tempore laid before the Senate H.R. 9295 which was read by title as follows: