between 1946 and 1972, according to the Agency for International Development—the United States provided to foreign nations grants and military assistance totalling approximately 55 billion dollars. Not a single dollar of this enormous sum ever went to Israel!

It would appear to be relevant here to review the commendable manner in which the United States in the recent conflict fulfilled its longstanding commitment to Israel. Shortly after hostilities broke out on October 6 it was clear to the United States that all attempts to bring about a cease fire and to reach an understanding with the Soviet Union were unsuccessful. Within 72 hours after the decision was reached that it was impossible to negotiate with Russia an American airlift had attained an average daily lift level of about 1,000 tons of critically needed weapons, ammunition, medical supplies and equipment. Without understanding in any way the military resourcefulness and tremendous courage of Israel it seems fair to state that the United States' assistance to Israel prevented a disastrous shift in the balance of military power to the Arab side.

At the outbreak of hostilities on October 6 Israel owed to the United States government about 1.2 billion in repayment of credits extended to Israel for the acquisition of military equipment. Most of these credit repayments were scheduled to be made over the next 10 years. In addition to this sum of 1.2 billion the Israeli government owed to the United States approximately 500 million dollars for cash sales executed prior to the beginning of the Yom Kippur war.

Because of the disastrous military losses on the two fronts of the three weeks' war Israel has estimated its requirements for military equipment at a sum of almost 3 billion dollars. The compromise figure arrived at by the State and Defense Departments of 2.2 billion will allow Israel to purchase military equipment necessary and indispensable for its present defense and also allow Israel to pay off those short-term debts the payment of which cannot be postponed.

It seems to be self-evident that the Arab nations would never have initiated the October War if they did not have Soviet support and encouragement. Indeed it is the Soviets who have provided the weapons, the aircraft and to some extent the incentive for the tragic war which came to a hopefully permanent cease fire on October 22, 1973.

Since 1970 the Soviet Union has engaged in the Middle East in one of the largest military buildups in the entire history of Russia. The grant of 2.2 billion to be authorized under H.R. 11088 is designed to make Israel militarily invulnerable. This grant in other words is intended to make the Day of Atonement War of 1973 the last and final war that will ever be waged in the Middle East.

HOUSE OF REPRESENTATIVES—*Tuesday, December 4, 1973*

The House met at 12 o'clock noon.

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

Turn not aside from following the Lord, but serve the Lord with all your heart.—I Samuel 12: 20.

As we present ourselves before the throne of Thy glory, O Lord, we come to praise Thee, to thank Thee, and to pray for the peace which the world cannot give and which the world cannot take away.

We do not ask for wealth, nor length of days, nor greater honor among our brethren, nor that we may always have our way; but we do pray that Thou wilt grant unto us Thy peace which passes human understanding, and in that true peace may we find rest for our souls, strength for our days, and an outreaching concern for the needs of others.

Bless Thou our Nation and lead us in the paths of righteousness and good will. Grant unto our people a lofty level of patriotism, with greater nobility of character and an increasing emphasis on the high virtues of truth and love.

In the spirit of Him whose life is love we pray. Amen.

THE JOURNAL

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

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 974. An act designating the Texarkana Dam and Reservoir on the Sulphur River as the "Wright Patman Dam and Lake."

The message also announced that the Senate had passed with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 8245. An act to amend Reorganization Plan No. 2 of 1973.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair desires to announce to the House that pursuant to the authority granted him on Monday, December 3, 1973, he did on that day sign an enrolled bill of the House, as follows:

H.R. 11104, an act to provide for a temporary increase of $10,700,000,000 in the public debt limit and to extend the period to which this temporary limit applies to June 30, 1974.

PRIVATE CALENDAR

The SPEAKER. This is Private Calendar day. The Clerk will call the first individual bill on the Private Calendar.

MRS. ROSE THOMAS

The Clerk called the bill (H.R. 2535) for the relief of Mrs. Rose Thomas.

Mr. BROWN of Michigan. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

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

There was no objection.

COL. JOHN H. SHERMAN

The Clerk called the bill (H.R. 2633) for the relief of Col. John H. Sherman.

Mr. BROWN of Michigan. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

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

There was no objection.

ESTATE OF THE LATE RICHARD BURTON, SERGEANT FIRST CLASS, U.S. ARMY, RETIRED

The Clerk called the bill (H.R. 3533) for the relief of the estate of the late Richard Burton, sergeant first class, U.S. Army, retired.

Mr. BROWN of Michigan. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

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

There was no objection.

MR. AND MRS. JOHN F. FUENTES

The Clerk called the bill (H.R. 2508) for the relief of Mr. and Mrs. John F. Fuentes.

Mr. BROWN of Michigan. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

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

There was no objection.

MURRAY SWARTZ

The Clerk called the bill (H.R. 6411) for the relief of Murray Swartz.

Mr. BROWN of Michigan. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

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

There was no objection.

ESTELLE M. FASS

The Clerk called the resolution (H. Res. 362) to refer the bill (H.R. 7209) for the relief of Estelle M. Fass to the Chief Commissioner of the Court of Claims.

Mr. GROSS. Mr. Speaker, I ask unanimous consent that the resolution be passed over without prejudice.

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

There was no objection.

RITA SWANN

The Clerk called the bill (H.R. 1342) for the relief of Rita Swann.

Mr. GROSS. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

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

There was no objection.

LUIGI SANTANIELLO

The Clerk called the bill (H.R. 1466) for the relief of Luigi Santaniello.

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

There being no objection, the Clerk read the bill as follows:

H.R. 1466

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Luigi Santaniello may be issued a visa and admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that Act: *Provided,* That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledged prior to the enactment of the Act.

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.

LEONARD ALFRED BROWNRIGG

The Clerk called the bill (H.R. 2629) for the relief of Leonard Alfred Brownrigg.

Mr. BROWN of Michigan. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

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

There was no objection.

BOULOS STEPHAN

The Clerk called the bill (H.R. 4438) for the relief of Boulos Stephan.

Mr. DAVIS of Georgia. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

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

There was no objection.

FAUSTINO MURGIA-MELENDREZ

The Clerk called the bill (H.R. 7535) for the relief of Faustino Murgia-Melendrez.

Mr. BROWN of Michigan. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

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

There was no objection.

NICOLA LOMUSCIO

The Clerk called the bill (H.R. 7684) for the relief of Nicola Lomuscio.

Mr. BROWN of Michigan. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

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

There was no objection.

ROMEO LANCIN

The Clerk called the bill (H.R. 4172) for the relief of Romeo Lancin.

Mr. GROSS. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

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

There was no objection.

DIANA L. ORTIZ

The Clerk called the bill (H.R. 4445) for the relief of Diana L. Ortiz.

There being no objection, the Clerk read the bill as follows:

H.R. 4445

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Diana L. Ortiz shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for it in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following:
That, in the administration of the Immigration and Nationality Act Diana L. Ortiz, the widow of a lawfully resident alien of the United States, shall be held and considered to be within the purview of section 203(a) (2) of that Act and the provisions of section 204 of such Act shall not be applicable in this case.

The committee amendment was agreed to.

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.

KEVIN PATRICK SAUNDERS

The Clerk called the bill (H.R. 2634) for the relief of Kevin Patrick Saunders.

Mr. BROWN of Michigan. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

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

There was no objection.

LUCILLE DE ST. ANDRE

The Clerk called the bill (H.R. 6477) for the relief of Lucille de St. Andre.

Mr. GROSS. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

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

There was no objection.

The SPEAKER. This concludes the call of the Private Calendar.

INTERNATIONAL TRAVEL ACT OF 1961 AMENDED WITH RESPECT TO AUTHORIZATION OF APPROPRIATIONS

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent that the Committee on Interstate and Foreign Commerce be discharged from further consideration of the Senate bill (S. 1747) to amend the International Travel Act of 1961 with respect to authorizations of appropriations and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The Clerk read the Senate bill as follows:

S. 1747

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of section 6 of the International Travel Act of 1961 (22 U.S.C. 2126) is amended to read as follows: "For the purpose of carrying out the provisions of this Act, there are authorized to be appropriated $22,500,000 for each of the fiscal years ending June 30, 1974, June 30, 1975, and June 30, 1976."

MOTION OFFERED BY MR. STAGGERS

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

The Clerk read as follows:

Mr. STAGGERS moves to strike all following the enacting clause of the bill S. 1747 and insert in lieu thereof the text of the House-passed bill, H.R. 9437, as amended.

The motion was agreed to.

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

MOTION OFFERED BY MR. STAGGERS

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

The Clerk read as follows:

Mr. STAGGERS moves to amend the title of S. 1747 as follows: "To amend the International Travel Act of 1961 to authorize appropriations for fiscal years 1974, 1975, and 1976, and for other purposes."

The motion was agreed to.

A motion to reconsider was laid on the table.

PERMISSION FOR COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE TO SIT FOR THE BALANCE OF THE WEEK

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent that the Committee on Interstate Commerce may be allowed to sit continuously, with the exception of rollcalls, for the balance of the week.

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

Mr. GROSS. Mr. Speaker, reserving the right to object, does this request have the approval of the minority of the committee?

Mr. STAGGERS. It does, and they are right here.

Mr. DEVINE. Will the gentleman yield?

Mr. GROSS. I yield to the gentleman.

Mr. DEVINE. Mr. Speaker, we are discussing the energy legislation. This is probably the most important thing facing the Nation, and I think we should continue hearings until it is concluded.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

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

There was no objection.

PROVIDING FOR CONSIDERATION OF CONFERENCE REPORT ON S. 1443, FOREIGN ASSISTANCE ACT OF 1973

Mr. MURPHY of Illinois. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 725 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 725

Resolved, That upon the adoption of this resolution it shall be in order to consider the conference report on the bill (S. 1443) to authorize the furnishing of defense articles and services to foreign countries and international organizations, and all points of order against said conference report are hereby waived.

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, the distinguished gentleman from Ohio (Mr. LATTA), pending which I yield myself such time as I may consume.

CALL OF THE HOUSE

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

The SPEAKER. Evidently a quorum is not present.

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

A call of the House was ordered.

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

[Roll No. 618]

Alexander	Ford, Gerald R.	Martin, Nebr.
Anderson, Ill.	Fraser	Michel
Berglend	Gray	Mills, Ark.
Bevill	Gubser	O'Hara
Blackburn	Hanna	Powell, Ohio
Burke, Calif.	Hansen, Wash.	Reid
Carey, N.Y.	Hawkins	Reuss
Chisholm	Hébert	Rooney, N.Y.
Clark	Jarman	Spence
Clawson, Del	Jordan	Stokes
Conyers	Karth	Thompson, N.J.
Diggs	McSpadden	Waldie
Downing	Macdonald	Walsh
Edwards, Calif.	Madden	Young, Ga.

The SPEAKER. On this rollcall 391 Members have recorded their presence by electronic device, a quorum.

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

PROVIDING FOR CONSIDERATION OF CONFERENCE REPORT ON S. 1443, FOREIGN ASSISTANCE ACT OF 1973

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

Mr. MURPHY of Illinois. Mr. Speaker, House Resolution 725 provides for the consideration of the conference report on the bill S. 1443, to authorize the furnishing of defense articles and services to foreign countries and international organizations.

House Resolution 725 provides that all points of order against the conference report are waived.

The conference report contains $1,429,000,000 for economic assistance and $962 million for military aid. This total is $395 million below the Executive request and $373 million less than the amount approved by the House when we passed the bill last July. Included in this total is $504 million for Indochina. None of those funds, or any other funds in the bill, can be used for North Vietnam.

Mr. Speaker, I urge adoption of House Resolution 725 in order that we may discuss and debate S. 1443.

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

Mr. MURPHY of Illinois. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, do I understand that all points of order to this conference report are waived?

Mr. MURPHY of Illinois. That is correct.

Mr. GROSS. And there are some 24 pages of italicized print in this report, which is most unusual, and I am convinced that contained therein are a number of flagrant violations of the rules insofar as points of order are concerned.

Mr. MURPHY of Illinois. Mr. Speaker, I might state to the gentleman from Iowa that I think the gentleman from Pennsylvania (Mr. MORGAN) can explain the reasons for the waiver of points of order. What we are involved with are three bills—two from the Senate and one from the House—and they go beyond the scope of the conference report. That is the reason that I think Mr. MORGAN can explain better than I can.

Mr. GROSS. Mr. Speaker, that is exactly the point. Moreover, I hope the Members will take at least a casual look at this conference report and note the number of times the President is delegated untrammeled power to disburse the funds provided in this authorization. I have seldom seen anything like it.

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

Mr. MURPHY of Illinois. Mr. Speaker, I yield to the gentleman from Pennsylvania.

Mr. MORGAN. Mr. Speaker, I do not think any of the provisions subject to a point of order that the rule waives pertain to what the gentleman from Iowa has just said. As the gentleman knows, on June 26 of this year, the Senate passed S. 1143, containing an authorization for military assistance. Some 3 months later, the Senate passed the economic bill, S. 235. Both bills were amended in the House and sent to conference early in October. In the long and difficult negotiations we had with the other body, there were 120 points of difference.

The House went out of the conference and we come back with this single bill, an approach which has followed the House position. That is the reason, of course, why we are here asking a waiver of points of order, because there are a few things in this bill pertaining to things that we thought might be subject to point of order under the House rules.

One is the Asian Development Bank. We took that provision out in conference, but we had a letter from the chairman of the Subcommittee on Banking and Currency, who has jurisdiction over international banks, Mr. GONZALEZ, asking us to put it back in. These are the kinds of things which could be subject to points of order, and they are mostly on a minor scale.

Mr. GROSS. Mr. Speaker, will the gentleman yield further?

Mr. MURPHY of Illinois. I yield to the gentleman from Iowa.

Mr. GROSS. Yes, $100 million is becoming minor around here. Anything, anything around $10 million is chicken feed.

Let me again warn the Members that we cannot go on endlessly and forever around here with this kind of business, which in effect and in so many ways is an outright rape of the taxpayers and citizens of this country.

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

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

Mr. Speaker, if I may just summarize, I wish to state that to adopt the rule is the only thing we can do here.

Mr. Speaker, this rule is necessary, because the Senate passed two separate foreign aid authorization bills, one dealing with military aid and the other dealing with economic aid, while the House passed only one bill covering both subjects.

In conference, the conferees technically had before them only the text of one Senate bill, and one House bill. Anything reported by the conference which was in the one Senate bill dealing with military aid and the one House bill is within the scope of conference. However, anything reported by the conference which was in the second Senate bill only was not technically within the scope of conference and, therefore, a waiver of points of order is required to keep the matter from being knocked out on a point of order.

The total amount of money authorized in the conference report is $2,392,324,000. By way of comparison, the Executive had requested $2,787,600,000; the House recommended $2,765,868,000 and the Senate recommended $1,988,222,000.

Mr. Speaker, I support the rule but intend to vote against the bill.

Mr. Speaker, I yield 3 minutes to the gentleman from Illinois (Mr. FINDLEY).

Mr. FINDLEY. Mr. Speaker, I thank the gentleman.

I would like to take this opportunity to direct a question to the gentleman from Pennsylvania (Mr. MORGAN), the chairman of the Committee on Foreign Affairs.

One of the items in the conference report relates to the concept of Government stockpiling of grain for emergency purposes.

I refer to language at the top of page 24 of the report, which reads as follows:

The President shall consult and cooperate with appropriate international agencies, such as the Food and Agriculture Organization of the United Nations, in determining the need for, the feasibility of, and cost of an equitably-shared basis of, establishing an international system of strategic food reserves:

Mr. Speaker, may I ask the chairman of the committee if my interpretation is correct, that this language in the report in no way commits the U.S. Congress or the U.S. Government to the establishment of such national or international Government holdings of grain?

Mr. MORGAN. Mr. Speaker, the gentleman is absolutely correct. The situation is as the gentleman has stated.

Mr. FINDLEY. Then this legislation does nothing more than to endorse a study of this concept?

Mr. MORGAN. The gentleman is correct. It endorses a study.

Mr. FINDLEY. It is not prejudging whether the concept is sound or unsound?

Mr. MORGAN. The gentleman is correct.

Mr. FINDLEY. Mr. Speaker, I thank the gentleman. In my view, Government stockpiling of grain is not in the interest of the American people—as consumers, taxpayers, or producers. I trust that the study contemplated in this conference report will reach that same conclusion.

For years the U.S. Commodity Credit Corporation served as warehouse for both public and private grain needs.

CCC reserves happily are now depleted. The U.S. Government is, for the first time in years, largely out of the grain business.

During the years when CCC bins were full, private merchandising facilities atrophied.

Now that a need exists for expanded private warehousing, the private sector will soon respond, I am sure.

Government warehousing is not good policy.

Mr. MURPHY of Illinois. Mr. Speaker, I have no further requests for time, and 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. WYLIE. 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 265, nays 137, not voting 31, as follows:

[Roll No. 619]

YEAS—265

Abzug	Brademas	Chappell
Adams	Brasco	Chisholm
Addabbo	Breaux	Clark
Anderson, Ill.	Breckinridge	Clausen,
Andrews, N.C.	Brooks	Don H.
Annunzio	Broomfield	Cohen
Arends	Brotzman	Collins, Ill.
Armstrong	Brown, Calif.	Conable
Ashley	Brown, Mich.	Conte
Aspin	Brown, Ohio	Corman
Badillo	Buchanan	Cotter
Barrett	Burke, Mass.	Coughlin
Bell	Burleson, Tex.	Cronin
Bennett	Burlison, Mo.	Culver
Biaggi	Burton	Daniel, Dan
Biester	Butler	Daniel, Robert
Bingham	Carey, N.Y.	W., Jr.
Blatnik	Carney, Ohio	Daniels,
Boggs	Casey, Tex.	Dominick V.
Boland	Cederberg	Davis, Ga.
Bolling	Chamberlain	Davis, S.C.
de la Garza	Leggett	Robison, N.Y.
Delaney	Lehman	Rodino
Dellenback	Lent	Roe
Denholm	Litton	Roncallo, Wyo.
Dent	Long, Md.	Roncallo, N.Y.
Dingell	McClory	Rooney, Pa.
Donohue	McCloskey	Rosenthal
Drinan	McCormack	Rostenkowski
Dulski	McDade	Roybal
Duncan	McEwen	Ryan
du Pont	McFall	St Germain
Eckhardt	McKay	Sandman
Eilberg	McKinney	Sarasin
Erlenborn	Madigan	Sarbanes
Esch	Mahon	Schneebeli
Evans, Colo.	Mailliard	Schroeder
Fascell	Mallary	Seiberling
Findley	Mann	Shipley
Fish	Martin, Nebr.	Shriver
Flood	Mathias, Calif.	Sisk
Foley	Matsunaga	Slack
Ford,	Mayne	Smith, Iowa
William D.	Meeds	Smith, N.Y.
Forsythe	Metcalfe	Staggers
Fountain	Mezvinsky	Stanton,
Fraser	Milford	J. William
Frelinghuysen	Minish	Stanton,
Frenzel	Mink	James V.
Fulton	Minshall, Ohio	Stark
Fuqua	Mitchell, Md.	Steed
Gaydos	Mitchell, N.Y.	Steele
Gettys	Moakley	Stratton
Giaimo	Mollohan	Stubblefield
Gibbons	Moorhead, Pa.	Sullivan
Gilman	Morgan	Talcott
Gonzalez	Mosher	Taylor, N.C.
Grasso	Moss	Teague, Calif.
Green, Oreg.	Murphy, Ill.	Teague, Tex.
Green, Pa.	Murphy, N.Y.	Thomson, Wis.
Griffiths	Myers	Tiernan
Gude	Natcher	Udall
Guyer	Nix	Ullman
Hamilton	O'Brien	Van Deerlin
Hanley	O'Neill	Vander Jagt
Hansen, Idaho	Owens	Vanik
Harvey	Parris	Veysey
Hays	Passman	Vigorito
Heckler, Mass.	Patman	Wampler
Heinz	Patten	Ware
Helstoski	Pepper	Whalen
Hillis	Perkins	White
Hogan	Pettis	Whitehurst
Holifield	Peyser	Widnall
Holtzman	Pickle	Wiggins
Horton	Pike	Williams
Hosmer	Podell	Wilson,
Howard	Preyer	Charles H.,
Johnson, Calif.	Price, Ill.	Calif.
Johnson, Colo.	Pritchard	Winn
Johnson, Pa.	Quie	Wolff
Jones, Ala.	Quillen	Wright
Karth	Railsback	Wyatt
Kazen	Rangel	Wydler
Keating	Rees	Yates
Ketchum	Regula	Yatron
King	Reuss	Young, Alaska
Kluczynski	Rhodes	Young, Ill.
Koch	Riegle	Young, Tex.
Kuykendall	Rinaldo	Zablocki
Latta	Robinson, Va.	Zion

NAYS—137

Abdnor	Derwinski	Hutchinson
Alexander	Devine	Ichord
Anderson,	Dickinson	Jarman
Calif.	Dorn	Jones, N.C.
Andrews,	Edwards, Ala.	Jones, Okla.
N. Dak.	Eshleman	Jones, Tenn.
Archer	Evins, Tenn.	Kastenmeier
Ashbrook	Fisher	Kemp
Bafalis	Flowers	Kyros
Baker	Flynt	Landgrebe
Bauman	Frey	Landrum
Beard	Froehlich	Long, La.
Bevill	Ginn	Lott
Bowen	Goldwater	Lujan
Bray	Goodling	McCollister
Brinkley	Gross	Maraziti
Broyhill, N.C.	Grover	Martin, N.C.
Broyhill, Va.	Gunter	Mathis, Ga.
Burgener	Haley	Mazzoli
Burke, Fla.	Hammer-	Melcher
Byron	schmidt	Miller
Camp	Hanrahan	Mizell
Carter	Harrington	Montgomery
Clancy	Harsha	Moorhead,
Clay	Hastings	Calif.
Cleveland	Hechler, W. Va.	Nedzi
Cochran	Henderson	Nelsen
Collier	Hicks	Obey
Collins, Tex.	Hinshaw	O'Hara
Conlan	Holt	Poage
Crane	Huber	Powell, Ohio
Davis, Wis.	Hudnut	Price, Tex.
Dellums	Hungate	Randall
Dennis	Hunt	Rarick
Roberts	Thone	Towell, Nev.
Rogers	Skubitz	Treen
Rose	Snyder	Waggonner
Roush	Steelman	Whitten
Rousselot	Steiger, Ariz.	Wilson, Bob
Roy	Steiger, Wis.	Wilson,
Runnels	Stephens	Charles, Tex.
Ruppe	Stuckey	Wylie
Ruth	Studds	Wyman
Satterfield	Symington	Young, Fla.
Scherle	Symms	Young, S.C.
Sebelius	Taylor, Mo.	Zwach
Shoup	Thompson, N.J.	
Shuster	Thornton	

NOT VOTING—31

Bergland	Gubser	Nichols
Blackburn	Hanna	Reid
Burke, Calif.	Hansen, Wash.	Rooney, N.Y.
Clawson, Del	Hawkins	Sikes
Conyers	Hébert	Spence
Danielson	Jordan	Stokes
Diggs	McSpadden	Waldie
Downing	Macdonald	Walsh
Edwards, Calif.	Madden	Young, Ga.
Ford, Gerald R.	Michel	
Gray	Mills, Ark.	

So the resolution was agreed to.

The Clerk announced the following pairs:

Mr. Rooney of New York with Mr. Reid.
Mr. Hébert with Mr. Gerald R. Ford.
Mr. Waldie with Mr. Walsh.
Mr. Macdonald with Mr. Spence.
Mr. McSpadden with Mr. Gubser.
Mr. Edwards of California with Mr. Blackburn.
Mr. Gray with Mr. Stokes.
Mr. Hanna with Mr. Conyers.
Mr. Diggs with Mr. Danielson.
Mr. Downing with Mr. Del Clawson.
Mrs. Burke of California with Mr. Bergland.
Miss Jordan with Mr. Madden.
Mr. Sikes with Mr. Michel.
Mr. Nichols with Mrs. Hansen of Washington.
Mr. Hawkins with Mr. Young of Georgia.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

CONFERENCE REPORT ON S. 1443, FOREIGN ASSISTANCE ACT OF 1973

Mr. MORGAN. Mr. Speaker, I call up the conference report on the bill (S. 1443) to authorize the furnishing of defense articles and services to foreign countries and international organizations, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

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

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of November 27, 1973.)

Mr. MORGAN (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the statement be dispensed with as I intend to explain the conference report and it was published in the RECORD last week.

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

There was no objection.

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

Mr. Speaker, by adopting H. Res. 725, the House has given Members the chance to vote today on a very important conference report—on S. 1443, authorizing foreign economic and military assistance.

This is a good bill. It is vital to our national interest. It is a bill to strengthen the climate for peace, and protect our security.

It is a bill obtained only after a long and difficult conference with the Senate.

We went into conference with the single bill passed by the House, authorizing both economic and military assistance. We were faced with two separate bills passed by the Senate, one for military and one for economic aid.

There were more than 120 significant differences between our bill and the two passed by the Senate.

We think we came back with a good conference report because:

We have maintained the principle of a single bill for economic and military assistance. This is the principle favored by the House.

Second, on the great majority of issues, the Senate either receded from its position or compromised in a way which did no damage to the positions taken by the House.

Thus, the conference report contains the main provisions of the legislation passed by the House last July. Basically, it does two things:

First, it provides for the most extensive reform of the economic aid program since the Foreign Assistance Act became law 12 years ago. Those reforms were initiated in the House.

Second, it authorizes annual international security assistance for fiscal 1974 and economic assistance for fiscal years 1974 and 1975.

The total appropriation authorized for fiscal 1974 is $2,392,234,000.

This is $400 million below the Executive request and $373 million below the amount approved by the House last July.

Of the fiscal 1974 total, $921,934,000 is for economic assistance in promoting economic development that is in our interest in poorer countries abroad.

The sum of $504 million is for humanitarian and reconstruction aid for Indochina;

And $962,500,000 is for military aid to friends and allies whose security is linked to ours.

The major economic items for fiscal 1974 include: $291 million to improve food production for hungry masses in poor lands; $145 million for population planning and health, to deal with this increasingly pressing problem around the world; $90 million to promote education and development of human resources in countries afflicted by high illiteracy and under-employment; and $92 million for selected development problems and countries and organizations.

Mr. Speaker, these are the development assistance categories carrying out the economic aid reforms in the bill. Under this new approach, which was shaped initially in the House:

American assistance will focus on just a few critical problems which are common to developing countries, and whose solutions will benefit the poorest masses of people.

The responsibility for developing planning will be borne by the aid-receiving countries themselves, not by Washington. Our role will be to respond to, not initiate, aid requests.

American assistance will move increasingly through private channels. Bureaucracy will be reduced.

In line with these principles, the conference report requires aid-receiving countries to pay at least 25 percent of the cost of any bilateral capital aid project. Also, any project lasting beyond 36 months will require special congressional approval.

On the military side, the amounts have been reduced but the conference report still retains necessary programs for our friends and allies.

For fiscal 1974, $512,900,000 would be authorized for military grant assistance; $125 million for security supporting assistance; and $325 million for military credit sales.

The bill stresses sales of military items rather than grants, and use of excess equipment rather than new equipment.

Israel is earmarked for $300 million in military credit sales and $50 million in security supporting assistance.

Cambodia could receive up to $200 million in emergency military assistance through drawdown of U.S. defense stocks.

The public safety program is to be phased out.

Also in the bill's total is $504 million for a separate program for humanitarian and postwar reconstruction for Indochina in fiscal 1974.

This assistance is within the framework of the peace agreement under which American forces pulled out of Indochina.

But not one cent in the bill would go to North Vietnam.

Also, the conference report contains a prohibition against the use of funds to engage the United States in combat in that threater, either directly or through third parties.

There are other provisions in the conference report:

For one, the report retains penalties for expropriation of American property and seizure of fishing vessels.

It also has a provision against misuse of U.S. military assistance in Africa. The President is required to report to Congress if any non-African country uses our military aid to keep its territories in Africa.

Besides the funds for self-help by aid-receiving countries in increasing their food production, the conference report looks ahead to the problems of world food shortages which will be upon us.

The President is urged to move ahead on studies in this critical area and to submit recommendations to the Congress.

The conference report also contains a prohibition against the use of funds to pay for abortions.

It extends the Overseas Private Investment Corporation until December 31, 1974, pending further study and legislation.

It allots $25 million to relief for the disaster area in Africa.

And it authorizes $42,500,000 each year in fiscal 1974 and fiscal 1975 for the drive against international narcotic traffickers.

All in all, Mr. Speaker, I believe Members will find this to be a very meritorious bill.

It will have little impact on our balance of payments because nearly all of the money is spent right here in the United States. But this spending does provide jobs for American workers.

The cost of the bill is small price to pay for what the United States gets in return toward peace and security.

I strongly urge passage of the conference report.

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

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

Mr. GROSS. How much money is in this conference report for Israel?

Mr. MORGAN. There is earmarked, Mr. GROSS, $300 million for military credit sales and $50 million in supporting assistance.

Mr. GROSS. This is in addition to the money authorized by the bill which was passed out of the House Foreign Affairs Committee only this morning?

Mr. MORGAN. This, of course, would be in addition to the emergency security assistance requested by the President 2 weeks ago and reported out of the Foreign Affairs Committee today by a vote of 33 to 1.

Mr. GROSS. That bill provides $2.2 billion for Israel?

Mr. MORGAN. It provides $2.2 billion. The committee, however, added certain restrictions on the use of any of this assistance in excess of $1.5 billion. There is a requirement of a Presidential determination and reporting to the Congress which applies to the last $700 million.

Mr. GROSS. So the President does have cart blanche authority, as he does in this bill and in many, many instances, to spend the money as he sees fit, is that not correct?

Mr. MORGAN. Well, I think in the emergency security assistance bill there is more direct authority for the President than in this conference report.

Mr. GROSS. Mr. Speaker, I thank the gentleman.

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

Mr. Speaker, I strongly support the conference report. Frankly, a month or so ago I would not have predicted that we would be able to bring a conference report back to the House. We are considering something that was a result of long and difficult bargaining over a very large number of complicated issues and differences between the House version and the Senate versions which looked almost irreconcilable for a period of time.

Mr. Speaker, I would certainly like to express my commendation to our distinguished Chairman, who so patiently and ably worked to finally bring about this agreement. He has already explained the main features of the conference agreement, and I certainly see no point in my repeating those.

Let me just reiterate that the report we are bringing in here is $373 million less than passed the House in the middle of last summer, and it is about $400 million below that requested by the Executive.

Also, I think it is worth pointing out that this agency had no authorization in the last fiscal year. We are now about

halfway through this fiscal year, so they are entering a period of about a year and a half operating on a continuing resolution. Since the amount of money that is authorized in this bill is less than they had under the current continuing resolution or under the last authorization that was passed for fiscal 1972, I think it is quite possible that if we fail to pass this conference report, we will actually end up by spending more money in the current fiscal year on foreign assistance than we will when we agree to the conference report.

But, more important than that, because it has been so long since the authorization of regular appropriations for this agency has been passed, that there are distortions where there may be more money in some categories than is needed at this stage of the game, and less money in other categories than is needed, I consider it very urgent that the House approve this conference report so that after this long hiatus, this agency can go back on a normal, regular, funding basis.

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

Mr. MAILLIARD. I yield to the gentleman from Illinois, the distinguished minority whip.

Mr. ARENDS. Mr. Speaker, I want to commend the chairman of the committee and also the ranking minority member for bringing back what I consider to be a very fine conference report.

Mr. Speaker, I would urge that the House give its support to this report when we vote on it a little later on.

Mr. MAILLIARD. Mr. Speaker, I thank the gentleman for his remarks.

Mr. Speaker, I yield 3 minutes to the gentleman from Ohio (Mr. WHALEN).

Mr. WHALEN. Mr. Speaker, I rise to comment on three of the provisions in the 1973 Foreign Assistance Act conference report. Before doing so, however, I want to congratulate the House conferees for successfully and expeditiously resolving the over 120 differences in the House and Senate bills. Their task was a very difficult one, but I believe they have completed it to the satisfaction of the majority of the House.

The three provisions which I would like to discuss have been of great interest to me for some time. They are section 803 providing assistance to South Vietnamese children, section 15 modifying the Hickenlooper amendment, and section 30 dealing with the termination of the Indochina war.

First, in regard to aid for South Vietnamese children, I am extremely pleased that the conferees have agreed to retain this provision in the form which I offered it during committee markup and as it was approved by the House. This section authorizes, $5 million for children services relating to day care centers, orphanages, hostels, school feeding programs, and health and welfare programs. In addition, not more than 10 percent of those funds may be used for the adoption by U.S. citizens of South Vietnamese children. I also am grateful to the conferees for retaining the reference in my proposal which emphasizes that children fathered by U.S. citizens would be given special consideration in adoption efforts.

Second, I strongly favor the modification of the Hickenlooper amendment which would enable the President to waive its sanctions when he determines that such action is important to our national interest. Any waiver would be reported promptly to Congress.

Mr. Speaker, this summer I surveyed 14 American firms operating in Latin America to determine the efficacy of the Hickenlooper and other similar sanctions. Eleven of those companies doubted that the Hickenlooper amendment had had a favorable effect on the settlement of investment disputes. As one respondent stated:

> Experience has shown that the amendments do not either deter illegal expropriations or facilitate settlement of international disputes.

Unfortunately, my investigation was not complete at the time the House debated this legislation and voted to strike from the bill the Foreign Affairs Committee's proposed repeal of the Hickenlooper amendment. However, I was able to make my findings available to members of the Senate Foreign Relations Committee prior to Senate consideration of S. 1443. It is my understanding that this information was quite helpful in retaining the Senate committee's recommendation during floor debate and preserving the language in the conference discussions.

My third area of special concern is section 30. This section prohibits use of funds authorized or appropriated under the act or any other law to finance military or paramilitary operations by the United States in or over Vietnam, Laos, or Cambodia. There have been reports recently that State Department officials have concluded that the President now can authorize a resumption of bombing in Cambodia and North Vietnam, as well as provide air support to South Vietnamese troops. This conclusion apparently is based on the assumption that the War Powers Act supersedes congressional prohibitions approved earlier this year. It is argued, therefore, that the President can commit our forces to Southeast Asia for 60 days unless Congress acts to halt such action. If, indeed, this policy is under consideration, the enactment of the conference report presently before us will preclude its implementation. Final passage of S. 1443 postdates adoption of the War Powers Act and, consequently, represents a clear congressional prohibition of our military involvement in Indochina.

Mr. Speaker, again I commend the House conferees, and I urge the adoption of the conference report.

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

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

Mr. STEIGER of Wisconsin. Mr. Speaker, I appreciate the gentleman's yielding to me.

I wish to join with the gentleman, not only in terms of paying tribute to him for the leadership he has given in the Vietnamese children section, but also to join in paying tribute to the conferees, both in the other body and in this body, for the provisions which are contained in this legislation, specifically that section which sets aside funds for South Vietnamese children and orphans. I particularly wish to commend the committee for its maintenance of the provision mandating use of private agencies to the extent practicable in dealing with adoption assistance. Such a recognition of the essential role the private agencies play is a forward step which I most particularly hope will be sustained by the agency and the appropriation process.

Mr. WHALEN. Mr. Speaker, I thank the gentleman for his comments.

Mr. MAILLIARD. Mr. Speaker, I yield such time as he may consume to the gentleman from New Jersey (Mr. FRELINGHUYSEN).

Mr. FRELINGHUYSEN. Mr. Speaker, I thank the gentleman.

I rise as a conferee on this foreign aid authorization, particularly to compliment the role which the chairman of the Committee on Foreign Affairs played in the deliberations of the conference committee.

Had it not been for the gentleman's leadership, his patience, and his willingness to seek compromise, I doubt very much if we could have achieved the result.

I realize full well that we are discussing this proposal on December 4, and I regret that we have taken as long as we have to come up with a conference report.

However, as the gentleman from California indicated a few minutes ago, it appeared for a time as if the conferees from the other body were not seeking agreement but were, perhaps, stalling for time, and would not work out a compromise with us. I think it is thanks largely to the leadership of the gentleman from Pennsylvania (Mr. MORGAN) that we have this result.

Mr. Speaker, I hope the conference report is supported today substantially, because I believe it is a significant achievement, and even though we may disagree with some aspects of it, it does represent a compromise which is reasonable and which was not easy to achieve.

Mr. RONCALLO of New York. Mr. Speaker, Congress in enacting the modified Helms amendment to the Foreign Assistance Act of 1973 is continuing a long-established policy of Congress to respect human life, whether it be the life of the unborn or born. For over a hundred years, Congress has demonstrated its concern for the sanctity of human life. Examples of this concern and respect are demonstrated in the following acts of Congress:

TITLE 18, UNITED STATES CODE, SECTION 1461

> Mailing obscene or crime-inciting matter—
>
> . . . Every article or thing designed, adapted, or intended for producing abortion, or for any indecent or immoral use; and
>
> Every article, instrument, substance, drug, medicine, or thing which is advertised or described in a manner calculated to lead another to use or apply it for producing abortion, or for any indecent or immoral purpose;
>
> * * * * *
>
> Is declared to be nonmailable matter and shall not be conveyed in the mails or delivered from any post office or by any letter carrier.
>
> Whoever knowingly uses the mails for the

mailing, carriage in the mails, or delivery of anything declared by this section or section 3001(e) of title 39 to be nonmailable, or knowingly causes to be delivered by mail according to the direction thereon, or at the place at which it is directed to be delivered by the person to whom it is addressed, or knowingly takes any such thing from the mails for the purpose of circulating or disposing thereof, or of aiding in the circulation or disposition thereof, shall be fined not more than $5,000 or imprisoned not more than five years, or both, for the first such offense, and shall be fined not more than $10,000 or imprisoned not more than ten years, or both, for each such offense thereafter.

TITLE 19, UNITED STATES CODE, SECTION 1305

Immoral articles; prohibition of importation—

(a) All persons are prohibited from importing into the United States from any foreign country any . . . drug or medicine or any article whatever for causing unlawful abortion. No such articles whether imported separately or contained in packages with other goods entitled to entry, shall be admitted to entry; and all such articles and, unless it appears to the satisfaction of the appropriate customs officer that the obscene or other prohibited articles contained in the package were inclosed therein without the knowledge or consent of the importer, owner, agent, or consignee, the entire contents of the package in which such articles are contained, shall be subject to seizure and forfeiture as hereinafter provided:

* * * * *

TITLE 42, UNITED STATES CODE, SECTION 300

SEC. 300. Project grants and contracts for family planning services—Authority of Secretary—

(a) The Secretary is authorized to make grants to and enter into contracts with public or nonprofit private entities to assist in the establishment and operation of voluntary family planning projects.

SEC. 300a(6). Prohibition against funding programs using abortion as family planning method—

None of the funds appropriated under this subchapter shall be used in programs where abortion is a method of family planning. July 4, 1944, c. 373, Title X, § 1008, as added Dec. 24, 1970, Pub. L. 91–572, § 6(c), 84 Stat. 1508.

I trust that the Helms amendment will be interpreted in the light of the clear policy of Congress to respect the rights of the unborn. The Supreme Court has ruled that the States cannot in effect protect the unborn, but the Court in no way indicated that Congress or the States have to appropriate funds for killing the unborn. I also trust that the President will take whatever steps are necessary to see that the Helms amendment, as enacted, is correctly interpreted so as to prohibit the use of Government foreign aid funds for abortions.

Mr. HOGAN. Mr. Speaker, the conference report under consideration today, for the Foreign Assistance Act of 1973, has added a new section which would prohibit the use of tax funds to promote abortion.

The other body unanimously adopted an amendment to this bill that was offered by Senator JESSE HELMS of North Carolina. This amendment would prohibit the use of U.S. Government funds under the act from being used to pay for abortions, abortificient drugs or devices, the promotion of the practice of abortion, or support of research to develop methods of abortion.

The conferees have subsequently reported out a modification of this amendment. The amendment reads as follows:

None of the funds made available to carry out this part shall be used to pay for the performance of abortions as a method of family planning or to motivate or coerce any person to practice abortions.

While this amendment is considerably less specific than that introduced by Senator HELMS, it is clearly another step in demonstrating Congress' opposition to the policy of abortion, which is so repugnant to the American people.

As horrible as the Supreme Court decision permitting abortion was, it did not sanction the use of tax funds for the purpose of promoting abortion. It was one thing to permit a practice which millions of Americans regard as intrinsically evil, but quite another to finance it with their dollars. To extend abortion to foreign countries through American tax money is altogether indefensible.

Federally financed courses at Washington University in St. Louis, and three other institutions, have been scheduled to instruct doctors from other countries on how to perform abortions in their native lands. If the Federal Government is going to finance schools to teach abortion, it might as well go all the way and start classes in how to commit murder. This would be very effective in reducing population.

U.S. FINANCING COURSES IN ABORTION

(By Edward W. O'Brien)

WASHINGTON.—The federal government's foreign-aid program is financing courses for doctors from underdeveloped nations at Washington University and three other institutions on how to perform abortions.

The men and women physicians taking the one-month courses are returning home with "modern information about methods of dealing with the reproduction process, including instruction about this whole area of abortion," Dr. Gerald Winfield, a foreign-aid official, says.

About half of the trainees are medical school professors or staff physicians at major teaching hospitals and are expected to pass on to other doctors the information gained in the United States, Winfield said.

"This is not an abortion program, but a program that includes abortion," he said.

The Washington U. program is scheduled to start Jan. 1, 1974, according to Dr. James C. Warren, chairman of the obstetrics and gynecology department at the university's School of Medicine.

"We are getting ready to put the program together and get it finalized," Dr. Warren said. He said six doctors at a time will be enrolled. The program will be operated 10 months out of the year, he said.

Dr. Warren emphasized that training on how to perform abortions was only one part of the multi-faceted program on family planning. It is included, he said, "because it is part of family planning and population control." He added that "abortion is not the preferred method of birth control."

Winfield, a division chief in the Population Office in the State Department's Agency for International Development, estimated that an average of 25 per cent of the total training is in abortion techniques.

The other institutions giving the courses, he said, are Johns Hopkins University, Baltimore; Western Pennsylvania Hospital, Pittsburgh, and American University in Beirut, Lebanon.

Each center, he said, has a federal budget of $250,000 to $300,000 a year. Other government sources said Washington University's grant is for $848,000 for July, 1973, to July, 1975.

Winfield stressed repeatedly that abortion is "only one element" in a broad program of reproduction education that also covers malignancies, voluntary sterilization, "the pill and all other methods of contraception," infertility, and treatment of incomplete and infected self-induced abortions.

Winfield said "all responsible people" at AID "are aware of the program and have approved it."

He said there is no federal law that bars or controls the use of foreign-aid money for abortion training. He said the doctors come from about 30 nations in Asia, Africa and South America.

"Abortion is a legal procedure in the United States according to the findings of the Supreme Court," he said.

"Something over half the women in underdeveloped countries live in places where abortion on demand is legal.

"We are simply meeting a world-wide need to improve their medical standards. We want to elevate the reproductive well-being of the human race."

Trainee doctors are being accepted from countries where abortion is not legal, he said, to treat many women who have attempted self-induced abortions.

The AID activity, in its first year of partial operation, has trained 60 to 70 foreign doctors.

Winfield said the program is trying to reach "the top obstetricians and gynecologists of the medical schools" in the underdeveloped nations.

There currently is no legal bar to the program but an amendment introduced by Sen. Jesse A. Helms (Rep.), North Carolina, to the current bill renewing foreign aid bars use of foreign-aid money on abortion-related projects.

If accepted by House conferees, as appears likely, no money not already obligated could be spent.

An amendment sponsored two years ago by Sen. Thomas F. Eagleton (Dem.), Missouri, prohibits use of federal money for abortion in family-planning programs for Americans within this country but does not affect foreign aid.

A government source said Washington University also has a $301,000 foreign-aid project for testing prostaglandins, described as an abortion-inducing drug, from 1971 to 1974.

Winfield said he assumed The Globe-Democrat's inquiry to him about the abortion-training courses resulted from "an increasing effort by those calling themselves Right to Life."

Unfortunately, the inclusion of this antiabortion amendment in the Federal assistance bill before us will not terminate these existing programs since the funds have already been authorized. What it will insure is that the United States will discontinue the future spending of tax money to promote abortion in foreign countries.

In 1967 when Congress amended the Foreign Assistance Act of 1961 to provide funds for family planning it mandated the President to insure that persons were not coerced in any manner to practice "methods of family planning inconsistent with his or her moral, philosophical or religious beliefs." This specific provision appears in Section 291, subsection (c) of title X of Public Law 90–137 (22 U.S.C.A. 2219 (c)).

I am certain that with the approval of this bill the same restriction against coercion and violations of a person's moral and religious beliefs in regard to sterilization and birth control apply to

section 104 as well as section 292 of the Foreign Assistance Act of 1973. I am supporting the Foreign Assistance Act of 1973 with this understanding, and the understanding that neither the Foreign Assistance Act of 1973 or any other foreign assistance act authorize the expenditure of public funds for abortions.

Nowhere in past legislation, nor in the present bill, does Congress allow or favor, approve or authorize paying for abortifacients so as to perform or cause abortions by chemical means, or pay for training foreign abortionists in this country or anywhere. The prohibition against the practice of abortion means an absolute restriction against the U.S. Government paying for the destruction of a single human person or encouraging such destruction.

I trust the President will see, upon passage of the act, that the foreign assistance program will be so administered as to protect the rights of the unborn.

I have spoken out repeatedly in this Chamber on the evils of abortion and how, since the Supreme Court decision, we have disregarded the rights of those who are defenseless, the unborn. I am pleased today to see Congress once again, having the opportunity to express its disapproval of the slaughtering of unborn babies, as we have done on previous occasions.

On four separate occasions the House has had the opportunity to vote on amendments to bills that relate to the question of abortion. On May 31, the House approved by a vote of 354 to 8 the Roncallo amendment to the biomedical research bill prohibiting the experimentation on live human fetuses, or more accurately on live "babies" because the child is no longer a fetus after it is alive outside the mother's body. On June 22, a similar amendment to the National Science Foundation bill was adopted by a vote of 288 to 73. On June 21, I offered an amendment to the Legal Services Corporation Act which was adopted by a vote of 301 to 68 as amendment by the Froehlich amendment, which was accepted by a vote of 316 to 53. These provisions prohibited legal assistance from the Legal Services Corporation in connection with abortions.

It is unconscionable that the House Judiciary Committee continues to refuse to hold hearings or take any action whatsoever on my constitutional amendment, House Joint Resolution 261, and those introduced by other Members.

Mr. RARICK. Mr. Speaker, the foreign aid bill was bad when it passed the House, but many of the provisions of this conference report make it an even greater threat to the American people. For example, under section 39, the legislation would make it the sense of the Congress that the United States participate fully in efforts to alleviate current and future food shortages which threaten the world. To this end, the President is ordered to support the organizing of a 1974 United Nations World Food Conference.

Further, the President is ordered to request the members of GATT to assure equitable access by all nations to national markets and mineral and agricultural resources. What this means is uncertain, but it could result in a quota assignment of all markets and food—a kind of world sharing of the shortages already being encountered by the American people.

The President is further ordered to consult and cooperate with international agencies such as the FAO of the U.N. to determine the need for, feasibility and cost of an equitably shared basis of establishing an international system of strategic food reserves. This is the world food bank advocated by Secretary Butz at his FAO-U.N. speech in Rome last month. Under the blueprint, the "have" nations are to contribute their food to the "have not" nations, which is to be distributed by the U.N. power base. Such a Johnny-come-lately scheme is most interesting considering the tremendous opposition by the administration earlier this year to a strategic grain reserve which would have assured ample supplies of food for the American people. A world food bank also sounds contrary to many of our national policies which have been to divest ourselves of any surplus not only in food but also in strategic stockpiles destined to aid the American people.

The legislation further orders that the President include in the estimates of overall utilization the expected demands for humanitarian food assistance through such programs as are carried out under Public Law 480. Further, new legislation to be enacted provides increased flexibility under the emergency and humanitarian requirements for food assistance under Public Law 480 expressly by amending the last sentence of section 401 by striking the period, inserting a comma, and adding the following: "Unless the Secretary determines that some part of the exportable supply should be used to carry out the national interest and humanitarian objectives of this Act." Under the latter recommendation the Secretary would have the discretionary powers to deplete needed U.S. food for free distribution under the humanitarian provision of Public Law 480.

Of course the "world food stamp" provision under this bill is at most intended as a sense of Congress resolution, but we know that concerted action can be expected to follow under the humanitarian emotionalism of sharing all we have with our less fortunate bretheren of the world.

I opposed the legislation when it was first before the House as being nothing but a world boondoggle following the design of redistributing the wealth and progress of our people to the four corners of the world. Now we have added the plan for redistribution of our food. Today our people are being told that we face a severe energy crisis. If we continue to implement these foolhardy schemes, the next thing we will be telling our people is that we have a food shortage.

I intend to continue casting my people's vote for the benefit of the American people and against all of these internationally concocted mouse traps.

Mr. HARRINGTON. Mr. Speaker, I rise in support of the conference report to S. 1443, the Foreign Assistance Act of 1973. While I have certain reservations about this bill, I generally concur in its economic aid provisions, which make major changes in our foreign assistance programs.

S. 1443 authorizes $2.39 billion for fiscal 1974 foreign economic and military assistance, $395 million below the administration's budget request. Of the total amount, the bill contains $1.43 billion for economic assistance, a cut of about $80 million for the President's request, and $962.5 million for military assistance, a reduction of $315 million from the requested amount. Finally, the bill sets an aggregate ceiling on credits for military sales of $730 million.

In addition, biannual authorizations for economic aid programs and for security assistance programs are called for. United States economic aid would be focused toward solving acute problems common to developing countries, such as health, population, education, and food. Development and planning responsibilities for the economies of programs would be assumed by the countries receiving aid, and U.S. aid would be increasingly channeled through multilateral organizations—a concept I personally attach much credence to. Bilateral grant assistance programs to developing countries will also require at least 25 percent matching financing by the recipient country, and development assistance projects are generally limited to a duration of 3 years. In short, U.S. bilateral economic aid to developing countries would be restructured by this legislation.

My major reservation about this legislation concerns the fact that the broad authority it contains for foreign military sales, combined with the increase to $150 million in the regional ceiling governing sales of military equipment to Latin American countries, raises the possibility that the United States may implement a substantial military assistance program to the junta in Chile.

Earlier this year the administration indicated its intent to sell F–5E jet aircraft to five Latin American countries, including Chile, although section 4 of the Foreign Military Sales Act, as amended, places restrictions on the sale of "sophisticated weapons systems, such as—jet aircraft" to these countries. So as to make such a sale, section 4 requires the President to make a determination that the financing of such a sale is "important to the national security of the United States," and the President is required to report such a determination to the Congress within 30 days. The President has made such a determination, and has also requested a waiver of section 33 of the Foreign Military Sales Act, so as to increase the regional ceiling on aggregate military sales to Latin America from $100 million to $150 million. In addition, it is my understanding that Chile has been the recipient of a $1 million program of military training assistance.

Mr. Speaker, it seems to me that there are sound reasons—some concerning principle and morality, others concerned with pragmatism and self-interest—that military assistance to the current Government of Chile should be discontinued.

I believe that the United States has contributed, slowly and methodically,

to eroding the strength and durability of what had been the oldest democracy in Latin America. Through our leverage with the Inter-American Development Bank, the World Bank, private sources of credit and financing, and our own Import-Export Bank, the United States made it impossible for President Allende to maintain a workable economy. Consequently, it is my opinion that the present military junta's ban on political parties, forceable "recess" of the Chilean Congress, take-over of communications media, invasion of universities, and suppression of dissent, are, in some measure, the responsibilities of the United States.

Congress can not turn back the clock, but we can decline aid to the forces directly involved in the crippling of democracy in Chile.

Practically speaking, I believe the day will soon come when our country will pay heavily for subordinating the long-term interests of our foreign policy to the short-term interests of American corporations abroad.

Nearly 50 percent of the people of Latin America are 15 years of age or younger. As this generation grows to maturity, they will surely recognize that most of the regimes supported by the United States are not dedicated to fulfilling their aspirations and needs. When this generation eventually comes to power—by democratic elections, if possible, by force if otherwise—the United States may well find itself tied to military and private interests and alined against broader national interests, thus dooming itself to repeat the lessons of Vietnam, closer to home.

Now is the time for the Congress of the United States to move the foreign policy of our Government in the direction of cultivating good relations with the people of Latin America. Congressional deference to the corporate orientation of the present administration could be a tragic example of lack of foresight. We must instead begin to investigate and review our policy toward Latin America in general and Chile in particular, with a view toward building a positive reputation in the eyes of the people of Latin America.

For this reason, Mr. Speaker, I urge this House to register in a concrete way its dissatisfaction with the current undemocratic regime in Chile, by acting to suspend military assistance to this regime until basic human rights are reestablished. I believe that we owe this much to both the people of Chile and to our own future interests.

Mr. Speaker, I intend on Friday, when the House considers the foreign aid appropriations bill, to offer an amendment that could have the effect of terminating all forms of military assistance to the present government of Chile. I hope at that time that my colleagues will join me in taking this positive step toward human rights, democracy, and an enlightened American foreign policy.

Ms. ABZUG. Mr. Speaker, I am distressed by the inclusion in this bill of section 114 which provides that—

None of the funds made available to carry out this part shall be used to pay for the performance of abortions as a method of family planning or to motivate or coerce any person to practice abortions.

This provision is unnecessary because title X, section 291 of the present law says:

(a) It is the sense of the Congress that, while every nation is and should be free to determine its own policies and procedures with respect to problems of population growth and family planning within its own boundaries, nevertheless, voluntary family planning programs to provide individual couples with the knowledge and medical facilities to plan their family size in accordance with their own moral convictions and the latest medical information, can make a substantial contribution to improve health, family stability, greater individual opportunity, economic development, a sufficiency of food, and a higher standard of living.

This, it seems to me, states very well the intent of our aid, and does not trespass upon the right of nations to decide their own policies.

Abortion is one legitimate form of family planning and in some countries, the only available form. It is in fact legal for 58 percent of the world's population. It has always been our policy in providing aid to other countries to avoid dictating the precise form of its use; why do we now seek to place our own imprimatur upon this bill—and carrying, at that, the views of only a vocal minority?

The emotional prohibition of abortion is a misuse of the legislative process and of the aid program. It is providing a channel for the frustrations of those who object to the Supreme Court's decision, but it is not the purpose of legislation to provide such a channel. I fear that this constant outcry is really a manifestation of patriarchal chauvinism.

Inherent also in this provision is a blatant form of discrimination against women. It appears that we are attempting to deny the women abroad the freedom of choice in family planning that our own Supreme Court has recently granted to women in this country. No other class or group, so far as I can recall, has been so singled out; we do not attempt to deny freedom of choice to construction workers, children under 12, people over 60—only to women.

I regret that the section does seem to place us in the questionable position of imposing on women abroad a restriction recently overturned by our Supreme Court and constiutes serious interference with the internal affairs of other countries.

Title X, section 291, subsection (c), states:

In carrying out programs authorized in this title, the President shall establish reasonable procedures to insure, whenever family-planning assistance from the United States is involved, that no individual will be coerced to practice methods of family planning inconsistent with his or her moral, philosophical, or religious beliefs.

It seems to me that this is quite sufficient.

Mr. GONZALEZ. Mr. Speaker, I shall vote "present" on the conference report because I favor it in principle, but do not agree with the actions of the conferees with respect to congressional policy on expropriations of American companies and properties.

When the bill was before the House earlier this year, I offered an amendment that would cut off aid to countries that had expropriated American firms or properties, if the recipient country had failed to compensate the firm or investor, or entered into negotiations leading toward compensation or submitted the matter to arbitration before the International Center for the Settlement of Investment Disputes. This amendment was adopted overwhelmingly by the House, but the conference report carries a substitute that is totally different and wholly inadequate.

My amendment would have extended to bilateral assistance the same policy, adopted overwhelmingly by the Congress, that now applies to multilateral lending institutions. It would have provided a uniform U.S. policy on expropriation. It is a policy that works, and a policy that has been effective in encouraging the systematic settlement of disputes arising from expropriations. Such a policy is imperative, and ought to be uniformly applied to all forms of foreign assistance. The action of the conferees in no way reflects the will of the House on this, expressed in four separate votes, nor does it support the clear policy of Congress, carried in three laws.

If the conferees had reported an adequate provision on expropriation, I would have voted "aye" on the report. I regret that the conferees failed to uphold the clear position of the House and the Congress on this issue, and hope that when we next consider foreign assistance we will see a sound expropriation policy enacted. I intend to work toward that end.

Mr. MORGAN. Mr. Speaker, I have no further requests for time.

Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

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

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

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 210, nays 193, answered "present" 1, not voting 29, as follows:

[Roll No. 620]

YEAS—210

Abzug	Boland	Cohen
Addabbo	Bolling	Collins, Ill.
Alexander	Brademas	Conable
Anderson, Calif.	Brasco	Conte
Anderson, Ill.	Breckinridge	Corman
Annunzio	Brooks	Cotter
Arends	Broomfield	Coughlin
Armstrong	Brotzman	Cronin
Ashley	Brown, Calif.	Culver
Aspin	Brown, Mich.	Daniels, Dominick V.
Badillo	Buchanan	Danielson
Barrett	Burke, Mass.	Davis, S.C.
Bell	Burton	Delaney
Biaggi	Carey, N.Y.	Dellenback
Biester	Carney, Ohio	Derwinski
Bingham	Cederberg	Dingell
Blatnik	Chamberlain	Donohue
Boggs	Clark	Drinan
	Clay	

du Pont	McDade	Roe
Eckhardt	McEwen	Roncallo, Wyo.
Eilberg	McFall	Roncallo, N.Y.
Erlenborn	McKay	Rooney, Pa.
Esch	McKinney	Rosenthal
Fascell	Madigan	Rostenkowski
Findley	Mahon	Roybal
Fish	Maillliard	Ruppe
Flood	Mallary	Ryan
Foley	Mann	St Germain
Ford, William D.	Mathias, Calif.	Sarasin
	Matsunaga	Sarbanes
Forsythe	Mayne	Schneebeli
Fraser	Meeds	Seiberling
Frelinghuysen	Metcalfe	Sikes
Frenzel	Mezvinsky	Sisk
Giaimo	Minish	Smith, Iowa
Gilman	Mink	Smith, N.Y.
Grasso	Mitchell, Md.	Stanton,
Gray	Mitchell, N.Y.	J. William
Green, Pa.	Moakley	Stark
Griffiths	Mollohan	Steele
Gude	Moorhead, Pa.	Steiger, Wis.
Guyer	Morgan	Stratton
Hamilton	Mosher	Sullivan
Hanley	Moss	Symington
Hansen, Idaho	Murphy, Ill.	Thompson, N.J.
Harrington	Murphy, N.Y.	Tiernan
Harvey	Natcher	Udall
Heckler, Mass.	Nedzi	Ullman
Heinz	Nix	Vander Jagt
Helstoski	O'Brien	Vanik
Hillis	O'Hara	Vigorito
Hogan	O'Neill	Ware
Holifield	Patman	Whalen
Holtzman	Patten	Widnall
Horton	Pepper	Wiggins
Hosmer	Peyser	Wilson, Bob
Howard	Podell	Wilson,
Johnson, Calif.	Preyer	Charles H.,
Johnson, Pa.	Price, Ill.	Calif.
Jones, Ala.	Pritchard	Wilson,
Karth	Quie	Charles, Tex.
Keating	Railsback	Winn
Kemp	Rangel	Wolff
Kluczynski	Rees	Wright
Koch	Regula	Wydler
Kyros	Reuss	Yates
Leggett	Rhodes	Yatron
Lehman	Riegle	Young, Ill.
Lent	Rinaldo	Young, Tex.
Long, Md.	Roberts	Zablocki
McClory	Robison, N.Y.	
McCloskey	Rodino	

NAYS—193

Abdnor	Dent	Kastenmeier
Adams	Devine	Kazen
Andrews, N.C.	Dickinson	Ketchum
Andrews, N. Dak.	Dorn	King
	Dulski	Landgrebe
Archer	Duncan	Landrum
Ashbrook	Edwards, Ala.	Latta
Bafalis	Eshleman	Litton
Baker	Evans, Colo.	Long, La.
Bauman	Evins, Tenn.	Lott
Beard	Fisher	Lujan
Bennett	Flowers	McCollister
Bevill	Flynt	McCormack
Bowen	Fountain	Maraziti
Bray	Frey	Martin, Nebr.
Breaux	Froehlich	Martin, N.C.
Brinkley	Fulton	Mathis, Ga.
Brown, Ohio	Fuqua	Mazzoli
Broyhill, N.C.	Gaydos	Melcher
Broyhill, Va.	Gettys	Milford
Burgener	Gibbons	Miller
Burke, Fla.	Ginn	Minshall, Ohio
Burleson, Tex.	Goldwater	Mizell
Burlison, Mo.	Goodling	Montgomery
Butler	Green, Oreg.	Moorhead, Calif.
Byron	Gross	
Camp	Grover	Myers
Carter	Haley	Nelsen
Casey, Tex.	Hammer-schmidt	Nichols
Chappell		Obey
Chisholm	Hanrahan	Owens
Clancy	Harsha	Parris
Clausen, Don H.	Hastings	Passman
	Hays	Perkins
Cleveland	Hechler, W. Va.	Pettis
Cochran	Henderson	Pickle
Collier	Hicks	Pike
Collins, Tex.	Hinshaw	Poage
Conlan	Holt	Powell, Ohio
Conyers	Huber	Price, Tex.
Crane	Hudnut	Quillen
Daniel, Dan	Hungate	Randall
Daniel, Robert W., Jr.	Hunt	Rarick
	Hutchinson	Robinson, Va.
Davis, Ga.	Ichord	Rogers
Davis, Wis.	Jarman	Rose
de la Garza	Johnson, Colo.	Roush
Dellums	Jones, N.C.	Rousselot
Denholm	Jones, Okla.	Roy
Dennis	Jones, Tenn.	Runnels
Ruth	Steelman	Veysey
Sandman	Steiger, Ariz.	Waggonner
Satterfield	Stephens	Wampler
Scherle	Stubblefield	White
Schroeder	Stuckey	Whitehurst
Sebelius	Studds	Whitten
Shipley	Symms	Williams
Shoup	Talcott	Wyatt
Shriver	Taylor, Mo.	Wylie
Shuster	Taylor, N.C.	Wyman
Skubitz	Teague, Calif.	Young, Alaska
Slack	Teague, Tex.	Young, Fla.
Snyder	Thomson, Wis.	Young, S.C.
Staggers	Thone	Zion
Stanton, James V.	Thornton	Zwach
	Towell, Nev.	
Steed	Treen	

ANSWERED "PRESENT"—1

Gonzalez

NOT VOTING—29

Bergland	Hanna	Mills, Ark.
Blackburn	Hansen, Wash.	Reid
Burke, Calif.	Hawkins	Rooney, N.Y.
Clawson, Del	Hébert	Spence
Diggs	Jordan	Stokes
Downing	Kuykendall	Van Deerlin
Edwards, Calif.	McSpadden	Waldie
Ford, Gerald R.	Macdonald	Walsh
Gubser	Madden	Young, Ga.
Gunter	Michel	

So the conference report was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Gubser for, with Mr. Michel against.

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

Mr. Kuykendall for, with Mr. Spence against.

Until further notice:

Mr. Rooney of New York with Mr. Madden.

Mr. Reid with Mr. Gunter.

Mrs. Hansen of Washington with Mr. Young of Georgia.

Mr. Downing with Mr. Waldie.

Mr. Hébert with Mr. Hawkins.

Mr. Mills of Arkansas with Mr. Blackburn.

Mr. Van Deerlin with Mr. Stokes.

Mr. Edwards of California with Miss Jordan.

Mr. Diggs with Mr. Hanna.

Mrs. Burke of California with Mr. Bergland.

Mr. McSpadden with Mr. Macdonald.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

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

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

There was no objection.

PERMISSION TO FILE CONFERENCE REPORT ON H.R. 11459, APPROPRIATIONS FOR MILITARY CONSTRUCTION FOR FISCAL YEAR 1974

Mr. SIKES. Mr. Speaker, I ask unanimous consent that the managers on the part of the House may have until midnight tonight to file a conference report on 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.

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

There was no objection.

CONFERENCE REPORT (H. REPT. No. 93-693)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to 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," 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 amendments numbered 4, 5, and 6.

That the House recede from its disagreement to the amendments of the Senate numbered 7 and 8, and 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 sum proposed by said amendment insert "$247,277,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 1 and 2.

ROBERT SIKES,
EDWARD J. PATTEN,
DAVID OBEY,
GUNN MCKAY,
GEORGE MAHON,
BURT L. TALCOTT,
ROBERT C. MCEWEN,
ELFORD A. CEDERBERG,
Managers on the Part of the House.

MIKE MANSFIELD,
JOHN MCCLELLAN,
WILLIAM PROXMIRE,
JOSEPH M. MONTOYA,
ERNEST F. HOLLINGS,
STUART SYMINGTON,
HOWARD W. CANNON,
RICHARD S. SCHWEIKER,
MILTON R. YOUNG,
CHARLES MCC. MATHIAS,
HENRY BELLMON,
JOHN TOWER,
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. 11459) making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1974, 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:

Amendment No. 1, military construction, Army: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment to appropriate $578,120,000 instead of $551,575,000 as proposed by the House and $567,735,000 as proposed by the Senate. The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This would provide the following changes to the amounts and line items as proposed by the House:

Fort Polk, La.: Commissary	+$1,977,000
Tobyhanna Army Depot, Pa.: Medical equipment maintenance facility	+411,000
U.S. Military Academy, West Point, N.Y.: Hospital	+20,000,000
U.S. Army Cold Regions Research and Engineering Laboratory, New Hampshire:	

Logistics and storage facility	+597,000
Military Ocean Terminal, Bayonne, N.J.:	
Administrative facilities	+1,800,000
Electric substation	+400,000
Pueblo Army Depot, Colo.:	
Stack emission controls	+395,000
Access roads	+2,000,000
Fort McClellan, Ala.: Housing and training facility/WAC Band	−1,035,000

After prolonged discussion, the House conferees agreed to appropriate $20,000,000 for medical facilities at the Military Academy, West Point, New York. The Senate conferees insisted on providing this appropriation in the fiscal year 1974. They felt that having the funds available would allow the Army to proceed as quickly as possible with hospital construction so as to avoid increased costs due to inflation in the construction industry in this area.

The conferees are in agreement that the Army's original plan to build a 100-bed regional hospital at West Point at a cost of $25,000,000 was unrealistic, is in excess of the medical workload experienced and projected for West Point, and is overly expensive. The conferees of both Houses are in agreement that hospital facilities at West Point in no event shall exceed the $20,000,000 appropriated and that the hospital shall be a 65-bed hospital. It is strongly suggested that the Army provide a sufficient contingency factor in its estimates in order to avoid contract cancellation should the cost exceed $20,000,000. The conferees are in agreement that the function to which the hospital should be specifically designed is to provide excellent medical care to cadets and to active duty military personnel stationed at the Military Academy. They further agree that the Army should restudy the location, configuration, scope, utilization, and cost of the proposed hospital facility so as to provide for the above-cited functions in the optimum and least costly manner. The conferees direct the Army to report back to the Committees on Appropriations of the Senate and House of Representatives when it has completed its studies and plans for medical facilities at West Point. No funds will be obligated for construction and no construction contract advertised or awarded for medical facilities at the Military Academy until approval of the Army's plans and specific authority to proceed with construction have been provided in writing from the Committees on Appropriations of the Senate and House of Representatives.

The House conferees were not satisfied that the Army's plans for the construction of the hospital at the proposed location near Washington Gate, approximately 1.6 miles from the cadet area, would provide adequately for cadet medical care without some further provision for dispensary "sick call" or light bed care facilities for the cadets. The House conferees would be extremely concerned with any plan which would make cadet care more inconvenient or less adequate than that provided by the present hospital. The House conferees expect the Army to thoroughly examine this problem as a part of its studies and planning for the provision of medical facilities. The House conferees will not approve a hospital plan which does not take adequate account of these needs. Furthermore, the Army should program any required cadet dispensary facilities or other facilities required to provide medical care to cadets within the $20,000,000 allowance provided in this bill.

For the NATO infrastructure program the conferees restored $20,000,000 as proposed by the House. The conferees feel that, commencing with the next five-year (1975–1979) NATO common infrastructure program (Slices XXVI–XXX), the effective United States contribution to the NATO common infrastructure should be at a maximum 20%. This goal could be obtained by either a 20% share of a normal NATO infrastructure program or by a combination of a normal NATO infrastructure program and a new European defense improvement program financed entirely by European nations. The conferees further give notice that in the future they will look unfavorably upon requests which would fund a United States payment to the program at an effective rate above 20% for Slice XXVI and subsequent slices.

Amendment No. 2, military construction, Navy: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment to appropriate $609,292,000 instead of $587,641,000 as proposed by the House and $608,467,000 as proposed by the Senate. The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This would provide the following changes to the amounts and line items as proposed by the House:

Naval Underwater Systems Center, New London Laboratory, New London, Conn.: Engineering building	+$3,600,000
Military Ocean Terminal, Bayonne, N.J.: Military Sealift Command, Atlantic relocation	+1,806,000
Naval Academy, Annapolis, Md.: Maury Hall rehabilitation	+300,000
Naval Supply Corps School, Athens, Ga.: Restoration of commissary store	+120,000
Naval Station, Pearl Harbor, Hawaii: Enlisted men's dining facility	+1,345,000
Atlantic Fleet Weapons Range, Puerto Rico (Sec. 204)	+12,000,000
Naval Complex, Guam: Naval Station theater	+1,480,000
Access roads	+1,000,000

The conferees have not allowed additional appropriations for $3,400,000 authorized to cover the cost of acquisition of leasehold interests situated on land acquired by the Navy under authority provided in fiscal year 1972 at Naval Station, Norfolk, Virginia. Under the provisions of the fiscal 1972 legislation, authority exists and monies are available to take seven leaseholds which the Navy claims are required in the near future for Navy military construction projects at this installation. Additionally, nonappropriated funds can be made available to take a leasehold required to allow the construction of an Exchange warehouse at this location. The conferees feel that the acquisition of these leaseholds in this manner represents a prudent approach and that additional funding is not required at this time.

The conferees deferred without prejudice a communications facility at the Naval Station, Charleston, South Carolina, pending a restudy by the Navy of the manner in which this improvement in communications should be accomplished.

An agreement has been reached by the joint committee of conference that $12,000,000 will be added to finance the movement of the ship-to-shore and other gun fire and bombing operations of the United States Navy from the island of Culebra.

The relocation of such operations from the northwest peninsula of the island of Culebra is expressly conditioned upon the conclusion of a satisfactory agreement to be negotiated by the Secretary of the Navy, or his designee, with the Commonwealth of Puerto Rico. Subsequent to the conclusion of such agreement, the Secretary of Defense shall report the terms of the agreement to the Committees on Appropriations of the Senate and the House of Representatives.

Prior to the obligation of any of the funds appropriated in this Act for the construction and equipage of substitute facilities in support of the relocations of the above-mentioned activities from Culebra, the Secretary of Defense shall request, in writing, the approval of the Committees on Appropriations of the Senate and the House of Representatives. The conferees are in agreement that within 30 days of the receipt of both the information and the request referred to in the two preceding sentences of this report their respective Committees will approve or disapprove the Secretary's request. The agreement shall provide, among other things, that the Commonwealth of Puerto Rico shall insure that (1) Commonwealth lands suitable for carrying out operations of the type referred to above will be made available for the continued use of the Atlantic Fleet Weapons Range and Fleet Marine Forces training areas by the Navy, including, but not limited to, present areas and facilities on the island of Vieques, and (2) any proposed facility of activity which would interfere with the Navy training mission will not be undertaken, including the proposed deep water super-port on the island of Mona, in the event that such agreement includes the use by the Navy of such island or the area adjacent to such island.

The present bombardment area on the island of Culebra shall not be utilized for any purpose that would require decontamination at the expense of the United States. Any lands sold, transferred, or otherwise disposed of by the United States as a result of the relocation of the operations referred to above may be sold, transferred, or otherwise disposed of only for public park or public recreational purposes.

At the Naval Station, Keflavik, Iceland, two projects; namely, the bachelor officers quarters, $3,258,000, and the bachelor enlisted quarters, $2,834,000, have been restored to the Navy program. The joint conference agrees, however, that these funds may not be obligated until an agreement has been signed by the United States Government and the Icelandic Government setting forth the conditions under which the Navy may continue to use Iceland as an operating base.

The conferees have granted authority to proceed with the projects requested for Naval Detachment, Souda Bay, Crete, Greece and for Naval Air Facility, Sigonella, Sicily, Italy. The funding for the following projects, however, is reduced by the amounts shown below to encourage greater use of direct programming through NATO infrastructure slices as explained in the House report:

Naval Detachment, Souda Bay, Crete, Greece:	
Aircraft parking apron	$2,666,000
Air passenger/cargo terminal	277,000
General warehouse	265,000
Naval Air Facility, Sigonella, Sicily, Italy:	
Photographic building	164,000

The conferees have provided $4,000,000 over the amount budgeted for the Navy's planning and design account. This will not increase new budget authority, however, as these funds are provided by reprogramming from savings or cancellation of other projects which are not needed.

Amendment No. 3, military construction, Air Force: Appropriates $247,277,000 instead of $239,702,000 as proposed by the House and $261,198,000 as proposed by the Senate. The conferees have agreed to the following additions and deletions to the amounts and line items as proposed by the House:

Wright-Patterson Air Force Base, Ohio: Alter aircraft engine component research facility	+$1,887,000
Satellite Control Facility, Kodiak, Alaska: Automotive maintenance facility	+462,000

Malmstrom Air Force Base, Mont.: Dormitory facilities	+213,000
Bergstrom Air Force Base, Tex.: Commissary	+2,273,000
Nellis Air Force Base, Nev.: Base personnel office	+1,933,000
United States Air Forces in Europe, Germany: Deficiency authorization funding	+307,000
Access roads	+2,000,000
Grissom Air Force Base, Ind.: Alter airmen dormitories	−1,500,000

The conferees have deferred the request for $13,500,000 for special aircraft support facilities at Andrews Air Force Base, Maryland. Further development of the concept for the use of these Boeing 747 National Emergency Airborne Command Post aircraft is required, as is satisfactory development of the command-control communications package for these aircraft and electromagnetic pulse testing of the aircraft and communications systems.

Approval has been given for the funding of three Air Force projects at the Naval Station, Keflavik, Iceland; namely, an aircraft maintenance shop, $222,000; a weapons release systems shop, $594,000; and a parachute and dinghy shop, $539,000. The committee of conference states that these projects may not be placed under contract until a Status of Forces Agreement has been reached between the United States and the Icelandic Government.

The conferees have restored a portion of the House cut which was applied to the funding of a deficiency authorization for projects in Germany for United States Air Forces in Europe. The conferees agree to restore $307,000 for additional costs of constructing an aircraft maintenance complex at Ramstein Air Base, while approving authority but not additional funding for an air freight terminal at the same location. This is consistent with action on the fiscal year 1973 appropriation which allowed authority but no funding for this project to encourage the programming of such projects through NATO infrastructure slices.

Amendments No. 4 and 5, military construction, Defense Agencies: Provide no appropriation as proposed by the House instead of appropriating $12,000,000 as proposed by the Senate.

The conferees agreed to provide no new budget authority for military construction, Defense Agencies as provided in the House bill; however, the conferees restored authority to construct a logistics support facility for the National Security Agency (NSA) at Fort Meade, Maryland, which is to cost $3,529,000.

The House receded from its action deleting this project as the result of changes of plans by NSA which would increase its utilization and of better information on cost savings. This project, along with other projects approved for the Defense Agencies, is to be funded by the transfer of unobligated balances contained in the Defense contingency fund, which is also carried under this appropriation.

Amendment No. 6, military construction, Naval Reserve: Appropriates $22,900,000 as proposed by the House instead of $20,300,000 as proposed by the Senate.

The committee of conference approves the $2,600,000 requested by the Navy for rehabilitation of facilities to accommodate the move of Naval Reserve Headquarters units from Omaha, Nebraska and Glenview, Illinois to New Orleans, Louisiana. However, the conferees are concerned about the escalation of the cost of this project from $1,500,000, which included approximately $400,000 in operation and maintenance costs, to the requested $2,600,000 for military construction. The Navy is directed to provide a detailed explanation of this cost increase to both Committees on Appropriations.

Amendment No. 7, family housing, Defense: Appropriates $1,188,539,000 as proposed by the Senate instead of $1,194,539,000 as proposed by the House.

Amendment No. 8, family housing, Defense: Authorizes not to exceed $97,947,000 for the construction of Navy family housing as proposed by the Senate instead of $103,947,000 as proposed by the House.

The joint conference has agreed that the 150 units of housing at Naval Station, Keflavik, Iceland, will not be funded in the amount of $6,000,000. A further agreement has been made that the Navy may fund these houses through a reprogramming action after a Status of Forces Agreement has been negotiated between the United States and the Icelandic Government if they are still required.

COMMISSARIES

The committee of conference has allowed two of the four commissary facilities which were in disagreement between the two Houses. Commissary facilities were approved at Fort Polk, Louisiana and Bergstrom Air Force Base, Texas because of the particular need shown at these installations. The conferees are in agreement that the Department of Defense should take measures to increase the use of commissary surcharge monies or other nonappropriated funds for the construction of commissary facilities or recommend to Congress such changes in legislation as are necessary to effect this. Furthermore, the conferees agree that the Chairmen of the two Committees will write to the Secretary of Defense recommending that he study the use of surcharge funds or other nonappropriated funds to cover the cost of construction of all commissary facilities except those overseas or in isolated locations.

As noted in the House report, commissary operations are funded substantially from appropriated funds. They enjoy numerous advantages which allow them to further reduce their costs below those of commercial counterparts. It is for these reasons that the conferees feel that the use of appropriated funds for commissary construction can be reduced.

CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 1974 recommended by the committee of conference, with comparisons to the fiscal year 1973 total, the 1974 budget estimate total, and the House and Senate bills follows:

New budget (obligational) authority, fiscal year 1973	$2,323,221,000
Budget estimates of new (obligational) authority, fiscal year 1974	[1] 2,944,900,000
House bill, fiscal year 1974	2,609,090,000
Senate bill, fiscal year 1974	2,670,972,000
Conference agreement	2,658,861,000
New budget (obligational) authority, fiscal year 1973	+335,640,000
Budget estimates of new (obligational) authority, fiscal year 1974	−286,039,000
House bill, fiscal year 1974	+49,771,000
Senate bill, fiscal year 1974	−12,111,000

[1] Includes H. Doc. 93-155 request for $7,000,000 for Homeowners assistance fund, Defense; excludes H. Doc. 93-155 requests for an additional $4,300,000 for Military construction, Army and an additional $31,100,000 for Family housing, Defense, which were not considered due to lack of authorization.

ROBERT SIKES,
EDWARD J. PATTEN,
DAVID OBEY,
GUNN MCKAY,
GEORGE MAHON,
BURT L. TALCOTT,
ROBERT C. MCEWEN,
ELFORD A. CEDERBERG,
Managers on the Part of the House.

MIKE MANSFIELD,
JOHN L. MCCLELLAN,
WILLIAM PROXMIRE,
JOSEPH M. MONTOYA,
ERNEST F. HOLLINGS,
STUART SYMINGTON,
HOWARD W. CANNON,
RICHARD S. SCHWEIKER,
MILTON R. YOUNG,
CHARLES MCC. MATHIAS,
HENRY BELLMON,
JOHN TOWER,
Managers on the Part of the Senate.

PERMISSION FOR COMMITTEE ON APPROPRIATIONS TO FILE PRIVILEGED REPORT ON FOREIGN OPERATIONS APPROPRIATIONS BILL FOR FISCAL YEAR 1974

Mr. PASSMAN. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tonight to file a privileged report on the Foreign Assistance and related programs appropriation bill for fiscal year 1974.

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

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

There was no objection.

OFFSHORE SHRIMP FISHERIES ACT OF 1973

Mr. DINGELL. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 8529) to implement the shrimp fishing agreement with Brazil, as amended.

The Clerk read as follows:

H.R. 8529

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 "Offshore Shrimp Fisheries Act of 1973".

DEFINITIONS

SEC. 2. When used in this Act—

(a) the term "treaty" shall mean the Agreement Between the Government of the Federative Republic of Brazil and the Government of the United States of America Concerning Shrimp, signed on May 9, 1972, including related annexes, notes, and agreed minutes, as these documents may be amended from time to time;

(b) the term "shrimp" shall mean the shrimp Penaeus (M.) duorarum notialis, Penaeus brasiliensis, and Penaeus (M.) aztecus subtilis;

(c) the term "area of agreement" shall mean the area in which United States vessels carry on a shrimp fishery in the vicinity of Brazil, as described by the following boundaries: the waters off the coast of Brazil having the isobath of thirty meters as the southwest limit, the latitude 1 degree north as the southern limit, the longitude 47 degrees 30 minutes west as the eastern limit, and a line running from the point of 4 degrees 44 minutes north latitude, 51 degrees 30 minutes west longitude at an azimuth of 17 degrees to the point of 4 degrees, 51 minutes north latitude, 51 degrees 28 minutes west longitude and thence at an azimuth of 43 degrees to the point of 8 degrees 58 minutes north latitude, 47 degrees 30 minutes west longitude as the northwestern boundary;

(d) the term "vessel" shall mean every description of watercraft or other contrivance

used, or capable of being used, as a means of transportation in water;

(e) the term "Secretary" shall mean the Secretary of Commerce or his delegate;

(f) the term "transship" shall mean the transfer of shrimp from one vessel to another vessel, or the receipt of shrimp by one vessel from another vessel;

(g) the term "fishing" shall mean the taking or attempted taking of shrimp by any means whatsoever.

(h) the term "vessel owner" shall mean any person, partnership, corporation, or association which is the owner of record of a vessel documented under the laws of the United States, except that, with respect to sections 4 and 5 hereof, the Secretary may issue such regulations as he deems appropriate to cover applications for and issuance of letters of voluntary compliance and permits with respect to vessels owned by corporations which are owned or controlled by one or more other corporations;

(i) the term "regulations" shall mean rules and regulations issued by the Secretary from time to time as he deems necessary to carry out the purposes and objectives of the treaty and this Act; and

(j) the term "gear" when applied to any vessel involved in a violation shall mean any single set of net and doors for a single trawl vessel, or for a vessel capable of towing more than one set at a time, as many sets of net and doors as the vessel is capable of towing: *Provided*, That if the vessel owner, master, or other person in charge of the vessel can show that a particular set (or sets) of net and doors was actually involved in the violation, then that set (or sets) shall be deemed to be the gear of the vessel involved in the violation.

PERMITS

SEC. 3. (a) The Secretary is authorized to issue permits to vessel owners for vessels documented under the laws of the United States to engage in fishing in the area of agreement: *Provided*, That the number of vessels which are the subject of permits shall not exceed three hundred and twenty-five or such other number of vessels as may be specified in the treaty from time to time as authorized to fish in the area of agreement. No vessel owner may be issued a permit with respect to a vessel unless such vessel meets the requirements of the treaty, the Act, and the regulations.

(b) Except as provided in section 4(d), a permit shall be valid only for the vessel with respect to which it is issued and shall not cover more than one vessel, except that a vessel owner may, with the prior consent of the Secretary, transfer a permit to another vessel whether or not owned by the same vessel owner.

(c) Permits shall be issued for a calendar year, and may be renewed annually.

(d) Permits shall contain such provisions, and shall be issued upon, and subject to, such terms and conditions as the Secretary deems necessary to carry out the treaty, the Act, and the regulations. Permit provisions may include, but are not limited to—

(i) the manner, place, and time of conducting fishing operations,

(ii) the keeping of records,

(iii) the furnishing of information to the Secretary,

(iv) the identification and marking of the vessels,

(v) limitations on transshipment operations,

(vi) restrictions or prohibitions on the employment on any permitted vessel of a master or other person against whom a civil penalty has been assessed pursuant to section 9,

(vii) prohibited activities,

(viii) revocation of permit for failure to pay a civil penalty assessed against a vessel owner pursuant to section 9, and

(ix) the maintaining of an office in the United States by the holder of a permit at which all notices, legal documents, and other material may be served.

Permits may be suspended or revoked by the Secretary for failure to comply with any of the terms or conditions thereof, or with the treaty, this Act or the regulations. Upon any such suspension or revocation, the permittee shall be afforded a prompt opportunity, after due notice, for a hearing by the Secretary. The decision of the Secretary rendered in connection with such hearing shall be final and binding.

(e) Permits may be returned to the Secretary. In addition, the Secretary may issue regulations requiring the return of unutilized permits under such circumstances and upon such terms and conditions as he deems appropriate. If the Secretary reissues a permit to another vessel owner, a prorated amount of the annual permit fee for the portion of the year during which the permit is held by another vessel owner shall be refunded to the original permittee. Except as specified in this subsection (e) and in section 4(c), permit fees shall not be prorated.

(f) The annual fee for a permit for any year other than 1973 shall be $615 for enforcement services plus an amount of not more than $100, as determined by the Secretary, for the purposes of covering administrative costs. The fee for a permit for 1973 shall be $1,230 for enforcement services plus an amount of not more than $200, as determined by the Secretary, for the purpose of covering administrative costs: *Provided*, That the annual fee for a permit for 1973 for any vessel first documented in that year or certified as not having been engaged in fishing in the area of agreement in 1972 shall be $615 for enforcement services plus an amount of not more than $100, as determined by the Secretary, for the purpose of covering administrative costs. The amount of any deposit transferred to the Offshore Shrimp Fisheries Fund pursuant to section F of this Act shall be credited toward the annual permit fee.

(g) Any permit which has been suspended or revoked, or which is required to be returned, shall be surrendered to the Secretary.

PERMIT PROCEDURE

SEC. 4. (a) Vessel owners may apply for permits to engage in fishing in the area of agreement. The method and time for application shall be announced in advance in the Federal Register.

(b) The owner of any vessel for which application for a permit is refused may petition the Secretary for reconsideration, and shall be entitled to a hearing. The decision of the Secretary rendered in connection with such reconsideration shall be final and binding.

(c) The Secretary may reissue permits which have been returned pursuant to section 3, to vessel owners with outstanding applications, who have not been able to obtain permits under the procedure set out in subsection (d). The fee for such reissued permits shall be the prorated share of the annual fee for the portion of the year during which the new permittee holds the permit.

(d) If application is made with respect to more vessels than the number of permits allowed to be issued under section 3(a), the following procedure for granting permits shall apply:

(1) All vessel owners to whom letters of voluntary compliance have been issued, pursuant to section 5 of this Act, shall have first priority for permits but only as to vessels covered by such letters.

(2) After all vessel owners under subparagraph (1) have been considered for permits, all vessel owners who have been engaged in fishing in the area of agreement, during the last five years, shall have second priority for permits. However, in no event shall a vessel owner be eligible for receiving a permit under this subsection for a given vessel during the first six months after the effective date of this Act if the Secretary determines that such vessel has engaged in activities during the period from May 9, 1972, to the effective date of this Act which would have constituted a violation specified in section 8(a)(3) or 8(a)(5), but only to the extent 8(a)(5) relates to use of fishing gear and the closure of the area of agreement to fishing, if the Act had been in effect during such period. In the event of any such determination, the vessel owner affected thereby shall be given notice thereof and an opportunity for a hearing. The decision of the Secretary rendered in connection with the hearing shall be final and binding.

(3) After all vessel owners under subparagraphs (1) and (2) have been considered for issuance of a permit, all other vessel owners who have made application may be considered for permits.

If the number of vessels for which application is made in the categories outlined in subparagraph (2) or (3) is more than the number of permits available after having accounted for the vessels in the previous category (or in the case of subparagraph (1), if the number of vessels for which application is made in that category is more than the number of permits available pursuant to the treaty), then the number of permits available shall be proportionally distributed with the applicable category, in a manner provided in the regulations.

VESSELS WHICH VOLUNTARILY COMPLY

SEC. 5. The Secretary shall issue a letter of voluntary compliance to a vessel owner who has had vessels engaged in fishing in the area of agreement at any time subsequent to May 9, 1972, for all vessels of such owner documented under the laws of the United States which meet the requirements of the treaty, and for each of which the vessel owner has deposited and continuously maintained, until the transfer referred to in the following sentence, $700 in a special account in a bank or trust company insured by the Federal Deposit Insurance Corporation for the purpose of reimbursing the United States for enforcement expenses as provided in article 6 of the treaty. On or before the issuance of a letter of voluntary compliance the deposited funds referred to above shall be transferred, in the manner provided for in regulations, through the Secretary, to the Offshore Shrimp Fisheries Fund, established pursuant to section G of this Act.

OFFSHORE SHRIMP FISHERIES FUND; ENFORCEMENT EXPENSES

SEC. 6. (a) There is hereby established on the books of the Treasury a separate fund, the Offshore Shrimp Fisheries Fund, to be used by the Secretary to make payments for enforcement expenses as provided in article VI of the treaty. The fund shall be credited with permit fees collected pursuant to section 3 for enforcement expenses, funds appropriated under section 12(a), amounts transferred through the Secretary from deposits in the special accounts referred to in section 5, and amounts collected for minimum penalties pursuant to section 9.

(b) The Secretary of Commerce, through the Secretary of State, shall pay, or cause to be paid, on behalf of the United States the enforcement expenses as provided in article VI of the treaty.

(c) In the event that a vessel owner, master, or other person in charge of a vessel, pays on behalf of the United States the unusual enforcement expenses incurred in carrying out the seizure and detention of a vessel, referred to in article VI of the treaty, and is not assessed a civil penalty under section 9 of this Act within two years from the date of such seizure in repect to the violation for which the vessel was seized, such vessel owner, master, or other person shall

be entitled to reimbursement of amounts so paid. Application for reimbursement shall be made to the Secretary.

INFORMATION AND REPORTS

SEC. 7. (a) Each master or other person in charge of a vessel which is the subject of a permit under this Act shall keep a logbook in the form and manner prescribed pursuant to the treaty and set forth in regulations.

(b) In addition to the logbook, owners of vessels which have permits under this Act shall supply to the Secretary, in such form and at such times as he may prescribe, any other information necessary in order to carry out the purposes and objectives of the treaty, the Act or the regulations, which information may include data on fishing beyond the area of agreement in order to determine to the extent possible the full potential of the shrimp fishery.

(c) Except as otherwise provided in the treaty, information obtained pursuant to this Act shall be treated as confidential commercial information pursuant to section 552 of title 5, United States Code.

(d) The Secretary shall have the power to require by subpena the production of all such logbooks, records, or other information required pursuant to this section. The Secretary may delegate the power to sign subpenas and to receive documents.

(e) In case of contumacy or refusal to obey a subpena issued to any person, corporation, partnership, or other entity, the Secretary may request the Attorney General to invoke the aid of any district court of the United States or the United States courts of any territory or possession within the jurisdiction of which said person, corporation, partnership, or other entity is found, resides, or transacts business to secure compliance.

PROHIBITIONS

SEC. 8. (a) No master or other person in charge of a vessel documented under the laws of the United States shall—

(1) engage in fishing in the area of agreement, unless the vessel is the subject of a permit in force pursuant to this Act;

(2) transship shrimp in the area of agreement, unless each vessel engaged in the transshipment is the subject of a permit in force pursuant to this Act, or is otherwise authorized to fish in the area of agreement pursuant to the treaty;

(3) assault or attempt to prevent any duly authorized officer from boarding, searching, seizing or detaining a vessel in accordance with such officer's duties under the treaty;

(4) engage in fishing in the area of agreement contrary to regulations establishing a procedure for limiting the number of vessels allowed to be present in the area of agreement at any time to one hundred and sixty or such other number as may be allowed pursuant to the treaty;

(5) engage in fishing in the area of agreement in contravention of annex II, as it may be modified from time to time pursuant to article II of the treaty, or any regulations issued by the Secretary to implement such annex.

(b) No master or other person in charge of a vessel documented under the laws of the United States shall—

(1) fail or refuse to keep or provide any logbooks or any other information required pursuant to this Act, or provide or furnish false logbooks or other information;

(2) violate any other provision of the treaty, this Act, or any regulations promulgated by the Secretary, the violation of which is not covered by subsection (a).

PENALTIES

SEC. 9. (a) Any master or other person in charge of a vessel who violates section 8 hereof may be assessed a civil penalty by the Secretary, after notice and opportunity for a hearing, of not more than $10,000 for a violation of section 8(a) and $3,000 for a violation of section 8(b). Except as provided in this section, the minimum penalty assessed shall be not less than an amount sufficient to cover the unusual enforcement expenses, if any, incurred by the United States pursuant to article VI of the treaty in connection with such violation: *Provided*, That if the person against whom the penalty has been assessed has paid on behalf of the United States such unusual enforcement expenses, the minimum penalty requirement shall not apply. The amount of any such minimum civil penalty assessed shall be deposited directly into the Offshore Shrimp Fisheries Fund. The amount of any such civil penalty over the minimum penalty may be compromised by the Secretary.

(b) The Secretary shall notify any vessel owner involved in a violation of section 8 of the outcome of any proceeding under subsection (a) above.

(c) The Secretary, after notice and opportunity for hearing, may assess against a vessel owner a civil penalty equal to the value of the catch on board the vessel when detained and the value of the gear involved in a violation of section 8(a)(1), or involved in a second or subsequent violation of any other provision of section 8(a) by a person against whom a penalty had previously been assessed under section 9(a) for a violation involving the operation of a vessel owned by the same person as the vessel involved in such second or subsequent violation. The amount of any such penalty shall be deposited as miscellaneous receipts into the general fund of the Treasury.

(d) Upon failure of the party penalized as provided in this section to pay the penalty within thirty days of the assessment thereof, the Secretary may request the Attorney General to commence action in the Federal district court having jurisdiction over the party for such relief as may be appropriate. In any such action for relief, the Secretary's penalty assessment shall be final and unreviewable unless the penalized party has otherwise sought judicial review thereof.

(e) In any hearing held by the Secretary in connection with the assessment of a civil penalty hereunder, the vessel owner, the master or any other person against whom a penalty may be assessed may appear in person or by counsel at such hearing or in lieu of a personal appearance may submit such affidavits or depositions as he deems necessary to the defense of any charges which may be considered by the Secretary at such hearing.

ENFORCEMENT

SEC. 10. (a) This Act shall be enforced jointly by the Secretary, the Secretary of the department in which the Coast Guard is operating, and the Secretary of the Treasury.

(b) Any duly authorized law enforcement officer of the Government of Brazil who is exercising responsibility under article V of the treaty shall be empowered to act on behalf of the United States to enforce the provisions of the treaty in the area of agreement as follows: Any such officer may board and search any vessel which he has reasonable cause to believe has violated any provisions of the treaty. If after boarding and searching such vessel the officer continues to have reasonable cause to believe that a violation has been committed, he may seize and detain the vessel for the sole purpose of delivering it, as soon as practicable, to an agent of the United States Government at the nearest port to the place of seizure or any other place which is mutually agreed upon by the Government of Brazil and the Secretary of State.

REGULATIONS

SEC. 11. In addition to any specific authority contained in this Act, the Secretary is authorized to issue all regulations necessary to carry out the purposes and objectives of the treaty and this Act. Prior to the issuance of any regulations dealing with the marking of vessels or with the use of radiotelephone frequencies, the Secretary shall consult with the Secretary of the department in which the Coast Guard is operating.

APPROPRIATIONS

SEC. 12. (a) There is hereby authorized to be appropriated such amounts as are necessary for enforcement expenses pursuant to article VI of the treaty, to be deposited in the Offshore Shrimp Fisheries Fund.

(b) There is also hereby authorized to be appropriated such amounts as are necessary for domestic enforcement expenses and the expenses of administering the provisions of the treaty, this Act, and the regulations, to be available until expended, when so provided in appropriation Acts. So much of the permit fees as are identified for administrative costs shall be deposited as miscellaneous receipts to the general fund of the Treasury.

TERMINATION

SEC. 13. The provisions of this Act shall expire June 15, 1975.

SEVERABILITY

SEC. 14. The provisions of this Act shall be severable and if any part of the Act is declared unconstitutional or the applicability thereof is held invalid, the constitutionality of the remainder and the applicability thereof shall not be affected thereby.

The SPEAKER. Is a second demanded?

Mr. GOODLING. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

Mr. DINGELL. Mr. Speaker, the Offshore Shrimp Fisheries Act of 1973, H.R. 8529, is designed to implement the Shrimp Fishing Agreement between the United States and Brazil.

This agreement was negotiated in response to the situation created in 1970 when Brazil joined many of its South American neighbors in asserting a 200-mile territorial sea claim and subsequently promulgating regulations controlling fishing by foreign-flag vessels within that area. This claim was not recognized by the United States, which, as you know, recognize only a 3-mile territorial sea and claims a 9-mile contiguous zone of exclusive jurisdiction over fisheries. Unfortunately, however, the area encompassed by Brazil's claim is one in which a large number of U.S. vessels have carried on shrimp fishing over the past decade. The value of the annual shrimp catch in this area by American-flag vessels is in the neighborhood of $30 million.

Mr. Speaker, fortunately, the Brazilian Government included in its fishery decree a clause to permit the setting aside of any of its provisions by international agreement. Negotiations between the two countries resulted in the signing of the Agreement in May 1972. The Senate gave its consent on October 3, and the President ratified the agreement on November 29, 1972. An exchange of notes bringing the agreement into effect was completed on February 14, 1973.

This agreement sets up a regulatory system designed to ensure the conservation and orderly exploitation of the shrimp resources concerned, primarily by a limitation of fishing effort. Article IX of the agreement specifically provides that nothing contained therein shall be interpreted as prejudicing the position

of either party regarding the matter of territorial seas or fisheries jurisdiction under international law.

Because of the wide variation in the state of development of the two countries' fishing industries, the requirements of the agreement to be applied to the vessels of each country are different. Brazilian vessels are prohibited from fishing in spawning and breeding areas and from using chemical, toxic or explosive substances in or near such areas and such vessels are required to register and pay fees and taxes for periodical inspections. The United States, on the other hand, restricts the number, size and type of its vessels permitted to engage in the fishery and limits their fishing in the area to a specified open season. Both countries require their vessels to maintain log books and have provided for the gathering and exchange of the information collected.

On the basis of convenience and cost, the U.S. Government has agreed to Brazilian enforcement within the agreement area and to pay that government $200,000 annually for that purpose. Most of this money will come from permit fees charged to U.S. fishermen.

Mr. Speaker, the legislation before us today, H.R. 8529, would enable our Government to carry out its obligations under the agreement with Brazil. It would make the provisions of the agreement mandatory on those U.S. vessels wishing to participate in the fishery and enable our Government to penalize violators brought to our attention by the Brazilian Government. It would also permit the United States to transfer voluntary compliance funds, set aside by industry, into the offshore shrimp fisheries fund in the Treasury to be used in compensating Brazil for enforcement costs.

Mr. Speaker, briefly explained, section 1 of this bill cites the act as the "Offshore Shrimp Fisheries Act of 1973."

Section 2 defines terms used in the bill, including the area covered by the agreement. This area includes virtually all of the major grounds traditionally fished by U.S. shrimp vessels off the coast of Brazil and is defined in a way which does not coincide with jurisdictional limits recognized by either side.

Section 3 authorizes the Secretary of Commerce to issue annual permits for U.S. vessels to fish within the designated area. It details conditions which may be attached to the permits, authorizes the Secretary to make regulations regarding these permits, and prescribes the permit fees. The basic fee is determined by a formula which would recover for the Government all costs of participating in the agreement and some administrative costs, if all of the 325 permits available were issued.

Mr. Speaker, currently around 200 shrimp fishermen have voluntarily paid annual permit fees of approximately $700 each and are complying with the provisions of the agreement. Based on this number, the committee estimates the cost to the Federal Government at approximately $150,000 during fiscal year 1974 and $75,000 during fiscal year 1975.

Section 4 prescribes the procedures under which the Secretary of Commerce would issue permits, including a set of criteria for priority in granting permits if applications exceed the number available, and section 5 authorizes the Secretary to provide evidence of voluntary compliance as one criteria for priority status.

Section 6 sets up a special revolving fund in the Treasury to receive permit fees, unusual enforcement expenses, penalties and appropriations, and to disburse funds to be paid to Brazil for enforcement costs.

Section 7 provides for the keeping of log books by American vessels and the collection and dissemination of information therein. The National Marine Fisheries Service says such log books have already provided better and more complete data on this shrimp resource than ever before available. Such data is vital to the conservation of this resource.

Section 8 sets out those acts prohibited under the agreement and/or the act and section 9 provides penalties therefor.

Section 10 provides for joint enforcement by the Secretary of Commerce, the Secretary of the department in which the Coast Guard is operating, and the Secretary of the Treasury.

Section 11 authorizes the Secretary of Commerce to issue all necessary regulations.

Section 12 authorizes appropriations necessary to pay Brazil for enforcement and to cover administrative expenses.

Section 13 provides for termination of the act on June 15, 1975, and section 14 is a standard separability clause.

Mr. Speaker, without this legislation the U.S. Government cannot meet its obligations under the agreement with regard to the payment to Brazil. The agreement has been operating successfully on a voluntary basis and will expire January 1, 1974, unless extended. It seems unlikely that Brazil will wish to consider an extension unless this legislation is enacted.

Mr. Speaker, the shrimp-fishing agreement is a breakthrough in the area of jurisdictional disputes which has up to now proved to be a practical accommodation of our interest in continued access to this fishery and of Brazil's interest in the conservation of its offshore resources, without prejudice to either party's position on territorial seas or fisheries jurisdiction under international law.

Because this agreement and legislation break new ground, a termination date of June 15, 1975, has been provided by the Committee on Merchant Marine and Fisheries so that the committee can take another look at the effectiveness of their provisions in a year or so to determine whether they meet the test of time.

Mr. Speaker, I urge immediate enactment of H.R. 8529.

Mr. Speaker, I might point out that there are a number of typographical errors in the reported bill that have been corrected in the official papers at the desk.

Mrs. SULLIVAN. Mr. Speaker, will the gentleman yield?

Mr. DINGELL. I yield to the gentlewoman from Missouri.

Mrs. SULLIVAN. Mr. Speaker, I rise in support of H.R. 8529, the Offshore Shrimp Fisheries Act of 1973, a bill to implement the shrimp fishing agreement with Brazil.

As I am sure many of my colleagues are aware, the country of Brazil, like so many of her sister nations, especially in South America, claims a 200-mile exclusive fisheries zone off its coastal areas. For a number of years American shrimp fishermen have been taking shrimp from the waters off the coast of Brazil, some of which has been taken from areas within the Brazilian 200-mile exclusive fisheries zone.

Since the U.S. Government recognizes only a 12-mile exclusive fisheries zone, and in an effort to forestall any problems which might arise because of the difference in the views of the United States and Brazil concerning fisheries jurisdiction, on May 9, 1972, Brazil and the United States entered into an agreement which provided for the licensing by the Secretary of Commerce of a number of U.S. vessels for fishing within a regulatory area off the coast of Brazil.

The Senate gave its consent and ratification to this agreement on October 3, 1972, and the President signed the instrument of ratification on November 29. The agreement will be in effect until January 1, 1974, unless extended by mutual consent of the two contracting governments.

In view of the early termination date of this agreement, it was considered urgent by the State Department and the U.S. shrimp industry that the agreement's implementing legislation, H.R. 8529, be enacted as soon as possible.

There is at present no law under which the United States can limit the entry of its citizens and vessels into high seas fisheries in general, or the high seas shrimp fishery in particular. H.R. 8529 would empower the Government to impose such a limitation in the case of the shrimp fishery within the designated area.

As I stated before, the shrimp treaty with Brazil will expire at the end of this year unless an extension can be negotiated. The Department of State believes that it is in the interest of the United States to have the agreement extended and our hearings indicated that it was the consensus of the shrimp industry sectors directly affected by the agreement that such an extension is desirable. However, my committee did provide a termination date for the legislation, as of June 15, 1975, so that during the interim review of this new concept could be undertaken by my committee to see if this is the appropriate way to resolve this jurisdictional problem.

The Government of Brazil is aware that without congressional action as contemplated in H.R. 8529, the United States cannot enforce the provisions of the shrimp treaty against its fishermen or pay Brazil the money due her under the terms of the treaty. Unless we act soon, we will not be in a very good position to approach the Government of Brazil concerning the negotiation of an extension of the treaty since the time remaining to us under the present treaty is already obviously very short, Mr. Speaker. Therefore, I urge my colleagues to support this measure.

Mr. GOODLING. Mr. Speaker, this legislation is designed to give effect to

the terms of an agreement entered into last year between the United States and Brazil regarding fishing for shrimp within Brazil's claimed 200-mile territorial sea and fisheries zone. While the United States does not now recognize this claim of jurisdiction on the part of Brazil, we are faced with the practical reality that American fishermen who have pioneered the Brazilian shrimp fishery may be prohibited from entering these waters in the absence of such an agreement. American shrimp fishermen are strongly in favor of the bill and took an active part in the negotiation of the agreement.

Unlike the situation on the west coast of South America where Peru and Ecuador have refused repeatedly to enter into serious negotiations with the United States over the tuna fishery, the Government of Brazil has been willing to sit down and negotiate a reasonable compromise.

The Committee on Merchant Marine and Fisheries studied the fishing agreement and the implementing legislation at length before favorably reporting it to the House. Many of us had serious reservations concerning the desirability of this approach. However, given the very real possibility that our failure to act on this legislation would trigger a confrontation similar to that which has existed with Ecuador and Peru, it was decided that the legislation should be reported with a limitation as to its duration. As reported by the committee, the implementing legislation will terminate on June 15, 1975. During this time, we will monitor the situation most carefully to insure that the Brazilian government does not harass American shrimp fishermen and in all respects lives up to the letter and the spirit of the agreement.

Accordingly, Mr. Speaker, I join my distinguished colleague, the chairman of the Fisheries and Wildlife Conservation and the Environment Subcommittee (Mr. DINGELL) in recommending the passage of H.R. 8529.

Mr. DINGELL. Mr. Speaker, I yield 3 minutes to my good friend, the gentleman from Florida (Mr. FASCELL).

Mr. FASCELL. Mr. Speaker, I rise in support of H.R. 8529 to implement the shrimp fishing agreement with Brazil.

Over 1 year ago, on March 9, 1972, the United States signed an interim agreement with Brazil to resolve a potentially serious fisheries problem between our two countries. The arrangements agreed to in that agreement, which were embodied in a treaty approved by the Senate, provide benefits for both the United States and Brazil. They assure U.S. vessels the right to continue fishing while at the same time providing for the conservation and protection of an important fisheries resource.

The agreement provides for the establishment of a conservation area off Brazil and provides that Brazil will undertake patrols to insure that fishing limits are not exceeded. For its part, the United States agrees to limit the number of its fishing boats in the area and to provide $200,000 annually as its portion of the enforcement costs. These costs to the United States will be offset in turn by the U.S. industry which will purchase licenses from the Commerce Department to fish off Brazil. It should be noted that the agreement and this legislation have the full backing of the U.S. shrimp industry.

Mr. Speaker, one important point to be considered is that the agreement sanctioned by H.R. 8529 is an interim one designed to forestall an immediate problem in United States-Brazilian relations. The agreement and this bill are not designed to settle once and for all the residual juridical problems which can be properly resolved by multilateral international negotiations and, in fact, the original agreement quite clearly indicates that the United States does not recognize Brazil's 200-mile territorial sea claim. In view of the interim nature of the agreement, it makes sense to me that the authority granted in this bill be limited to June 15, 1975, as the committee deems advisable.

Mr. Speaker, Brazil is a great and striving nation whose people have long been friends of the United States. This legislation gives the House an important opportunity to express its approval of the spirit of cooperation and friendship which enabled our negotiations to conclude an agreement on a most difficult issue in a way which is good for both Brazil and the United States.

As chairman of the Subcommittee on Inter-American Affairs, I urge approval of H.R. 8529.

The SPEAKER. The question is on the motion offered by the gentleman from Michigan (Mr. DINGELL) that the House suspend the rules and pass the bill H.R. 8529, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. DINGELL. Mr. Speaker, I ask unanimous consent that all Members who wish to do so may have 5 legislative days in which to revise and extend their remarks on the bill H.R. 8529, just passed.

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

There was no objection.

AMENDING THE ACT OF MAY 20, 1964, PROHIBITING FISHING IN TERRITORIAL WATERS OF THE UNITED STATES

Mr. DINGELL. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 6074) to amend the act of May 20, 1964, entitled "An Act to prohibit fishing in the territorial waters of the United States and in certain other areas by vessels other than vessels of the United States, and by persons in charge of such vessels," to define those species of Continental Shelf fishery resources which appertain to the United States, and for other purposes, as amended.

The Clerk read as follows:

H.R. 6074

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsections (a) and (b) of section 5 of the Act of May 20, 1964 (78 Stat. 196), are amended to read as follows:

"(a) As used in this Act, the term 'Continental Shelf fishery resource' means living organisms belonging to sedentary species; that is to say, organisms which, at the harvestable stage, either are immobile on or under the seabed or are unable to move except in constant physical contact with the seabed or the subsoil of the Continental Shelf, including the following species:

CRUSTACEA

"Tanner Crab—Chionoecetes tanneri;
"Tanner Crab—Chionoecetes opilio;
"Tanner Crab—Chionoecetes angulatus;
"Tanner Crab—Chionoecetes bairdi;
"King Crab—Paralithodes camtschatica;
"King Crab—Paralithodes platypus;
"King Crab—Paralithodes brevipes;
"Stone Crab—Menippe mercenaria;
"Lobster—Homarus Americanus;
"Dungeness Crab—Cancer magister;
"California King Crab—Paralithodes californiensis;
"Golden King Crab—Lithodes aequipinus;
"Northern Stone Crab—Lithodes maia;
"Stone Crab—Menippe mercenaria; and
"Deep-sea Red Crab—Ceryon quinquedens.

"MOLLUSKS

"Red Abalone—Haliotis rufescens;
"Pink Abalone—Haliotis corrugata;
"Japanese Abalone—Haliotis kamtschiatkana;
"Queen Conch—Strombus gigas;
"Surf Clam—Spisula solidissima; and
"Ocean Quahog—Artica islandica.

"SPONGES

"Glove Sponge—Hippiospongia canaliculata;
"Sheepswool Sponge—Hippiospongia lachne;
"Grass Sponge—Spongia graminea;
"Yellow Sponge—Spongia barbera.

"(b) The Secretary of Commerce, in consultation with the Secretary of State, is authorized to publish in the Federal Register additional species of living organisms covered by the provisions of subsection (a) of this section."

The SPEAKER. Is a second demanded?

Mr. GOODLING. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

Mr. DINGELL. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, the purpose of H.R. 6074 is to provide additional protection to the American lobster.

Mr. Speaker, for the benefit of my colleagues, I might briefly explain the present law and background that led to the introduction of this legislation.

Under Public Law 88-308, which came into effect in 1964, it is unlawful for any vessel—except a vessel of the United States—or for the master or other person in charge of such a vessel to engage in the fisheries within the territorial waters of the United States or the contiguous fishery zone, or to engage in the taking of any Continental Shelf fishery resource which appertains to the United States. The only exceptions to this prohibition are those provided by the act or by an international agreement to which the United States is a party.

Mr. Speaker, under the Continental Shelf Convention, to which the United States is signatory, a coastal State is entitled to name those living organisms belonging to the sedentary species as creatures of the Continental Shelf, that is to say, those living or under the seabed

or are unable to move except in constant physical contact with the seabed or the subsoil.

Mr. Speaker, by administrative action, the Secretary of Commerce, in concurrence with the Secretary of State, has designated 14 species of crabs, 6 species of mollusks, and 4 species of sponges as creatures of the shelf. Much consideration has been given to declaring the American lobster a creature of the shelf; however, because the lobster has swimming appendages which, at times when disturbed, permits it to swim perhaps a distance of 10 to 20 feet. The Secretary of Commerce has contended that the lobster does not meet the test set forth in the convention.

Mr. Speaker, with all due regard to the Secretary's position, there are many marine biologists who argue just the opposite; they contend that the lobster meets the test provided by the convention and should be declared a creature of the shelf.

Mr. Speaker, the proponents of this proposal have been trying for nearly 10 years now to get the Secretary to name the lobster a creature of the shelf. However, their efforts appear to have been to no avail. During the 10-year period, more or less, we have seen the lobster so overfished by foreign fishing vessels that now this fishery is in serious jeopardy of being decimated.

Mr. Speaker, it is time to quit arguing over whether the lobster is a creature of the shelf or not and take the necessary steps to see that this fishery resource is given the protection to which it is entitled and this is just what H.R. 6074 is designed to do.

Briefly explained, H.R. 6074 would name all of those species previously named by administrative action as creatures of the shelf by an act of Congress, thereby giving these species statutory protection.

In addition, for the first time, the American lobster would be named a creature of the shelf under this legislation, thereby giving it statutory protection, something that should have been done many years ago.

Also, the legislation would authorize the Secretary of Commerce, in consultation with the Secretary of State, to name such additional species as he may deem appropriate as creatures of the shelf.

Mr. Speaker, the bill was unanimously reported by the Merchant Marine and Fisheries Committee and I urge its prompt passage.

Mr. Speaker, I might point out that there are a number of typographical errors in the reported bill that have been corrected in the official papers at the desk.

Mr. Speaker, I must note at this time the particular interest of the members the subcommittee whose names appear printed in the committee's report, as follows:

The gentleman from Maine (Mr. KYROS), the gentleman from Massachusetts (Mr. STUDDS), the gentleman from Connecticut (Mr. STEELE), the gentleman from Alabama (Mr. BUCHANAN), the gentleman from Massachusetts (Mr. BURKE), the gentleman from Maine (Mr. COHEN), the gentleman from South Carolina (Mr. DAVIS), the gentleman from Virginia (Mr. DOWNING), the gentleman from New York (Mr. FISH), the gentleman from Massachusetts (Mr. HARRINGTON), the gentleman from New York (Mr. HORTON), the gentleman from New Jersey (Mr. HOWARD), the gentleman from New York (Mr. LENT), the gentleman from Massachusetts (Mr. MOAKLEY), the gentleman from California (Mr. MOSS), the gentleman from Michigan (Mr. NEDZI), the gentleman from Massachusetts (Mr. O'NEILL), the gentleman from New Jersey (Mr. ROE), the gentleman from Rhode Island (Mr. TIERNAN), the gentleman from New York (Mr. WOLFF), and a number of others of our colleagues who have joined in cosponsoring this legislation and who deserve credit for its enactment because of their great interest.

Mr. Speaker, I yield such time as she may consume to the distinguished chairman of the Committee on Merchant Marine and Fisheries, the gentlewoman from Missouri (Mrs. SULLIVAN).

Mrs. SULLIVAN. Mr. Speaker, I rise in support of H.R. 6074 and identical bills which would rewrite section 5(a) of Public Law 88-308 to specifically name the species that are creatures of the Continental Shelf. Included in this list is the lobster—Homarus americanus—along with a number of other species. The other named species have been considered to be creatures of the shelf but have never been named as such by an act of Congress.

The legislation in question would authorize the Secretary of Commerce, in consultation with the Secretary of State, to name additional species of living organisms to the list.

Public Law 88-308 became effective on May 20, 1964, and makes it unlawful for any vessel, except a vessel of the United States, to engage in the fisheries within the territorial waters of the United States or within any waters in which the United States has the same rights in respect to fisheries as it has in its territorial waters, or in such waters to engage in activities in support of a foreign fishery fleet, or to engage in the taking of any Continental Shelf fishery resource which appertains to the United States, except as provided in this chapter or as expressly provided by an international agreement to which the United States is a party.

A Convention on the Continental Shelf became effective June 10, 1964, and provides that the coastal State exercises over the Continental Shelf "sovereign rights" for the purpose of exploring and exploiting its natural resources. These rights are exclusive in the sense that if the coastal State does not explore the Continental Shelf or exploit its natural resources, no one may undertake these activities or make a claim to the Continental Shelf without the express consent of the coastal State. The convention defines natural resources as "consisting of the mineral and other nonliving resources of the seabed and subsoil, together with living organisms belonging to sedentary species, that is to say, organisms which at the harvestable stage either are immobile on or under the seabed or are unable to move except in constant physical contact with the seabed or the subsoil."

The laudable purpose of the legislation in question is obviously to provide additional protection to the American lobster. To accomplish this purpose the legislation would declare the American lobster a creature of the Continental Shelf, thereby making it unlawful for any vessel—except a vessel of the United States—or for any master or other person in charge of such a vessel to engage in the taking of this fishery resource.

As we all realize, the New England fishermen's catch of food fish dropped from 742 million pounds in 1961 to only 380 million pounds in 1971. Unfortunately, the same disaster is now hitting the lobster industry in New England. For example, in 1971 U.S. landings of North American lobsters totaled 33.3 million pounds and were valued at $35.1 million. This represents a decrease of 805,000 pounds compared with 1970. At the same time, in 1971 the United States imported 34.8 percent of the total supply of fresh and frozen lobsters. Thus, out of a total supply of 51,182,000 pounds, the United States imported 17,835,000 pounds.

In light of the devastation to the New England food fish catch and its spread to the lobster industry, it became clear to the Merchant Marine and Fisheries Committee that we must take some steps to protect the lobster. There are already many species such as the haddock and the yellow tailed flounder which have all but disappeared from the New England deep sea fishery stocks. If something is not done now, it seems clear that the same conditions will exist with the lobster in several years. For these reasons, I urge my colleagues to vote in favor of H.R. 6074.

Mr. GOODLING. Mr. Speaker, H.R. 6074 very simply would declare the lobster Homarus Americanus a creature of the U.S. Continental Shelf, thereby reserving this important resource for the United States to be taken only by American fishermen.

The 1958 Continental Shelf Convention gives to coastal States sovereign rights for the purpose of exploring and exploiting the resources of the Continental Shelf, both living and nonliving. These resources are defined by the Convention to include those living resources which at the harvestable stage are in constant physical contact with the seabed. Since 1958, the biologists and international lawyers have argued over whether the lobster qualifies as a Continental Shelf resource, since if disturbed it may propel itself off the seabed unlike, for example, mollusks or crabs. This argument was of interest only to the academic community until the great fleets of foreign-flag fishing vessels began operating regularly off our shores in the early 1960's.

As we all know, foreign-flag fishing has risen dramatically near the United States during the past decade. Using what has been termed a vacuum-cleaner technique, the foreign fishing vessels have swept up everything in the path of their nets which, when dragged across the seabed floor, undoubtedly take up many lobsters.

During this same period of time, Amer-

ican fishermen have gone further and further offshore to catch lobsters well beyond the territorial waters of the United States or even the contiguous fishery zone. This recently developed offshore lobster fishery is severely threatened by the foreign trawlers which not only catch the lobsters but, in many instances, have destroyed thousands of dollars worth of lobster gear set by U.S. fishermen.

We have, therefore, reached the point where we cannot afford to continue to argue whether the lobster qualifies for protection under the vague terms of the Continental Shelf Convention. The Committee on Merchant Marine and Fisheries has listened patiently to the views of the executive branch in opposition to this legislation, and in all candor finds those views without merit. Central to the opposition of the State Department is the thought that this and many other issues will be resolved in the pending Law of the Sea Conference. It is clear, however, that the conclusion of that Conference is still a number of years away, and by then the resource may be depleted beyond the point of regeneration.

This legislation has the overwhelming bipartisan support of the committee and of the New England congressional delegation, and I commend my colleague from Connecticut (Mr. STEELE) for having introduced and vigorously worked for the passage of this bill.

Mr. Speaker, I urge that the House pass the bill, H.R. 6074.

Mr. Speaker, I yield 5 minutes to the gentleman from Connecticut (Mr. STEELE).

Mr. STEELE. Mr. Speaker, in recent years it has become painfully clear that unless we take positive action, the foreign boats fishing off the Northwest Atlantic coast will suck up every fish swimming there and then proceed to harvest the barnacles off the bottoms of our own fishing boats.

Today, we have an opportunity to throw up a warning signal to those countries who would destroy this country's fifth most valuable fishery resource, the North American lobster. The foreign fishing fleets have already seriously damaged the entire fishing industry of New England and have now begun to take aim at the lobster. In recent months we have learned specifically of efforts by several foreign countries to begin and step-up the harvesting of lobster off our shores.

For many years, small U.S. boats have departed our New England towns to fish along the Continental Shelf, which has long been the richest fishing ground in the world. Haddock, cod, flounder, mackerel, herring and perch were available in such abundance that the supplies were thought to be inexhaustible. In the last decade though, the situation has changed dramatically.

From 1952–60 the U.S. catch from waters of New England averaged over 700 million pounds a year, or 99 percent of the total catch from the area. But by 1969, Soviet fishing fleets alone were taking over 800 million pounds or 50 percent of the total catch from offshore New England waters. At the same time the American catch fell sharply to 418 million pounds or just 25 percent of the area's harvest.

This total foreign effort has had a tremendously damaging effect on the fin fish and has reduced stocks of some species by as much as 95 percent of previous levels. It is estimated that the foreign boats are also taking as much as 16 to 22 million pounds of lobster as a so-called incidental catch when fishing for other species and that this catch alone is approaching the level of maximum sustainable yield which has been estimated at 25 million pounds per year.

In recent years, our fishermen have expressed great concern about the need to conserve stocks of lobster both offshore and inshore. For the inshore stocks, within the 12-mile limit, we have formulated strict regulations such as limits on size, protection of egg-bearing females, licensing and reporting of catches in an effort to conserve and maintain the lobster fisheries for the future. In sharp contrast however, we have made no effort to promulgate Federal regulations to conserve lobsters beyond the 12-mile limit. Thus at present, there are no laws which govern catches by foreign boats. But State laws govern our U.S. fishermen when they land their catches in various New England States.

Even now, the Federal Government is pushing for even stronger and more uniform regulations designed to protect the lobster within the 12-mile limit. Each of the States has endorsed the concept of some of the 13 recommendations designed for the protective system. But central to this agreement by the States was a recommendation that the American lobster be declared a creature of the Continental Shelf, thereby securing for the United States the exclusive right of exploitation and management of the resource in accordance with the 1958 Geneva Convention on the seabed resources. The conservation directors of all the Northwest Atlantic States have agreed that effective control of the total resource is an absolute requirement for a management system and that this mechanism or some stronger measure will be required. The mechanism will apparently only come from Congress.

I would point out to my colleagues from the Midwest and especially the agricultural States that we must have this bill to protect our fishermen. The foreign boats are literally farming our own backyard and robbing us of an industry which earns us $35 million each year. In effect, the foreign boats are not fishing for food, they are fishing for dollars which belong in the pockets of our New England fishermen.

Precisely where we are headed unless we enact this bill today, is vividly illustrated by the following letter which was sent to a lobster wholesaler in my district:

OCTOBER 8, 1973.

To: Messrs. Abbotts Seafood, Inc., Noank, Conn., U.S.A.

DEAR SIR: We are glad to know your name through the First National City Bank, New York. We are engaging in a deep-sea fishing tuna, Octopus, Squid and sea-bream with eighteen high sea fishing boats (100 G/T–350 G/T) in the Northern and Southern Pacific, East China Sea and Atlantic Ocean.

Now, we are looking for an opportunity to expand our fishing area, in particular, lobster fishing in the Atlantic. Wouldn't you introduce us to any lobster fisheries who have fishing boats and wish to operate their boats economically? We are willing to either buy their boats or rent on a hire-purchase at a mutually satisfactory price at their option.

If the deal reveals to be satisfactory, you will find us as a reliable supplier of lobster as we have many skilled and brave seamen. We too, will find a desirable new marketing channel for our catches.

Your attention on this matter will be much appreciated and we are sure that you will benefit enough with the deal. Please let us know any time an opportunity to be of assistance to you any matter you need to know about Korea and Korean fisheries.

I send you kindest regards,

Sincerely yours,

J. YI,
Manager, Namoung Wonyang Fisheries Co., Ltd.

The issue involved in this legislation is clear. Are we to preserve the North American lobster or is it to be destroyed by foreign fishing fleets. I hope that for ecological, economic, and culinary reasons, we will pass this bill today.

Mr. GOODLING. Mr. Speaker, I yield 5 minutes to the gentleman from Maine (Mr. COHEN).

Mr. COHEN. Mr. Speaker, I rise in support of this bill. I come from a fishing State and this legislation is absolutely essential if we are to preserve lobster for consumption by the American people.

I want to take this time to commend the chairman of the subcommittee, Mr. DINGELL, Mrs. SULLIVAN our distinguished chairwoman, the gentleman from Connecticut, Mr. STEELE, and my colleague, Congressman KYROS of Maine, for the outstanding efforts they have made to bring this legislation to the House floor.

I would like to make just a couple of points. State Department officials appeared before our Committee to express opposition to this bill and they did so on two basic grounds:

First, anatomy;

Second, philosophy.

With respect to anatomy, they maintained that the lobster has swimming appendages and therefore it must necessarily swim. You know, our fishermen might have great difficulty with this form of deductive logic. They know that we all have voices but they have substantial doubts about our legitimacy in claiming we are their spokesmen and representatives since we rarely use them in their behalf.

The fact is that the lobster spends more than 80 percent of its life scuttling across the floors of silent seas, as T. S. Eliot might say—on a pair of ragged claws.

A wave may carry the lobster 10 feet from time to time, but it does not alter the basic habit of the lobster.

The philosophy argument is perhaps weakest of all—because it is a philosophy of fear and conciliation. Unilateral concilliation at that.

It was argued that if we declare lobster to be a creature of the shelf, then other countries might retaliate against us. Let us talk about retaliation. At the same hearing it was disclosed that the Soviet Union has declared scallop to be

a creature of their shelf. Did the United States retaliate against the Soviet Union? No. Has any other fishing nation retaliated against the Soviet Union? No.

Let us consider how this country deals with other nations who take unilateral action. A short time ago Brazil declared a 200-mile limit and what did we do? We entered into a treaty with them which in essence recognizes their 200 mile limit. The State Department maintains that we are not recognizing Brazil's 200-mile limit—just their right to protect a species up to 200 miles. Mr. Speaker, I submit that this is a patent example of State Department sophistry.

I think it is time we started demonstrating to our fishermen that we still possess that characteristic that we are supposed to possess—a little backbone.

Mr. GOODLING. Mr. Speaker, I yield 1 minute to the gentleman from California (Mr. DON H. CLAUSEN).

Mr. DON H. CLAUSEN. Mr. Speaker, I rise to associate myself with the remarks of the gentleman from Connecticut (Mr. STEELE) regarding the need to protect our coastal marine resources from the predatory practices of foreign fishing fleets.

While the coast of California does not have the lobsters which are directly affected by the bill before us today, we, nevertheless, face a similar situation in which foreign fishermen deplete our fishery stocks depriving American fishermen of their livelihoods and destroying a vital food resource.

Lobster fishing off the coast of New England has been particularly hard hit both by excessive catches by foreign fleets and by harassment of our fishermen and their equipment by these vessels from other nations.

The same has been occurring on the west coast for many years. Maintaining effective conservation practices is impossible when Russian trawlers, for example, come through our fishing areas taking everything that moves. Thus, they get not only what they catch but also leave a depleted resources that is barely able to sustain itself in many cases.

We must make every effort humanly and legislatively possible to manage the Nation's fishery and marine resources in the most effective and sophisticated ways. I am convinced our future lies with the sea and it must be protected. Obviously, many nations of the world have already come to this realization.

The Congress has both a unilateral and multilateral responsibility to fulfill in this regard. We must be prepared to go along with the community of nations in seeking solutions we can agree with, but we must also be prepared to act unilaterally where necessary. With this thought in mind I shall support the bill before us and I urge my colleagues to do likewise.

Mr. GOODLING. Mr. Speaker, I yield 1 minute to the gentleman from New York (Mr. GROVER).

Mr. GROVER. Mr. Speaker, I rise in support of this legislation.

As one of the gentlemen who spoke previously suggested, let this be a warning to the foreign fishing fleets and to those maritime nations participating in the Waters of the Sea Conference in Geneva that if we do not get some action from them in this international conference, we will have to take unilateral action on my Continental Shelf fishery zone bill, or the bill sponsored by the gentleman from California, Mr. CLAUSEN, and others with regard to waters within 200 miles of our coast.

Mr. GOODLING. Mr. Speaker, I yield such time as he may consume to the gentleman from Oregon (Mr. DELLENBACK).

Mr. DELLENBACK. Mr. Speaker, I join in strong support of this legislation.

There are many things which need to be done in the fishing areas of States like mine.

This is a beginning step in the right direction, although we must still move forward from here.

Mr. Speaker, I wish to commend the members of the subcommittee on both sides of the aisle who brought forth this legislation, as well as the members of the full committee, and I strongly endorse the legislation.

Mr. DINGELL. Mr. Speaker, I yield such time as he may consume to the gentleman from Maine (Mr. KYROS).

Mr. KYROS. Mr. Speaker, the bill before us today, H.R. 6074, which I introduced with Congressman STEELE, is one of the most important bills for the New England fishing industry ever considered by Congress. It is understandable that all my colleagues here may be confused over the effect of designating the lobster a creature of the Continental Shelf. This rather complex title, however, has a very simple effect: What we have historically considered our property will now legally belong to the United States, and thus, under the protection of Federal law. No foreign nation could fish for lobster out to the Continental Shelf. I might add that the Alaskan king crab and the red crab are two of the 25 marine species that have already been named shelf creatures and are off limits to foreign fishermen. We hope today to add the valuable North American lobster to the list of protected marine resources.

Until 1960, such a step would not have been necessary since the U.S. fishermen were the only ones engaging in lobster fishing. However, beginning in the early 1960's, massive waves of foreign fleets with the latest electronic equipment began netting everything that swims, floats, or crawls off the New England coast. The number of foreign vessels has risen until today they number almost 1,000 per month.

The foreign invasion has not threatened the lobster industry until recently. The foreign vessels had concentrated on our finfish, and had left the lobster—our fifth most valuable fishery—alone. I do not intend to say that no foreign fishing for lobster does not take place. The number of "incidental" catches for lobster—a real misnomer—is estimated at between 16 and 22 million pounds annually. This, I remind my colleagues, is from nations not intentionally fishing for lobster. But the foreign fleets have so depleted our fin fish—like the haddock and herring, that they will have no alternative but to begin wiping out the lobster. We can only guess what the foreign take would be if the South Koreans, Japanese, and the Russians began earnestly fishing for lobster. It is certain that the lobster would disappear completely, as it is already disappearing from restaurants across the country.

The lobster should have been declared a creature of the Shelf by the State Department in 1958, but political considerations over the valuable nature of this resource, prevented the designation. The House of Representatives, today, has the opportunity to rectify this mistake, and at the same time, show its support for beseiged New England fisherman. This legislation could mean the survival of the North American lobster and the entire industry. As a Representative from Maine—the State that is synonymous with lobster—I urge that you support this important bill.

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

Mr. KYROS. I yield to the gentleman from New York (Mr. BIAGGI).

Mr. BIAGGI. Mr. Speaker, I thank the gentleman for yielding me this time. I rise in support of the bill, and wish to associate myself with the remarks of the gentleman from Maine.

Mr. Speaker, I rise in support of this bill, H.R. 6074, dealing with fishing in territorial waters. I feel passage of this legislation is imperative if we are to save the valuable lobster industry in the United States.

This bill addresses itself to a problem which has been plaguing the fishing industry in the United States for years, namely the great numbers of foreign vessels fishing for lobster and other valuable creatures of the sea on the Continental Shelf of the United States.

What H.R. 6074 proposes to do is to declare the lobster, certain crustacea, mollusks, and sponges creatures of the Continental Shelf of the United States, thus prohibiting any foreign vessels from casting for these creatures on the shelf.

The United States has traditionally respected the offshore fishing limitations of other countries, as designated by other laws. Yet far too many other nations have not reciprocated this courtesy. In too many instances, they have deliberately violated international law in pursuit of U.S. lobsters.

The U.S. Government can no longer afford to sit idly by and allow this practice to continue. The lobster industry alone in the United States is valued at almost $35 million, yet millions of dollars have already been lost as a result of overfishing by foreign vessels.

Some people might consider this type of legislation insignificant in light of other grave issues which confront us today. Yet international agreements can oftentimes be contingent on the successful resolution of these thorny problems. Since the Soviet Union is one of the prime culprits in this matter, our efforts at improving relations can take on added significance with the passage of this legislation.

Yet there is an even more compelling reason for passing this legislation. The lobster is an American culinary institution. In this era of rampant inflation and high food prices, the American consumer should not have the additional

burden of having international pirates and thieves deprive us of lobster and other valued sea resources.

Mr. Speaker, I commend the House for addressing itself to this serious problem. Our lobster industry must be preserved. I urge this bill be passed overwhelmingly by my colleagues.

Mr. GOODLING. Mr. Speaker, I yield 1 minute to the gentleman from New York (Mr. LENT).

Mr. LENT. Mr. Speaker, I rise in support of H.R. 6074, a bill of which I am a cosponsor that would protect one of the Nation's most valuable fishery resources—the lobster.

The Northeast lobster fishery, including the very important one in my own New York, has suffered badly over the past several years, because of the intrusion of foreign fishing fleets on our Continental Shelf.

Intentional and incidental catches of lobster and other valuable species by foreign fleets have sadly depleted the U.S. commercial catch, adversely affecting the livelihoods of many U.S. lobstermen as well as cutting short our own domestic supply of this valuable seafood.

I am hopeful this legislation will stem the intrusion of the foreign fleets into this important U.S. commercial fishery and that we will see an increased U.S. catch in the years ahead. I know my constituents who are engaged in this hearty profession in Freeport and the rest of the Fourth Congressional District will appreciate our action in passing this important measure.

Mr. DINGELL. Mr. Speaker, I yield such time as he may consume to the gentleman from Florida (Mr. SIKES).

Mr. SIKES. Mr. Speaker, I am convinced that this is a very significant day in the annals of the American fishing industry. An outstanding legislative program has been brought to the floor by the distinguished chairwoman of the full committee, the gentlewoman from Missouri (Mrs. SULLIVAN) and the distinguished chairman of the subcommittee, the gentleman from Michigan (Mr. DINGELL) and by the members of the Committee on Merchant Marine and Fisheries. I congratulate them all.

It is very unusual for three bills to be considered in a single day which are important to the fishing industry of America. This is the case today. The bills are: House Concurrent Resolution 173, H.R. 6074, and H.R. 8529. All of them deserve the strong support of the House. They can contribute to stability in the fishing industry and to improved living and working conditions for those employed in industry.

House Concurrent Resolution 173, formally establishes a national policy in favor of a strong fishing industry. The recognition of our commercial fisheries as an indispensable national resource can play a key role in solving international economic problems. I am happy to state that I am a cosponsor of this resolution.

Over the past quarter century, most of the various segments of our Nation's fishing industry have been in decline. There have been but few exceptions. Surprisingly, this phenomenon is one which has received little public attention. While world production has multiplied over threefold since 1950, from 20 million metric tons to about 63 million metric tons in 1969, the U.S. share of the catch has remained at a relatively fixed level, between 2 and 2.5 million tons. Where before it was second only to Japan in size of catch, the United States now ranks sixth among fishing nations behind Peru, Japan, the U.S.S.R., Communist China, and Norway.

Concurrently, domestic demand for fish and fish products has risen steadily year by year. This increasing demand has been met by an enlargement of imports rather than by increased domestic production. The result has been an adverse balance-of-payments rate which had grown by more than $1.3 billion in 1972. With the expected continuing increase in demand, it is likely that this figure will grow unless the United States can catch a greater proportion of the fish it consumes.

Compounding the increased competition problem has been the general obsolescence of the U.S. fishing fleet. About 60 percent of the vessels in the U.S. fleet are more than 16 years old, and 27 percent have been in service for longer than 26 years. Despite the stable level of the U.S. fish take, over the last 25 years the number of vessels in the U.S. fleet has increased over 50 percent. In other words, the efficiency of our fleet has dropped roughly 50 percent since 1945.

Another problem facing the U.S. fishing industry has been the increased operational costs for fishing activities with the cost of adequate vessel insurance leading the way. In fact, both insurance and other costs to the fishing industry have climbed at a faster rate than prices generally, in the Nation's economy. Over half of a fisherman's income is needed to defray the cost of fishing craft, gear, fuel, insurance, and other materials and equipment. Most of our fisheries are economically depressed, with fishermen receiving far less than the national average income.

The fish resources in waters near the United States can be effectively developed only if industry finds it profitable to do so. High American costs, increased foreign competition, readily available cheaper imports, and the competitiveness of alternate sources of protein such as agricultural and meat products all pose real economic barriers to the U.S. fishing fleet. The net result of these factors is that the fleet has not attracted sufficient investment capital to modernize and improve efficiency. Only when the industry can attract a greater amount of investment can the fleet become truly competitive. And only if the return on investment is competitive with alternative investments will the industry succeed in attracting needed capital.

Although House Concurrent Resolution 173 is simply a statement of policy, the passage of this resolution will provide the direction and future of our fishing industry.

The purpose of H.R. 8529 is to implement the agreement between the United States and Brazil concerning shrimp. This agreement establishes a basis for regulating the conduct of shrimp fishing in a defined area off the coast of Brazil. There is at present no law under which the United States can limit the entry of its citizens and vessels into high seas fisheries in general or the high seas shrimp fishery in particular. H.R. 8529 would empower the Government to impose such a limitation in the case of the shrimp fishery within the designated area. Passage of this legislation is necessary for the United States to carry out its obligations under the agreement with Brazil. This bill would make the provisions of the agreement mandatory of those U.S. vessels that desire to participate in the shrimp fishery and enable the U.S. Government to take appropriate action on U.S. violations that Brazilian enforcement agents may bring to our attention. It would also enable the United States to transfer voluntary compliance funds, set aside by industry, into the offshore shrimp fisheries fund in the Treasury to be used in compensating Brazil for enforcement costs associated with the agreement. Without this legislation the U.S. Government can neither pay enforcement costs to Brazil nor punish violators of the agreement. It is questionable whether Brazil would want to continue with the agreement on a voluntary basis beyond the expiration date of January 1974 or consider an extension of the agreement under these circumstances.

I do want to point out that the shrimp industry and the Departments of State and Commerce report favorable results of operation of the agreement on a voluntary basis for more than a year.

H.R. 6074 would protect the North American lobster by designating it a creature of the Continental Shelf, thus providing it the same protection now accorded under Federal law to the Alaskan King Crab. The United States, in short, would own the valuable lobster resources off our shores, and no foreign nation would be permitted to fish for lobster there. Several countries have already expressed great interest in starting a major lobster fishery off the east coast, and this action would have disastrous effects on the fragile lobster industry. Foreign fleets have shown no interest in conservation regulations and they retain all lobsters caught even if they are undersized or egg-bearing females. It is estimated that between 16 and 22 million pounds of lobsters per year are caught by foreign fleets not intentionally fishing for lobster. Support for H.R. 6074 will be a significant step in showing that we are not willing to stand by and see our important lobster fishing industry disappear.

Again I commend the committee and its members for their foresight in developing and bringing to the floor these important measures for the fishing industry.

Mr. DINGELL. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts (Mr. STUDDS).

Mr. STUDDS. Mr. Speaker, I thank the gentleman from Michigan for yielding me this time.

Mr. Speaker, I would like to add my voice, first of all, in congratulations to the chairman of our full committee, and

the chairman of our subcommittee, and particularly to the New England members of the committee, the two gentlemen from Maine, and the gentleman from Connecticut.

I would like to echo the words of the ranking minority member, the gentleman from New York.

I believe that what we will be doing in passing this legislation is to send a clear message, not only to those foreign nations who fish off our shores, but perhaps in some sense more importantly to our own Department of State, for the passage of this bill will mark a victory over an extraordinary piece of bureaucratic intransigence, an intransigence that is even worse since it comes from our own Department of State. We had to sit in the subcommittee during hearing after hearing, listening to members of our own State Department, who I suspect in many cases have never even met a lobster, trying to convince us that a lobster was not a creature of the Continental Shelf because he had freedom to and frequently did jump up and down and leave the ocean floor. Those of us who have grown up, as I have, and as have other Members from New England, in towns with lobster fisheries, know full well that lobsters are creatures of the Continental Shelf. I think that this particular piece of legislation will serve as the first concrete step taken in a long time by this Congress in behalf of American fishermen.

Mr. Speaker, I strongly urge my colleagues to support this legislation.

Mr. BURKE of Massachusetts. Mr. Speaker, I rise before my colleagues to speak in fervent support of H.R. 6074, a bill to proclaim the American lobster a creature of the Continental Shelf.

As a cosponsor of this bill, and more importantly, as a Congressman from New England, I am deeply concerned with the plight of the many New England fishermen whose livelihood depends on having access to an abundant supply of natural marine wildlife.

Unless we begin to exercise foresight with respect to our native lobster resources, we will allow yet another one of our commercial marine resources to be devastated by foreign fishing fleets off our coast. The circumstances that led to the overexploitation of haddock, cod, herring, and flounder have still not been mitigated as of this date, and if the bill before us now is defeated, it will surely result in the final death blow for the struggling lobster industry which is perhaps the last viable enterprise available to many New England fishermen.

What makes legislative action for the protection of lobsters so important is the failure of bilateral agreements with nations off our coast. The State Department and the Department of Commerce have preferred this method of attempting to control the harvesting of lobster native to the seabed of the Atlantic Coast States because it affords them short-term reciprocal alignments. The narrow scope of these arrangements is insufficient, a fact substantiated by the ineffectual impact they have upon the nationals of foreign countries who consistently disregard conservation quotas and guidelines regarding fishing practices in the North Atlantic.

Passage of this bill to proclaim the American lobster a creature of the Continental Shelf must be forthcoming today. Failure to enact this measure will only bring about the imminent demise of the North Atlantic lobster industry in the face of overexploitation by foreign harvesters. Ecologically disastrous fishing practices such as the pulse fishing methods used by many foreign nations, will completely exhaust large concentrations of our already endangered marine life, unless we act today to put a stop it it.

The New England region already suffers from some of the highest unemployment rates in the Nation. Meataxe cuts in defense installations have put over 35,000 workers out of jobs in recent months. The collapse of yet another profitable industry in the region would be more than catastrophic.

If the Congress of the United States does not take immediate and unilateral action on this matter, as it did when the Alaskan king crab was threatened with extinction, then the responsibility and the blame for the loss of jobs and the resulting economic hardships, the high prices that we will have to pay for lobsters imported right from our own coastline, the virtual extinction of one of our Nation's oldest industries and the disappearance of another precious living marine resource will be here in the Congress—a Congress that failed to take decisive action clearly in the national interest.

In light of the energy crisis we face today, the Congress must take a positive step to insure that all our natural resources are provided safeguards against exploitation and extinction. Through support of this bill before us now, an important and vital marine resource will be preserved. The American people will know that they have an elected Congress which has foresight and a vital concern for the ecology and conservation of our scarce natural resources. I urge that my colleagues support immediate passage of H.R. 6074.

Mr. HARRINGTON. Mr. Speaker, today I rise in support of both H.R. 6074 and House Concurrent Resolution 173, two proposals important for the survival of the American fishing industry.

A century ago, the coast of Massachusetts was studded with hundreds of fishing vessels coming and going with the world's greatest catches of fish. Today, the trawler fleet left in the port of Gloucester, in my own congressional district, has dwindled to fewer than 100. The town's prosperity no longer depends on fishing, so much as it does on the processing of imported fish. And, ironically, these fish are bought already partly processed from the very countries depleting the fisheries off our shores.

Overfishing by foreigners and misguided U.S. Government polices are often appropriately cited as the cause for this decline, and that is no doubt largely correct. In addition, it seems to me that the posture of the industry itself must also bear a share of the blame.

Most American fishermen are independent operators of small boats built years ago when fresh fish markets flourished. Lacking freezing equipment on board and without processing capability, they must pack their perishable catch in ice. It will not last long, and for that reason, they cannot fish far from our coasts. Beyond the technology and management limitations of the industry, the lifestyle of Americans does not lend itself to long sea voyages. The result is that the labor is often not available for the fishing we need, and when it is available, it may be too expensive and too lazy to be worth much to the captain of the ship. Management, technology, and lifestyles, therefore, work together to inhibit prosperity for American fishing.

In contrast, Russians, Europeans, Japanese, and others have aimed their efforts at efficiently supplying the growing global market for frozen fish. They have built efficient ships and have organized a productive industry. And, being less affluent than our own country, fishermen are willing to take long sea voyages and work long and hard for returns our own fishermen would hardly consider satisfactory.

These foreign fleets concentrate their massed fishing power off our coasts, depleting our stocks to the point where they may no longer be able to support themselves. This is not to say that we need imitate foreign fleets, but it is with these vessels that the American fisherman must compete. Our Government has left him free to compete without Government interference—and without either support or encouragement. In fact, the American fisherman cannot buy a foreign-manufactured vessel, even when the cost is less than half that of a similar vessel produced in this country, and is strictly limited in the nature of his catch, as I will explain below.

The American fishing industry is declining, and will become extinct unless the Federal Government, as well as the fishermen and other interested parties, live up to their responsibility. The two bills I address at this time are desirable first steps in providing American fishermen with the kind of support they deserve and need.

The first bill, H.R. 6074, prohibits foreign ships from lobster fishing on the American Continental Shelf. It would make the North American lobster a creature of the Continental Shelf and give it protection much like that now given by Federal law to the Alaskan king crab.

Foreign fishing vessels have already virtually destroyed both our haddock and herring populations, and our $35 million lobster population is the next target. Today's exploited stocks face virtual extinction tomorrow. According to recent figures, foreign vessels catch between 16 and 22 million pounds of lobster annually, while the maximum yearly sustainable yield is only 25 million pounds. American fishermen are bound by stringent laws regarding both undersized lobster and egg-bearing lobster, yet foreign vessels keep everything that they net. On the menus in restaurants across the United States, the high price of lobster, due to the uncertainty of supply, must be quoted daily. Within the fore-

seeable future, lobster may in fact become extinct.

According to H.R. 6074, any person violating the provisions of this act is subject to a fine of $100,000 or imprisonment of not more than a year. In addition, offenders face the risk of forfeiting both their boats and gear. With such a provision, foreign vessels will now be deterred from fishing for lobster off both the coast of New England and off the whole Atlantic coast. Instead of running the risk of fine and imprisonment, they will go elsewhere.

House Concurrent Resolution 173 to be considered later today, declares that it is the policy of Congress to support, protect, and enhance the coastal and offshore fisheries resources of the United States. This resolution is identical to that which passed the Senate on June 1 by a voice vote.

The resolution declares it to be our policy to give the American fishing industry the support needed to strengthen it, and that the Government should take all steps necessary to protect our coastal fisheries against foreign fishing. This will, of course, solve nothing, but is a clear policy statement to which we should be held in the future.

The sea has the potential to feed the world's population, but we lack the technology to realize its potential. We have discovered many fisheries along our coast, but they have been seriously depleted by large, modern, efficient foreign fleets, as opposed to our fishing fleet, over 60 percent of which is more than 16 years old. Because of this, we must import 66 percent of our fish, whereas in 1957, we imported only 33 percent. In New England, we find haddock, herring, and lobster too expensive for most people to purchase. We find our fishing communities economically impoverished, but Congress has done little, if anything, to help.

By supporting House Concurrent Resolution 173, we are making it the policy of Congress to help the American fisherman, and to essentially assure adequate supplies of fish at reasonable prices to millions of Americans.

I cosponsored both pieces of legislation before the House today, and I have personally witnessed the plight of the American fisherman in Gloucester, the fishing port of the Sixth Massachusetts District. I urge my colleagues to vote for these bills.

Mr. DONOHUE. Mr. Speaker, I earnestly urge and hope that this pending bill, H.R. 6074, will be accepted and approved by the great majority of this House. The simple purpose of this proposal is to provide imperatively needed protection to the American lobster and fishing industry.

In pursuit of this purpose, this measure would declare the American lobster to be a creature of the Continental Shelf, thereby making it unlawful for any vessel, except a vessel of the United States, or for any master or other person in charge of such vessel to engage in the taking of this fishery resource.

Mr. Speaker, the U.S. lobster industry is fifth among the leading fisheries in this country. However, in volume, we have seen U.S. landings seriously decrease over these past few years. Expert testimony indicates that foreign vessels catch almost 20 million pounds of lobster off our shores each year. Excessive fishing by foreign vessels has practically destroyed the haddock, herring, and yellowtail flounder fisheries off the shores of our New England coast. In an effort to protect lobster fisheries before it is too late, our Government has entered into some agreements with certain other countries, but the record clearly indicates that progress, in obtaining these agreements with other nations, has been regrettably slow.

The approval of this measure would hopefully serve to accelerate the accomplishment of expanded protective agreements with other countries and also insure that, meanwhile, the United States would own very valuable lobster fisheries off the east coast.

Extending Federal jurisdiction to the offshore lobster industry beyond 12 miles is of vital concern to the five New England coastal States. The offshore industry comprises the bulk of the Massachusetts-Rhode Island-Connecticut industries, and it represents an annual contribution to the New England economy of some $34 million.

Mr. Speaker, I submit that in the face of the current energy crisis, rising unemployment, accelerating inflation, and threatening recession, the full support of our National Government should be granted toward strengthening the economy of any regional section. However, the decreasing lobster industry and a decline of our overall fishing industry not only affects the New England region, but it has a serious impact upon our overall national economy. In responsible concern for maintaining and strengthening that overall economy, in the national interest, I hope that the House will speedily and resoundingly adopt this measure.

The SPEAKER. The question is on the motion offered by the gentleman from Michigan (Mr. DINGELL) that the House suspend the rules and pass the bill, H.R. 6074, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. DINGELL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 6074, the bill just passed.

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

There was no objection.

CONGRESSIONAL SUPPORT OF FISHING INDUSTRY

Mr. DINGELL. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 173) relating to congressional support of the United States fishing industry, as amended.

The Clerk read as follows:

H. CON. RES. 173

Whereas the position of the United States in world fisheries has declined from first to sixth place among the major fishing nations:

Whereas there has been a continuing decline in domestic production of food fish and shellfish for the last five years;

Whereas our domestic fishing fleet in many areas has become obsolete and inefficient;

Whereas intensive foreign fishing along our coasts has brought about decline in stocks of a number of species with resulting economic hardship to local domestic fishermen dependent upon such stocks;

Whereas rising costs and extremely high insurance rates have made fishing uneconomic in some areas even when stocks of fish and shellfish are at normal levels;

Whereas assistance to fishermen is very limited as contrasted to Federal aid to industrial, commercial, and agricultural interest;

Whereas United States fishermen cannot successfully compete against imported fish products in the market because a number of foreign fishing countries subsidize their fishing industry to a greater extent;

Whereas some 60 per centum of the seafood requirements of the United States is being supplied by imports;

Whereas the United States fisheries and fishing industry is a valuable natural resource supplying employment and income to thousands of people in all of our coastal States;

Whereas international negotiations so far have proved incapable of obtaining timely agreement on the protection of threatened species of fish;

Whereas our fisheries are beset with almost unsurmountable production and economic problems; and

Whereas certain of our coastal stocks of fish are being decimated by foreign fishing fleets; Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the policy of the Congress that our fishing industry be afforded all support necessary to have it strengthened, and all steps be taken to provide adequate protection for our coastal fisheries against excessive foreign fishing, and further that the Congress is fully prepared to act immediately to provide interim measures to conserve overfished stocks and to protect our domestic fishing industry.

SEC. 2. The Congress also recognizes, encourages, and intends to support the key responsibilities of the several States for conservation and scientific management of fisheries resources within United States territorial waters; and in this context the Congress particularly commends Federal programs designed to improve coordinated protection, enhancement, and scientific management of all United States fisheries, including coastal, anadromous and highly migratory species, under such presently successful Federal aid programs under the Commercial Fisheries, Research and Development Act of 1964, and the newly developing Federal-State fisheries management programs.

The SPEAKER. Is a second demanded?

Mr. GOODLING. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

Mr. DINGELL. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, the purpose of House Concurrent Resolution 173 is to give recognition to an industry on which we are so vitally dependent for our protein needs, but yet one on which the Congress has failed to give its proper attention and support. Mr. Speaker, I refer to the U.S. fishing industry.

Mr. Speaker, the United States ranks sixth among the leading fishing nations of the world, being outranked by Peru, Japan, Russia, mainland China, and

Norway. Two of these countries, Japan and Russia, conduct large fisheries off the coastal shores of the United States. In fact, almost 14 other countries conduct fishing operations off our shores and in May of 1973, there were over 850 foreign fishing vessels and fishery support ships sighted, most of them off New England, the Middle Atlantic States, and Alaska.

Mr. Speaker, compounding the increased competition problem has been the general obsolescence of the U.S. fishing fleet. Almost 60 percent of the vessels in the U.S. fleet are more than 16 years old, and 27 percent have been in service for longer than 26 years. In other words, the efficiency of our fleet to catch fish has dropped roughly over 50 percent during the past 25 years, which primarily accounts for the United States having to rely upon imports to meet over 65 percent of our total fisheries needs.

Mr. Speaker, I would like at this time to thank Mr. TREEN of the State of Louisiana for spearheading the introduction of this resolution on the House side. He has obtained cosponsorship of more than 90 of our colleagues on the House side, while Senator EASTLAND of the State of Mississippi has obtained sponsorship of over 40 Members of a similar resolution on the Senate side, which incidentally has already passed the Senate and is now pending before the Committee on Merchant Marine and Fisheries.

Mr. Speaker, briefly explained, the preamble of House Concurrent Resolution 173 takes into consideration the low rank of the U.S. fishing industry among the leading fishing nations of the world; the continuing decline of our domestic fish catch; the obsolescence of our domestic fishing fleet; the decline in the fishing stocks off our coastal shores resulting from intensive fishing pressure by foreign vessels; the high rates for hull and P. and I. insurance; the limited Federal assistance provided to this industry as compared to the assistance provided by foreign governments to their fishing industry and the U.S. Government to other industries; the large percentage of the seafood requirements of the United States that is being supplied by imports: the importance of this industry in supplying employment and income to thousands of people in our coastal States; the almost insurmountable production and economic problems besetting this industry; the decimation of certain of our coastal stocks of fish by foreign fishing fleets; and the failure of international negotiations to obtain timely agreement to protect certain threatened species of fish such as haddock on the New England coast and the sardine on the west coast.

Mr. Speaker, the resolving clause of House Concurrent Resolution 173 would declare that it is the policy of the Congress to provide all support necessary to have this industry strengthened and to that end the Congress would urge that all steps be taken to provide adequate protection for our coastal fisheries against foreign fishing.

One of the amendments to the resolution that was adopted by the Committee on Merchant Marine and Fisheries was offered by my good friend and colleague from the State of Massachusetts (Mr. STUDDS) which would make it clear that the Congress is fully prepared to act immediately to provide interim measures to conserve our fishery stocks and to protect our domestic fishing industry. In fact, one of those interim measures just took place when the House passed H.R. 6074, the bill to declare the lobster a creature of the Continental Shelf. Another means of strengthening this protection which was highlighted in the committee report on this resolution, is to see that meaningful bilateral and multilateral agreements are entered into with all nations fishing off our shores. To date, we have only obtained agreement with the countries of Japan, Russia, and Poland.

Finally, Mr. Speaker, House Concurrent Resolution 173 would make it clear that the Congress recognizes, encourages, and intends to support the responsibilities of our coastal States for the management, conservation, and development of the fisheries resources within the territorial waters of the United States.

Another amendment to this resolution which was adopted by the Committee on Merchant Marine and Fisheries was offered by our colleague from the State of Washington (Mr. PRITCHARD) which would commend Federal programs designed to improve coordinated protection, enhancement, and scientific management of our fisheries resources, and particularly our coastal, anadromous, and highly migratory species of fish.

Mr. Speaker, although this resolution does not have the force of law, it does place the Congress on record of pledging its support of this industry and its intent to take steps to assist in its revitalization. I think it is a good resolution. It has the support of the fishing industry, the Governors of the various coastal States, and was unanimously reported by the Committee on Merchant Marine and Fisheries. I urge its prompt passage.

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

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

Mr. GROVER. Mr. Speaker, let me compliment the chairman of our Subcommittee on Fisheries and Wildlife Conservation and the Environment on bringing this resolution to the House. I hope we will have a rollcall vote on this and I hope the vote is about 400 to 0 because I think this is another signal to the countries participating in the Law of the Sea Conference that all the people in the coastal States and indeed all the United States are concerned over the depletion of our fisheries resources.

I think the gentleman has done a good job in bringing this to the House and I urge support of the resolution.

Mr. DINGELL. I thank my friend, the gentleman from New York.

Mr. Speaker, I yield 5 minutes to the distinguished gentlewoman from Missouri, chairman of the Committee on Merchant Marine and Fisheries (Mrs. SULLIVAN).

Mrs. SULLIVAN. Mr. Speaker, I rise in support of House Concurrent Resolution 173 and urge its immediate passage.

Mr. Speaker, over the years we have seen the United States slip from first to sixth among the leading fishing nations of the world. While world production has increased more than threefold during that time, the U.S. catch has remained at a relatively fixed level.

With the resources of the sea being turned to in order to meet an increasing amount of our protein needs, the United States has been content to rely upon imports to meet this demand rather than an increase in domestic production. Consequently, the share of the market taken by imported fish has jumped from 33 percent in 1957 to a current high of approximately 66 percent.

Mr. Speaker, I think it is time that the United States took steps to correct this situation. Otherwise, we might find ourselves facing a protein crisis equal to that we are now facing wit' energy.

Mr. Speaker, our fishermen are capable and dedicated to their profession. It is only that they lack the proper tools with which to work. The resolution under consideration today, if implemented, would go a long way toward correcting this unfortunate condition in which we find ourselves. For instance, the resolution calls for upgrading of our obsolete fishing fleet; strict enforcement of our exclusive fisheries zone against encroachment of foreign fishing vessels; and the taking of interim measures to protect our fisheries resources, such as declaring the lobster a creature of the Continental Shelf, and the entering into of bilateral or multilateral agreements with all nations fishing off our shores for the purpose of conserving and protecting the resources which are of importance to U.S. fishermen.

Mr. Speaker, I think it is time for the Congress to recognize its responsibilities and to aid and assist this industry which is so vital to the welfare of our Nation, and in this regard, I urge the prompt passage of House Concurrent Resolution 173.

Mr. GOODLING. Mr. Speaker, House Concurrent Resolution 173 introduced by my colleague from Louisiana (Mr. TREEN) simply stated places the Congress on record in support of the American fisherman during a time when he is beset by problems largely beyond his control, the principal one, of course, being the tremendous growth in foreign fishing off our shores, which has drastically reduced the available catch. The resolution assures the American fisherman that we are aware of his plight and will not stand idly by while these resources are destroyed.

For several years now, the State Department has assured the fishing industry and the Congress that the question of international fishery management will be resolved in the Law of the Sea Conference. The preparatory work of that Conference began in 1969. The Conference itself will begin in 1974. No one knows when or if the results of the conference—presumably, a new international convention encompassing many important issues besides fishing problems—will be presented to the other body for ratification. I would hazard the guess that we will not see a new Law of the Sea Convention in force within the next 3 years. We will be lucky if this process takes less than 5. There is a great likelihood, therefore, that the United States will be compelled to take positive steps

to protect our dwindling coastal fishery resources during the pendency of this Conference.

Although this resolution does not have the force of law and its adoption will not, in any material sense, aid the American fisherman, it clearly places all of the participants in the Law of the Sea Conference on notice that we will not tolerate delay or inaction in the resolution of these problems. Mr. Speaker, this resolution has broad bipartisan support in the Congress and is almost identical to a resolution that has already been acted upon favorably by the other body. I therefore urge its adoption.

Mr. Speaker, I yield 5 minutes to the distinguished gentleman from Louisiana (Mr. TREEN).

Mr. TREEN. Mr. Speaker, at the outset I want to acknowledge with thanks the invaluable assistance and generous support of this legislation by the chairman of the Subcommittee on Fisheries and Wildlife, Conservation and the Environment, the gentleman from Michigan (Mr. DINGELL), and the chairman of the Merchant Marine and Fisheries Committee, the gentlelady from Missouri (Mrs. SULLIVAN). I also express my appreciation to the many cosponsors of this legislation, several of whom gave much time and attention to the development of language suitable for the purposes of the resolution.

Mr. Speaker, this resolution addresses itself to the plight of the American fishermen and to our domestic fishing industry. It calls attention to the unhappy fact that the position of the United States in world fisheries has declined from first to sixth place among the major fishing nations. In quantitative terms, we are outproduced by Peru, Japan, Soviet Russia, mainland China, and Norway. In terms of dollar value we are now relegated to fifth position behind Japan, mainland China, Soviet Russia, and the Philippines. In terms of dollar value we are outproduced 3 to 1 by mainland China and more than 2 to 1 by Soviet Russia.

It is also an unhappy fact that the share of the domestic market taken by imported fish is currently about 66 percent. The result has been an adverse trade balance which reached more than $1.3 billion in 1972.

I could go on. But I think these are astonishing facts for the strongest economic nation on earth. And they demand that we do something to strengthen the American fishing industry.

Given the world-wide demand for food and especially the need for more protein, the animal resources of the sea present us with both a challenge and an opportunity.

Mr. Speaker, this resolution is our declaration of purpose, and that purpose is for the Congress of the United States to direct its attention more intensely and more seriously to the problems of the American fishing industry to the end that we may reverse the unfortunate trends of the recent past, to the end that the fisheries resources of this Nation, with its thousands of miles of contact with the oceans and the Gulf of Mexico, may provide a much greater income for the American citizens who devote their lives to this industry, and to the end that, instead of a deficit, we may enjoy a surplus in America's international trade.

Mr. YOUNG of Florida. Mr. Speaker will the gentleman yield?

Mr. TREEN. I yield to the gentleman from Florida (Mr. YOUNG).

Mr. YOUNG of Florida. Mr. Speaker, I thank the gentleman for yielding.

I pay the gentleman from Louisiana (Mr. TREEN) a compliment for the initiative and leadership he has shown in bringing this matter before the House. It is a very important declaration and one which should have the support of the entire House. Again, I thank Mr. TREEN for yielding and congratulate him for exerting such leadership.

Mr. TREEN. Mr. Speaker, I thank the gentleman from Florida.

I yield back the balance of my time.

Mr. DINGELL. Mr. Speaker, I yield to the distinguished gentlewoman from Louisiana (Mrs. BOGGS).

Mrs. BOGGS. Mr. Speaker, I concur in the remarks of my distinguished colleague from Louisiana (Mr. TREEN).

Mr. Speaker, in view of the present state of the U.S. commercial fishing industry and its effects upon the national economy as well, I would like to urge the passage of House Concurrent Resolution 173 which I cosponsored with my distinguished colleague from Louisiana (Mr. TREEN) and several other colleagues to express a national policy with respect to the U.S. fishing industry.

The American fishing industry has slipped from first place to seventh place among the fishing nations of the world. Although the world catch has doubled over the past 10 years, ours has declined. This has occurred in the face of increased American consumption of seafood. The result is that the United States is now importing 60 percent of its seafood requirements. If unchecked, this could very well prove to have a profound effect upon the U.S. balance of payments.

House Concurrent Resolution 173 represents the realization that it is time for the Congress to elevate to the level of official national policy that which is an integral part of our national well-being—a strong fishing industry.

American fishermen need and deserve organized national support. The existing plight of the commercial fishing industry has developed through no fault of their own. What our fishermen have lacked is the firm national commitment leading fishing nations such as Japan and the Soviet Union have received.

It must be emphasized that House Concurrent Resolution 173 does not contemplate a national usurpation of the commercial fishing industry. Rather, it is imperative that the National Government work with the State and local governments in dedicating themselves to the task of rebuilding the superiority of the U.S. commercial fishing fleet. Indeed, State governments across the Nation have shown their support to this approach.

It is for these reasons, Mr. Speaker, that I urge passage of House Concurrent Resolution 173.

Mr. DINGELL. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts (Mr. STUDDS).

Mr. STUDDS. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I rise in support of this resolution and congratulate the gentleman from Louisiana for his efforts to see it pass.

Again I echo the words of the distinguished ranking Member of the committee. This is indeed important legislation. Some of us have had hesitation about supporting a resolution like this. The Congress, until now has taken no positive action on behalf of American fishermen. We have taken that first step today, a few moments ago, with respect to American lobsters.

I would like to call the attention of the House to an amendment of my own that was accepted in the committee which says that "the Congress is fully prepared to act immediately to provide interim measures to conserve overfished stocks and to protect our domestic fishing industry."

This now becomes the duty of Congress. I hope we can send this message not only to the foreign nations who are fishing with huge subsidized fleets off our shores, but also to our own State Department.

This week Senator MAGNUSON is holding hearings for the first time on our legislation to create a 200-mile limit. The distinguished chairman of the subcommittee on Fisheries has just announced that early next year hearings on my legislation to create a 200-mile fisheries jurisdiction will be held in this body. So we have for the first time an opportunity not to just throw words around, but to show our Department of State and to show what still survives of the American fishing industry that Congress means what is said in this declaration of policy.

Mr. GOODLING. Mr. Speaker, I yield such time as he may consume to the gentleman from Alabama (Mr. EDWARDS).

Mr. EDWARDS of Alabama. Mr. Speaker, I rise in favor of House Concurrent Resolution 173, a resolution I cosponsored expressing the intent of Congress to protect our vital fishing industry. I think it is high time that the Congress gives formal recognition to the fact that our Nation desires and deserves a strong, healthy commercial fishing industry.

Like so many other areas where shortages are occurring, our oceans can no longer be considered a limitless source of food. U.S. fishing stocks are low and the problem is exacerbated by the growing presence of foreign fleets.

Many taxpayers in my district make their living in the fishing industry. These people should receive our full support, because the entire country benefits from a fishing industry that is producing at maximum capacity.

I urge every Member of the House to vote for this resolution. It is important that we go on record in favor of all necessary support to make our fishing industry strong and competitive. But we should not stop here. We should use this resolution as the starting point toward the

consideration of laws against excessive foreign fishing, laws providing for scientific management of fishing resources, and laws to strengthen our coastal fishing fleets. The people who make up our fishing industry in Alabama and throughout the Nation deserve our total support.

Mr. GOODLING. Mr. Speaker, I yield such time as he may consume to the gentleman from Oregon (Mr. DELLENBACK).

Mr. DELLENBACK. Mr. Speaker, I rise in full support of this measure. The fishermen in my State have a right to expect concrete action on their behalf, action that is long overdue.

The words in this resolution setting forth the sense of Congress are very important. But of even greater importance will be the actions we proceed to take in the implementing of that sense of Congress.

I urge early and favorable action on this resolution and on the implementing actions required to give real meaning to this resolution.

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

Mr. DON H. CLAUSEN. Mr. Speaker, I rise in support of this legislation.

Mr. Speaker, 7½ years ago I testified before the House Merchant Marine and Fisheries Committee on the need to protect the American fishery industry from the onslaught it faced from rapacious foreign fishermen. At that time, I felt like one small voice in the wilderness crying out, alone, expressing concern.

If "benign neglect" ever described an American policy it was our policy toward the reckless, irresponsible fishing techniques used by foreign trawlers to ravage our fishing grounds.

Fishermen in California voluntarily limited their net mesh size without governmental sanctions having to be applied. This occurred as long ago as 1935 in the interest of maintaining a sustainable fishery resource in perpetuity.

This voluntary action was later confirmed by State statute and has remained in effect until this day. The voluntary action, the State mesh laws, and the fact that they are never violated by American fishermen is a tribute to these men and their dedication to insuring the future of their fishing activities through their own conservation practices.

This carefully balanced program was a ripe target for large Russian fishing fleets with insatiable appetites for fish of any kind and size. The Soviets took every advantage of our zeal for conservation and literally eliminated fish from certain areas off the northern California coast.

We are feeling the effects of those raids today in our inability to maintain the size of our catches at previous levels. House Concurrent Resolution 173 expresses the sense of Congress that this situation must be resolved. This is a vital, clear-cut signal to the international community that congressional action is being taken today that conveys, in the strongest possible terms the interest of Congress as it related to our future course of action in dealing with the plight of coastal fishermen.

In order to place maximum emphasis on the substance of my statement, I hereby restate the language of the final version of this concurrent resolution:

Whereas the position of the United States in world fisheries has declined from first to sixth place among the major fishing nations;

Whereas there has been a continuing decline in domestic production of food fish and shellfish for the last five years;

Whereas our domestic fishing fleet in many areas has become obsolete and inefficient;

Whereas intensive foreign fishing along our coasts has brought about declines in stocks of a number of species with resulting economic hardship to local domestic fishermen dependent upon such stocks;

Whereas rising costs and extremely high insurance rates have made fishing uneconomic in some areas even when stocks of fish and shellfish are at normal levels;

Whereas assistance to fishermen is very limited as contrasted to Federal aid to industrial, commercial, and agricultural interest;

Whereas United States fishermen cannot successfully compete against imported fish products in the market because a number of foreign fishing countries subsidize their fishing industry to a greater extent;

Whereas some 60 per centum of the seafood requirements of the United States is being supplied by imports;

Whereas the United States fisheries and fishing industry is a valuable natural resource supplying employment and income to thousands of people in all of our coastal States;

Whereas international negotiations so far have proved incapable of obtaining timely agreement on the protection of threatened species of fish;

Whereas our fisheries are beset with almost unsurmountable production and economic problems; and

Whereas certain of our coastal stocks of fish are being decimated by foreign fishing fleets: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the policy of the Congress that our fishing industry be afforded all support necessary to have it strengthened, and all steps be taken to provide adequate protection for our coastal fisheries against excessive foreign fishing, and further that the Congress is fully prepared to act immediately to provide interim measures to conserve overfished stocks and to protect our domestic fishing industry.

SEC. 2. The Congress also recognizes, encourages, and intends to support the key responsibilities of the several States for conservation and scientific management of fisheries resources within United States territorial waters; and in this context the Congress particularly commends Federal programs designed to improve coordinated protection, enhancement, and scientific management of all United States fisheries, including coastal anadromous and highly migratory species, under such presently successful Federal aid programs under the Commercial Fisheries, Research and Development Act of 1964, and the newly developing Federal-State fisheries management programs.

I hope the words of this resolution will leave an indelible impression on the minds of every Member of the House and the Senate and motivate you to vote overwhelmingly in favor of its passage.

It is gratifying to see the expanded amount of support for this resolution and the interest, recognition, and concern for our fishermen that it implies. But I feel compelled to admonish you that this resolution must be followed up by future effort and action.

We must continue to pursue domestic legislative and international diplomatic remedies that will protect the economic viability of our fishing industry.

I sincerely believe that our next course of action should be to advance to the International Law of the Sea Conference a multifaceted approach that would:

First. Extend the territorial sea of every nation to 12 miles.

Second. Adopt the "three species" concept that has previously been endorsed by this Congress.

Third. Establish a 200-mile fishery and ocean resource conservation zone contiguous to our shoreline, with provisions that would permit negotiations between countries where there are overlapping zones and, further, with provisions that would guarantee the traditional "freedom of the seas" navigation passageways.

In the interim, I would urge my colleagues to support legislation that would adopt, on a provisional basis, until accepted by the International Law of the Sea Conference, a combination of the 200-mile limit and the three species approach previously mentioned.

And, finally, I want to go on record, at this point in time, as suggesting that the position I have outlined should be advanced to, and hopefully supported by, the Organization of American States.

If we can solidify our position among the countries of the Americas, I believe we can more effectivly present a united position for the Western hemisphere at the International Law of the Sea Conference.

We must keep up the momentum as we move toward a permanent solution to this complex and perplexing problem of protection and conservation of our coastal fishery and ocean resources.

I am deeply grateful and want to express my highest commendations to the committee for advancing this very constructive and historical legislative program directed toward helping our fishing industry and the communities they serve.

Mr. GOODLING. Mr. Speaker, I make a similar request for the gentleman from Washington (Mr. PRITCHARD).

Mr. PRITCHARD. Mr. Speaker, I do want to wholeheartedly support this resolution. I think it has been aptly said this resolution in itself does not accomplish anything, but I think it is high time we, in Congress, laid down some long-range policies. I believe this is the best way we can get at the sense of Congress, so I congratulate Mr. TREEN and the other Members who brought this resolution to the floor and I wholeheartedly support it at this time.

Mr. Speaker, the full committee of the House Merchant Marine and Fisheries Committee has reported House Concurrent Resolution 173 to the House floor for consideration. The resolution, as amended, recognizes that the fishing industry is suffering from a considerable lack of governmental support. While regrettably the resolution has no effect as law, I hope that it will be a first step in

creating a governmental program directed toward reestablishing an economically vigorous fisheries industry.

Not only has the entire fishing industry shown a continuing decline in position among the major fishing nations and a continuing decline in domestic production, but also the salmon fishery in the Northwest has had one of the worst seasons of record. In order to draw attention to the crisis in the salmon industry, I proposed, and the full committee accepted, an amendment to House Concurrent Resolution 173 that specifically includes the protection of anadromous species as an item of congressional concern.

If substantive issues concerning the extent of U.S. fisheries jurisdiction are settled at the upcoming Law of the Sea Conference, it is critical that there is a vital and productive U.S. fishing fleet to utilize the fish resources within that jurisdiction. Likewise, if international negotiations fail, it is important that steps have been taken to insure that the U.S. fishermen cannot only survive but also effectively meet encroaching foreign competition. Since effective steps need not, and should not, be directed along lines that would impair progress toward an international accord on fisheries at the Law of the Sea Conference, congressional action to implement the policy expressed in House Concurrent Resolution 173 can begin immediately.

Mr. DINGELL. Mr. Speaker, I yield such time as he may consume to the gentleman from Maine (Mr. KYROS).

Mr. KYROS. Mr. Speaker, I rise in support of this legislation.

I might just say one thing to add to the remarks of my colleagues; that is, if we had a resolution like this in the Congress just a scant few years ago, we would not have the Soviet fishing fleets off our coasts scooping up the best fishing we have, our haddock.

They just stayed there until all the fish had practically disappeared and could no longer be found to be eaten by Americans. If we had such a resolution, with all the force of the Congress behind such a resolution, it seems to me that no foreign fishing fleet would have dared to do this.

Therefore, I certainly commend all of the Members who have got together to write this outstanding piece of legislation.

I hope that it will light fires under our State Department to enact agreements to protect American fishermen throughout the world.

Mr. GOODLING. Mr. Speaker, I yield 3 minutes to the gentleman from Mississippi (Mr. LOTT).

Mr. LOTT. Mr. Speaker, I would also like to join in commending the distinguished chairwoman of the full committee and the chairman of the subcommittee for their outstanding work and cooperation in this legislation. I commend my colleague from Louisiana (Mr. TREEN) for his leadership and the work he has done in bringing before us this House concurrent resolution.

Mr. Speaker, I support this resolution which would declare that it is the policy of Congress to support, protect, and enhance the coastal and offshore fishery resources of the United States. A similar resolution was introduced and actively promoted in the other body by the distinguished senior Senator from the State of Mississippi. He, like all the representatives of the coastal and offshore areas, is very much aware that we have a crisis in the fishing industry. Seafood is a vital part of our food industry, in this country as well as the rest of the world, and yet our production has steadily dropped percentagewise in recent years.

There are many explanations and excuses for the problems, but regardless of that the point this resolution tries to make is that something must be done to help this vital industry. What we are doing here today will not provide direct assistance—we all know that—but it will give direction to the ills facing the industry. And my purpose in supporting this bill is to initiate an overall review of the fishing industry. Then after coordination of the various commissions throughout the country, it is my earnest hope that immediate and far-reaching legislation will be instigated by this fishing policy. Examples of such legislation would be laws providing for more viable vessel production programs, properly funded so that we can compete with foreign industries, personal liability and vessel insurance, increasing fish stock through controlled operations, research in agriculture and various other economic incentives.

In closing, Mr. Speaker, I urge my colleagues to join in support of this worthwhile House concurrent resolution which will hopefully lead to some meaningful future legislation.

Mr. GOODLING. Mr. Speaker, I yield 3 minutes to the gentleman from Iowa (Mr. GROSS).

Mr. GROSS. Mr. Speaker, let me thank my friend from Pennsylvania for yielding me this time. I want to support this concurrent resolution, but I am concerned by the language to be found on page 4, beginning in line 1, wherein its says:

Resolved by the House of Representatives (the Senate concurring), That it is the policy of the Congress that our fishing industry be afforded all support necessary to have it strengthened,

I emphasize "it is the policy of the Congress that our fishing industry be afforded all support necessary."

I would ask my good friend from Michigan if this is some kind of come-on? Looking down the road into the future, is the gentleman going to be in here some day soon asking for several hundred million dollars, if not a billion or two, for the purpose of "all support necessary"?

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

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

Mr. DINGELL. Mr. Speaker, I will say no, this is not a "come-on." There is nothing in this bill that does not appear clearly in the print of the bill. What it says, what the concurrent resolution says is that it is the intention of the Congress that the administrative agencies take all steps necessary to strengthen our fishing industry and they must do that pursuant to existing law.

Mr. GROSS. Mr. Speaker, let me say this to the gentleman from Michigan and to other Members of the House who are very much—and properly so—interested in the American fishing industry: That if Congress would stop spewing money around the world in the billions of dollars each year—and we are going to be at that business this week or certainly next week—stop so much bleeding at the heart for all of the foreigners around the world and reserve the money for purposes of this kind we would all be better served.

Mr. Speaker, I invite the bleeding hearts, when it comes to the foreign giveaway program, to help some of us trim that down to size so that we will have some money to help the American fishing industry.

Mr. DINGELL. Mr. Speaker, I thank the gentleman, and I will heed his comments.

Mr. GOODLING. Mr. Speaker, I yield 1 minute to the gentleman from New York (Mr. LENT).

Mr. LENT. Mr. Speaker, I also rise in strong support of this legislation.

Mr. Speaker, I rise in support of House Concurrent Resolution 173, expressing the policy of the Congress that our fishing industry be given all necessary support to have it strengthened and that we will take all steps to provide adequate protection for our coastal fisheries against excessive foreign fishing.

Mr. Speaker, as a sponsor of H.R. 4247, which has the support of many of my colleagues and which would establish a 200-mile fisheries jurisdiction contiguous to our coast, I am happy to see this resolution come before us, and I am hopeful that it is just the beginning of an awareness on the part of the Congress that our commercial and sports fishing has been sadly damaged by excessive foreign fishing.

I am hopeful, as well, that it will serve notice on those responsible for conducting our foreign policy with regard to fisheries matters, that the Congress is prepared to act in the future to preserve our valuable fishery resources which have suffered severe depletion at the hands of foreign fleets in the past several years.

For those of our inland colleagues who had not realized the extent of the foreign rape of our coastal waters, I can assure them that it has been severe. We need go no further than our supermarkets to see that fish prices have skyrocketed, due to the shortage brought on by foreign overfishing.

I hope they will join with those of us whose constituents are directly affected by the foreign fishing in ardently supporting this legislation. I know many of my constituents in Nassau County will take heart from our action in passing this measure today, and I know I can speak for them in strongly urging even more stringent U.S. controls to protect our valuable fishery resources.

Mr. BURKE of Massachusetts. Mr. Speaker, I would like to take this brief opportunity to voice my support of House Concurrent Resolution 173 of which I am a cosponsor—House Concurrent Resolution 229.

Passage of this resolution would declare it the policy of the Congress to as-

sist in protecting and revitalizing the American fishing industry, to act immediately to provide interim measures to conserve overfished stocks and to protect the industry from excessive international fishing pressures. The resolution declares that Congress will work closely with the States and will encourage Federal programs designed to coordinate States' efforts to help coastal, offshore, and high seas fisheries.

As a New Englander, and as a Congressman from Massachusetts, I can tell you of the hardships encountered every day by many fishermen of New England who are continually struggling to make a living by harvesting the seas. It is a fact that the fishing industry of our country is in very serious trouble today. Foreign fishing intervention, environmental problems, the high cost of boat maintenance and operation, and the problems of finding an available quantity of fish to make their efforts worthwhile are all serious concerns of our fishermen today.

Through passage of House Concurrent Resolution 173, the fishermen of our country, and indeed the American people, will know that they have an elected body of representatives who are aware of the many problems being suffered by the fishing industry today. Passage of House Concurrent Resolution 173 will show that Congress is concerned and determined to assist in protecting and revitalizing one of the oldest American industries—our fishing industry.

Mr. MATSUNAGA. Mr. Speaker, I rise in support of House Concurrent Resolution 173, which will firmly establish the policy of this Nation to support our important fishing industry. I commend the Committee on Merchant Marine and Fisheries and its distinguished Chairman, the gentlewoman from Missouri (Mrs. SULLIVAN), and the distinguished chairman of the subcommittee (Mr. DINGELL), for the prompt reporting of this bill. I, also, congratulate my distinguished colleague from Louisiana (Mr. TREEN), for his able stewardship of House Concurrent Resolution 173 from its inception.

As a cosponsor of this measure, I can assure my colleagues that the need for this legislation is all too clear. Let me cite a few shocking facts about the position our fishing industry holds in comparison with the rest of the world. In total live weight, the United States, the world's most powerful industrial nation, ranks a miserable ninth among the fishing nations of the world. The weight of the annual catch for the United States in 1971 was 6.1 billion pounds. In comparison, mainland China caught 15 billion pounds, Russia 16 billion, Japan 21 billion and tiny Peru an enormous 23 billion pounds.

To convert these figures to dollar amounts, Japan with $2.7 billion led the way in fishing revenue for 1971. China earned $1.9 billion, and Russia $1.5 billion. The United States produced only $643 million in fishing dollars.

A more troubling fact we must confront is the $1.5 billion we sent to foreign countries in 1972 to buy fish and other seaford products; much of it caught right off our own American shorelines.

Meanwhile, the U.S. fishing industry exported only $157 million in American-caught fish and marine products—only slightly more than 10 percent of the massive imports from abroad.

In my own State of Hawaii, surrounded by the bountiful Pacific, the locally-based fishing fleet produced $5.5 million in 1972, the bulk in skipjack tuna. Yet fisheries experts are in agreement that, with adequate private and Government assistance, an efficient, modernized fleet could easily harvest $300 million in tuna every year. Instead, our local cannery, operated by Bumble Bee Seafoods, must rely on the ocean-going Japanese fishing fleet which roam the Pacific to supply the bulk of its production needs. The local fleet can muster only a small fraction of the cannery requirements.

The only obstacle in establishing a viable, competitive fleet is the shortage of capital. We possess the technology to build swift, modern vessels to ply our bountiful waters. We have developed effective fishing methods that could vastly multiply our catch. We lack only the financial support nearly every major fishing power affords its fishing industry.

The problem we face in Hawaii and the Pacific Islands can be found in every American fishing center—from Alaska to San Diego, from Texas to Maine.

Mr. Speaker, clearly, there can be no question of the necessity to support this important national industry.

I urge your approval of House Concurrent Resolution 173.

Mr. BIAGGI. Mr. Speaker, I rise in support of House Concurrent Resolution 173 providing congressional support for the U.S. fishing industry. Passage of this legislation will provide long overdue Federal assistance for the beleaguered fishing industry of the United States.

Statistics have indicated that the United States has dropped from first to sixth among fishing nations in overall production. This shocking situation can be partially explained by years of neglect by the Federal Government of the problems which have been besieging the fishing industry.

Continued reckless overfishing practices by foreign nations have contributed enormously to the drastic decline in the U.S. fishing industry. This legislation, as well as H.R. 6074, which we are also considering today, will help alleviate this problem by restricting access to fish living along our own Continental Shelf by foreign nations. This could result in millions of additional fish for the homes and restaurants of America in 1974.

The deplorable conditions of many of the U.S. fishing vessels is another major contributor to our fishing industries problems. Many of the boats which sail under the flag of the United States are a disgrace, old, run down, and grossly inefficient in comparison with other nations' vessels.

House Concurrent Resolution 173 would declare it a policy of Congress to assist in protecting and revitalizing the American fishing industry. It will act to conserve overfished stocks, and to protect the industry from excessive international fishing pressure.

Mr. Speaker, it is time that we in the Congress begin to provide relief to save this once proud American industry. Their future can spell either success or failure for our overall economy. Let us start today by passing this important legislation.

Mr. DONOHUE. Mr. Speaker, this proposal before us, House Concurrent Resolution 173, proclaiming our congressional policy to support, protect, and enhance the coastal and off-shore fishery resources of the United States, merits the overwhelming approval of this House and I earnestly hope that approval will be very speedily forthcoming.

Every Member of this body, I am sure, is very keenly aware that our previous leadership in world fisheries has vanished, that our domestic fishing fleet has become practically obsolete and that there has been a continuing decline, for at least the past 5 years, in domestic production of food, fish, and shellfish.

These developments have had, of course, a very serious adverse effect upon our overall economy and it is imperatively urgent that our National Government move, with all reasonable resource and dispatch, to protect and encourage the revival and restrengthening of our traditional fishing industry.

In essence the measure before us is simply a statement of policy but its passage will be a realistic step in providing the more modern direction and greater governmental encouragement that our domestic fishing industry must have if it is to survive and serve the national interest that is unquestionably involved.

In order to guarantee that essential survival and service, I earnestly urge the House to resoundingly accept this resolution.

Mr. BAUMAN. Mr. Speaker, I am pleased to rise in support of House Concurrent Resolution 173, a resolution establishing for the first time a national policy of support for America's fishing industry. I have cosponsored an identical resolution, House Concurrent Resolution 388, with its principal author, the gentleman from Louisiana (Mr. TREEN).

Like the gentleman from Louisiana, I do not look with favor on a number of industries which periodically come running to Washington to be bailed out of one difficulty or another. But it should be noted that this resolution does not propose a handout. It does, on the other hand, clearly recognize that the Federal Government exercises authority in a number of areas affecting the fishing industry, including international negotiations and agreements, and that in these areas, it should be the primary policy of the United States to promote the interests of our domestic fishing industry. This is especially important to those of us in the State of Maryland.

The once-unchallenged U.S. dominance of fishing and shell-fishing activities off our shores has eroded dramatically in the post-war period. In 1960, American fishermen caught 93 percent of the fish harvested in U.S. coastal waters. Today they bring in less than 50 percent. This change is due in a large part to the rapid expansion of foreign fishing fleets which are either owned or heavily sub-

sidized by their governments. With large amounts of capital at their disposal, these fleets have invested in modern, up-to-date ships which many American firms cannot afford. In all too many cases, these foreign fleets have shown little regard for conservation, and have ravaged the available stocks of fish off our shores.

Action must be taken soon to protect these stocks of fish and shellfish, and it is up to us to see that it is done. We can also assist the individual States in conservation and scientific management of these resources where it is appropriate.

A good example of the misguided policy in which the State Department engages was illustrated by negotiations between the Republic of Korea and the United States last year in which it was proposed that the United States would grant multimillion-dollar subsidies to the Korean oyster industry. The purpose of the grants would be to increase Korean oyster production for export to the United States in direct competition with American oysters. We have a saying in Maryland, "Eat oysters, love longer." I can assure you that if the State Department were left to its own devices many of the people of the shellfish industry in my district would not only have very little love for their Government, but they might well not be able to afford to eat, because their jobs would be destroyed. As a member of the Maryland General Assembly, I was the chief sponsor of a joint resolution which passed unanimously and was forwarded to the President of the United States protesting the State Department negotiations. Mr. Speaker, House Concurrent Resolution 173, and the companion resolution I sponsored, would go a long way toward putting an end to such misguided State Department action.

The American fishing industry is vital to the Nation's economy and well-being. It is a source of employment for many thousands of our citizens, and holds the potential for producing vast amounts of food for our consumption. It is in the Nation's best interest to restore the industry's health, and this resolution can be the first step.

American fishermen have traditionally operated with a minimum of Federal support or assistance. This resolution provides recognition in that the Federal Government can play an important role in assisting in conservation and management of aquatic resources, that the Federal Government plays a continuing role of direct importance to the fishing industry in its international negotiations, and that it is the responsibility of the Congress to take steps to protect U.S. fishermen from excessive encroachment by foreign vessels into waters off our coast as well as guard against unsanitary and inferior foreign products.

Mr. Speaker, I urge passage of this resolution, and a new commitment to the well being of one of our most important food-producing industries.

The SPEAKER. The question is on the motion offered by the gentleman from Michigan (Mr. DINGELL), that the House suspend the rules and agree to the concurrent resolution, House Concurrent Resolution 1973, as amended.

The question was taken.

Mr. GROVER. 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 405, nays 0, not voting 28, as follows:

[Roll No. 621]

YEAS—405

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

NAYS—0

NOT VOTING—28

Bergland	Fish	Mills, Ark.
Blackburn	Ford, Gerald R.	Reid
Burke, Calif.	Gray	Rooney, N.Y.
Carey, N.Y.	Hansen, Wash.	Spence
Clawson, Del	Hébert	Stokes
Conyers	Jordan	Waldie
Dent	McSpadden	Walsh
Diggs	Macdonald	Wilson, Charles H., Calif.
Downing	Madden	
Edwards, Calif.	Michel	

So (two-thirds having voted in favor thereof) the rules were suspended and the concurrent resolution, as amended, was agreed to.

The Clerk announced the following pairs:

Mr. Hébert with Mr. Gerald R. Ford.

Mr. Rooney of New York with Mr. Del Clawson.

Mr. Diggs with Mr. Carey of New York.

Mr. Gray with Mr. Blackburn.

Miss Jordan with Mr. Bergland.

Mr. Macdonald with Mr. Stokes.

Mr. Conyers with Mr. Dent.

Mr. McSpadden with Mr. Walsh.

Mr. Reid with Mr. Michel.

Mr. Edwards of California with Mr. Madden.

Mr. Downing with Mrs. Burke of California.

Mr. Waldie with Mr. Fish.

Mrs. Hansen of Washington with Mr. Spence.

Mr. Charles H. Wilson of California with Mr. Mills of Arkansas.

The result of the vote was announced as above recorded.

The preamble, as amended, was agreed to.

A motion to reconsider was laid on the table.

Mr. DINGELL. Mr. Speaker, I ask unanimous consent that the Committee on Merchant Marine and Fisheries be discharged from further consideration of the Senate concurrent resolution—Senate Concurrent Resolution 11—relating to congressional support of the U.S. fishing industry, a similar concurrent resolution to the one just agreed to, and ask for its immediate consideration.

The Clerk read the Senate concurrent resolution as follows:

S. CON. RES. 11

Whereas the position of the United States in world fisheries has declined from first to seventh place among the major fishing nations;

Whereas there has been a continuing decline in domestic production of food fish and shellfish for the last five years;

Whereas our domestic fishing fleet in many areas has become obsolete and inefficient;

Whereas intensive foreign fishing along our coasts has brought about declines in stocks of a number of species with resulting economic hardship to local domestic fishermen dependent upon such stocks;

Whereas rising costs and extremely high insurance rates have made fishing uneconomic in some areas even when stocks of fish and shellfish are at normal levels;

Whereas assistance to fishermen is very limited as contrasted to Federal aid to industrial, commercial, and agricultural interests;

Whereas United States fishermen cannot successfully compete against imported fish products in the market because a number of foreign fishing countries subsidize their fishing industry to a greater extent;

Whereas some 60 per centum of the seafood requirements of the United States is being supplied by imports;

Whereas the United States fisheries and fishing industry is a valuable natural resource supplying employment and income to thousands of people in all of our coastal States;

Whereas international negotiations so far have proved incapable of obtaining timely agreement on the protection of threatened species of fish;

Whereas our fisheries are beset with almost insurmountable production and economic problems; and

Whereas certain of our coastal stocks of fish are being decimated by foreign fishing fleets: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the policy of the Congress that our fishing industry be afforded all support necessary to have it strengthened, and all steps be taken to provide adequate protection for our coastal fisheries against excessive foreign fishing, and further that the Congress is fully prepared to act immediately to provide interim measures to conserve overfished stocks and to protect our domestic fishing industry.

SEC. 2. The Congress also recognizes, encourages, and intends to support the key responsibilities of the several States for conservation and scientific management of fisheries resources within United States territorial waters; and in this context the Congress particularly commends Federal programs designed to improve coordinated protection, enhancement, and scientific management of all United States fisheries, both coastal and distant, including presently successful Federal-aid programs under the Commercial Fisheries Research and Development Act of 1964, and the newly developing Federal-State fisheries management programs.

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

There was no objection.

MOTION OFFERED BY MR. DINGELL

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

The Clerk read as follows:

Mr. DINGELL moves to strike out all after the resolving clause of S. Con. Res. 11, and insert in lieu thereof the language of H. Con. Res. 173, as agreed to by the House

The motion was agreed to.

MOTION OFFERED BY MR. DINGELL

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

The Clerk read as follows:

Mr. DINGELL moves to strike out the preamble of Senate Concurrent Resolution 11, and insert in lieu thereof the language of the preamble of House Concurrent Resolution 173, as agreed to by the House.

The motion was agreed to.

A motion to reconsider was laid on the table.

A similar House concurrent resolution (H. Con. Res. 173) was laid on the table.

GENERAL LEAVE

Mr. DINGELL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the concurrent resolution (H. Con. Res. 173) just agreed to.

The SPEAKER. Is there objection to Michigan?

There was no objection.

PERSONAL EXPLANATION

Mr. GUNTER. Mr. Speaker, I was not recorded on rollcall No. 620, the adoption of the conference report to accompany the bill S. 1443, the foreign assistance authorization. I was called off the House floor by a constituent and failed to hear the bells. Had I been present I would have voted "no."

BUDGET AND IMPOUNDMENT CONTROL ACT OF 1973

Mr. BOLLING. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 715 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 715

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 7130) to amend the Rules of the House of Representatives and the Senate to improve congressional control over budgetary outlay and receipt totals, to provide for a Legislative Budget Director and staff, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed three hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Rules, the bill shall be read for amendment under the five-minute rule. It shall be in order to consider without the intervention of any point of order the amendment in the nature of a substitute recommended by the Committee on Rules now printed in the bill as an original bill for the purpose of amendment under the five-minute rule, and said substitute shall be read for amendment by titles instead of by sections. At the conclusion of such consideration, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

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

Mr. BOLLING. Mr. Speaker, I yield the usual 30 minutes to the gentleman from Nebraska (Mr. MARTIN), pending which I yield myself such time as I may consume.

Mr. Speaker, I know of absolutely no opposition to this rule and I do not propose to debate the bill during consideration of the rule because we have 3 hours of general debate during which we will proceed to deal with the bill as soon as the rule is adopted.

This is a straightforward open rule.

Mr. Speaker, I reserve the balance of my time.

Mr. MARTIN of Nebraska. Mr. Speaker, I also know of no disapproval of this rule. It cleared the Committee on Rules unanimously by a vote of 15 to 0. I support the rule and I urge its adoption.

Mr. BOLLING. 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. BOLLING. 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. 7130) to amend the rules of the House of Representatives and the Senate to improve congressional control over budgetary outlay and receipt totals, to provide for a Legislative Budget Director and Staff, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from Missouri (Mr. BOLLING).

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. 7130, with Mr. UDALL 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 Missouri (Mr. BOLLING) will be recognized for 1½ hours and the gentleman from Nebraska (Mr. MARTIN) will be recognized for 1½ hours.

The Chair recognizes the gentleman from Missouri.

Mr. BOLLING. Mr. Chairman, I would like to recommend to the Members of the House who are interested in this sub-

ject that they read the report between now and tomorrow. That is not to say I will not be available to answer any questions or that there will not be an explanation made of the bill, but this is a very good, quite brief report which I believe explains all the different problems involved.

Mr. Chairman, I have a speech which I do not propose to give which amounts to a summary of that report and I hope those who do not feel like reading the whole report will read what follows, and at this point, under the unanimous consent I have obtained, I insert my speech in the RECORD.

Mr. Chairman, H.R. 7130 is a balanced and workable bill that promises meaningful and attainable improvement in the congressional budget process. The bill preserves and strengthens the appropriations machinery of Congress and at the same time gives Congress the capability to decide budget totals and priorities. It enables Congress to review and terminate the impoundment of funds by the executive branch and it thereby offers a comprehensive approach to budget reform, encompassing the spending decisions of Congress as well as the implementation of those decisions by the executive branch.

The bill consists of two titles. Title I establishes the machinery for a congressional budget process, including new House and Senate Budget Committees and a Legislative Budget Office. Title II is adapted from the anti-impoundment legislation approved by the House on July 25 of this year which is now pending in conference.

GUIDELINES FOR REALISTIC BUDGET REFORM

The Rules Committee began its search for improved congressional budgetary methods with a thorough consideration of the report and recommendations of the Joint Study Committee on Budget Control. Those recommendations were embodied in the original bill H.R. 7130 which was cosponsored by all 16 House Members of the Joint Study Committee.

Over months of deliberation, positions initially held were subjected to the test of contending viewpoints and few survived completely intact. In its reported form, H.R. 7130 retains many of the objectives of the Joint Study Committee but it also reflects a desire to cast the purposes of budget control into an acceptable and useful framework. Budget reform is of no value if it cannot be adopted, or if adopted it cannot work.

The reported legislation differs in certain key aspects from the original version. The Joint Study Committee proposed a very complicated budget procedure in an effort to achieve complete consistency and compliance in congressional budget actions. It proposed that the budget process begin each year with adoption of a concurrent resolution establishing spending maximums for the total budget and for each subcategory. Consideration of this budget resolution would have been constrained by an ironclad "rule of consistency" barring any amendment that did not preserve a consistent relationship between all totals and subtotals. The net effect of this rule would have been to preclude most floor amendments and to give the new Budget Committees enormous power in the making of congressional budget policy.

A similar restrictiveness would have operated in consideration of the various spending bills. No appropriation measure could go forward unless it was in complete compliance with the budget resolution. Under the proposed arrangement, the appropriations process would have been supplanted by premature and constrictive budget decisions.

The Rules Committee decided to remove these restrictive procedures and to devise an alternative that accomplishes the needed budget control. Its work has been guided by a number of principles.

First has been the commitment to find a workable process. Not everything that carries the label of a legislative budget can be made to work. The complicated floor procedures contained in the Joint Study Committee bill have been eliminated because they would have inhibited the proper functioning of Congress.

Second, budget reform must not become an instrument for preventing Congress from expressing its will on spending policy. The original bill would have ruled out many floor amendments, it would have stunted the free consideration of appropriation measures, it would have bound Congress to unusual and oppressive rules, and it would have given one-third of the Members the power to thwart a majority's effort to revise or waive such rules. Points of order could have been raised at many stages of the process and legitimate legislative initiatives would have been blocked.

The objective of budget reform should be to make Congress informed about and responsible for its budget actions, not to take away its power to act.

Third, budget reform must not be used to concentrate the spending power in a few hands. All Members must have ample opportunity to express their views and to vote on budget matters. While it is necessary to establish new budget committees, they must not be given extraordinary power in the making of budget policies.

Fourth, the congressional budget must operate in tandem with and not override the well-established appropriations process. Through its power of appropriations, Congress is able to maintain control over spending. That power has been exercised responsibly and effectively over the years and it should not be diluted by the imposition of a new layer of procedures.

Fifth, the budget control procedures should deviate only the necessary minimum from the procedures used for the preparation and consideration of other legislation. Undue complexity could only mean the discrediting of any new reform drive. We must not load the congressional budget process with needless and questionable details.

These principles have been applied to resolve a number of the controversial issues brought before the Rules Committee. For every major feature of H.R. 7130, a number of alternatives were considered. In particular, we appraised the various options available in regard to the new budget committees, congressional budget staff, the fiscal year, control over budget totals, the determination of program priorities, tax policy, the reconciliation of spending decisions with the budget resolution, and the linkage of budget and impoundment controls. The paragraphs below set forth the positions taken by the Rules Committee.

COMPOSITION OF THE BUDGET COMMITTEES

The Joint Study Committee recommended a House Budget Committee of 21 members, 7 each from Appropriations and Ways and Means, and 7 from all other committees.

Moreover, the chairmanship of the Budget Committee would alternate between Appropriations and Ways and Means, and these two committees also would decide which of their members would serve on the Budget Committee. In contrast to this position was the view that the makeup of the Budget Committee should be set by the party caucuses, in the same manner that the memberships of other committees are selected. Their argument was that budget control is not the exclusive responsibility of the taxing and spending committees and these committees should not dominate the budget process in Congress.

The alternative reported in H.R. 7130 recognizes that there is a special need to coordinate revenues and expenditures and that participation by members of Ways and Means and Appropriations would bring expertise and information to the new Budget Committee. Yet there is also a need to draw the entire membership into the budget process and to insure that all interests and viewpoints are represented in the making of the basic fiscal decisions. H.R. 7130 retains designation of committee members but reduces the percentages allocated to Ways and Means and Appropriations from 66 percent to less than 45 percent. Thus there would be a 23-member committee, with only 10 coming from the taxing and spending committees. Moreover, the 10 would be selected by party caucuses rather than by the committees they represent. Four additional changes expand the role of the House membership. First, the chairman of the Budget Committee would not have to come from Appropriations or Ways and Means; second, no member may serve on the Budget Committee more than 4 years—plus a fraction of a year—in five successive Congresses; third, selection of Budget Committee members is to be made without regard to seniority; fourth, two positions on the Budget Committee would be held by the Democratic and Republican leaderships.

LEGISLATIVE BUDGET OFFICE

H.R. 7130 originally provided for a joint legislative budget staff to serve the House and Senate Budget Committees. Some interested parties have pressed for a new congressional budget office not tied to particular committees and available to all Members and committees. The formula devised by the Rules Committee combines the advantages of a committee staff with assistance to Congress as a whole. We were concerned that if an independent office were established it would not be sufficiently close to the committee

process and the Budget Committees would be impelled to form their own staffs in addition to that of the new budget office. Further duplication would arise between the work of the budget office and the General Accounting Office.

H.R. 7130 now calls for a legislative budget office with a director appointed by the Speaker of the House upon recommendation of the House Budget Committee. But although it would have a special relationship to the Budget Committees, the legislative budget office would be authorized to provide available data and related technical assistance to other committees and Members.

FISCAL YEAR

One of the visible disabilities of the existing congressional budget process is the failure to complete action on appropriation bills prior to the start of the new fiscal year. The Joint Study Committee added a layer of budget procedures in the form of the concurrent resolution on the budget. Congress thus would have the same inadequate amount of time within which to complete more budget business. Some relief would be secured by the establishment of a March 31 deadline for the consideration of authorizing legislation but it will require an adjustment in the fiscal year to put an end to the continuing resolution.

Three possible changes were considered: an August 1–July 31 fiscal year; a fiscal year running from October 1 through September 30; and a shift to a fiscal year coinciding with the calendar year. An August 1–July 31 cycle was ruled out because it would give Congress only the additional month, not enough to make much of a dent in the delays. A calendar year was rejected for a number of reasons, including OMB's protest that it would not have sufficient time to prepare complete figures for the preceding fiscal year. A January 1 start would entangle the budget in electoral politics and would add to the burdens of the annual preadjournment rush.

The October 1–September 30 fiscal cycle was suggested by the Comptroller General in his appearance before the Rules Committee. Congress would have 3 additional months for budget work which would be completed well in advance of the national elections. An October 1 fiscal start is most in accord with the contemporary work schedule of Congress and would not cause undue disruption to the budget processes of State and local governments which receive Federal assistance.

CONTROL OVER BUDGET TOTALS

One of the most debated issues in budget reform has been whether the initial budget resolution should set firm ceilings on the subsequent actions of Congress or whether the initial levels should operate as targets to guide but not bind Congress in its spending decisions. The Joint Study Committee opted for spending ceilings because it felt that anything less than a binding limit would dilute the purposes of budget reform. If the initial budget resolution were only a target, the apprehension was that it would become a base from which various interests would pressure for higher spending. Congress would merely go through the motions of ratifying the higher levels set in the original appropriation measures.

When the Rules Committee began its consideration of the issue, many of its Members favored spending ceilings. But after we reviewed the many problems associated with early ceilings, we agreed that targets offer the most workable approach to genuine spending control. The same shift in viewpoint was accepted by the two House cochairmen of the Joint Study Committee who worked closely with the Rules Committee in preparing a version that could receive broad support.

Early spending limits have two inherent shortcomings. First, they deprive Congress of a flexible response to changing circumstances; second, they downgrade the utility of the appropriations process. Flexibility is an essential ingredient of any budget process. Conditions and needs change rapidly and Congress must be in a position to take appropriate action. Consider what might have happened this year if a total ceiling had been applied shortly after the President submitted its budget. Congress would have been inhibited in responding to the dollar devaluation which has necessitated an additional $2 billion in budget authority for fiscal year 1974. It would have been similarly inhibited from responding to the inflation which has reduced the real income of social security pensioners or to the military requirements arising out of the Mideast crisis. While these circumstances have been peculiar to fiscal year 1974, every year brings its share of surprises. During the past decade, there have been an average of three supplemental appropriations providing almost $10 billion in new budget authority each year. If a spending ceiling were imposed, Congress either would have to go through the laborious concurrent resolution process everytime spending needs escalated or it would leave itself incapable to respond to changing conditions.

The second problem is that a firm spending level would severely depreciate the value of the appropriations process as a means for determining Federal spending policy. In effect, the main forum for establishing expenditure levels would be the concurrent resolution which would be decided early in the year before Congress has had ample opportunity to examine the specific justifications offered by Government agencies. By the time the appropriations process was reached, the main decisions already would have been locked in by the early budget resolution.

The proper course is to preserve and enhance the appropriations process which has consistently demonstrated its effectiveness as a means of budget control. Year after year, appropriations are within the "targets" recommended in the President's budget, with any added funds in the form of backdoor spending. The appropriations process would be assisted if Congress were to take over the job of setting early targets, leaving to the appropriations machinery the capability to make whatever spending decisions the majority of Congress determine to be suitable.

This procedure is contained in H.R. 7130. The first budget resolution to be adopted by May 1 would establish guidelines but would not restrict the processing of appropriations measures through Congress. After all spending measures have been acted upon, it would be appropriate for Congress to set firm spending levels, taking whatever steps it seems necessary to implement its final determination. Under this sequence, the spending level would derive from rather than supersede the appropriations process. Of course, if Congress decides that total appropriations are in excess of a suitable level, it would be able to reduce appropriations to bring them into line with its preferred appropriate level.

DETERMINATION OF PROGRAM PRIORITIES

The Rules Committee was presented with strong arguments in favor of competing versions of budget control. One position, taken by the Joint Study Committee and others, was that the budget resolution should set program targets in addition to overall spending levels. The total spending level would be divided into specific categories such as major program areas or the various appropriation bills.

Two reasons were offered in behalf of this approach. First, that unless Congress sets program levels, any decision on spending totals would be a meaningless gesture because the totals cannot be decided apart from the programs that comprise them. If Congress only looks at the totals, it will not know what they portend for individual programs and it will be impelled to abandon its decision on totals when it gets around to making individual spending choices.

An additional reason is that Congress should have the opportunity to determine spending priorities by comparing the relative value of each program area within a comprehensive budget process. Because the present system is fragmented, with decisions stretching over many months, Congress has no real opportunity to decide spending priorities. It would be given this opportunity if the initial budget resolution set forth the appropriate target for each category.

Despite the attractiveness of a priority-setting process, two appealing arguments were advanced against it. One was that if the budget resolution deals exclusively with "macro" issues, it would be able to give proper attention to the effect of the budget on economic conditions and this vital task would not become entangled in the separate matter of program priorities. Inevitably, the congressional budget process would be much more complicated and controversial if it were to address individual spending issues and consequently it would be much more difficult to obtain timely agreement within Congress on macroeconomic policy. The need to reconcile overall spending totals with individual program levels was the main reason why the Joint Study Committee proposed intricate floor procedures and a restrictive "rule of consistency."

A second consideration is that a full-fledged "priorities debate" would be necessary to establish program levels but such a debate would occur early in the

session without benefit of the careful review and data assembled via the appropriations process. The appropriations process would be diminished in stature and utility as Congress prematurely made its decisions before the essential evidence had been gathered.

H.R. 7130 proposes a balanced course of action which gives Congress the benefit of knowing how the spending totals have been derived but without interfering with the appropriations process. The budget resolution would allocate the spending target among major functions such as health, income security, and national defense, not by discrete program areas. In this way, Congress would be able to lay out national priorities but it would leave to the appropriations process the determination of spending policy. Moreover, the functional levels, like the overall total, would be targets and would serve to assist rather than bind Congress in its action on the various money bills.

Although there would be an overlap between functional and appropriations categories, the situation would not be much different from what it now is. The budget now categorizes expenditures by both function and appropriations unit. In the new congressional budget process, Congress will have the capability to reconcile the two sets of classifications. This is not a difficult task and can be handled with modern data processing techniques.

TAX POLICY

A comprehensive budget process must include the coordination of spending and tax policy. If this coordination is lacking, Congress will be unable to assert its will on the appropriate level of surplus or deficit in the budget. Rather than using the budget to manage the economy, Congress would find itself uninformed about the overall effects of its actions on the economy.

Most of the budget control alternatives considered by this committee provided for the identification of the appropriate level of budget surplus or deficit. However, the original version of H.R. 7130 proposed by the Joint Study Committee went a big step further and would have virtually compelled Congress to adopt a tax surcharge if estimated revenues were less than the level set in the second budget resolution. Congress would have been barred from adopting a supplemental—or wrapup—appropriation bill before adjournment unless it also enacted a tax surcharge—or a substitute tax measure producing the required amount of revenue.

I strongly believe that the coordination of tax and spending policy should not be achieved at the expense of congressional control over the budget. Congress should not be forced to adopt tax legislation; rather it must have free rein to determine the tax policy it considers appropriate in the light of economic and other conditions. Accordingly, H.R. 7130 as reported provides that the second concurrent resolution—to be adopted by September 15—shall direct the House Ways and Means and Senate Finance Committees to report any implementing legislation that Congress determines to be necessary. In this way tax legislation would be pegged to a specific congressional decision and would not be automatically triggered by a formula.

RECONCILIATION OF SPENDING ACTIONS AND BUDGET RESOLUTION

Under the procedure laid out in H.R. 7130, the initial budget resolution would contain spending targets. Pursuant to its adoption of this resolution, Congress would go through the various spending measures, taking whatever action it deems appropriate.

After this process has been completed, Congress would be in a position to make a final determination—subject to revision if Congress so desires—of overall spending. At this stage, Congress would have to reconcile its total spending decision with the sums of the individual bills. The bill has a reconciliation procedure that enables Congress to take whatever combination of actions it wishes. Of course, the reconciliation would be necessary only if the individual spending bills aggregated in excess of the total set in the second budget resolution. If this happened, Congress would adopt a budget reconciliation bill providing for the rescission or amendment of appropriations; the adjustment of tax rates; and/or adjustment in the limit on the public debt. This procedure would give Congress the capability to carry out a comprehensive and consistent budget policy.

LINKUP OF BUDGET AND IMPOUNDMENT CONTROLS

Earlier this year, the House approved H.R. 8480 to control the impoundment of funds by the President. At the time, we recognized that impoundment control is closely related to overall budget control by Congress. Nevertheless, we believed unprecedented impoundments of fiscal 1973 funds by the President made it imperative that the enactment of impoundment legislation not be delayed by the search for new congressional budget procedures. For this reason, title II of H.R. 8480 contained an interim budget control procedure to apply only to fiscal year 1974.

Budget reform and impoundment control have a joint purpose: to restore responsibility for the spending policy of the United States to the legislative branch. One without the other would leave Congress in a weak and ineffective position. No matter how prudently Congress discharges its appropriations responsibility, legislative decisions have no meaning if they can be unilaterally abrogated by executive impoundments. On the other hand, if Congress appropriates funds without full awareness of the country's fiscal condition, its actions may be used by the President to justify the improper withholding of funds. By joining budget and impoundment control in a complete overhaul of the budget process, H.R. 7130 seeks to insure that the power of appropriation assigned to Congress by the Constitution is responsibly and effectively exercised.

THE CONGRESSIONAL BUDGET PROCESS

Title I of H.R. 7130 provides for the adoption each year of a congressional budget, including a determination of the appropriate levels of revenues, expenditures, and budget surplus or deficit. Title II establishes a control procedure whereby either House of Congress may prohibit the President or any other officer of the executive branch from continuing an impoundment.

Title I reforms the authorizations-appropriations process within Congress. An important feature is a revised timetable that allows more time for the consideration of major policy choices and substantially reduces the likelihood of continuing resolutions because of failure to complete action on the appropriation bills before the start of the fiscal year. The fiscal year would run from October 1 through September 30, adding 3 months to the period available for congressional action. Within this fiscal calendar, Congress would complete action on authorizing legislation by April 1; adoption of an initial budget resolution would follow 1 month later; all appropriation bills would be cleared by August 1; Congress would adopt a final budget resolution by September 15; any required implementing legislation would have to be enacted prior to adjournment.

The first concurrent resolution on the budget would set tentative total levels for new budget authority and outlays, the appropriate spending level for each functional category in the budget, and the overall levels of Federal revenues, debt, and surplus or deficit. These figures would operate to guide Congress during its subsequent consideration of the various spending bills. To facilitate timely and informed action on appropriations, H.R. 7130 provides that the House Appropriations Committee shall not report any bills until it has completed the markup of all appropriation bills. Moreover, all regular appropriation bills which exceed their original targets would be held by the Congress—not enrolled or sent to the President—until it has adopted a second budget resolution—by September 15—and, if necessary, a budget reconciliation bill. The second budget resolution establishes the appropriate level of budget authority and outlays and may call for implementing legislation to be reported by the appropriating or revenue committees of Congress. The implementing legislation is to be in the form of a budget reconciliation bill and may provide for the rescission or amendment of appropriations or for adjustments in tax rates. After the implementing legislation has been adopted, the appropriation bills would be sent to the President.

The bill incorporates backdoor spending into the congressional budget process. Under new procedures, backdoor spending—such as contract authority, loan authority, and mandatory or open-ended entitlements—could not take effect until funds were provided through the appropriations process. Existing backdoor spending would not be covered by the new procedures until October 1, 1978. However, certain types of spending such as that derived from self-supporting trust funds would be excluded from the new controls over backdoor spending.

New budget committees would be established in the House and Senate with jurisdiction to report the two budget res-

olutions required by the legislation as well as any other budget resolution which revises the overall spending totals. Membership on the House Budget Committee would be limited to 4 years—plus a portion of a year—within five successive Congresses, and all appointments would be made without regard to seniority. Of the 23 members of the House Budget Committee, 5 each would be drawn from the House Appropriations and the Ways and Means Commitee, 11 from other standing committees, and 1 each from the majority and minority leaderships.

The Budget Committee would not have jurisdiction over any authorizations or appropriations. Authorizations would continue to be reported by the various legislative committees and appropriations by the Appropriation Committees. In addition, the budget reconciliation bill required by the legislation would be reported by the House Appropriations Committee, with any tax measure required to be included therein coming from Ways and Means.

The new Legislative Budget Office would assist the House and Senate Budget Committees. It would be headed by a director, appointed by the Speaker upon the recommendation of the House Budget Committee. The Legislative Budget Office would have authority to obtain data related to its functions from the executive branch and to furnish information and assistance to committees and Members of Congress.

Title II of H.R. 7130 establishes the procedure by which the Congress can require the President to cease any impoundment of funds.

It directs the President to notify the Congress by special message whenever he or any other officer of the executive branch impounds funds. Each such special message, which shall deal with only a single impoundment, is to be sent to the Congress within 10 days after the impoundment. Upon its receipt, each message would be referred to the Appropriations Committees of the House and Senate. The impoundment reported in that message would have to stop immediately if either House passes within 60 days a simple resolution disapproving it. The bill specifies procedures for expeditious consideration of disapproving resolutions.

The Comptroller General is directed to provide Congress with information concerning impoundments reported by the President. He would also notify the Congress of any impoundment not reported by the President, and in such cases that notification would trigger the disapproval procedure. In addition, the Comptroller General is authorized to bring civil actions on behalf of the Congress to enforce compliance with the requirements of the bill. It would, however, be necessary for the Comptroller General to secure the approval of Congress in any particular case.

Title II also disclaims any intent to deal one way or the other with the constitutional powers or limitations of either the President or the Congress, or to ratify past impoundments, or to affect pending claims concerning any impoundment.

Having done that, Mr. Chairman, I would like to describe very briefly what happened in the Rules Committee.

This piece of legislation was studied very carefully in the beginning by a joint study committee. It produced as the Whitten-Ullman bill a unanimous report, a unanimous piece of legislation by the 16 House members of that committee, H.R. 7130, which was referred to the Committee on Rules. Over a period of time the Committee on Rules found it wise to hold hearings. In that period of time the authors of the bill itself recognized that there had been certain arguments made and certain points made that made it wise to modify the original text of H.R. 7130.

Over a period of many months of consideration we gradually arrived at an accommodation, not a perfect accommodation, not a perfect compromise, not an agreement to which everybody adhered, but an agreement to which all the different groups of the House adhered to a sufficient degree that I believe we can say that this bill before us represents a compromise supported by a very substantial majority of the House.

There will be some amendments offered to title I. I think title I is the title that has the broadest support. That is the title that deals with the establishment of a budget committee and a process for arriving at overall ceilings on spending, on taxing, on deficits, on debt limitation.

It also provides for subdivisions within that, so that early each year the House may have a debate on national priority as between large subdivisions in the overall budget. Functional categories are the technique we use as a description that appears in the budget for something that divides up the various broad policy areas that come before us for funding.

There was a compromise in that area. There was a compromise as to the composition of the committee. Some wanted, and I wanted at the time, although I support the present provisions of title I, with one minor exception, every provision of title I, some wanted one kind of committee, some wanted another kind of committee.

The result is a compromise; 23 Members, 5 designated from the Committee on Ways and Means to be chosen by each party's conference or caucus, rather than appointed by the committee; 5 from the Committee on Appropriations chosen in like fashion: 11 from the membership at large chosen in the usual fashion by caucus and conference, and 2 from the leadership, a 23-member conference committee.

The staff is a compromise, the staff director is to be appointed by the Speaker in consultation with the Budget Committee. The staff will be available not only to the Budget Committee, but to all the Members and all the committees.

The timing was a compromise. We had a discussion of all kinds of charges in the fiscal year and we decided on the first of October as the beginning of the new fiscal year and we do discuss at length in the committee report the reason for that particular selection.

The way in which we dealt with appropriations, after we had come up with the overall ceilings, was again a compromise. In other words, title I of this bill is an accommodation between the fractions, between the groups, between attitudes, which I believe is largely supported by the majority.

Now, title II, I fear, is more controversial. It is a section that I believe is absolutely essential to the bill as a whole. If we do what title I says we will do, and makes it possible for us to do, we will be behaving in a wholly responsible fashion.

We will be setting ceilings on spending. We will be deciding openly and clearly what we intend to do about any deficit, if there is a deficit, by dealing with the debt limits. If, at the end of the process, we find that we have exceeded our goals, then we will be required to reconcile those goals in a fashion that is responsible and open by providing for scaling down, perhaps, appropriations; increasing taxes; or a combination of the two. We will have an open, overall process.

Title II, I consider essential because it is very much like the anti-impoundment bill that we passed some time ago in the House. It is the only thing that will preserve the integrity of the budget process, assuming that we follow it precisely as we intend, because unless we have an anti-impoundment provision, the Congress could set its priorities, could do everything in a wholly responsible way, and the President still, if he chose to by impoundment, could change all those priorities.

So, it is an essential element, in my judgment, of a total, overall effort on the part of the Congress to take back its full responsibility, to take back its full power in deciding on the overall spending limit systematically, on the priorities within spending limitations, on the way of financing that spending.

I should say that no one should have any illusion that this bill, when it goes through the whole process, will be an automatic cure. We are moving from a very primitive situation in which many of us are not aware that our votes on appropriations have very little effect on spending for a particular year. We are moving, hopefully, a step or two in the direction of coming to a time when we actually do what any other large establishment would do about the spending of money, and the source of the money spent. We will be making decisions in a given year as to what will be spent in that year, much of which will be foreordained by previous actions in previous years. We will be making decisions in each year which will have a great deal more impact on the spending of the next year and the year after than it will on the current year.

Hopefully, we ultimately will come to a time when we will be making plans for the third year and the fourth year and perhaps even the fifth year. This bill does not take us from a beginning where we are quite primitive to an ending where we are very sophisticated. It enables us to walk some very important steps in the right direction.

Mr. Chairman, I think this bill is a compromise that can work. I think that the various component parts fit together.

I think it is important that the bill remain together. With that, Mr. Chairman, I propose to speak no longer, but at some point in time I will be glad to take questions from any Member. I have a number of Members on this side to whom I will yield time.

Mr. MARTIN of Nebraska. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, as the gentleman from Missouri has described, the legislation which we have before us this afternoon is probably one of the most important bills that this House will consider in this Congress. It is absolutely essential that the legislative branch of the Government get control of the budget and of expenditures.

In 1921 the Budget Control Act, which set up in the Office of the President of the United States the Bureau of the Budget, was passed by the Congress. That Office was directed to prepare a budget for the President, and that has been done every year since that date.

Mr. Chairman, let me call the attention of the Members to the expansion which we have had in the Federal Government over the years and before the Budget Act was passed. Receipts have multiplied 100-fold from the $2 billion budget in 1933 to almost $250 billion in 1973. The public debt, as a result, has ballooned at an astounding rate.

The total debt was approximately $1 billion at the turn of the century. Now mittee demonstrates that deficit financing has become a way of life in Federal budgeting. In 37 of the past 54 years there has been a budget deficit.

We can see, Mr. Chairman, how essenit is almost 500 times higher.

The report of the Joint Study Comtial and how mandatory it is for the Congress to get control of spending by setting up a Budget Committee.

Now, I do not say that this is going to be a panacea and is going to provide a complete control of this problem. This same attempt was made back in 1946 with the Reorganization Act, but it did not work out. It was tried by the House and the other body for 2 years and then was dropped as being unsatisfactory.

The Committee on Rules has held extensive hearings on this subject, and we have tried to come up with a piece of legislation which will be enduring, which will avoid the pitfalls of the 1946 Reorganization Act, which will be meaningful, and which will be effective in accomplishing the job that we are trying to accomplish.

Mr. Chairman, I want to pay tribute at this point to the work of the Joint Committee, which did such an excellent job in its many hours spent on this subject and in coming up with and reporting unanimously a piece of legislation on this same subject.

I want the gentlemen who served on that Joint Committee to know that this effort created the foundation and the basis for the piece of legislation which we have before us today, and those Members greatly helped in our work in the Committee on Rules in reporting out this bill which is before us this afternoon.

Now, let me talk for just a moment about some of the features of the bill itself.

As the gentleman from Missouri (Mr. BOLLING) has explained, this bill is the result of a series of compromises, compromises on both sides of the aisle, and we worked in harmony with one another in trying to reach some reasonable compromises in order to come up with a good bill. We reported it unanimously from the Committee on Rules.

Mr. Chairman, I support completely title I of this legislation. Although there were some things I would have preferred to be included in title I which were not, I do support it completely.

In regard to title II, I must advise the House that I am not in agreement with the impoundment section of title II, and when the proper time comes, I expect to offer an amendment to delete title II from the legislation.

The bill which was reported out by the joint committee in regard to the membership of the Committee on the Budget, comprised seven members from the Committee on Ways and Means, seven members from the Committee on Appropriations, and seven members from the legislative committees—a total of 21 members.

It was proposed that this composition of the committee be disregarded and that 21 members be appointed at large from the various committees of the House. There were some objections to this proposal.

As a result a compromise was adopted which I think is a good compromise. Of the total of 23 members of the Budget Committee, 5 will be from the Committee on Ways and Means, 5 from Appropriations, 11 from other legislative committees, and 1 from the leadership on each side of the aisle. That is a total of 23.

The members of the Budget Committee will be selected and elected in the normal manner in which the Democratic caucus selects their members to serve on the various legislative committees of the House and on the Republican side of the aisle by the Republican conference. The membership to be divided between the majority and minority will be worked out as it is in the other committees between the Speaker and the minority leader.

So there is no difference in the composition or in who serves on this committee as compared to all of the other appointments on legislative committees.

One other feature which is new and which I would like to call to the attention of the Members in this bill is that a Member may not serve for more than two Congresses, which would be four sessions, on the budget committee, except if a vacancy occurs part way through a Congress, when a Member may be appointed and then serve two complete Congresses or 4 complete years in addition to part of a session. That is the only major change from our national committee assignments.

Then a Member has to remain off the committee for a certain number of years before he can go back on the committee again.

The first concurrent resolution in regard to a budget is really a target. The joint committee recommended a tight budget in the first reporting resolution to come out of the committee. In fact, I approved of that. But again it was another one of our compromises. So we have a target date when we hope to have our first budget adopted on the floor of the House, by the 1st of May. This target will be set up on functional lines which will match and parallel the way that the Office of Management and Budget figures are made up, which are along functional lines.

Interested committees, such as the Ways and Means Committee, Committee on Appropriations, will appear before the budget committee before March 31. The adoption of the initial budget resolution must be accomplished by May 1. This will come to the floor of the House before this date and before it is finally adopted on the floor of the House with 10 hours of general debate and with an open rule. There will be adequate time in which amendments may be offered.

I hope we can have a meaningful debate in regard to priorities and in regard to the importance of one program as compared to another.

This will be a first in this area. The House will really have an opportunity to make history and to come up with effective legislation in regard to a budget through the many hours that we have set aside for debate on this budget bill.

The fiscal year has been changed from July 1 to October 1. One of the primary purposes of this change in the fiscal year date is for this reason:

The CHAIRMAN. The time of the gentleman has expired.

Mr. MARTIN of Nebraska. Mr. Chairman, I yield myself 3 additional minutes.

You are well aware that in the last several Congresses we have had to adopt continuing resolutions because we simply have not had the appropriation bills passed as of June 30, the end of the fiscal year.

By advancing the fiscal year to a date 3 months later we hope that we can eliminate the possibility of continuing resolutions in the future.

Another step which I think is progressive, and I hope will be effective to assist in this matter, is that authorization bills, in order to be considered in the appropriation measures, must be passed by April 1, except for emergencies. Otherwise authorizations are cut off as of April 1. The Appropriations Committee and the subcommittees can proceed to mark up their appropriation bills without having to wait for authorizing legislation to pass.

I hope that this also speeds up our process in regard to getting appropriation bills out on time.

Then the second budget bill will come to the floor of the House, and must be adopted by September 15.

The appropriation bills will all be prepared in the same manner as they are now from the various appropriation subcommittees, but will be held, and not reported out until all of them are ready to come to the floor of the House. Then they will be reported out in the normal man-

ner provided that they are below the figures that were sent up in the first concurrent resolution, and none will be sent to the President until we are sure that we are under the target figures we have set in the spring of the year.

After the final budget is adopted on September 15 the Committee on Ways and Means and the Committee on Appropriations will then both be called upon if action is necessary by one committee or the other, the Committee on Appropriations, if we are over our target date and over our budget, to make recisions in the appropriations.

If additional revenue is necessary according to the budget committee's estimates, then the Committee on Ways and Means will be called on to come up with legislation for additional revenue in order to stay within the budget.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MARTIN of Nebraska. Mr. Chairman, I yield myself 2 additional minutes.

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

Mr. MARTIN of Nebraska. I yield to the gentleman from California.

Mr. TEAGUE of California. Mr. Chairman, do I understand the gentleman from Nebraska to say that authorization bills must be completed by April 1?

Mr. MARTIN of Nebraska. That is correct.

Mr. TEAGUE of California. It occurs to me, Mr. Chairman, when you have a very complicated bill such as a general farm bill, which I always oppose, and I would not care if we never passed one, but we have weeks of hearings. And in a new Congress which does not really get underway until February 1, that is pressing it pretty tight to try to get the hearing completed on such a very complicated bill covering wheat, feed grains, corn, tobacco, peanuts, food stamps, and God knows what else, to have those hearings completed in that short period of time.

Mr. MARTIN of Nebraska. In answer to the point made by the distinguished gentleman from California, I would simply say that the committee is going to have to plan a little farther in advance than perhaps they have in the past, and start work either in the previous session or in the previous Congress on new farm legislation when it expires, in order to meet this deadline.

Mr. TEAGUE of California. I am sure the gentleman from Texas (Mr. POAGE) will do exactly that, because the gentleman is a strong advocate of general farm bills, as the gentleman from Nebraska knows, and is a tremendously hard worker.

Mr. MARTIN of Nebraska. Mr. Chairman, another point I would like to make in regard to this, if I may, is that we expect that the OMB can come up with a projected budget over the next 5 years, and we hope that the budget committee of the legislative branch of the Government will also project 5 years ahead.

Mr. TEAGUE of California. I thank the gentleman.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MARTIN of Nebraska. Mr. Chairman, I yield myself 2 additional minutes.

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

Mr. MARTIN of Nebraska. I yield to the gentleman from Indiana.

Mr. MYERS. Mr. Chairman, in years of reorganization of the Congress, which happens every 2 years, we frequently see the committee is not organized until well into February. That really means we have, then, 45 or 50 or maybe 60 days maximum for the authorization committee to come up with legislation. Was any thought given to whether or not this was sufficient time?

Mr. MARTIN of Nebraska. I am glad the gentleman asked that question, because I think we have the answer to that problem. In this legislation also will be included authority for the Speaker or the majority leader and the minority leader to call to Washington the newly elected Members or the holdover Members, those elected in November every 2 years, between November 15 and December 15 for organizational purposes. This is done, as the gentleman well knows, on a partisan basis. During that period of time it is expected that committee assignments will be made to the new Members of Congress, and that holdover Members who wish to transfer and make changes in their committees will be able to accomplish that, and that both the Republican Caucus and the Democratic Caucus will complete action on committee assignments, although they are not official until they are presented on the floor of the House and adopted on the floor on January 3.

By doing this, we hope then to be able to set up our committees on January 3 and to immediately proceed with the organization.

Mr. MYERS. I thank the gentleman.

Will the gentleman yield for one more question?

Mr. MARTIN of Nebraska. I yield to the gentleman from Indiana.

Mr. MYERS. How are emergencies to be handled? The issue here is the energy crisis we are now facing. We have had emergency legislation providing for an appropriation to administer this program. How would the gentleman provide for these emergencies in this legislation?

Mr. MARTIN of Nebraska. To determine what is an emergency will have to be left up to the judgment of the leadership in the House. I assume the gentleman is talking about the cutoff date of April 1 on authorizing bills.

Mr. MYERS. That is correct.

Mr. MARTIN of Nebraska. That would have to be left up to the leadership of the House.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BOLLING. Mr. Chairman, I yield such time as he may consume to the distinguished gentleman from Texas (Mr. MAHON).

Mr. MAHON. Mr. Chairman, I rise not to speak at length, but to endorse in principle the bill before us and to express the hope that we will be able to enact this proposed legislation without any drastic modifications in the committee version of the bill.

I do not want to appear to be rushing in prior to the recognition of members of the Committee on Rules who drafted the legislation which is before us today. But I do welcome this early opportunity to commend the objectivity and skill of the Committee on Rules in coming to an agreement on a budget control bill. I hardly anticipated that it would be possible. A great deal of credit must be given to the Committee on Rules for this remarkable accomplishment.

I assume that I probably am recognized at this time, because I am Chairman of the Committee on Appropriations. The Committee on Appropriations does have a considerable stake in this matter because our business is dealing with the expenditure and appropriation of funds. Members of the committee naturally would be expected to look very carefully and cautiously at any legislation which deals so significantly with the work of the committee.

As it is now, about 40 percent of all Government spending results from actions of the Congress on bills which are not associated with the Committee on Appropriations. In other words, the Committee on Appropriations, in handling money bills, handles about 60 percent of the spending. About 40 percent of the spending results from actions by Congress on bills handled by other committees. As I shall describe later, the bill before us proposes to deal with this situation.

I believe that the committee has come out with a good bill. The plan may not be perfect. It probably will need refinement from time to time, but I think it makes a good start. I for one do not want to rock the boat, so to speak, and try to make drastic changes during consideration of this measure. I think we ought to be rather hesitant to adopt any major proposed changes, because I believe this measure has a good chance of passage if we can hold it together in its present form. I believe that the results flowing from it will be good from the standpoint of the Congress and the country.

It is absolutely urgent that we do a better job to a better extent than we have been able to do it before. This gives us a vehicle with which to work.

Of course, if we do not use the instrument which is provided, if we do not have the will to achieve some economies and make some sacrifices, no legislation is going to be effective.

Mr. Chairman, this legislation represents a major legislative effort in the field of budget control—a subject that quickens the heart of the American taxpayer, and certainly a subject of vital importance to the role of the legislative branch of government.

I well remember the agonizing House debate on the $250 billion spending ceiling in October of last year. At that time we were dealing with the question of how much authority to delegate to the President in order to meet an impending fiscal crisis. There is no ambiguity in the Constitution, and there was no question then that Congress should be in the driver's seat in fiscal matters. But there was a strong feeling that Congress had

to exercise that authority more responsibly.

Now we have before us a set of well considered and carefully developed proposals to make the congressional approach to fiscal matters more effective. The committee report explaining these matters is very well written and deserves the attention of Members. Much credit is due to the Rules Committee and its distinguished chairman, the gentleman from Indiana (Mr. MADDEN). The committee has moved with energy and dedication this session on the tough problems of impoundment and budget control, and they have produced a rather straight forward, workable plan for our consideration.

I say again it is a remarkably fine job which has been done. Certainly, the gentleman from Missouri (Mr. BOLLING) and the gentleman from Nebraska (Mr. MARTIN), the ranking minority member of the Rules Committee, must be cited for their hard work and their contributions in the field of budget control, both in connection with their service on the Rules Committee and on the Select Committee on Committees. They and others who have worked so diligently over the months at this rather nonglamerous task are to be commended.

Of course, a great deal of the early yeoman work on budget control was carried out by the Joint Study Committee on Budget Control established in October of 1972. Paced by the cochairmen Messrs. JAMIE WHITTEN and AL ULLMAN, the Study Committee dug into this knotty problem and produced in a timely fashion several documents that have been very helpful to everybody connected with this overall effort.

TITLE I—BUDGET CONTROL

As I see it, the proposals under title I of this bill promise to improve significantly congressional performance in several major problem areas of budget control.

A COMPREHENSIVE VIEW OF SPENDING

Commonsense tells us that a comprehensive view of spending should be a good thing. I have taken the view that as far as practicable, the House should place under one roof all types of budget spending authority. As much as practicable all actions that mandate spending should be subject to a budget oriented scrutiny.

BILL CLOSES THE BACK DOOR

The proposals in the bill with regard to the back door move in the direction of providing Members with a more comprehensive view of the spending side of the budget. And that is to the good.

WORKING TOTAL ON APPROPRIATIONS BILLS

Consistent with the principle of developing a more comprehensive view of the spending side of the budget, the bill also provides for the Committee on Appropriations to report to the House the total budget impact of its recommendations on all the appropriations bills. Members would have this working total before them during the consideration of appropriation bills, and could see how any one bill fits into the total spending picture.

COMPREHENSIVE VIEW OF BUDGET

A key to our budget problems during the 1960's was that Congress and the Executive were not only increasing spending by dramatic jumps—they were at the same time taking tax actions that had the effect of reducing by substantial amounts revenues available to the general fund of the Treasury.

The closest the Congress comes now to relating total outlays with total revenues is in the consideration of the debt limit bill. And that occurs far too late in the process to offer any real opportunity to control.

A primary virtue of this bill is that it provides for timely consideration of revenues as well as outlays. Prior to the start of the fiscal year the concurrent resolution will bring together judgments on the appropriate total levels of outlays and revenues.

MANAGING THE ECONOMY

Managing the economy in pursuit of greater overall production while keeping inflation and unemployment at a minimum is now a familiar concept. Under this bill the Budget Committee would consider these and other factors to arrive at an appropriate deficit or surplus—that is an appropriate level of revenues and/or borrowing to finance an appropriate level of total outlays. This bill would equip Congress for the first time with a workable mechanism for choosing explicitly how the Federal budget ought to impact on the economy.

THE TIMETABLE

Essential to any proposal that promises more effective budget control for the legislative branch is provision for an improved timetable. Continuing resolutions have suffered the abuse of having to carry legislative intent for large portions of the Government for long periods of time.

Under this bill some improvement in the situation should be expected. Authorizations are required to be enacted earlier in the year—thus permitting bills, and the fiscal year itself is moved to October 1, providing the Congress another 3 months for consideration of the budget.

TITLE II—IMPOUNDMENT CONTROL

The Committee on Rules has included an impoundment review title in this bill with provisions essentially identical to those in the impoundment review legislation passed earlier this session by the House, but not yet enacted into law.

In my own view it is necessary to follow this course. Under the budget control provisions of this bill, Congress would establish budget totals that it determines are appropriate for the economy.

The situation could still occur, however, that the Executive would disagree with those amounts and follow a policy of impounding appropriated funds in these circumstances. Congress should have available established procedures for reviewing such impoundments.

CONCLUSION

As with all legislation in vital and controversial areas, this bill contains many compromises. However, it represents a constructive and reasonable approach to budget control and impoundment review. Like most legislation this bill will depend on men of good will to implement its purposes and to work out its provisions. This bill is not perfect and, of course, can be modified from time to time. However, I consider it a workable proposal. And I am supporting it.

Mr. MARTIN of Nebraska. Mr. Chairman, I would like to correct, if I may, a statement I made a few moments ago in replying to the gentleman from Indiana.

I have been working quite diligently not only on this legislation but also on the legislation from the Select Committee on Committees which has jurisdiction and a direction to change some of the rules of the House on the committee jurisdictions and so on.

In answer to the question of the gentleman from Indiana, I replied that included in this bill or a part of this package was to bring back the newly elected Members in November and the holdover Members for organization purposes only between November 15 and December 15. That is not in this bill, Mr. Chairman. It is in the legislation we are working on in the Select Committee on Committees, so I did misspeak there and I want to correct that.

I might announce to the members of the committee that we hope to have out Committee Print No. 1 from the Select Committee the latter part of this week or the first part of next week, and as soon as it is printed it will be distributed to all Members of the House and we can all take a look at it. This might be the first of 10 or 15 committee prints but it will be distributed to all Members.

Mr. Chairman, I yield 10 minutes to the gentleman from Illinois (Mr. ANDERSON).

Mr. ANDERSON of Illinois. Mr. Chairman, I rise in support of H.R. 7130, the Budget and Impoundment Control Act of 1973. I think that along with the war powers resolution which we enacted earlier this year, this will prove to be one of the most monumental reassertions of congressional prerogatives in this century. I do not think anyone can question that the declining role of the Congress in this century can be directly attributed to our delegation and abdication to the Executive of the two most important powers assigned to us by the Constitution—the power to declare war and the power of the purse. In the case of the former, the long and tragic Vietnam war finally prompted the Congress to reclaim its war powers responsibilities. In the case of the latter, the great debate over national priorities given limited resources and great budgetary constraints, the policy differences between an Executive of one party and a Congress of the other, and the resulting confrontation over the issue of the impoundment of funds—these factors have finally prompted the Congress to set about putting its own fiscal house in order and make it possible for the Congress to play a greater role in setting national priorities.

While the clash between differing political ideologies and social policy objectives has been primarily responsible for

moving this legislation to the floor today, this bill cannot and should not be viewed in a partisan sense. Congressional budget reform has had longstanding bipartisan support as a means for us in the Congress to act in a more fiscally responsible manner and in a manner in which we are not totally dependent on the Executive budget process and proposals.

There can be no question, Mr. Chairman, that the Congress has become overly dependent upon the Executive budget process in this century. We intentionally delegated major new budget responsibilities to the Executive back in 1921 with the Budget and Accounting Act and the establishment of the Bureau of the Budget. That act vested the President with the responsibility of preparing an annual Federal budget and transmitting it to the Congress. Prior to that time, agency budget requests went directly to the Congress. What has happened since 1921 is familiar history to us: While the Executive budget function grew stronger and more centralized, the congressional budget function grew weaker and more fragmented. As our committee report notes, these divergent trends resulted in a "dangerous mismatch in executive and legislative resources." While the President has a vast budget bureaucracy at his command both within the agencies and in the Office of Management, and some 18 months to prepare a budget, the Congress must squeeze its budget decisions and actions into a few short months, relying primarily on executive branch expertise and information. Partly because of our conditioned dependence on the Executive over the years, and partly because of the great proliferation of spending responsibilities and decision-making powers in the Congress, the sad fact is that we do not have a rational budget process we can call our own; instead we have what our committee report has termed "an agglomeration of separate actions and decisions."

By increasingly shifting the budget and spending responsibilities and decisions to the Executive since the 1921 act, we in the Congress could avoid incurring the taxpayers' wrath for overspending or misspending their bucks by simply passing the buck. Thus we have the biennial debate as to whether it is the Congress or the President who is the most fiscally irresponsible. The hard cold facts are that our national debt has increased 500 percent since the turn of the century and in 37 of the past 54 years we have been running a budget deficit. It matters little who is to blame for regardless of where the blame falls, the country suffers. Even today we hear about how many billions of dollars our appropriations committees have reduced administration budget requests over the last few years, and yet, for some mysterious reason—if backdoor spending is any mystery—we continue to spend more than we receive, and the national debt continues to climb. I would submit that there is plenty of blame to go around, but there can be no dispute that we in the Congress can and must do a better job of fiscal management through a reformed congressional budget process.

Last fall we finally came to realize this when we established the Joint Study Committee on Budget Control to formulate recommendations for reforming our budget process. That committee is to be commended on the work it has done and the recommendations it made last April. Our own Rules Committee has been grappling with those recommendations for the past several months and has heard numerous additional witnesses both from within the Congress and from without. As a result of the many reactions and recommendations relating to the proposals of the Joint Study Committee, we have reported a clean bill which I think is a responsible compromise designed to meet the many objections originally raised and accommodate the many competing interests affected by such a major overhauling of our budget process. That is not to say this bill cannot stand further improvement by amendments in this body tomorrow; in fact, I intend to offer some of my own and support some which will be offered by my colleagues. But I do think that the legislation which we have brought before this body will accomplish the objective of better coordinating our spending and revenue decisions and of equipping us with the means to do a better job of exercising independent judgment when it comes to setting national priorities.

Under the legislation before us today, new budget committees would be established in the House and Senate, assisted by a jointly shared Legislative Budget Office. These committees would be assigned the responsibility of formulating a congressional budget. A tentative budget resolution would be voted on by May 1. That resolution would recommend targets by functional categories for total budget outlays and new obligational authority; and it would also recommend appropriate overall levels of Federal revenues and the public debt, and the appropriate amount of budget deficit or surplus in view of the economic situation. No appropriations bills could be considered before the passage of this tentative concurrent budget resolution, and no appropriations bills could finally be acted upon until all are considered in relation to the others and the recommended budget targets. If final appropriations actions exceed these recommended levels, a final budget reconciliation bill must be reported which takes account of these changes and makes appropriate provision for them.

In addition, this bill takes a most important step in returning backdoor spending authority to the Appropriations Committees. Under this bill, beginning in fiscal 1978, the Congress would set annual limits on backdoor outlays through the appropriations process. I think this is a most important feature of the bill because backdoor spending is probably the primary area in which the Congress has been irresponsible in not taking the necessary fiscal overview.

Mr. Chairman, in the brief time I have remaining, I would like to explain three amendments which I intend to offer at the appropriate time. The first amendment is designed to resolve the problem we have in trying to compete with the OMB in independently formulating a congressional budget. I think my colleagues would agree that it would be not only too ambitious but ridiculous to attempt to duplicate the budget bureaucracy they have downtown with our own congressional budget bureaucracy. Yet, we are faced with the problem of how to make intelligent business decisions on our own as dependent as we are on executive expertise, particularly that of the OMB. The amendment which I intend to offer would require that the President submit two alternative budget options for each functional category in the budget—one high and one low—along with an objective and detailed analysis and rationale for each option. It seems to me this is one way in which the Congress will have greater flexibility in exercising some independent judgment without having to sift through all the raw agency data and requests, most of which is of a provincial and self-serving nature anyway. I appreciate the fact that this will impose an additional burden on the executive and perhaps make the budget an even bulkier document than it is today, but it seems to me that this would not be all that difficult for the OMB to comply with. OMB must deal with similar options itself in arriving at a decision. I think the Congress should have full access to these options and the supporting arguments for them.

Along with these options, my amendment would also provide for a new dimension of policy analysis and program evaluation as part of the President's budget. Each of the 14 major functional categories in his budget would have to include summaries of any existing analyses done by the administration regarding the effectiveness or ineffectiveness of its programs. These functional categories—such as health, defense, education and manpower, and the like—are the basic building blocks of the President's budget. They will also become the basic building blocks of the congressional budget resolution under H.R. 7130. Clearly it is time to develop new analytic mechanisms to help us determine the size of these blocks of funds—that is, to help us determine national priorities.

In my view, OMB should therefore present us with all relevant program evaluations, regardless of whether such evaluations supported the President's chosen option for the given functional category.

Mr. Chairman, only yesterday, it was revealed that when the administration decided to terminate the housing program last winter, the decision was made not on the basis of policy analysis or program evaluation—but on the basis of general impressions and the need to save half a billion dollars somewhere in the budget. Only after the decision was made was an elaborate policy rationale for the program termination developed.

The outrageous revelation that career policy analysts were directed to develop a rationale supporting a policy decision

that had been already made, while the administration pretended that the decision was the result of such policy analyses, should not come as a complete surprise to the Congress. Last spring, when the Joint Economic Committee requested from OMB Director Ash the policy analyses upon which the budget cuts were based, it received, 2 months later, a series of obviously hastily written one- or two-page justifications for each of the 100-odd budget cuts. The vast majority of these justifications were largely rhetoric, casting grave doubt on the statement by the OMB Director that the administration's 1974 budget cuts were based on the most complete and exhaustive series of program evaluations ever conducted.

The conclusion of the Joint Economic Committee last April was that OMB had "made no analytical evaluations to support the real budget cuts that were made. Moreover, the information provided to the committee as formal justification for the budget cuts is of such low quality that Congress cannot rely on it in formulating spending reform and setting national priorities."

This state of affairs convinces me that a totally new dimension of policy analysis and program valuation must be required of the President in his budget submission. Otherwise the budget will increasingly become a political document filled with rhetoric, and the Congress will increasingly be forced to deal individually and discreetly with the individual agences—which is no solution at all, since spending in any given area almost always involves several or more agencies, each of them trying to outspend the other.

The second amendment which I intend to offer to title II, the impoundment title, is one which is very familiar to the membership of this body since I offered it when we were considering the impoundment bill back in July. This amendment would simply provide that both Houses of Congress must disapprove an impoundment by passage of a concurrent resolution rather than permitting just one House to terminate an impoundment by passing a simple resolution.

I might point out that when I first offered this amendment to H.R. 8480 back on July 24, it was rejected by a one vote margin, 205–206. I think the reason that this amendment had strong support on both sides of the aisle was that the Members of this body realized we would be sacrificing the prerogatives of this House if we simply permitted the other body to force up spending, no matter how valid or how justified a particular reservation of funds might be. We pride ourselves in this body on the fact that the Constitution has specifically delegated to us the initial responsibility for acting on revenue measures, and this has traditionally applied with respect to appropriations bills as well. Now, all of a sudden, we are turning around and giving exclusive authority to the other body to take significant spending actions, even if this body should vote in favor of a particular withholding of funds.

In addition, I might point out that the simple resolution approach obviously does not allow for amendments to an impoundment resolution which must deal with an entire Presidential impoundment message. By providing instead for the concurrent resolution approach, my amendment specifically permits the selective reporting of an impoundment resolution and the amendment of that resolution on the floor. I think this is important since, as the chairman of the Appropriations Committee observed in testifying on his impoundment bill which did provide for concurrent resolutons of disapproval, the President could strategically package these impoundment messages in such a way that the Congress might be discouraged from vetoing the entire package. I think, in conclusion, that we must not only preserve the prerogatives of this body when it comes to matters of spending, but that we must also preserve the flexibility of both bodies in dealing with these impoundment messages.

Finally, I shall propose, along with Mr. REUSS, of Wisconsin, a third amendment which would add an urgently needed new dimension to the way the Congress and the Executive look at the Federal budget. Under this amendment, the budget bill would consider tax expenditures as well as direct expenditures. As it now stands, the budget that would be created under H.R. 7130 would accept the much too simplified notion that the Government only looks at budget outlays and budget authority when it looks at spending. The fact is, that Government should also look at the tens of billions of dollars that are lost to the Treasury through tax credits, tax deductions, and other provisions of the Federal tax laws which allow special or preferential treatment for individuals or organizations.

This amendment is what I would term a truth-in-budgeting amendment. It should not be misinterpreted as being a tax reform amendment. I personally support certain of the deductions and credits that individuals and businesses and organizations can now take under the tax laws. But I also see no difference between revenue that the Government forgoes through such provisions and revenues spent through Government programs.

This amendment would therefore make Congress fully aware of the extent of both kinds of expenditures—tax expenditures as well as direct expenditures—as the Congress makes its budget decisions.

The Senate budget bill, S. 1541, requires that Congress be thoroughly informed about such tax expenditures throughout the budget process, and the Senate Government Operations Committee approved this measure unanimously. I believe the House should do no less.

Mr. BURLISON of Missouri. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Missouri.

Mr. BURLISON of Missouri. I appreciate the gentleman yielding.

Mr. Chairman, how would the gentleman define the difference between high-option and low-option budget? I do not follow that.

Mr. ANDERSON of Illinois. As the gentleman knows, the budget comes to us in functional categories and with recommended amounts for these functional categories. I would simply suggest that instead of submitting one set of figures, that they submit three. Obviously, when the requests flow into the Office of Management and Budget from all of these Government agencies, they do not come in in the same form that they are finally decided upon by the Office of Management and Budget. I am sure that many of these agencies asked for greater amounts than ultimately are recommended by the Office of Management and Budget.

So, I would simply suggest that instead of one set of figures, we get three in which we have a high amount, the amount that they actually recommend and then on the low side, and then not only changes in the figures, but a detailed rationale, an analysis of why each of these was selected.

Does that answer the gentleman's question?

Mr. BURLISON of Missouri. Mr. Chairman, I appreciate the gentleman's answer. I still have difficulty in seeing how it would work. Is the gentleman going to have any criteria separating the highest option from the lowest option?

Mr. ANDERSON of Illinois. No, I say to the gentleman from Missouri that all I want the Office of Management and Budget to do is to explain why they have chosen the particular figure that they have and that they submit in the form of the President's budget. In doing so, I think they ought to be very open and frank with the Congress in confiding to us information that they have that would indicate, I am sure, that some people within the Office of Management and Budget probably felt that the amount ultimately arrived at was too high, and so they could provide the low option. In the case of the agency wanting more money than was granted, they could give us those figures and tell us what the arguments were in favor of the larger amount, so that Congress then would have the full range, the full range of option.

Mr. BURLISON of Missouri. Mr. Chairman, I thank the gentleman.

Mr. ANDERSON of Illinois. I do not think it would be necessary in the legislation itself to set up any particular criteria. I think the accompanying data, the analysis, the rationale that they provide would give us that explanation.

Mr. BOLLING. Mr. Chairman, I yield 10 minutes to the gentleman from Oregon, one of the principal authors of the bill H.R. 7130.

Mr. ULLMAN. Mr. Chairman, I thank the gentleman from Missouri, my friend, for yielding to me at this time.

This is a red letter day in the Congress. I particularly commend the Committee on Rules for their diligence in coming forward with a bill that includes the essential provisions for establishing a sound congressional budgeting system.

It has not been an easy battle, and we on the Joint Budget Committee know all too well the problems, the opposition, and the difficulties along the way.

This Congress and this Nation have been operating for too long on a budget system that does not put it all together. It is somewhat of a revolution to be here

today establishing a budgeting concept that will allow us for the first time to consider all of the basic elements in our economy and to put them together under sound procedures.

Mr. Chairman, I am going to support the bill as it is other than for technical amendments. I feel it would be wise for us to start here. There are other amendments and procedures that could very well be added, but this is a sound package; it is one that fits together and it is one that, in judgment, is workable. If we begin amending it on the floor, we may very well endanger the whole concept. So I hope Members of the House will support the bill as we have it before you.

Again I want to express my appreciation to the Committee on Rules for reporting this bill out as modified by them.

Of course, it came out of the Joint Budget Committee bill supported unanimously by all 16 Members of the House on the Joint Committee and also supported by all 16 Members of the Senate.

Those of us on the Study Committee spent a great deal of time in putting together the basic concepts.

I want to commend my colleagues on the Joint Budget Committee, particularly my good friend, the gentleman from Mississippi, JAMIE WHITTEN, cochairman with me on that committee. I want to commend all of the other members, the seven from the Committee on Ways and Means and the seven from the Committee on Appropriations, and the two members-at-large, the gentleman from Wisconsin (Mr. REUSS) and the gentleman from North Carolina (Mr. BROYHILL) for their diligence and hard work.

Let me just go through some of the key provisions and principles that are involved.

First, the bill would establish a budget committee in the House and in the Senate, separate committees with legislative authority. If we establish a joint committee with no legislative authority, we might just as well not go through the exercise. This brings the budgeting procedure right smack into the middle of the procedures of the House in a meaningful way.

Second is the basic concept for staffing. Here we preserve the concept of a joint high level staff, one that will operate here in the Congress and be available to the Members of the House and the Senate. There will be a high level budget director—with a staff that rises well above politics, irrespective of which political party is in control.

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

Mr. ULLMAN. I yield briefly to the gentleman from New Hampshire.

Mr. CLEVELAND. Mr. Chairman, I am pleased to note the remarks the gentleman has made about this being a nonpartisan committee and staff. I intend to introduce an amendment which will insure to the minority a third of the staff. I hope that I will have the support of the distinguished gentleman for this amendment.

Mr. ULLMAN. I appreciate the remarks made by the gentleman from New Hampshire. I hope we will be able to pass this bill without an amendment, but I certainly will be glad to listen to the arguments of my friend, the gentleman from New Hampshire (Mr. CLEVELAND).

Mr. CLEVELAND. I thank the gentleman.

Mr. ULLMAN. Mr. Chairman, third, we have adopted the basic principle of an annual budget. Many people do not realize that the Congress has never looked at annual expenditures. We program obligational authority to the executive branch. We build up a pipeline of $300 billion because of past obligational authority, but we never look at it in any meaningful way, procedurally. This will put the concept of an annual budget under one blanket. This has to be a basic ingredient of the package, including back-door spending, pipeline spending, automatic spending—the whole gamut of spending—putting it all together. We have adopted the basic concept of a concurrent resolution. Under this procedure in March we will bring before the Congress a concurrent resolution whereby the House and the Senate can set spending and revenue goals. This will not go down and be signed by the President. This will be our own exercise of self-discipline upon ourselves. In that concurrent resolution we will preserve the basic concept of first zeroing in on the right level of annual expenditures, and the right level of annual revenues. In other words, we will establish the goals.

This encompasses a whole new concept of debate here on the floor of the Congress. For the first time we will debate economic policy.

We will allow the Congress to debate the whole gamut of economic policy, and then make basic decisions as to the right levels of expenditures and the right levels of revenues.

Then in the second part of the resolution we zero in on spending priorities. Of course, priorities have to be the most significant and important things in any economy. That is what it is all about. That is what political parties are all about. That is what the Congress is all about. But we have no mechanism now to go into it. This system will give us the debate necessary on our priorities, whether in fact if we establish $270 billion as the expenditure goal, whether in fact the amount we are spending for defense is the right amount, and as this relates to welfare, education, or something else, we will be able to zero in on that problem, and establish new priorities.

Our budget will not be based upon what we did last year but what is right for the country at this particular time.

Once the Congress adopts this concurrent resolution, then we have to have a reconciliation process. We thus put into action through the appropriation process the decisions we have made. The spending bills that we pass must correspond with the discipline we take upon ourselves in the concurrent resolution.

The Joint Study Committee had a little different reconciliation mechanism, but the alternative as worked out by the Committee on Rules, I think, can work. I believe it is satisfactory and will do the job. Basically the appropriation committees will work their will under the ceilings and subceilings that we have imposed upon ourselves. Those bills that stay within the limitations that we have imposed can be sent to the President. Those not within the limitations will be referred back to the Committee on Appropriations. Then, at the end of August, with all of the appropriation measures completed, the Budget Committee will bring back a new concurrent resolution based upon the action of the Committee on Appropriations, taking into account any changes in the economic circumstances. We will then decide whether the priorities established in the appropriation process are correct whether we need to raise more revenue, or make adjustments in the debt limit.

I think H.R. 7130 provides a mechanism that will work. In September we lock-in our spending, revenue, and debt limit levels, and set final priorities. This is a basic element to any successful budgeting process. We must lock in before the beginning of the fiscal year. There is no other way to deal with the national budget.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BOLLING. Mr. Chairman, I yield 3 additional minutes to the gentleman from Oregon.

Mr. ULLMAN. I thank the gentleman from Missouri.

Thus, we begin the new fiscal year with a completed appropriation process and a total budget outlook. This certainly has to be one of the most significant parts of the package, and I congratulate the committee for coming up with a procedure that I think is workable.

This legislation will also involve Congress in budget planning and forecasting, not just for the fiscal year ahead but 5 years in advance. Unless Congress involves itself in long-range planning, it will never play a major role in shaping the policies and priorities of this Nation.

Certainly there are problems. I would rather have had subceilings based upon appropriation subcommittees, but the recommendations that were made were strongly urged by certain people, I think by the Committee on Appropriations, and I find no basic argument with them.

Much attention has focused on the composition of the Budget Committee. Under the terms of H.R. 7130, positions will be set aside for five members from Appropriations and five from Ways and Means. This provision has been attacked in some quarters as an effort to dictate to the party caucuses and somehow to undermine the trend to strengthen those institutions.

However, this Budget Committee was never intended to be just another "new" committee. The Study Committee was not trying to solve a serious problem merely by adding yet another layer of jurisdiction to the problems we already have. The logic behind the creation of a Budget Committee was to eliminate the fragmentation which has dominated Congress' budgetary deliberations and to bring together for the first time in 100 years or more those committees with jurisdiction and expertise in the area. Under the formal rules of this House, responsibility for revenue and spending rests with the Ways and Means and Appropriations Committees, respec-

tively. Not to provide for their membership on this Budget Committee would be to create yet a third committee to compete with the two now operating in this area. This would only compound our problems. Successful functioning of any budget committee depends on the whole Congress, of course, but to a very large extent it will depend on a close cooperation between the existing fiscal committees and the Budget Committee. I fear that the creation of a distinct and separate new fiscal committee without the membership provisions in H.R. 7130 would make such cooperation very difficult to achieve.

Under the Rules Committee bill, the members from Ways and Means and Appropriations will not be in a majority on the Budget Committee. If anything, the Budget Committee is more likely to be dominated by the legislative committees. Furthermore, we are not talking about some all-powerful, super budget committee. My own guess is that it will be difficult to recruit members for service on it. Membership on this committee will be an additional burden for Members to perform, taking a great deal of time with little reward.

The caucus will still be the body to determine who shall serve on this committee, including which representatives from Ways and Means and Appropriations serve. Membership will be limited to essentially two consecutive terms. The chairmanship will not be limited to the fiscal committees. Also, the bill specifically states that seniority will not be a consideration in selecting members for this committee.

I just want to conclude by saying that the reasons for what we are doing here today are not political. The reasons are twofold. In the first place, we cannot continue our present course of fiscal irresponsibility without destroying this Nation. Congressional budgeting has to be the first step toward fiscal responsibility. We have handed down to the Office of Management and Budget through the years all of the budgeting power, all of the priority functions. In this measure we bring these decisions back where they belong under the Constitution—back into the House of Representatives.

I want to say to my colleagues it is not going to be easy for us to bite the bullet, to have to face up to the fundamental issue of limiting our desires and our expenditures to conform with the national capacity to spend. That is what we are doing here. There are going to be many tough decisions made by the Members of this body.

But we are not going to fight our way out of the problems that beset this country unless we make tough decisions to hold the line throughout our economy, and the time to start is now. So what we are doing here today in establishing a congressional budgeting procedure is the most important step that ever could be made toward getting this country back on a sound track, getting the dollar back to its proper valuation and proper stability, and getting inflation under control.

By passing this bill to make possible reform of congressional budget procedures, we will have achieved much. This bill will make Congress a more respected institution and a more effective partner in Government by 1976, our 200th anniversary as a nation. And it will, in my opinion, be the most significant reform of the 20th century. I urge my colleagues to join me in voting for approval of H.R. 7130.

Mr. BOLLING. Mr. Chairman, I yield 10 minutes to the very distinguished gentleman from Mississippi, who not only is a principal author of H.R. 7130 but also has given a great deal of time and energy to the process that went on in the Rules Committee as a result of the legislation before us.

Mr. WHITTEN. Mr. Chairman, I especially appreciate the statement made by my good friend and colleague, the gentleman from Missouri who has contributed so much to the Rules Committee action. I wish to join with other Members in congratulating that committee for the very fine job they have done in bringing together not only a very workable bill in my opinion but in bringing together also the many different points of view that some have had.

I have worked rather hard on this bill, but I think one of the reasons that I was asked to serve as one of the cochairmen was because I was one of the few who was here when we tried this experiment in 1946 and 1947. As I said before, we did not learn what to do but we learned what would not work. As I said, there is no limit to the good one can do if one is willing to share the credit. There is enough credit in this bill and the actions I trust it will make in order to give credit to everybody.

Members realize that something must given and that we must pass some such measure. In my experience, which goes back a number of years, I have never known a joint committee of the House and the Senate, the Members of which represent various viewpoints be unanimous on any major legislation, but our joint committee of 32 House and Senate Members were unanimous in its first report. Not only that, but it is even more unusual that same committee agreed on a bill which was introduced. This we did, and then as the spokesman for the Rules Committee, the distinguished gentleman from Missouri (Mr. BOLLING), and the gentleman from Nebraska Mr. Martin have said the bill was unanimously reported by that Rules Committee.

That means one thing. It means that while we or they may not agree with every item that is in this bill all agree wholeheartedly that we have got to take specific action in view of the present situation.

Mr. Chairman, I was pleased to serve as cochairman of the Joint Study Committee on Budget Control, along with my colleauge, AL ULLMAN, as well as the other 30 members of the committee. Although it was not intended that we have agreement on many of the details of our original bill, we felt, nevertheless, that it was valuable in establishing certain fundamental principles of budget control many of which are incorporated in the amended bill now before us for consideration. Based on that experience and with an opportunity to study the provisions of many other excellent bills which had been prepared by members of the Rules Committee and various of our colleagues, I introduced H.R. 10961 on October 16, which in my judgment brought together the best parts of the various bills that were before us. I am glad that H.R. 7130, as amended by the Rules Committee, in general incorporates their revisions, all of which had the basic objective of simplifying to the greatest extent possible the new budgetary control organization and procedures. I doubt if many thought we would ever reach this day.

The excellent report which has been prepared by the Rules Committee to accompany the bill outlines in detail the proposed plan for budget control. Very briefly I would like to emphasize certain basic principles incorporated in the plan which I believe, based on our extensive study and deliberation, are essential to the establishment of any effective system of legislative budget control.

The proposed change in the fiscal year to the period October 1 to September 30 is essential if we are to have adequate time for consideration of the budget and to avoid the necessity of passing continuing resolutions for the operation of the Government agencies pending passage of the appropriation bills.

The provision that the various annual bills authorizing budget authority must be passed by March 31, is also essential to the plan if we are to maintain an effective timetable of budget control and complete congressional action on the budget prior to the beginning of the fiscal year.

It is necessary that we establish budget committees in both the House and Senate to provide a mechanism for coordinating revenue and expenditure actions and recommending a legislative budget. The proposal properly provides that the membership of this coordinating committee in the House shall give representation to the Appropriations, Ways and Means, and the legislative committees, and the leadership of the majority and minority parties. To assure that the budget committee does not become a super-duper committee, as some have feared, the plan provides, as I proposed in H.R. 10961, that the members shall be rotated among the members of their parent committees. The budget committee only has the power to make recommendations in reference to the legislative budget, and all of its actions are subject to the majority will of the House.

It is essential that backdoor obligational authority, except trust funds, shall be available only as prescribed in the annual appropriation bills. A major factor in Congress loss of overall budgetary control has been the widespread practice of granting spending authority outside the annual appropriation process. Unless such individual spending actions are included in the overall budget control process, there cannot be effective maintenance of a legislative budget.

Congress must have an adequate opportunity to examine the budget from an overall point of view together with the congressional system of deciding program priorities. The mechanism for providing this opportunity is the budget resolution. The first resolution would set tentative total levels for new budget authority and outlays, the appropriate

spending level for each functional category in the budget, and overall levels of Federal revenues, debt, and surplus or deficit. Most important, and we learned this in our earlier unsuccessful attempts to establish a legislative budget, it is not feasible to establish a rigid, fixed ceiling on the budget at the outset of each session. The plan provides, therefore, that these overall figures and breakdowns in the initial resolution shall be targets, serving as guidelines in the subsequent passage of appropriation bills. The complex and detailed compliance requirements and procedures of the original Joint Study Committee plan have been dropped to permit Congress to work its will in the consideration of individual bills, but with full understanding of their impact in relationship to the targets.

The final budget resolution, to be enacted after passage of the appropriation bills, will provide a final determination of the legislative budget totals with direction to the Appropriations Committee and the Ways and Means Committee to take such action in the form of a budget reconciliation bill as may be necessary to conform the appropriations bills with the revised budget totals and to report such tax measures as may be necessary to conform the revenue totals. This is a most important element of the budget control plan, for it assures that before adjourning, Congress will take responsible action to either reduce its spending actions to conform to the target figures or pass such revenue measures as may be necessary to finance a higher spending figure.

Finally, incorporated in the bill is the new timetable and procedure for processing the appropriation bills which I proposed in H.R. 10961. Prior to the reporting of the first appropriation bill, the Committee on Appropriations must complete its subcommittee markups and full committee action on all the annual appropriation bills and report to the House a summary of its recommendations in comparison with the target figures contained in the first budget resolution. This revised procedure for handling of the appropriation bills has the advantages of a single package appropriation bill without its disadvantages. It will assure that the Congress in its action on the individual appropriation bills will be fully informed as to the overall impact on the budget targets of the committee's recommendations as well as the added impact of any floor amendments that might be considered.

In summary, I believe it is urgent that Congress establish an effective legislative budget control system. However, such a system must not be so complicated and unworkable that it fails to achieve the objective of more responsible action by the Congress in its exercise of its power of the purse. I believe that H.R. 7130, while different somewhat from my individual views as reported by the Rules Committee provides a most practical and workable proposal which will help us to meet the problem. I heartily endorse its adoption by the House.

Mr. MARTIN of Nebraska. Mr. Chairman, I yield 1 minute to the gentleman from New York (Mr. SMITH).

Mr. SMITH of New York. Mr. Chairman, I thank the gentleman for yielding to me. Mr. Chairman, again I want to compliment the many Members of this House who have had a hand in this legislation that we are considering today.

The Members of the joint budget committee of both Houses, the Appropriations Committee, the Ways and Means Committee, and the Rules Committee, have all done a tremendous job. I agree with the gentleman from Illinois (Mr. ANDERSON) that this is truly an historic day here in the House of Representatives.

I would say that it is very exciting when knowledgeable men and women of good will sit down and try to create a system of self-discipline which we all recognize is absolutely necessary. I think the unanimity of the votes on all of the committees involved has shown the universal recognition by the Members of this House that unless this self-discipline is imposed, this country is in deep trouble.

Again, I thank everybody who had anything to do with this bill.

Mr. MARTIN of Nebraska. Mr. Chairman, I yield to the gentleman from California (Mr. DON H. CLAUSEN).

Mr. DON H. CLAUSEN. Mr. Chairman, as has been stated by previous speakers, this is truly a hisotric day wherein the Budget and Impoundment Control Act of 1973 is being presented by the distinguished array of bipartisan members of the Rules, Appropriations, and Ways and Means Committees to the House of Representatives for approval.

It is not perfect and I am sure perfecting amendments will be offered. But, the most significant thing about all of this is that the Congress and, in particular, our leadership is moving toward "Biting the bullet" through the establishment of a House and Senate Budget Committee.

This is long overdue. Many of us have spoken out through the years for reforms and the necessary fiscal constraints that would permit us to more effectively manage the fiscal affairs of this Nation. Expenditure and budget ceilings must be established if we are to check inflation and renew the confidence of our people at home and friends abroad in the strength and viability of our governmental management system.

Priorities must apply to all categories of spending. New priorities must be set with elimination of wasteful programs heading that list of priorities. Duplication and fragmentation of programs must be checked and/or eliminated.

A responsible, realistic, firm, and enforceable spending ceiling must be agreed upon and adopted within the framework of the legislative process and hopefully made possible by this legislative vehicle.

We must relate, in more direct and specific terms, spending to revenue as well as the debt requirements.

The need for budget reform has never been more urgent. I, therefore, want to compliment my colleagues on the Rules, Appropriations, and Ways and Means Committees for their efforts on this most important piece of legislation. The country has been waiting patiently for the Congress to recapture and regain control over its own actions. I believe this legislation will provide the management system for exercising that control.

Mr. MARTIN of Nebraska. Mr. Chairman, I yield 7 minutes to the gentleman from California (Mr. BELL).

Mr. BELL. Mr. Chairman, I rise in support of H.R. 7130.

I believe that this bill is the most profoundly important piece of legislation most of us will ever vote on.

What we do on this legislation will determine whether or not we intend to restore to the Congress its mandated constitutional responsibility of the power of the purse.

Article I, section 9 of our Constitution clearly assigns the spending power to Congress: "No money shall be drawn from the Treasury, but in consequence of appropriations made by law."

Although our constitutional fathers intended the Government to be one of shared powers, it was the certain intent that all expenditures be pursuant to and in accord with appropriations.

So much has changed in two centuries of American nationhood, yet the constitutional division of responsibilities remains unaltered.

An act of 1921 equipped the executive branch with a Bureau of the Budget which has been used over a period of years to achieve a great concentration of program and financial policymaking in the Presidency.

Congress has tended in the opposite direction, toward greater fragmentation of its budget making.

This trend has substantially contributed to a strong executive department of Government at the expense of what many feel is a weaker legislative branch.

We now have an opportunity to arrest and turn back this trend by the passage of this legislation.

Both the Rules Committee which reported H.R. 7130 and the Joint Study Committee on the Budget, which developed most of its provisions, deserve congratulations and gratitude for an outstanding job on a very complex subject.

I was very pleased to note the Rules Committee change, in the composition of the Proposed Budget Committee of the House.

The pending bill provides for a majority of Members to be from committees other than Ways and Means and Appropriations while simultaneously recognizing the vital necessity of input from the latter two committees.

This particular structure was, in fact, included in my own version of the budget reform bill.

I would also like to commend the bill's recognition of fiscal year realities and the recently accelerating problem of Government-by-continuing resolution.

Hopefully, under H.R. 7130, the Congress can actually plan to have appropriations and other spending measures enacted before the start of the fiscal year.

There is, however, one area which I believe is crucial if Members of Congress are to have a genuine opportunity to debate and decide knowledgeably what our Nation's priorities shall be; that is, the need for Members of the House who are not members of the Budget Committee to have adequate time to study and contemplate possible amendments to the concurrent budget resolution which will be acted upon early in each session of congress.

The bill as reported provides less than 5 days between reporting of the concurrent resolution and floor action on it.

The distinguished gentleman from Hawaii (Mr. MATSUNAGA) will offer an amendment to improve this provision—by excluding from the 5-day count Saturdays, Sundays and holidays.

But I believe we should go still further—and I hope the gentleman from Hawaii will support me on this—and provide at least 10 days after the report on the budget resolution is available to Members before the resolution would be in order on the floor.

Mr. Chairman, I think we must recognize that we are talking about providing for everybody to have the opportunity of setting priorities. Now, that is very important, that each one of us has an opportunity to argue and debate what we believe our priorities are.

Now, the size of the budget bill is very considerable, and I think it represents a good bit of ground to cover in 5 days when we consider as important an aspect as this is with all members of the committee.

I believe that we should have a full 10 days to organize our thoughts, to study the bill, and to have the opportunity to actually exchange views in a fair debate. If we do not, if Members feel short-changed on this program, I am afraid it is going to be a difficult program to try to sell. I think the Members should have an opportunity to study thoroughly and debate this issue.

I will discuss my amendment in more detail at the appropriate time.

While I hope that my amendment will be adopted, I nonetheless believe that H.R. 7130 is a bill we should support.

Most of us—and I do not exclude myself—have complained in recent years about usurpation by the executive branch of powers which our forefathers explicitly provided would reside in the Congress.

But we know that this executive usurpation would not have been possible without correlative congressional abdication.

We have a responsibility to the Nation not only to provide affirmatively for the implementation of desirable programs. But also to bite the more negative bullet of fiscal integrity.

To some extent we have all been guilty of espousing some popular domestic and foreign programs, while avoiding the less popular decisions such as cutting spending to reflect revenue limitations.

I believe the time has come for us to reassert our responsibility in both areas.

And the legislation pending before us gives us the opportunity to do just that.

I urge the adoption of H.R. 7130.

Mr. MARTIN of Nebraska. Mr. Chairman, I yield such time as he may consume to the gentleman from Mississippi (Mr. COCHRAN).

Mr. COCHRAN. Mr. Chairman, during the last few months the Congress has been directing most of its attention to several crises facing the American people. We have seen a war in the Middle East and its subsequent effects on our energy supplies. We have seen the continued developments in the Watergate matter.

However, I hope these very important issues and crises, as they are frequently referred to, have not distracted our attention from perhaps the most important problem facing this great Nation—ever-increasing Government spending.

I feel that the continuing trend of big spending is one of the most, if not the most important, and potentially dangerous problems confronting our country.

The Federal budget has been out of balance for 35 of the last 42 years. During the past few years we have seen the largest deficits in our Nation's history.

The causes for this trend are obvious—we have seen a spending spree unparalleled in the history of our or any other government. Where will it end?

We have heard much debate in this body over the question of who should control the purse strings. We hear much said in behalf of Congress regaining its rightful control over our budgetary process.

I do not think the solution to this problem of who will control the purse will solve the real underlying issue, and that is who will stop the runaway spending that is slowly but surely bankrupting the American taxpayer.

It is time we in the Congress consider not only getting control of the process of spending but more importantly the amount of spending.

The energy emergency currently demanding our attention should serve to point out the need to review our spending priorities and reduce wasteful outlays of tax dollars. The solution of the energy problem is not going to be a cheap endeavor, but may cost more than any other program undertaken by our Government.

We must be able to pay the necessary cost without adding more red ink to the Federal balance sheet.

Almost daily now we hear the steady drone of suggestions from the Congress, the Executive, and all the regulatory bodies on how John Q. Public should save on his fuel consumption this winter. He is told to dial down, slow down, pool it and cool it.

I think John Q. deserves similar consideration on the part of the Congress and the rest of our Government.

I think it is high time the Congress dialed down and slowed down the Federal spending spree.

Mr. BOLLING. Mr. Chairman, I yield myself 4 minutes.

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

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

Mr. CULVER. I thank the gentleman for yielding.

I wish to express my admiration for the work of the entire committee and particularly that of the gentleman from Missouri (Mr. BOLLING) and the gentleman from Nebraska (Mr. MARTIN) for fashioning what is unquestionably a very strong improvement in the fiscal management of the Congress.

I have two questions. One is how you would envision this particular proposal would fit into the recommendations of the Special Committee on Committees and secondly how you would suggest the present version of the legislation has taken account of not only the increased need for fiscal responsibility but also responsiveness to public concerns.

Mr. BOLLING. As the gentleman from Iowa well knows since he has been very much involved, in the forefront in fact, of the establishment of the select committee which he mentioned and which the gentleman from Nebraska mentioned earlier, there were a great many people who urged that the select committee should assume jurisdiction over the matproperly referred to the committee on ter of the budget committee.

In effect the reason why that was not done was the obvious reason, namely, that the joint committee had already acted and the matter had been quite properly referred to the Committee on Rules and that committee had jurisdiction and was in the process of considering it.

The select committee's work is directly related. It was given the task by the House of examining all House proceedings and in particular the organization and functioning of the standing committees.

The gentleman from Iowa, who was one of the advocates of the creation of such a committee long before it was created and who is a member of that committee, knows very well that that committee has been working within a framework which anticipated the creation of some such committee as that proposed in this legislation before us.

The second question can be very specifically answered.

H.R. 7130 as originally presented and referred to the Committee on Rules provided for a 21-man committee which would be divided into thirds, one-third Ways and Means and picked by the Committee on Ways and Means, one-third Appropriations and picked by the Committee on Appropriations, and one-third from the membership at large and picked by the usual party process.

The bill before us is a 23-man committee with specifically in mind the intent to provide to the two committees, the two fiscal committees, if you will, the Committee on Ways and Means and the Committee on Appropriations, the assurance of representation and to assure to the membership at large that there would be in fact a majority of the Members at large on the committee, members from the authorizing committee and from the other committees. The 23-man is less than half Ways and Means and Appropriations.

I would like at this point to commend the gentleman from Iowa not only for his helpfulness on the select committee which has been working very hard in recent weeks on trying to produce a product, as the gentleman from Nebraska knows so well, because I think both the gentleman from Nebraska and I have a great deal of difficulty in separating in our conversation as between the two committees, because in the same week and in the same weeks we have been working on both of them at the same time. But as the gentleman from Iowa knows, because of the gentleman's contributions there, we have been working on both at the same time. But, as I say, I would like to tell the gentleman from Iowa that we appreciate in the Com-

mittee on Rules the helpful contributions the gentleman has made to us in solving some of the problems and in arriving at a compromise on the budget committee, and in particular in being helpful in finding a resolution with the very thorny problem of the composition of the committee.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BOLLING. Mr. Chairman, I yield myself such time as I may consume in order to yield to the gentleman from North Carolina (Mr. TAYLOR).

Mr. TAYLOR of North Carolina. Mr. Chairman, I rise in support of H.R. 7130, the Budget and Impoundment Control Act of 1973; and commend the Members of the House who have worked long and hard to resolve differences and bring this legislation to us today.

This is indeed one of the most constructive, important, needed, and far-reaching pieces of legislation to come before Congress in many years. It would restore the responsibility for the spending policy of the United States to the legislative branch of the Government as contemplated in the Constitution which states:

No money shall be drawn from the Treasury, but in consequence of appropriations made by law.

The battle of the budget this year has shown that congressional procedures for controlling spending must be overhauled through congressional budget reform. Congress can play a stronger role in determining spending priorities by getting its financial house in order. Today, there is no unified budget process—only a group of separate and fragmented actions and decisions. Congress has a responsibility not only to determine priorities of spending but also to work toward a balanced budget and toward reducing the national debt and managing the overall economy in the public interest.

The bill before us not only establishes a new budget control procedure for Congress but also incorporates anti-impoundment legislation. If Congress succeeds in managing the budget and limiting spending to reasonable limits, then Presidential impoundment of appropriated funds will not be necessary.

H.R. 7130 gives us a device with which to regulate and limit spending. It sets up a procedure for budget control—for self-discipline. Hopefully, it will be effective in putting an end to budget deficits year after year which have contributed to inflation today and to trouble for future years and generations.

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

Mr. BOLLING. I yield to the gentleman from Florida (Mr. BENNETT).

Mr. BENNETT. Mr. Chairman, I rise in support of this legislation. I will have two amendments that I will offer which I think are compatible with the bill.

I believe that this budget reform bill is much needed legislation and it has my strongest support. It is my intention to offer two amendments to this bill to improve the evaluation procedures in regard to Federal programs. My two amendments would require the pilot testing of all major programs and placing a 3-year limitation on authorizations for major programs. As you may know, similar legislation to that which we are considering today has been reported out of the Senate Government Operations Committee and I am pleased that the committee included the two amendments I am supporting, which they reported to the Senate floor. The full text of the amendments appear in the body of the CONGRESSIONAL RECORD dated November 30, 1973, beginning on page 38877.

Mr. BURLISON of Missouri. Mr. Chairman, will the gentleman yield?

Mr. BOLLING. I yield to the gentleman from Missouri.

Mr. BURLISON of Missouri. Mr. Chairman, I rise in support of the legislation.

Mr. Chairman, I would like to direct a question or two to the manager of the bill.

It has been mentioned, Mr. Chairman, that under our present procedures the Committee on Appropriations handles maybe 60 percent of our budget, and 40 percent of it is in the so-called backdoor spending process. Several of these backdoors apparently are being closed with this legislation. Are there any predictions as to what the percentage breakdown will be as between appropriations and backdoor spending with this new budget proposal?

Mr. BOLLING. I have to tell the gentleman from Missouri that I simply do not know what those percentages will be. I will attempt to obtain them between now and the further debate that will take place on the bill on tomorrow, and make them available to the gentleman. I do not know now what those backdoor expenditures may be.

What we propose to do, however, except for the so-called backdoors, in which we are incapable of dealing with them because they involve a specific commitment to the people of the country, that they will receive a certain payment, for example, social security trust funds, and the like, we will try over a period of years to get everything else in control.

The original bill in the Committee on Rules was so rigid, and intentionally so, that it really would have covered everything. But we were persuaded by people on the Committee on Appropriations and in other places that that was wholly unrealistic. What we are seeking to do is to get into, through the bill, control of spending, and I am not sure I will ever come up with the precise percentages as to what will be left out and what will be left in because it is impossible to predict the future. But fairly clearly we will increase the control on spending lodged in the Committee on Appropriations, and reduce that which is in the so-called back doors. But it will be done over a period of time, not the first year. I think, to be honest, it would be extraordinarily difficult to come up with an accurate percentage although, as I said, I will attempt to do so by tomorrow, but we are making progress.

Mr. BURLISON of Missouri. I thank my friend, the gentleman from Missouri.

Will the gentleman yield for a further question?

Mr. BOLLING. I will be glad to yield further to the gentleman from Missouri.

Mr. BURLISON of Missouri. Mr. Chairman, as I read the bill, the back-door spending that has been authorized up to the date of the enactment of this proposal will have a cutoff date of October 1, 1978. If any of the back-door spending has not been obligated by October 1, 1978, those funds will have to be reprogramed, restructured, through the appropriations process. Is that correct?

Mr. BOLLING. That would be my judgment.

Mr. BURLISON of Missouri. Mr. Chairman, if the gentleman will yield still further, I know the gentleman is knowledgeable on this subject, and the reason for this action. Would the gentleman briefly explain why we wait until October 1, 1978, for the cutoff of back-door spending that is authorized prior to this bill?

Mr. BOLLING. The answer is just as simple as one word: practical. We had a completely rigid cut-off at once, and we recognized that it was absolutely impossible to implement that. It might be some kind of an ideal approach, but it was impossible to implement it. At least, there were points of view in one area with which I very much disagree. We had made a commitment to the States for a very substantial sum of money, and it would be a situation in which we would have made them a promise one year and taken it back the next. I do not think the Committee on Rules' members thought that that could be done. It was really just a practical matter. We could not get at it any faster either in theory or in practice.

Mr. BURLISON of Missouri. I thank the gentleman. If the gentleman will yield for just one more question, I will be grateful.

Mr. BOLLING. I will be glad to yield to the gentleman from Missouri.

Mr. BURLISON of Missouri. Mr. Chairman, as I understand the bill, some avenues of back-door spending that will still be outside the province of the appropriations procedures are the social security trust fund and the highway trust fund, as two examples.

I want to ask the gentleman about a matter which has been mushrooming in recent years, and that is moving from direct Government loans into guaranteed Government loans in many areas: Housing and Urban Development, the Farmers Home Administration, as well as many other agencies. Can the gentleman delineate or explain which of these functions, if any, are excluded from the appropriations process and will continue coming through the back door?

Mr. BOLLING. The easiest way to answer that is to say there will be no new ones allowed. Those that exist we did not feel we could repeal any such an act as this. There are some that exist, but we in effect cut off any future use of the same process.

Mr. BURLISON of Missouri. Then the gentleman is saying, as I understand it, that for any of these loan programs that are not presently authorized, or when these present authorizations expire, they must come through the appropriations process?

Mr. BOLLING. I do not want to mislead the gentleman. Some of these au-

thorizations are permanent. Therefore, I cannot say that all of them would expire, but steps could be taken somewhere down the track to make them less than permanent, but those that are not permanent would cease at the end of their time.

Mr. BURLISON of Missouri. Mr. Chairman, I thank my friend, the gentleman from Missouri, for yielding. I commend him on the tremendous leadership that he has given the Committee on Rules in reporting this legislation.

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

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

Mr. WHITTEN. I thank the gentleman for yielding.

My colleague, the gentleman from Missouri, has done a splendid job in explaining the point raised. I do not know that my colleague understands that the bill does not contemplate a change to prevent guarantees as against appropriating cash dollars. It eventually calls for an annual review within the annual review process of appropriations.

Mr. BOLLING. I thank the gentleman for his clarification.

Mr. MARTIN of Nebraska. Mr. Chairman, I yield such time as he may consume to the gentleman from New York.

Mr. CONABLE. I thank the gentleman for yielding.

Mr. Chairman, this reform is long overdue. While that makes it doubly welcome, it is regrettable that Congress has not faced up to its fiscal responsibilities long ago with or without the kind of procedure provided by this bill. The use of the President's budget as our sole yardstick of fiscal responsibility has made a degree of partisanship inevitable and has reduced the initiatives of the legislative branch. The new procedure provides no legislative panacea and quite obviously it can be unduly cumbersome or susceptible to subversion if the will to govern and to work together is not present.

The essence of this plan is that we will no longer be permitted the luxury of looking at programs in a vacuum. The committee's recommendation will force us to look at each program not only for its intrinsic merit, but for its relationship to the whole. For the first time we will be trying to put it all together rather than fragmenting the legislative process to the point where fiscal control is virtually impossible. The plan is obviously a compromise. Every one of us would have ways in which he could improve it. As I see it, however, it can work and the effort to make it work is terribly necessary. I commend its merits to every one of my colleagues in the House, and I also want to thank the patient and thoughtful committee members who have struggled to bring forth the plan for a major contribution to the role of the Congress in fiscal affairs.

Mr. MARTIN of Nebraska. Mr. Chairman, I yield to the gentleman from North Carolina (Mr. MIZELL), such time as he may consume.

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

Mr. Chairman, I rise to state that I am fully in support of the efforts being made here today to get the Congress' fiscal house in order at long last.

One of the first speeches I made in this Chamber when I came here 5 years ago called on the Congress and the Nation to "get our economy back on sound footing" and to "operate from a balanced budget."

That call, unfortunately, fell on deaf ears, and we continued to sow the wind of fiscal irresponsibility, and we are now reaping the whirlwind of economic upheaval.

At the heart of our economic problems, in my opinion, is the policy the Federal Government has followed with alarming consistency over the past 10 years—the policy of spending more money than it takes in.

This policy of deficit spending has brought about an increase of $148 billion in the national debt over the last decade. Since 1964, the national debt has gone from $317 billion to $465 billion, and we are now paying an incredible $26 billion a year just for interest on the national debt.

This represents almost 10 percent of the entire Federal budget for fiscal 1974 that we are spending just to pay for past economic mistakes.

When we talk of reordering priorities, we need look no farther than this interest payment on the national debt to see one major area that could stand some reform.

We cannot expect inflation to really be slowed, or the dollar to be really sound, until we decide to stop spending money as if it grew on trees instead of coming out of the taxpayer's pocket.

I believe the legislation we are considering today represents a great step forward in the process of regaining some sense of fiscal responsibility as well as budgetary authority.

In setting an overall target ceiling for congressional spending, this legislation for the first time says "no" to the spending sprees we have embarked on so many times in the past, with no regard for the means to pay our bills, and no thought given to the possible effects of such wanton spending on the Nation's economy.

If this spending limitation is set in conjunction with anticipated revenues for a given fiscal year, and if we do not exceed that limitation, then we will be exercising fiscal responsibility. And any proposal whose cost would exceed that limitation should be made to provide for a system of taxation to pay for the excessive cost.

I believe this is the key to staying at a responsible level of Government spending, and I am committed to keeping a close watch over the Nation's purse-strings so the American people can keep more of their own money in their own pockets.

Mr. MARTIN of Nebraska. Mr. Chairman, I yield 6 minutes to the gentleman from Illinois (Mr. COLLIER).

Mr. COLLIER. Mr. Chairman, as a member of the Joint Study Committee on Budget Control, which reported originally the bill H.R. 7130, I must say as I stand here today that I am very encouraged. At the time we were conducting the hearings on this legislation, to be perfectly candid, I thought that we were just going through the motions and I had grave doubt that we would have this bill before us in this session of the Congress.

It is particularly encouraging too to find that the other body is moving along on this legislation and we have every right to be optimistic that we will have a legislative measure of this nature shortly after the turn of the year.

The fact of the matter is that if Congress is ever to maintain and carry out its constitutional duties in holding the powers of the purse, it must establish an effective and permanent mechanism for budget control to assure a more comprehensive and coordinated review of budget totals. We must do something that is simple and obvious, and that is to relate income to spending, something that most of the nine Congresses in which I have served have conveniently avoided.

This bill I hope will provide the vehicle to finally accomplishing establishment of this necessary mechanism.

I was particularly interested in the comments of my distinguished colleague, the gentleman from Illinois (Mr. ANDERSON) with reference to his proposed amendment on impoundment. Perhaps the good faith efforts of the Congress in carrying out the purpose of this legislation will make impoundments in the future unnecessary. But I am constrained to remind the House that this practice has existed throughout the history of this Government although one might think that it was a new practice.

To bring it into current perspective, I call the attention of the Members to the fact that every one of our last five Presidents, Truman, Eisenhower, Kennedy, Johnson, and of course Nixon, have not only impounded but also have announced publicly their intention to do so, and they did it.

In 1949 President Truman said that he was directing the Secretary of Defense to place in reserve the amount appropriated by the Congress for increasing the structure of the Air Force, and, knowing Harry Truman's nature and as one would expect, he did it.

In 1960 President Eisenhower held back $170 million on one appropriation bill that Congress had passed. He said he was doing so in lieu of exercising the veto, but he announced when he did not veto the bill that he intended to do this.

In 1961 the late President Kennedy impounded over $600 million. If Members do not believe it, I suggest they go back and check the record.

In 1966 President Johnson impounded appropriated funds. In fact, to quote him specifically:

The total of appropriations effectively provided in the [Agriculture and Related Agencies Appropriation Act of 1967]—is $312,500,000 above my budget request. . . .

Rather than veto this bill—I intend to exercise my authority to control expenditures. I will reduce expenditures for the programs covered by this bill in an attempt to avert expending more in the coming year than provided in the Budget.

So I merely point to the record to remind the Members that impoundment is nothing new.

It has been a practice, and I think Presidents have often exercised the responsibility that the Congress failed to exercise by impounding. Since all the voices and complaints on impoundment are raised in ratio to the manner in which their political oxes have been gored, I hope that when we enact this legislation, for among other reasons, we might still the waters on impoundment practices through making the appropriation process more responsible and more dependent upon our revenue raising abilities and actions. Only then will we develop the type of budget control that is essential in the light of our current untenable fiscal situation.

Mr. MARTIN of Nebraska. Mr. Chairman, I yield such time as he may consume to the gentleman from Alabama.

Mr. EDWARDS of Alabama. Mr. Chairman, I rise in favor of H.R. 7130, the Budget and Impoundment Control Act. While I may vote for some amendments to the bill, I support its thrust. In fact, there can be no more important task before this body than the reform of Federal spending procedures. In March of this year, I sponsosed H.R. 6099, the Federal Act to Control Expenditures and Upgrade Priorities, a bill which embodies many of the same principles found in H.R. 7130.

To reach the goal of fiscal sanity and fiscal responsibility, we must face a few basic facts. First, we must recognize that the cloud of uncontrolled Federal spending casts its shadow over most if not all of the problems grappled with in this Chamber. The state of the Union rests upon the state of the economy which in turn is determined by the state of our Federal budgetary process. Reckless Federal spending affects every citizen of our land every time he or she picks up a paycheck and every time he or she goes to the supermarket or tries to balance the family budget at the end of the month.

We must face the fact that to cure inflation, we must get at the causes of inflation. And the candidate leading the field of probable causes is the unruly Federal budget. We must acknowledge, just as every American family acknowledges, that there is only so much money to go around. When the income is less than the outgo, expenses have to be cut or an additional source of income has to be found. Put simply, more money spent means more taxes, more inflation, or both.

We must also face the fact that for every right there is a responsibility, that the right to spend is coupled inseparably with the responsibility to keep the budget in reasonable balance.

We must realize that the American people want a more efficient, more responsive, less expensive Government. They want, as the President has said, to get the Government off their backs and out of their pockets. And they expect the Congress to exercise the same care with their tax dollars as they exercise with their own family budgets. In fact, the strong feeling of the American people on this subject is probably the greatest cause for optimism in the fight to inject fiscal reason into the Federal budget. We can achieve this goal because we have the people squarely on our side.

We must turn the full light of fiscal responsibility on the congressional budgetary process. We must become aware of the consequences of each expenditure. And most importantly, we must recognize that sometime, some place, we have to say no. We have to say that this program or that program, while a good one is not good enough to warrant inflation or a tax increase.

Mr. Chairman, it is vital that we pass a strong budget reform bill. I urge every Member of this body to consider H.R. 7130 and amendments thereto thoroughly and to vote for the best possible fiscal reform bill. The American taxpayer should be able to express confidence that he will get a dollar's worth of government service for every tax dollar without inflation or unnecesary tax increases.

Mr. MARTIN of Nebraska. Mr. Chairman, I yield such time as he may consume to the gentleman from Indiana (Mr. HILLIS).

Mr. HILLIS. Mr. Chairman, I rise in support of this legislation. I followed its course very closely before the Committee on Rules.

Mr. Chairman, in my opinion the budget control legislation which we are considering today is of crucial importance. With the passage of this legislation, the Congress will be making one of the most needed and pressing reforms possible. Not only would the passage of this bill update the archaic and naive budget process of the Congress, it would reestablish Congress' ability to control the Nation's purse strings.

I doubt there is one Member here who knows of any business or organization which balances its books in such a haphazard manner as the Federal Government. While one sector labors over administration requests and authorizes a spending amount, another body decides what part of that amount really needs to be spent, and yet another group reviews the often uneven results while looking to how next year's coffers will be filled.

No one is adding up all the items at the checkout counter because it is felt that Uncle Sam's credit is good anywhere. But, that is the problem, Uncle Sam's credit is in trouble. Our Federal Government has been following a policy of deficit spending and as a result, our Nation is plagued by inflation.

Back in the days when the country was young and the Federal Government was much more limited and uncomplicated, this budgetary problem did not exist. At that time, only one committee in each house had jurisdiction over authorizing, appropriating and balancing the full budget. But today's proliferation of authorizing committees, issues, spending needs, and complicated built-in back door spending programs require closer scrutiny and expertise. It is inevitable that with big government must come a division of labor and specialization. However, we also need a scorekeeper and an overseeing body, or all of the separate units tend to go their own way, believing their one function deserves a larger part of the pie than they had the previous year.

As one of the Members of this Congress, I know I do not keep track day-today of how we have overspent the projected budget request on this item and saved some on that item. I just found out at the end of the year, along with everyone else, how much more generous we have been than we intended.

A vivid example of this was brought home to me as last year's budget process unfolded. When President Nixon unveiled his budget in January, with a spending increase of some $14 billion and a projected deficit of $25 billion, I had never heard such moaning and criticism about irresponsible spending, deficit programing, and disaster course financing. I thought for sure Congress would never stand for this budget, especially in light of all the protestations and rejections. Yet little by little, bill by bill, the Members of Congress forgot their indignation and approved new measures or became more generous with older measures. By the end of last year, not only had we matched the President's "highly inflationary" budget, we had exceeded it by $15 billion. And when the President, for fiscal responsibility's sake, urged us to cut our budget to an amount still $4 billion above his budget request, the majority flatly refused.

One question which is often asked is that of who really controls the power of the purse, the Congress or the President? I know what the Constitution says, but it is a principle of physics that when a vacuum develops, something will rush in to fill the void. We have created the void of responsible budgetary programing and accounting, and as a result, of late we have abdicated this authority very reluctantly to the executive branch.

I think there is no more important issue facing Congress this year than putting its budgetary house in order, cutting our deficit spending and reasserting our full control over how much is to be spent for what, when, and how. This is, after all, Congress basic function.

We do not need to accept administration recommendations on where spending priorities lie, but we should be able to work with the administration in determining how big a pie we can afford to serve up each year. We should all be acutely aware that any additions to one slice are going to have to come out of another, or are going to require gathering additional ingredients so the pie can be enlarged.

I think the Joint Study Committee on Budget Control has done an excellent job in researching and documenting the need for better budget procedures and has made some excellent recommendations a large amount of which are incorporated in the reform legislation before us today.

This bill makes a great deal of sense to me, especially with the addition of provisions dealing with impoundment. I would urge that each Member here today give his enthusiastic approval of H.R. 7130. The Members of the House need to show that they want to reassume the burden of coordinating and planning a balanced and truly responsible budget.

Mr. BOLLING. Mr. Chairman, I yield 10 minutes to the gentleman from Hawaii (Mr. MATSUNAGA). He has worked very hard on this legislation.

Mr. MATSUNAGA. Mr. Chairman, I am pleased to rise in support of H.R. 7130, the proposed Budget and Impoundment Control Act of 1973. As a member of the Rules Committee, I am proud to have been associated with the development of this bill. Never in the 7 years that I have served on the Rules Committee have I seen so much energy, time, and concentration expended on one subject as were devoted to this bill. I believe that Chairman MADDEN, Ranking Minority Member MARTIN, and Congressman BOLLING deserve special commendation for their diligence in distilling almost a year's accumulation of reports, hearings and discussions into what, in my humble judgment, is a most thoughtful well-constructed piece of legislation.

It is a more than adequate response to charges too frequently flung at the Congress that it is profligate in its spending decisions. Once H.R. 7130 is implemented, the American taxpayer will be able to see clearly the shape of the congressional budget each year, as it emerges from the crucible of debate on the resolutions provided for in the bill.

Mr. Chairman, the provisions on impoundment control, under title II of the bill, are also absolutely necessary. If the Congress is to fashion its own budget and make tough decisions about spending priorities, it cannot permit the intent of those decisions to be thwarted by the actions of an Executive whose priorities differ from those established by Congress.

While the bill as a whole is supportable, there are certain provisions of the bill which I believe can be improved, and I intend to offer two amendments during consideration of the bill under the 5-minute rule.

One of the amendments I shall offer is a relatively minor one, of a technical nature. The bill as reported includes an amendment I offered in committee to extend from 3 days to 5, the time which the House would have in which to review concurrent resolutions reported by the Budget Committee, before they could be considered on the floor. It later became clear that the "3 days" in the committee print being used for markup purposes did not include the standard exclusion of weekends and holidays. Consequently, the 5 day lay-over provided in the bill does not afford as much protection to the individual Members as the committee originally intended. I shall therefore offer an amendment to add the weekend and holiday exclusion at the appropriate point.

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

Mr. MATSUNAGA. I yield to the gentleman from Missouri.

Mr. BOLLING. Mr. Chairman, I can tell the gentleman from Hawaii that his amendment to add the weekend and holiday exclusion is the one amendment that I expect to accept. I hope that the minority, and I believe that the minority will do so also. The gentleman is correct; we should have taken care of that in the bill itself.

Mr. MATSUNAGA. Mr. Chairman, I thank the gentleman for his statement.

Mr. MARTIN of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. MATSUNAGA. I yield to the gentleman from Nebraska.

Mr. MARTIN of Nebraska. Mr. Chairman, I wish to assure the gentleman from Hawaii that I will be happy to accept that amendment.

Mr. MATSUNAGA. Mr. Chairman, I thank the gentleman from Nebraska, and I feel much better now that I have thrown accolades at both the gentlemen from Missouri and Nebraska.

A second amendment I will offer is much more far-reaching. It would eliminate from the bill any reference to the composition and membership of the House Budget Committee, except for specifying the number of members to serve on it, that is, 23.

The purpose of this amendment is simple: To preserve the prerogatives of the respective party caucuses in the area of committee assignments. As it now stands, the bill requires that certain members of the new budget committee be chosen from certain specified standing committees, and that no members serve longer than a specified period of time on the committee.

While these are, in themselves, laudable goals, we are being asked to pursue them by dangerous means. Once party caucus responsibilities for designating committee assignments are eroded, the very structure of the two-party system of this Congress may find itself in grave difficulty.

I do not wish to take too much of my colleagues' time, Mr. Chairman, I have addressed myself to both of these amendments in detail in my additional views filed with the report on H.R. 7130. My additional views reads as follows:

ADDITIONAL VIEWS OF HON. SPARK M. MATSUNAGA

In the seven years that I have served on the prestigious Rules Committee of the House, never have I seen so much energy, time, and concentration expended by the committee members as were spent on the Budget and Impoundment Act of 1973. Chairman Madden, minority ranking member Martin, and Congressman Bolling deserve special commendation for their diligence in distilling almost a year's accumulation of reports, hearings and discussions into a thoughtful response to charges that Congress is somehow profligate in its spending decisions. I was pleased to vote to report H.R. 7130 to the floor of the House. However, I believe there are some aspects of the bill which could stand critical examination and, in several cases, amendment on the floor.

1. COMMITTEE COMPOSITION

As reported, H.R. 7130 creates Budget Committees in both the House and the Senate. The House Committee would be required to include five members of the Ways and Means Committee and five of the Appropriations Committee. Eleven would come from other standing committees, and one each from the majority and minority leadership. No member could serve for more than two full terms on the Committee in any ten-year period.

No reasonable person is going to argue against the proposition that there should be representation on the Committee *from* the two standing commitees most directly concerned with spending and revenues. Indeed, a Budget Committee without such members would be an anomaly. What concerns me is the *process* by which the bill arrives at the desired result, that is, by specifying in statutory language who may and may not serve on the Budget Committee, and for how long a period.

For the past 60 years, the House has held to the policy that majority and minority members on any standing committee will be named by the respective party caucus. In only two minor, short-lived instances was that policy departed from, and even then only insofar as the number of committees on which a member could serve.

The House Rules are silent on all committee membership questions today, with the exception of the Ethics Committee, which for obvious reasons is required to have equal numbers of Democrats and Republicans.

To depart from the current practice would be a step backward in the march of reforms which the Democratic Caucus in particular has put into effect in recent years. In various ways we have strengthened the Caucus, to make it clear that every Democratic Member owes his or her committee position within the House to the party caucus. It is the party caucus which decides who the chairman and other members of a committee shall be.

As the majority party in Congress, Democrats have a special responsibility to husband carefully the means needed to implement party initiatives. Especially in these troubled times, Americans look to the Congress for leadership, and if none were forthcoming, the majority in control would be held responsible. If the Majority Party is to take credit for Congressional achievements—or shoulder the blame for Congressional failures—there must be no mistake about who leads Congress.

I would also caution my Republican colleagues about the danger which the present provisions of the bill pose. If caucus prerogatives on naming committee members are to be invaded, who is to say that some future Democratic majority will not vote to oust a particular Republican from a committee because he has proven himself too troublesome for the Democrats?

One notable recent example of the firm resistance the House has shown to a dilution of the caucus prerogatives in this area occurred in February 1971, when an overwhelming majority of both parties rejected an effort to remove D.C. Committee Chairman McMillan from his position. A similar effort within the Democratic Caucus had been narrowly defeated. Both majority and minority leaderships opposed the floor effort. The vast majority of even those who supported the effort in the Caucus opposed the move on the floor. As Minority Leader Gerald Ford observed, "Whether we on our side agree with [the Democratic Caucus decision] or not, by prec-

edent that is a matter within the ranks and prerogatives of the Majority Party."

I believe that the present provision, if retained in the bill, would seriously dilute the position and responsibility of the Democratic Caucus and the Republican Conference, and even threaten the very makeup of our two-party system. I shall therefore offer an amendment on the floor to remove all specific language concerning committee composition except as to its size.

2. SUBCEILINGS IN INITIAL RESOLUTION

Section 121 of the bill requires that Congress adopt by May 1 of each year a concurrent resolution setting the parameters of the overall federal budget for the ensuing fiscal year. In addition, the resolution would allocate the projected outlays and new authority according to the functional categories used in the budget request submitted by the President.

There are 14 "functional categories" in the Budget submitted to Congress. There are 13 House Subcommittees of the Appropriations Committee. Unfortunately, they do not parallel or correspond to each other. One Appropriations Subcommittee may have jurisdiction over programs in three or four functional categories. The Public Works-AEC Subcommittee, for example, must deal with programs in the functional categories of Agriculture and Rural Development, Commerce and Transportation, National Defense, and Natural Resources and Environment. Even greater confusion is posed where one functional category comes partially within the jurisdiction of five Subcommittees. The functional category of "Commerce and Transportation," for example, would be dealt with by the Subcommittee on Transportation, the Subcommittee on State-Justice-Commerce-Judiciary, the Subcommittee on Treasury-Postal Service-General Government, and the Subcommittee on Agriculture, Environmental and Consumer Protection.

I am submitting for the House's study a simple schematic diagram which illustrates the complexity of the interrelationships between functional budget categories and Subcommittees of the Appropriations Committee.

If a functional category is divided among bills handled by four different subcommittees, how is the decision to be made as to which of the bills are chargeable to that category? Assuming that a particular category exceeds the limit set in the initial resolution, will all four bills containing a part of that category be withheld from transmission to the President, as provided elsewhere in the committee bill? If not, how will it be decided which bill can go and which cannot?

As a method of dealing with this problem, some members have suggested that the initial subceilings be allocated according to Appropriations Subcommittee jurisdictions; others have suggested that no subceilings be included at all, leaving the priorities debate for a time later in the budget process, during the debate on the final budget resolution. Perhaps there are other alternatives. But the method outlined in Section 121 of the committee bill certainly raises the question as to whether or not the "functional categories" are, in fact, very functional for their intended purpose.

3. LAYOVER OF CONCURRENT RESOLUTION

In the course of the Committee's deliberations on the bill, I offered an amendment increasing from three to five days the minimum amount of time required after the report on a concurrent budget resolution is reported before it can be considered on the floor of the House. In the discussion of my amendment I made it clear that, since these resolutions are likely to be the most important measures considered by the House in each session, there should be provided an adequate time in which individual Members could examine them before having to vote on them. However, in merely changing the language of the Committee print from three days to five, the language omits an important phrase from Rule XXI, Paragraph 6: "(excluding Saturdays, Sundays, and legal holidays)". As reported, therefore, the bill would permit a concurrent resolution, reported at midnight Thursday, after many Members had returned to their districts, to be considered on the floor the following Monday. The Members would then be limited to half a day to study the resolution. That was clearly not my intent when I offered the amendment, nor, I believe, was it the Committee's understanding of the effect of my amendment. I shall therefore offer a technical amendment during floor consideration to add the phrase from Rule XXI to the appropriate section of the bill.

SPARK MATSUNAGA.

I trust that all interested Members will examine those views, and will see fit to support my amendments when they are offered and voted on tomorrow.

Mr. MARTIN of Nebraska. Mr. Chairman, I yield such time as she may consume to the gentlewoman from Maryland (Mrs. HOLT).

Mrs. HOLT. Mr. Chairman, the issues of fiscal responsibility and stabilized Government spending are potent ones throughout our country. The crucial lesson of the 1960's is that Federal funds are limited in their quantity and in their ability to cure the myriad problems which confront our Nation. We have witnessed the well-intentioned programs which have failed to achieve the desired results at a great expense to the American taxpayer. We have also witnessed the consequences of inflation, increased taxes, and economic disorder—all of which have been aided by unrestrained Government spending.

One of the major issues facing this body is a reassertion of congressional control over the budget and a reformation of legislative budgetary processes. The bill before us today, H.R. 7130, the Budget and Impoundment Control Act of 1973, is designed to replace the currently chaotic and outdated method of allocating Federal dollars with a streamlined system which sets priorities and apportions funds in a rational and orderly manner.

This legislation—through the formation of a Committee on the Budget, the establishment of target budget levels by functional category, through the thorough analysis of revenue and expenditures, potential surpluses or deficits, and debt limits before enacting appropriations bills, and through the elimination of "backdoor" spending methods—will provide us with the tools to make intelligent and coordinated decisions on the proper level of Federal spending.

Mr. Chairman, fiscal responsibility is a concept with which everyone agrees, but which receives scant attention when we formulate the budget. The Budget and Impoundment Control Act of 1973 provides for the fiscal responsibility and a reassertion of congressional prerogatives.

I urge its prompt passage and implementation.

Mr. MARTIN of Nebraska. Mr. Chairman, I yield such time as he may consume to the gentleman from South Dakota (Mr. ABDNOR).

Mr. ABDNOR. Mr. Chairman, today the House begins debate on one of the most important pieces of legislation to come before Congress in the first session of the 93d Congress. The Budget and Impoundment Control Act of 1973 represents a milestone in achieving congressional fiscal responsibility. For far too long this branch has been remiss for a lack of processes capable of delivering and rendering an overall budget that puts in focus our legislative priorities, and attempts to equate expenditures with revenues.

Having been a member of the South Dakota Legislature's Appropriations Committee for 12 years, where people face the hard realities of life of living within your means, I know the importance and necessity of having balanced budgets along with good governmental services for the people without causing inflationary trends and huge deficits. The bill before us provides us with the means whereby we can set our authorization levels in accordance with the revenues and deficit data. The appropriations process called for in this bill will provide us with the opportunity to see the budget as a whole and face the choice of either cutting back to meet expected revenues or take measures to assure that revenues are there to meet the expenditures. This, I hope, will work to aid our meeting the fiscal responsibilities we have as legislators, just as we face our responsibilities to provide programs to meet the needs and provide solutions to the ills our people face, whether it be in equitable agriculture legislation or aid to education; whether it be in providing housing assistance for the poor or in funding research into a nuclear submarine; whether it be in pension reform or an increase in the social security benefits. We must realize that each appropriation and revenue measure we enact or tamper with has to be considered in the context of an overall budgetary process; that there are limitations within which we must operate, and that governmental "solutions" must be measured against governmental resources.

In order to face fiscal responsibility we need a method to do so, and then use that process to evaluate the proper usage of the dollar in order to stretch it as far as we can for as long as we have it to stretch. We must look at the problem on the whole. We need a means whereby we have expert assistance and advice. We need a means whereby we either amend our appropriations to meet the level of incoming revenues, if we overspend, or take the proper action to increase our revenues if we persist in our desires to spend more than what we have. The Budget and Impoundment Control Act of 1973 provides the method to meet our fiscal responsibilities if we want to, but needless to say, legislation is only as good as the intent behind it. I hope we are acting in good faith on this bill, for if we are not, all is for nothing and the people

have been deceived by words and promises.

I not only urge my colleagues to adopt this landmark legislation, but do so in the frame of mind that insures its success as a viable method of meeting our fiscal responsibility.

Mr. BOLLING. Mr. Chairman, I yield such time as he may consume to the gentleman from Louisiana (Mr. LONG), who made a very real contribution to the process and to the bill itself.

Mr. LONG of Louisiana. Mr. Chairman, the amended version of H.R. 7130, is a major legislative proposal combining both congressional budget reform and related impoundment override provisions. During consideration of this bill, the members of the Rules Committee departed from tradition and heard testimony from outside experts ranging from Roy Ash, Director of Office of Management and Budget, all the way to, Charles Schultz, from the Brookings Institution. All interested Members of Congress were invited to testify or submit statements, and many responded. In short, the views of all interested individuals and groups were heard and considered. We on the Rules Committee have spent a great deal of time during the last few months, as a matter of fact nearly a year working on this legislation.

During all of the committee's work, two things were uppermost in our minds. First, the budget control bill we reported must be workable. Second, our bill must have the support of a majority of the Members of Congress. In my opinion, the bill we reported accomplishes both goals.

I believe everyone involved in drafting the present bill recognizes it is the product of inputs by many different groups, with widely differing opinions. Fortunately, these diverse groups share basic goals which unite us in purpose.

First, the realization that Congress must seize effective control of its fiscal responsibilities was uppermost in our minds. There can be no denying that in the past Congress has not faced up to this responsibility.

Second, there is agreement that the Congress must take action to reestablish itself as a coequal branch of Government. A necessary first step is the creation of a system through which all forms of revenue and expenditures can be brought together for comparison. These procedures for setting spending limits by functional categories, embodied in H.R. 7130, would enable the Congress for the first time to determine national priorities in a rational and systematic way.

Third, concerned Members of both the House and Senate have recognized that legislation curbing unwarranted Executive impoundments must be part of the overall budget control package. Recent events have proven, without limits on executive impoundments, the clearly expressed will of Congress can be radically altered by Presidential flat. The reluctance of House and Senate conferees on impoundment legislation to even meet, is further proof that impoundment control and budget control must be considered together.

Fourth, the complexity of structuring and implementing effective budget control demands an open-minded, willing-to-learn attitude. The problems of committee membership, timetables, and the nature of the budget resolutions, to mention a few, have been discussed at length. Although the present bill represents the best collective efforts of the members of the Rules Committee, none of us view this bill as the final solution—never to be changed. The goal is to create a system through which the Members of Congress can, for the first time, have a real input in the budget process. As we gain more experience working with a unified congressional budget, I hope new and better methods will be devised and implemented.

When the Rules Committee started work on this bill I had strong opinions on just how every part of the congressional budget should work. After hearing all the arguments, I am more convinced of the need for strengthening congressional budget control, but my views on the exact nature reform should take, have changed as my understanding of the problems grew. I believe I can say the same for most of the members of the committee. During the hearings on this bill we considered many plans and modifications of plans, each with its own strengths and weaknesses. For this reason, I feel the bill we finally reported as compromise legislation is the finest sense of the term. The twin pitfalls of budget control; either so weak that it is ineffectual or so rigid that it is unworkable have both been avoided. The best thinking of many Members—liberal and conservative; Republican and Democrat has been brought together in a workable, practical proposal for formulating a congressional budget.

To reiterate, there is agreement that Congress must take action to reestablish itself as a coequal branch of Government. Commonsense and prudent and conservative business practices dictates that any institution of this size reconcile its expenditures and its income. This bill will require that such be done. Budget control, including provisions to limit unwarranted Executive impoundments, is a necessary first step for the Congress to be able to determine national priorities in a systematic way.

Mr. BOLLING. Mr. Chairman, I yield such time as he may consume to the gentleman from Arkansas (Mr. ALEXANDER).

Mr. ALEXANDER. Mr. Chairman, I, too, rise in support of this legislation.

Mr. Chairman, putting a congressional halter on the Federal budget may very well be the most important legislation of this century, because the inability of Congress to control spending has eroded public confidence in the people's branch of our Government. People deserve a dependable level of fiscal responsibility. Under the present system Congress is fiscally irresponsible. The people demand relief from the undermining forces of inflation.

Trust and confidence in democratic institutions is maintained by a proven ability to get the job done. And, if trust in the Congress is lost the electorate will begin to depend totally on an unelected, unconfirmed, and undemocratic bureaucracy. That is what is happening today: Executive impoundment is nothing less than an assertion of the legislative power to spend by the President and his advisers, because the congressional mechanism for handling the budget does not adequately protect the people's interest in a sound economy.

These issues of public trust in the system itself may be of critical importance. Even the reports in the morning news far too often demonstrate that a representative democracy is not the simplest, not the most efficient system to operate. Just last week we heard the shocking news of another coup detat in Greece. A military dictatorship rules from Athens, the birthplace of democracy.

And a recap of recent American history is not without its disquieting overtones. During the last 40 years of real and imagined crises there has been a constant flow of power from the States, and from the Congress to the President. At the same time the high councils of the Executive have become evermore remote, secretive, insensitive, and even unwilling to consider the will of the people. The demands of an increasingly complex economy have given rise to a high level of officialdom staffed with the "Supercrat," an unconfirmed official, unresponsive to the pulse of the people.

Concurrently, the constitutional powers of Congress to investigate, to decide national policy, to appropriate, have been subject to steady erosion. Congress has become dependent for the information needed to do its job on data procured and percolated through layers of bureaucratic bias. Its power to appropriate is subject to the discretionary whims of the President and his assistants in the Office of Management and Budget to impound funds.

POWER SHIFT VIOLATES FOREFATHER'S VISION

It may be argued that these shifts of power are necessary, rational, and in some cases irreversible, but it is clear to me that the result of a continuous drift of power to the Executive will be a form of government radically different from that originally envisioned by the framers of the Constitution.

The American Government of balanced powers demands a sensitivity by all of the need to limit any overbearing concentration of power and a willingness to reform when imbalance occurs. At last the Congress has begun to accept this responsibility. Uncorroborated facts from the administration are being viewed with suspicion. The recently enacted limitation on Presidential war powers reasserts congressional control over what had become a practice of unfettered Presidential discretion. And now, the Budget Control Act addresses itself to the problem of effective appropriation and impoundment.

I include the following summary of the bill:

SUMMARY OF BILL

Title I would set up a comprehensive congressional budget process to deal with overall budget policy and priorities, as follows:

1. New House and Senate Budget Committees would be created. The House committee would have 23 members, five each from Appropriations and Ways and Means, eleven from the membership at large, and one each from the party leaderships.

2. A Legislative Budget Office would be established, with a director appointed by the Speaker upon recommendation of the House Budget Committee, to serve the Budget Committees but also to assist all Members and Committees.

3. The fiscal year would be revised to run from October 1–September 30, with a timetable to curb the need for continuing resolutions.

4. A budget resolution would be adopted by May 1 each year, setting spending targets for the total budget and major functions. There would be no restriction on floor amendments to budget resolution.

5. House Appropriations Committee would report appropriations bills only after it has completed action on all such bills. No change would be made in floor consideration of appropriations, except that bills which exceed their functional targets would be held (not sent to the President) until the congressional budget process is completed.

6. By September 15, Congress would adopt a final budget resolution (though revisions would be permissible any time in the fiscal year). The resolution may call for the Appropriations Committee to report recisions or amendments in appropriations or for the Ways and Means Committee to report tax changes.

7. Legislation required to implement the final budget resolution would be in a budget reconciliation bill which Congress must adopt prior to adjournment.

8. Authorizing legislation must be enacted before April 1, but an emergency waiver is provided.

9. Backdoor spending would have to be funded through the appropriations process, except for trust funds and guarantee or insurance programs which would continue in their present manner. Existing backdoors would not be affected until October, 1976.

Title II of the bill incorporates and would make permanent the major anti-impoundment features prescribed for fiscal 1974 by Title I, H.R. 8480, with some refinements in the role of the Comptroller General. (Adopted by the House 254–161 on July 25, 1973.)

Mr. Chairman, I urge my colleagues to support this legislation.

Mr. MARTIN of Nebraska. Mr. Chairman, I yield 3 minutes to the gentleman from New Hampshire (Mr. CLEVELAND).

Mr. CLEVELAND. Mr. Chairman, I am taking this time to forewarn the gentleman from Missouri that I will be offering an amendment, which I have already alluded to in my brief dialog with the gentleman from Oregon (Mr. ULLMAN).

I am going to give the gentleman a copy of the amendment.

The gentleman will notice some familiar language in the amendment. This is an amendment that would afford to the minority a fair share of the staffing on this new committee, and much of it was suggested by the gentleman from Missouri. I would point out that it protects the majority from the minority's foisting upon them people whom they feel might not be fit, but they might be responsible for.

Mr. Chairman, the gentleman has graciously agreed to accept one amendment. I was a little perturbed when he said he would accept only one amendment, but I hope that tomorrow he will have had a chance to look at this amendment, and perhaps then he will accept that.

I think what they are trying to do in this bill is to establish a budget procedure for Congress and to strengthen the Congress and to restore its image as being fiscally responsible. I think that the minority must have some recognition in the staffing of this very important committee. This is not a subject that should become embroiled in any great controversy.

So I am taking this time now to make my point on behalf of the amendment for minority staffing.

It is true that H.R. 7130 represents one of the most constructive and far-reaching reforms to confront this body in my 11 years in Congress. While I believe it can be strengthened by some amendments to be offered, I support it regardless in the main as a long overdue restructuring of the decisionmaking process of the Congress.

Yet I am concerned that it does not provide the minority adequate representation on the staff of the Committee on the Budget to be created under title I. Equitable provision of minority staffing has long been a bipartisan objective of reform advocates as a means of improving the legislative process through better scrutiny of legislative proposals, more informed debate on their merits and wider consideration of alternatives. Thus it has a role in this reform. If the new committee is to achieve its full potential, I consider it imperative that the minority be assured one-third representation. To do otherwise would represent partisan perversion of the reform process.

The one-third provision was enacted under the Legislative Reorganization Act of 1970 to apply to all standing committees, but later nullified by the Democratic Caucus. Efforts to restore it this year, by myself and the gentleman from Illinois (Mr. ANDERSON), were blocked by a vote of 197 to 196 on March 7 of this year. Yet the language was comparable to the provision of the act of 1970 and, in fact, incorporated language drafted by our colleague from Missouri (Mr. BOLLING), which now applies to professional minority staff members.

A full chronology of this effort is contained in the RECORD for March 27 at p. 9927.

Mr. Chairman, I remind colleagues that the minority staffing proposal has the support of Ralph Nader and of John Gardner, who has said:

It is an essential part of any congressional reform program.

We are creating a new committee, and in the process amending rule XI governing the operation of committees. I, therefore, introduce the following amendment which would apply the two-thirds staffing rule to the new Committee on the Budget. And I urge colleagues to put aside partisanship in the spirit of reform in which we act today and accept my amendment, which provides one-third staffing for this committee alone.

The amendment follows:

AMENDMENT BY MR. CLEVELAND: H.R. 7130, SECTION 111

On page 46, line 18, insert the following language: designated as subparagraph (b) and redesignate succeeding paragraphs and sub-paragraphs accordingly: (b) "The minority party on the Committee on the Budget is entitled, upon request of a majority of such minority, to up to one-third of the funds provided for the appointment of Committee staff pursuant to each primary or additional expense resolution making funds available to such Committee. The Committee shall appoint any person selected whose character and qualifications are acceptable to a majority of the Committee. If the Committee determines that the character and qualifications of any person so selected are unacceptable to the Committee, a majority of the minority party members may select other persons for appointment by the Committee to the staff until such appointment is made. Each staff member appointed under this subparagraph shall be assigned to such Committee business as the minority party members of the Committee consider advisable."

Mr. MARTIN of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. CLEVELAND. I am glad to yield to the gentleman from Nebraska.

Mr. MARTIN of Nebraska. Mr. Chairman, I might advise the gentleman that in the package of the legislation which the Select Committee on Committees is currently working, that is one of the proposals which is under consideration. In fact, that is quite seriously under consideration, the proposal to give the minority one-third of the staff.

Mr. CLEVELAND. Mr. Chairman, I have not heard much good news recently, I will say to the gentleman from Nebraska, and that certainly is good news. It's good news that this is being proposed by the committee. I will certainly consider it even better news when I see the bill on the floor with that language in it.

Mr. MARTIN of Nebraska. Mr. Chairman, I really feel that is the proper place for such legislation, rather than in this budget bill.

Mr. CLEVELAND. Mr. Chairman, I will supply the gentleman with a copy of my amendment, and he can think it over between now and tomorrow, when I intend to offer the amendment.

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

Mr. CLEVELAND. Yes, I yield to the gentleman from Missouri.

Mr. BOLLING. Mr. Chairman, I would like to call the gentleman's attention to the language at the bottom of page 71 of the bill, which is as follows:

With the approval of the Chairman of the Committee on the Budget of each House, the Legislative Budget Director may—

appoint without regard to political affiliation and solely on the basis of fitness to perform their duties, such professional, technical, clerical, and other personnel as may be necessary to carry out the purposes of this Act,

Mr. Chairman, the gentleman knows, because he and I have been sort of going around and around on this subject, and I have never been successful in achieving what he indicates he wants, and I have said for a great many years I would want it for reasons that he understands and not out of embarrassment to me, and it is true that I have consistently supported minority staffing, and still do, except in most unusual circumstances.

Mr. Chairman, this happens to be just that circumstance. I think this committee and its staff, not its membership, but the committee staff on this committee should be professional, in just exactly the same way that the Office of Management and Budget staff today under a Republican President is professional.

I believe this is a highly technical, highly complicated area, and I believe this is the one exception that I can think of.

The CHAIRMAN. The time of the gentleman from New Hampshire (Mr. CLEVELAND) has expired.

Mr. BOLLING. Mr Chairman, I yield 1 additional minute to the gentleman from New Hampshire (Mr. CLEVELAND).

Mr. Chairman, will the gentleman yield?

Mr. CLEVELAND. I yield to the gentleman from Missouri.

Mr. BOLLING. Mr. Chairman, I am quite sure that the suggestion made by the gentleman from Nebraska about the content of the report of the select committee is going to turn out to be correct. I think the select committee is going to be unanimous on that subject. However, on this subject the language of the bill is clear, and it is there for a particular reason.

Mr. CLEVELAND. Mr Chairman, I thank the gentleman. I will give the gentleman a copy of the amendment, and we will discuss the matter further tomorrow.

Mr. MARTIN of Nebraska. Mr. Chairman, I yield 1 minute to the gentleman from Nebraska (Mr. MCCOLLISTER).

Mr. MCCOLLISTER. Mr. Chairman, I want to pay tribute to my colleague from Nebraska, the ranking member of the Committee on Rules, for his good work on this legislation and also for the continuing good work on the select committee, reference to which was made a moment ago.

Mr. BOLLING. Mr. Chairman, I yield 10 minutes to the gentleman from Wisconsin (Mr. OBEY).

Mr. OBEY. Mr. Chairman, last March when the Joint Study Committee on Budget Control first made its original budget reform recommendations, I was one of the first—and quite possibly the most vocal—opponents of that proposal.

That study commission was created, in part, because of the debate over national priorities.

More than any other Government document, the budget determines what those priorities will be.

As a Member of Congress I have been working since 1969 to try to change our national priorities.

Over that same period of time I have also been giving a great many speeches about the need to reform our budget-making process, but it is my strong belief that the original version of H.R. 7130 would not have increased—but rather would have decreased—the individual House Member's ability to affect the priorities reflected in a Presidential budget.

Under the original proposal, the budget committee would have been made up of 21 immensely powerful Members, largely self-selected, from the Appropriations and Ways and Means Committees.

It would have set rigid ceilings and subceilings for the overall budget and all of its subcategories by March 1—before public hearings could be held by the Appropriations Committee on each subcommittee budget and long before the average House Member even knew what was in the budget recommended by the President, let alone the budget committees.

Amendments to the resolution establishing these ceilings and subceilings would have been all but impossible because of the "rule of consistency", and once those ceilings were adopted, then the majority of the House would have been prevented from changing them to reflect changes in economic conditions because of the requirement that any change must be made by a two-thirds vote, and most importantly, from a planning standpoint, the original bill would not have gotten the country off a continuing resolution because of the unrealistic timetable and the retention of the present fiscal year dates.

In short, Mr. Chairman, the procedures in the original budget committee proposal were unrealistically complicated and inflexible: Called for premature budget decisions by the Congress; diminished the ability of individual House Members to change budget decisions; weakened the role of the House leadership in determining budget policy; and could well have delayed the passage of appropriations bills.

Mr. Chairman, a lot of thought has been given to budget reform since H.R. 7130 was first introduced.

Out of that thought has come a realization, I believe, that the original bill was simply unworkable.

The bill we have before us today is in some ways still unworkable.

But, it is a far better bill than the original plan. It presents a more well-organized approach to budgeting than does our present way of doing things, and I intend to vote for it.

But, there are some problems. I would like to briefly outline both some of the improvements and some of the problems.

The improvements, as I see them, are these:

First, under the original plan a majority of seats on the new Budget Committee would be assigned to Appropriations and Ways and Means Committee members and those members would be virtually self-selected.

The result would have been that the leadership in each caucus would have played a minor role in determining the committee's makeup.

Why is that bad?

Well, you would not think it was bad if you thought that budgeting is a nice, neat, unpolitical, and completely nonpartisan operation.

But it does not work that way. Politics—for good or ill—does not stop at the budget's edge.

Budget sent up here by the President are not just economic documents. They are also political documents. The entire political, social, and economic thrust of any President can be found in his budget proposals.

It is important to the country that that fact be faced frankly if alternative political, social, and economic thrusts are to be clearly understood and debated by the Congress.

And, that will not happen as clearly as it should if the leadership of both political parties does not play a clear and leading role in the budget processes, so that alternative budget strategies are laid before the Congress and the country.

That is what does not happen under the present situation.

There is no guarantee it will happen under this bill, but there is a better chance it will happen if two-thirds of the budget committee is not already selected by someone other than the leadership.

Second, the budget process outlined in the bill is much more flexible than the original unrealistically original plan.

Under this bill the early ceiling and subceilings are only targets to be reconsidered later in the year in light of changes in the economy and with due regard to other program needs which may arise. That is absolutely essential.

In one 4-month period, this year the revenue picture of the Federal Treasury changed to the tune of $10 billion.

Congress should be in a position to recognize and respond to that fact both in the interest of meeting program needs and in the interest of sound economic planning.

This bill is much more realistic in that regard than the original proposal.

Third, moving the fiscal year to October I will give Congress badly needed additional time to complete action on the budget before the new fiscal year begins.

This feature should help reduce the necessity to operate departments of Government on continuing resolutions.

The orignal bill was completely unrealistic in adding another step to an already complicated budget process without moving back the fiscal year to give us more time to handle that expanded procedure.

Fourth, the requirement that authorizations be completed before April 1 to be eligible for funding in the upcoming fiscal year—unless an emergency exemption is obtained from the Rules Committee—is a badly needed feature to improve fiscal planning.

The bill also brings back to the Congress a more orderly method of spending tax dollars by restoring jurisdiction over

backdoor spending to the appropriations committee.

Right now, only 44 cents of every budget dollar flows through the Appropriations Committee.

This bill will correct that and make Congress handling of the budget more understanding to the public and, I might add, to Members of Congress as well.

And, Mr. Chairman, there are many other improvements too numerous to go into in detail here.

WHAT ARE SOME OF THE PROBLEMS?

First, the bill requires the first concurrent resolution adopted by Congress on May 1 to establish appropriate budget outlays according to the functional categories used in the President's budget.

But as Congressman MATSUNAGA has so graphically pointed out in his minority remarks, the jurisdictions of the various appropriations subcommittees do not correspond to those functional categories.

One of my appropriations subcommittees—Labor-HEW—would, for example, have jurisdiction over parts of programs within four functional categories: community development and housing, education and manpower, health, and income security.

It may be, as the committee report to this bill states, that "Congress should be able to develop a ready capability to relate the amounts in the appropriations bills to the functional categories."

Congress may be able to do it, but it will be extremely difficult and I would think this provision would place great power in the hands of the legislative budget director and a few "budget insiders" in the House in determining under which category certain expenditures fit.

Second, a provision of this bill which will allow those appropriation bills which do not exceed the initial targets to be sent to the President for signature while requiring those above the President's budget to be held back until passage of the second concurrent resolution is a troublesome provision.

It will narrow the ability of the Congress to make wide changes in priority spending if half the budget is already at the White House.

And it will reduce the incentive to speed up budget action which would be present if Congress faced the possibility that the entire Federal Government would be forced to run on a continuing resolution if agreement was not reached on a few troublesome items.

And more importantly, it would be much more difficult for a President to wrecklessly throw vetoes around on appropriations bills if the Congress sent him all appropriations bills at the same time.

I would much prefer a system under which all appropriations bills could go to the President at once because it would be much easier for the general public to assess the President's structure of priorities in light of the entire budget if the President chose to veto certain appropriations.

Third. The timetable in the bill is still in some cases unrealistic.

It requires, for instance, that both Houses complete action on all appropriations bills by August 1.

Anyone who has been a Member of this body for more than a year knows that is not likely to happen.

Fourth. There is a distinct disagreement among many thoughtful Members of the House about what will be the practical effect of making both controllable and uncontrollable items subject to the ceilings in the bill.

If, for instance, after passage of the first concurrent resolution in May the economy suffers a downturn, there would be a decrease in revenues for all programs.

Correspondingly, there would be an increase in obligation for funds such as unemployment compensation.

The result would be a deficit picture and an expenditure picture far different from that originally contemplated in the concurrent resolution.

If, for instance, an uncontrollable item such as unemployment compensation rose by $1 billion, what would the result be?

Would it be that relatively controllable items such as education, health, or pollution clean-up funds would be cut back by a corresponding amount because Congress would be politically reluctant to go above its initial ceiling—as some fear the case would be—or would Congress pass a new concurrent resolution adjusting its estimate of unemployment compensation, income and debt and with it, its overall ceiling?

The answer to that question will determine whether Congress is politically courageous enough to make this new system work.

Obviously, in the midst of an economic downturn it would not be in the best economic interest of the country to reduce education and health expenditures because in macro-economic terms it would be counterproductive.

Only time will tell whether Congress has the political courage to really in fact deal with macro-economic questions in a responsible way—questions which Congress has really never had to face in specific terms before today.

Fifth, and most importantly from an institutional standpoint, I believe one section of this bill which relates to membership on the Budget Committee trespasses to a dangerous degree upon the prerogatives of both the Republican and Democratic caucuses in the House.

There is a provision in this bill which stipulates that five members from Appropriations and five members from Ways and Means will serve on the Budget Committee.

It further stipulates that the chairmanship shall be rotated as shall membership itself on the committee.

Mr. Chairman, my service as a member of the Appropriations Committee has convinced me that it is essential that Appropriations and Ways and Means be represented on the new Budget Committee if that committee is to function effectively on budget and tax policy questions.

But I strongly believe that that representation should be achieved in the traditional manner through the party caucuses and not through legislative action in the House as a whole.

I would be perfectly willing within my own caucus to author a resolution amending caucus rules to make it possible for members of Appropriations and Ways and Means to serve on the Budget Committee.

Such a committee without representation from those committees would be, in my judgment, almost useless.

But, by the same token, I intend to support the amendment by Congressman MATSUNAGA which will delete this portion from the bill itself.

I am convinced that both caucuses can insure by their own rules what the language in this bill seeks to provide by House rules.

I think it is important to guarantee the integrity of the committee selection process in both caucuses by leaving the final decision in this regard up to the individual caucuses involved, and I urge Members to support the amendment which Congressman MATSUNAGA will offer.

Mr. Chairman, in summary let me sound two cautionary notes: This bill tries to put some sense of organization in the budget process to enable Congress to deal with two problems in the context of that process: First, macroeconomics; and second, priorities.

It does the former much better than it does the latter.

Because of the requirement that the appropriations committee mark up all 13 appropriations bills before the first appropriation bill can be reported to the floor, it is true that Congress will view the budget more nearly in one package than it does under present procedures.

But Mr. Speaker, while this bill will help to coordinate the appropriations and taxation functions in the House, no one should be misled into thinking that it will allow the house to suddenly and dramatically change budget priorities.

At most, under this plan we will somewhat expand our flexibility on the margins.

Why do I say that?

Under this plan, in the winter and spring of each year we will be considering a budget schedule to go into effect the following October.

The budget process will be just what it is today—one of marginal incrementalism—because for the most part we will be locked into formulas and programs approved by Congress and the President in previous years.

The great bulk of money each year will already be committed or in the pipeline.

If we are ever to be able to free up significant amounts of money to be used for new and different purposes, we will have to greatly extend our leadtime in dealing with individual budgets.

That is the only way we will be able to keep enough money out of the pipeline,

before it is committed, to make possible significant shifts in priorities in any one budget year.

That does not mean you should vote against this bill.

It does mean that this bill is just the first step on the long road of truly dramatic reform which is needed to really give Congress a significant say on budget policy.

This bill, if viewed against the ideal, unnecessarily adds another committee to the already jumbled appropriations process.

In testimony before the Rules Committee, Representative STEIGER of Wisconsin and I suggested a way to avoid the creation of another committee by reconstituting the Appropriations Committee for an overall body for fiscal control within the House.

Although a number of suggestions we made are now embodied in this bill, that idea was rejected. Instead, to the present layer of authorization and appropriation committees, this bill adds yet another layer—a new budget committee.

Because of the new committee's power to coordinate various arms and committees of the Congress, this bill is preferable to the present situation.

But, I predict that approval of this bill will probably mean the eventual elimination of the Appropriations Committee—and possibly the Ways and Means Committee as well.

Members of Congress will look at the system in a few years and they will say "since the budget committee decides priorities and reconciles spending with macro-economic reality, why do we need the Appropriations Committee anymore? Why not just abolish the Appropriations Committee, add their functions to the Budget Committee, let the Budget Committee set overall ceilings and subceilings, and let the authorizing committees parcel out the money to individual programs within the targets set out by the Budget Committee?"

I have no doubt that is where we are headed over the long haul.

Last, Mr. Speaker, I hope all of us realize that this plan will not work unless the new Budget Committee being created in this bill is a leadership-created and leadership-oriented committee.

I would not vote for this bill if I thought it would create just another committee which will meander on its own through legislative policy.

This Budget Committee can bring a sense of order to the House on budget policy but only if it is clearly reflective of the true budget policies of the respective caucuses.

Budget alternatives which give the House significant choices can be presented in a logical way only if the leadership of both caucuses works as closely with the new Budget Committee as it now works with the Rules Committee.

Members of that committee should be clearly perceived as agents of the leadership of the respective caucuses.

That can only happen if the leadership plays a very direct role in the selection of those members.

It would, for instance, be highly inappropriate on the Democratic side for the Committee on Committees—which is, as we all know—the Democratic membership of Ways and Means—to select members for appointment to the Budget Committee which is supposed to help coordinate Ways and Means' functions with Authorization and Appropriation Committee functions. That would clearly be a conflict of interest.

It would mistakenly be decentralizing budget policy rather than centralizing it under the direction of the leadership and it must be avoided if this bill is to work.

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

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

Mr. Chairman, the bill which we are considering to establish a new mechanism within the Congress to handle the Federal budget is one of the most important issues to come before this 93d Congress or any Congress.

As we are all aware, this has been a laborious task. And certainly there are points within this legislation over which reasonable men can legitimately disagree.

However, it is imperative that we pass the measure and set the record as well as the track in order. We cannot go on blaming this President or any President for impounding funds or for settling budgetary priorities with which we have disagreement as long as we in the Congress continue to abdicate our responsibilities in the same field.

Somebody has to draw up the budget guidelines. And the easy way out for us has been to pack every possible dollar into each of our pet spending programs, bless the spending schemes of our traditional philosophical adversaries so they will bless ours, and then watch the authorizations and appropriations turn out to be billions of dollars above available funds.

We have refused to cut funds ourselves because it is much less painful to be able to point the finger at the President.

As the highly respected Washington Post columnist, David Broder put it,

> Congressmen have been content to wrangle what they want for their own districts without adding up the cost to the country.

This measure would employ several important tools in reassigning to the Congress a major share of the responsibility for the Federal budget.

A most important tool is the establishment of the Legislative Budget Director and a staff, to be employed by the Congress on a nonpartisan basis, and to be an objective financial watchdog over all Federal spending programs.

We have employed this same system for many years in California, and our legislative analyst, A. Alan Post, has not only saved the taxpayers in the State millions of dollars—he has saved both the legislative branch and the Governor's office untold embarrassments. He is paid to be the authority on the nature, the value, and the effectiveness of every State spending program in operation or proposed. And he does a highly professional, amazingly detailed job. I am extremely gratified to see us move in this direction here in the Congress.

Mr. Chairman, the Budget Control and Impoundment Act of 1973 would also change our fiscal year beginning to October 1 to enable us to get our appropriations process completed in time.

Further, it would plug the irresponsible backdoor spending which now goes on all of the time through such devices as contracted agreements.

Additionally, it requires the President to answer to the Congress and account for impoundments. And while impoundments should not be necessary with the improved budgetary process this legislation would establish, Congress would have the power to stop any impoundment by resolution.

Mr. Chairman, it is imperative that we move positively and immediately on this bill. Today, Congress deals only in a piecemeal fashion on budgetary issues. We never have the opportunity to study the overall impact of spending in any single area—much less to assess all of our Federal spending programs collectively.

We have buried ourselves and the country in a history of deficits, broken budgets, and runaway spending on ill-conceived programs. We have spawned an unpluggable series of ratholes to drain dollars not only from our pocketbooks but from other vitally needed programs. Our irresponsibility has delayed budgeting decisions and created the often resulting administrative chaos. In short—we have a budgetary process which makes responsible, effective, businesslike service to our constituents impossible.

Mr. Chairman, if we fail to pass this measure, I submit that the American public will make us pay the price for our folly. This country has gone to the wall fighting relentless taxes, booming Federal spending, and soaring inflation. And next November, the voters are going to elect a 94th Congress—not a President. Unless we can show the American public that we are willing to assume our necessary role in this battle for responsible spending we will deserve to be tossed on our collective ears.

I appeal for passage of this vital measure.

Mr. BOLLING. Mr. Chairman, I yield 5 minutes to the gentleman from New York (Mr. BINGHAM).

Mr. BINGHAM. Mr. Chairman, I should like to join in complimenting the gentlemen managing the bill and other members of the Committee on Rules, and others in the House, who have worked so hard on this bill. It is, indeed, a monumental task. It is a complicated proposal, and I suppose it was bound to be. I share some of the doubts of the gentleman from Wisconsin as to whether it will work or not, but I think we should give it a try. I do not know of a better proposal at the present time that is before the House.

I am prepared to support this legislation, with some misgivings, but in recognition that it is an undertaking that the House of Representatives and the Congress as a whole, must, indeed, undertake.

I would like to address my remarks this evening to one particular problem and to express my appreciation to the gentleman from Wisconsin (Mr. OBEY) for alluding to it and for indicating that he would support an amendment that I would propose to offer at the proper time.

As I understand the bill, the procedure is that appropriation bills which do not exceed the budget authority set forth in the original subceilings can be sent forward to the President ahead of the final stage when the concurrent resolution on the budget will be considered. It seems to me that this is a mistake in procedure for several reasons.

My amendment would simply eliminate the phrase in section 127 which provides for some appropriation bills to go on to the President and would require that all appropriations bills await the conformance with the final concurrent resolution.

First of all, it is going to be a very complicated matter to determine whether a particular appropriation bill is within the ceiling or not because the jurisdiction of the subcommittees on appropriations and the functional categories will not be the same, so that a particular appropriation bill will come forward to the House reflecting various budgetary expenditures under various categories. Thus, it will be a difficult and complicated matter to determine whether or not a particular appropriation bill does conform.

I am not clear from the legislation before the House as to who would make that decision, whether it would be made by the budget committee or whether it would be made by the Appropriations Committee or whether it would be up to the House itself to make that determination.

But passing that—I think that problem is a technical one which could perhaps be overcome—what really troubles me is that we are putting certain appropriation bills into a kind of favored category. If it is determined that they do fall within the ceiling then they go ahead to the President, and if they are right up to the ceiling that reduces the flexibility that is available to the Congress at the later stage to readjust the priorities in terms of all the information that has then become available to the Congress. In other words it makes the process more rigid and limits the Congressional flexibility this bill was supposed to provide.

One of the things that I think marks an improvement in this bill over the previous proposals is that it does provide that flexibility for Congress to make an initial determination on priorities and then, after all the evidence is in, to reexamine that determination of priorities. Those bills that go ahead to the President, as I understand it, would be subject later on possibly to rescission of an appropriation if a determination were made to do that, but that is going to be much more difficult and Congress is obviously going to be reluctant to do that. In fact, it is not clear to me how it could be operated.

So that those bills that go through ahead of time get into a special preferred category and they are not going to be subject to that same reexamination of priorities that would be the case with all other appropriation bills.

In addition to that we have the problem that if the House determines or the Congress determines in the initial resolution that a certain functional category should have, let us say, an increase of 10 percent over the President's proposals, that 10 percent could be allocated among several appropriation bills.

If the first bill to come along, so to speak, grabs up a disproportionate part of that appropriation increase or that category increase, that would reflect adversely on the bills that have not come up yet. The House will not have a chance to look at the total problem and see whether, in fact, that is the right allocation of the increase that it has decided should be made in that functional category. So I believe that this, too, puts these earlier bills into a preferred category.

I see no especial advantage to be gained by going through this difficult process of deciding whether a bill conforms to the ceiling or not, a complex process which will itself be subject to dispute rather than having all appropriation bills wait until this final process of reassessing the priorities can be undertaken to determine whether or not, in fact, certain changes should be made. At that point the Congress can look at the choices before it, can look at them with an equal degree of study, or equal degree of factual material and decide whether the earlier ceilings have to be adjusted in some manner.

So, Mr. Chairman, I hope that the distinguished gentleman from Missouri and others who have worked so hard on this will give consideration to this amendment as to whether it would not simplify the process, whether it does not make the process more equitable and in general an improvement to simply provide that all appropriation bills shall await the final determination of the Congress in its concurrent resolution.

Mr. BOLLING. Mr. Chairman, I yield such time as he may consume to the gentleman from Missouri (Mr. RANDALL).

Mr. RANDALL. Mr. Chairman, I thank my colleague from Missouri. I intend to support H.R. 7130 along with some amendments that may be offered tomorrow. I do not think anyone has suggested that this is a perfect piece of legislation, but it is a start on a job that should have been attempted long ago.

Because we are faced with a budgetary necessity now, this measure should be passed without any further delay.

I am proud to be one of the original cosponsors of H.R. 7130 along with its principal sponsor, the gentleman from Oregon (Mr. ULLMAN). Let me also take time at this point to highly commend the difficult but able work of a member of the Rules Committee who is floor manager of this legislation today, the distinguished dean of our Missouri delegation, Mr. BOLLING.

Mr. Chairman, with so much attention focused on Watergate, the tapes, and more recently on the many facets of the energy crisis, there has not been much reference in the headlines to the "battle of the budget."

But it is refreshing to know that the battle is being waged right under the Capitol Dome. Let us never forget that Federal spending starts in Congress and also remember that Federal spending has soared by $62 billion in the four fiscal years which ended June 30, 1973.

Control of spending by a congressional budget should not be a partisan matter. Both parties recognize the need for some kind of lid to be put on total Federal spending. If we do not, the only alternative is a tax increase. The really hopeful thing about the Budget and Impoundment Control Act of 1973, H.R. 7130, is that it is the first means yet proposed by which Congress can in effect assert firm control over itself.

Our current budgetary situation is not as dismal as some would believe. The reason the deficit will not be as large as expected is due to the huge increase in tax receipts from a much larger gross national product and from such windfalls as large receipts from off-shore oil leases. But the disappointing thing is that Congress added about $5 billion to the fiscal 1974 budget over the regular executive budget which was submitted in January 1973. H.R. 7130 would go a long way to prevent that kind of a happening in the future.

The procedure called for by H.R. 7130 will be for Congress to approve a total buget ceiling early in the session and see to it that all of the total individual appropriation actions conform to the ceiling. This would mean that Congress would not only control its appropriation bills but also those legislative bills that lead to automatic increases in spending in future years. Anytime there is a conscious or deliberate decision made by Congress to exceed the ceiling then, of course, the proposed budget control act will require a quick tax increase to make up the difference.

The eventual impact that this congressional budget would have to produce a more orderly fiscal policy throughout the entire United States is so enormous that it cannot be either anticipated or estimated at this time.

How good it would be if this procedure provides the answer to restrain the deficits that have accumulated over the past several years. If we have found the answer to the elimination of deficits then truly the battle of the budget has not been lost.

Mr. BOLLING. Mr. Chairman, I yield such time as he may consume to the gentleman from Texas (Mr. GONZALEZ).

Mr. GONZALEZ. Mr. Chairman, I have

strong misgivings about the Budget Control and Impoundment Act.

This bill seems to have originated from congressional self-flagellation. The President has said that the Congress is irresponsible and unable to control the budget. Political scientists have bewailed the supposed lack of budget control in the Congress. And we have believed that, so this bill comes before us.

I do not believe that this bill will accomplish its objectives. It will, in my opinion, further erode the prerogatives of Congress and vastly undercut the authority of many of our committees, and will contribute to the aggrandizement of power by the Executive.

In the first place, this bill says that impoundment of appropriated funds can be legalized, even though the report goes to painful lengths to deny that the legality of impoundments exists. Why should we adopt a procedure that legalizes what we claim is illegal? Why should we accept in fact what we deny in law? Such an action is not only sham—it is sheer self-delusion. If we deny the legality of impoundment, then it is not logical for us to establish a procedure whereby impoundments would be legal, if we fail to disapprove them, but that is what this bill does.

In setting up a budget ceiling, the bill puts the Congress in a bidding match with the President. He may submit a wholly unrealistic budget proposal, requiring Congress, if it be responsible, to set a ceiling higher than his request. In that case, he could denounce Congress as irresponsible. Or, the reverse could happen. Or the President and Congress could become engaged in a match to see who could set the lowest ceiling, regardless of what the country's needs may be. It takes no special genius to know what the total of a full employment budget ought to be—that is the task of the Office of Management and Budget, not Congress. Our concern, our responsibility and our function is to order the national priorities within that total. We need not be concerned about setting a budget ceiling ourselves. Our task is to establish the priorities that make up the budget. We know at the outset of any given year what the skeleton of the budget is. We ought not concern ourselves with that, but rather with the flesh, blood and muscles of it. This whole business of setting a ceiling is likely to be wasteful and destructive.

The bill also calls for completing of all authorizing legislation within a span of a few weeks. That is wholly unrealistic. No authorizing committee can responsibly act on large projects with only perfunctory hearings. This hasty procedure would make it impossible for the authorizing committees to take any close look at the hundreds, even thousands of projects that they are responsible for authorizing. Authorizing legislation is every bit as difficult and detailed as appropriation legislation, and it is senseless to expect an authorizing body to do in a matter of weeks what everyone concedes the appropriations committees must take months to accomplish. This section of the bill would simply emasculate and make meaningless the entire authorizing process. It might just as well throw the whole process out, and leave the whole legislative burden of Congress with the appropriations committees. I have nothing against those great committees, but I submit that the bill would place on them a burden that they cannot be fairly asked to assume.

Further, the bill assumes that all authorizing legislation would be submitted between January and March. Everyone knows that the Executive submits authorizations throughout the year. I do not think that April is a particularly magical month, except that it brings the magic of springtime. In the bill before us, it is an arbitrary selection aimed at producing a specific result in a specific timetable—a timetable that is not going to be met without Congress emasculating its authorizing committees, and ultimately giving up control over the entire budget process.

The bill might better be called the budget decontrol act, because it will pass control of the budget from Congress to the Executive, by rendering our authorizing committees helpless and meaningless, and placing unsupportable burdens on the appropriations committees.

Everybody wants to see the appropriations bills completed by the beginning of the fiscal year. That has been our goal since the Reorganization Act. But it seems not to have occurred to many people that the fiscal year might be changed, so that Congress could have a year to consider the budget request, rather than 6 months, as we now have. It may simply be that we are trying to reach a goal that cannot be reached. It may be that the real answer is far simpler than the bill before us.

I believe that this bill is praiseworthy in its goals, and I regret to say that I believe it may be disastrous in its results.

Mr. RHODES. Mr. Chairman, I rise in support of this legislation.

For quite some time I have rated the job of reforming the congressional budgetary procedure as the single most important item facing the 93d Congress. I have pointed out that many of our energy, environmental, and natural resources woes have been multiplied by the inability of Congress to gain control over the Nation's purse strings. No comptroller can set priorities and regulate expenditures realistically without a knowledge of the size of his budget. Congress is no exception.

In the past Congress has been notorious for its neglect of the Nation's budgetary decisions. Congress makes no rational decision as to whether the operations of the Government are to be deflationary or inflationary. Congress never addresses the question of whether there will be a balanced or unbalanced budget. It does not make an election between raising taxes or operating at a deficit. Congress refuses to consider a myriad of equally important judgments, such as whether its spending would strengthen or weaken the dollar overseas. Stated simply, Congress has abdicated its responsibility to control the Nation's financial business.

Mr. Chairman, I stand in favor of this bill because, if it is enacted, Congress, for the first time in our history, will be obligated to address itself to these essential questions. I cannot stress too strongly the necessity and value of the budgetary structure that this bill will provide. This legislation promises a vehicle to make the congressional decisions we should have been making annually for nearly 200 years.

The House Committee on the Budget, created by this legislation, will maintain continuing studies of the effect of budget outlays of all legislative programs. The committee will have the authority and power to seek answers to the far-reaching fiscal questions Congress has ignored in the past. Most importantly, the committee must report during each and every session of Congress at least two concurrent resolutions dealing with the appropriate level of total outlays, budget authority, Federal revenues, public debt, and surplus or deficit. These tentative and final budget resolutions will provide the entire Congress with a wealth of information. They will provide us with the first overall and comprehensive view of the now disjointed appropriations process.

It is no wonder that few, if any, Americans can comprehend and accurately predict the future effects of a congressional budget. At present, our appropriations reach the American public in such a piecemeal and fragmented manner that it would require of our constituents a full-time effort to assemble them, let alone understand their impact on the economy. It is my firm contention that these budget resolutions will allow Congress to make fiscal sense to the country. Americans everywhere will understand the cost and sacrifice that each legislative program will require.

This new law will not permit congressional spending to be undermined by "backdoor" spending. Backdoor spending will be virtually eliminated.

Mr. Chairman, I call upon this body to gain control of this Nation's fiscal policy. I call upon this body to accept finally the responsibilities bestowed upon it by the Constitution so long ago.

Mr. HAMMERSCHMIDT. Mr. Chairman, I want to open my remarks with sincere congratulations for efforts of my distinguished colleagues from the Ways and Means, Appropriations, and Rules Committees who were instrumental in bringing H.R. 7130 to the floor of the House. In my judgment, this legislation may well be the most important proposal considered by the 93d Congress. If enacted, it could be the most important law to come out of several Congresses.

As we debate today the merits of H.R. 7130, it is necessary that we keep in mind not only the current economic matters facing the Nation but also the historic perspective which has given rise to the need for the legislation. In recent years, the relationship between the executive and legislative branches of the Federal Government has been strained by a long-waged controversy over the budget process. The present situation predates by decades the Nixon administration,

although it has now become tenuous and has led to impasses which are not in the best interests of good government.

Throughout the historic perspective to which I allude, it has been inevitably true that both the executive branch and the Congress have high-minded goals. They both want to establish the most effective national priorities possible and use the best means to meet them. In the face of inflationary pressures which threaten our economic stability, there is substance in the increasing concern over positive action to solve this budget-related controversy. We simply cannot afford to prolong the conflict.

Last year, Congress formally acknowledged the problem and turned its attention to a concrete solution. While refusing to accede to the President's proposal for a rigid spending ceiling, it established the Joint Study Committee on Budget Control. We now have had the benefit of the committee's thorough study and recommendations on ways to tighten congressional control over budgetary outlays and receipt relationships. Although all of their recommendations have not been included in H.R. 7130, this measure still presents a method which will give a comprehensive overall view of each year's Federal spending and revenues, to replace the haphazard agency-by-agency, department-by-department, and program-by-program approach of the past which has fallen so short of sound fiscal management.

If I may retrogress briefly, Congress has taken through the years various approaches to balancing income and expenditures. For the first 75 years of our history as a federal entity, the budget control by Congress was organized and tight. This was broken down as a result of the burden posed in 1865 through the Civil War with taxing and spending jurisdiction split between Ways and Means and Appropriations Committees. Unified budget control was further diluted in ensuing years as various legislative committees assumed spending jurisdiction and, in 1921, the Budget and Accounting Act further deemphasized the congressional role in budgetary matters. This act has since served as the real source of the current budgetary differences between Congress and the executive branch.

Due to the commendable work of the Joint Study Committee and the subsequent action by the Rules Committee, we have before us a vehicle for budget reform and the better government which can result. The House and Senate Budget Committees created in the legislation will be new institutions in Congress, responsible for coordinating and monitoring budget outlays and authority. Effective in 1976, our bicentennial year, the Budget Committee of the House will be charged with reporting two concurrent resolutions each year to establish for the U.S. Government the levels of total budget outlays and total new budget authority. The fiscal year will be changed to provide for more orderly planning and a new budget process will be implemented to deal with priorities and economic issues. The new procedure includes deadlines for House action on appropriations bills and entails strong provisions to insure reconciliation of bills within their budget targets prior to the beginning of the fiscal year. In effect, H.R. 7130 is designed to insure that new budget authority will not be exceeded and that action on implementing legislation within the final budget resolution will not be subject to troublesome and costly delays.

A noteworthy factor of H.R. 7130 is that it takes into account the need for bringing under control the "back door spending" which does not pass through the normal appropriations channels. A transitional time is provided for in the legislation to attempt to insure that "back door spending" will be brought under budget controls by 1978. However, self-supporting trust funds and Federal insurance and guaranty programs will remain permanently outside the new controls.

H.R. 7130 would also create a Legislative Budget Office to work for both the House and Senate in the compilation and preparation of information on budget legislation and projections of outlays.

The proposal we are debating also provides an impoundment procedure whereby the President must report to Congress on the impoundment of any appropriated funds, and Congress may then follow procedures to disapprove by resolution the Executive's actions. The new budget reform provisions of H.R. 7130 combined with a specific procedure for Congressional disapproval of impoundment actions make this a most desirable and reasonable proposal. It will, in effect, guarantee that Congress will exercise fiscal responsibility so that the President will not have to step in to control spending and thereby intervene in the priorities established by the elected representatives of the people.

In conclusion, there are many indications in our economy and general Government operations of the need for positive action: the President's budget and tight spending ceiling; the executive branch impoundment of funds; Congress fighting appropriations; recissions and program cutbacks; devaluation of the dollar and trade aspects of the problem. H.R. 7130 provides Congress with a mechanism to meet the challenge of effective budget control, and I urge my colleagues to support the bill.

Mr. HUNGATE. Mr. Chairman, if the legislative balance of power is to be restored we must gain some reasonable understanding and control over what has become a mammoth Federal budget too often out of balance.

I have always heard that: "When your outgo exceeds your income, your upkeep will lead to your downfall."

As a Nation we are approaching that unwanted goal. It is for this reason, Mr. Chairman, I rise in strong support of the Budget and Impoundment Act of 1973, H.R. 7130. It is time the often unwieldy budget process be corralled into a procedure whereby Congress, with sufficient data and information on Government outlays, will once again be able to exert its will on the Federal budget and spending priorities in a realistic and expeditious manner.

While the proposal may not be the ultimate answer to a streamlined process, it is an important start and does eliminate some of the stumbling blocks in the handling of appropriations which have brought criticism to the Congress.

The proposed, bipartisan House and Senate Budget Committees would provide the key roles in establishing budget ceilings and making this new process work. The creation of a legislative budget office will for the first time allow individual Congressmen and committees the opportunity to have a total and direct view of budget requirements in the executive branch and provide a system for acquiring accurate fiscal data. Each appropriation request can be viewed in light of its relationship to the total budget.

Changing the fiscal year to start on October 1 is a more realistic approach, allowing Congress to work its will and curb the need for continuing resolutions.

With this procedure the May 1 congressional budget resolution—prepared by the new budget committee following recommendations of other committees—setting out spending targets for the total budget and the major functions of Government, will give us a tentative, yet sound, basis from which to move forward.

The House Appropriations Committee would not report out any bills until it has completed action on all appropriations bills. None of these bills would be sent to the President if they exceed the congressional targets and would be held until the congressional budget process is completed.

By September 15, Congress would adopt a final budget resolution which could require the Appropriations Committee to report rescissions or amendments in appropriations or the Ways and Means Committee to report tax changes. Congress would be required to adopt a budget reconciliation bill prior to adjournment. A cutdown in backdoor spending would result by most of these items being funded through the appropriations process.

Hand in hand with an improved congressional budget process is a mechanism in the bill to deter executive impoundment of appropriated funds. The President will no longer be able to cut off funds on a personal whim. Since the President is required to send an explanatory message to Congress of any impoundment, he will have to convince Congress such action is in the best interest of the Nation or Congress, within 60 days, can require the President to cease any such impoundment. This section is particularly important to those of us who have districts where impoundments have severely hurt progress in the areas of water, sewer, and storm water systems, housing, and other vital programs.

Every Member of Congress must become more directly involved in the budget process to be able to assert fiscal responsibility and to be sure his constituency's voice is reflected in our Nation's spending.

This legislation will give us that opportunity and I strongly urge its prompt passage.

Mr. KEMP. Mr. Chairman, I rise in support of the principles embodied in the legislation now pending before us.

Budget reform—restoring to the Congress a large share of genuine authority over the budgetmaking and implementing processes—is an idea whose recognition, and subsequent enactment, by the Houses of Congress are long overdue. Coupled with the amendments to be offered tomorrow by the gentleman from Florida (Mr. BENNETT), which I have cosponsored, the enactment of this legislation gives to the Congress an opportunity to match its words with deeds—to reassert in a constructive way the powers which are rightly its own.

Budget reform is essential for several critically important reasons, any one of which is sufficient for its passage.

REASSERTION OF CONSTITUTIONAL ROLE OF CONGRESS

The framers of our Constitution vested in the Congress the ultimate power within a free society—the power to tax and to spend, known collectively as the power of the purse. The Constitution gives to the Congress, as the first branch of Government, authority to determine national needs and priorities amongst those needs; to levy taxes, duties, imposts, and excises necessary to support Government activity; to determine how money will be spent and the specific levels at which it will be spent; and, even to indebt the Government—the people—in meeting expenditure levels.

Some of this power has been abused, and the just-concluded debate to extend the national public debt ceiling to $475.7 billion attests to such abuse. But, in the main, the Congress has allowed a gradual erosion of its budgetmaking and implementing authorities, an erosion greatly accelerated during the past 30 to 40 years as the size of Government grew by leaps and bounds.

Today—1973—the executive—not the Congress—is really in the proverbial driver's seat when it comes to budgetmaking. The executive canvasses the various Federal departments and agencies on their perceived spending needs for a forthcoming fiscal year. The executive establishes the priorities amongst these instrumentalities—and the programs they administer—by formulation of the President's annual budget message; it is the Office of Management and Budget—OMB—which formulates the budget proposal—not an agency of the Congress. The executive, often through the budget process, makes the recommendations to the Nation and its Congress on what new programs ought to be enacted, existing ones amended or deleted. The executive, in summary, through the exercise of powers which have acceded to it over the years by congressional abdication, has shifted the burden of making any amendments in the budget document and the principles embodied in it and programs advocated by it to the Congress. It is the Congress, which ought to have remained in the driver's seat, which must carry the full burden of showing what is wrong or misdirected in the budget message.

Many in this body have acquiesced in the aggrandizement of budget powers in the executive. Whether spurred by a philosophical imperative toward a strong executive or by more common agreement with it than with their own colleagues or whatever, this has happened, and it has been bad for the Congress and bad for the Nation.

Taxation and determination of Federal spending are the foremost, indispensible powers the Constitution grants to Congress. To grant, further, even a share of that authority to the executive would be a stark admission of the legislative branch's incapacity to legislate prudently.

GETTING A HANDLE ON FEDERAL SPENDING

We cannot, as a legislative assemblage, urge remedial action on this urgent problem of budgetmaking without realizing that its ultimate resolution lies not only in the will of the Congress to assume those full and proper constitutional powers to which I have already alluded, but also in the issue being joined headon through a comprehensive, fully interrelated program effort.

Piecemeal efforts to first attack the problem here, then there, will not solve this problem. The Congress, no matter how arduous the task, must establish the machinery with which to make Congress budgetmaking and implementing work.

The difficulty of this search is accentuated by the task of finding mechanisms which will operate to impose self-restraints on the proclivities of many elected officials to propose Government solutions—as the initial solutions—to virtually all problems of our society and the Nation. One would be telling less than the whole truth if one did not recognize that some political leaders are prone to rush forward with proposed Government solutions without exercising caution and timely restraint by first pursuing alternative problem-solving devices—using Government intervention as the last resort and only for those ills which cannot be otherwise arighted.

There are several ways in which we can get a handle on his problem:

First, we must establish an absolute level of revenue which will be raised through total Federal taxation—a level established in relation to national income—beyond which the Government cannot spend. This will force the Congress to then establish priorities among various existing and proposed programs in relation to an exact dollar figure, known from the outset, and not arrived at, at the end of a session, by simply adding up all the enactments and appropriations and worrying about their relationship to income. Budget reform should be but a first step toward the establishment of such an absolute level, in relation to national income.

Second, proposed Government programs should be tested. This is no radical proposal, for what it does is propose that the ageless principle—such as that employed in the physical sciences—that no program ought to be launched full-blown without proper testing and analyses—ought to be applied to Government initiatives also. If a program works, then expand it. If it fails, do not be locked into it, with a fiscal consistency already created which depends on it. If it works, then establish it on a national basis, beyond the initial test sample. If it works, fund it at a full and reasonable level; if it does not work, do not waste the taxpayers' dollars in support of it. This is simple logic, doing nothing more than bringing reason and sanity to politics and Government action. The Senate committee-reported bill, S. 1541, provides for such a testing program for all new initiatives beyond $100 million. The amendment, which will be offered by Mr. BENNETT, would make this part of the House version. I cosponsored it; I endorse it; I urge its adoption.

Third, the Congress must objectively review existing programs. The saying goes, "Nothing is more permanent than a temporary Government program," and there is much truth in it. Programs, once enacted, seem to go on forever with no, or little, really hardnosed review. The Congress should establish a mandatory requirement that all authorizations providing for expenditures in excess of $100 million be reviewed at least once every 3 years, more frequently if necessary and appropriate. I support the proposed amendment of Mr. BENNETT to similarly make this already Senate committee-reported provision a part of the House-passed bill.

If we do not get a handle on this problem, we invite the continued abuse of monetary and economic policies at the hands of Government, abuses which have led to these staggering statistics. Between 1940 and 1972:

The Federal Government's gross annual revenue rose by 2,790 percent—from $7.0 billion to $202.5 billion.

Total Federal expenditures rose by 2,140 percent—from $10.1 billion to $226.2 billion.

The total Federal public debt outstanding rose by 830 percent—from $43 billion to $398.1 billion. It has since been increased to $475.7 billion.

Federal expenditures per capita rose by 1,450 percent—from $77 to $1,195.

Federal employment zoomed to 2,865,303 civilians.

What we see here is the operation of Parkinson's law—that expenditures rise to meet income—and a more recently formulated corollary—that expenditures rise to slightly exceed present income in expectation of increased future income. Congress must rise to meet the challenge of meeting this problem headon through its recognition and understanding, through budget reform, through restraint and caution, and through the establishment of machinery.

We stand on the verge of a historical enactment—potentially significant in history because it marks a point at which the Congress decided to assume its full constitutional powers and regain the power of the purse which it was gradually surrendering. The efforts proposed to be undertaken in the bill before us—and the Bennett amendments to it—are important beginnings to this process.

During the next few years they will help begin the redirection of Government and Congress roles in relation to programs and funds to sustain them. Measured in the few moments which constitute, in history's eyes, the few years, they will be modest, but as that straight line progresses through the years, separated from what would have otherwise been an even more apparent concentra-

tion of budget power around the executive, its breadth will be more apparent and important. Budget reform is as important a concept for the redirection of Government's role with respect to the people as the New Federalism, as general revenue sharing, and like those other initiatives, it is an idea whose time has come.

Mr. SCHNEEBELI. Mr. Chairman, I support enthusiastically the budget control concept embodied in H.R. 7130. The thrust of the bill in this regard follows essentially the proposals developed earlier this year by the Joint Study Committee on Budget Control, on which I was privileged to serve.

It has been my view all along that we in the Congress face no higher priority than meaningful reform of our budgetary process. I believe the efforts of the Joint Committee put us on the high road to that goal, and today marks another milestone in our journey.

The provisions of H.R. 7130 already have been described in detail, and I will not belabor those points. I would merely point out that in summary the recommendations of the Joint Committee, encompassed in this legislation, would require the Congress to consider the budget on a comprehensive as well as a particularized basis, and would provide ample opportunities for us to fit the sum of the parts into a realistic whole. As one of the developers of the process, I do not view it as absolute perfection, but as a fundamentally sound structure on which improvements can, and undoubtedly will, be made in the light of practical experience.

There were, and still are, differences as to procedures and mechanics, but I feel very strongly that we cannot afford to let those differences deter us from our overriding pursuit of reform.

Under the Constitution, the Congress holds the power of the purse. But if we are to remain an equal partner in our federal system of checks and balances, we simply must use that power with all the care and wisdom we can muster.

I think the budget control concept of H.R. 7130 gives us a chance to move responsibly in the right direction and for that reason, I urge my colleagues to approve the bill.

Mr. REUSS. Mr. Chairman, the Budget and Impoundment Control Act of 1973 is a badly needed attempt to rationalize the congressional budget process. It is a good bill—not a perfect one, to be sure—but a sensible, thoughtful, and bipartisan solution to the increasing complexity of the budget decisions which Congress, often hastily and half-informed, now has to make.

H.R. 7130 could be improved in several respects. I intend to vote for various amendments offered by my colleagues on both sides of the aisle tomorrow. But today I will speak briefly about the amendment which Mr. ANDERSON of Illinois and I will propose: An amendment to make sure that Congress is fully informed about tax expenditures when it makes its important priority allocations.

H.R. 7130 is now lopsided in one respect: It deals with direct expenditures—outlays, new budget authority—but not with tax expenditures. Yet tax expenditures, according to the most recent Ways and Means Committee analysis, drained the Treasury in calendar 1972 of some $60 billion—a little less than one-fourth of total projected direct outlays in fiscal 1974. We cannot afford to exclude tax expenditures from our budget deliberations.

What are tax expenditures? They are special provisions in our income tax laws giving financial assistance to specific persons or activities. Tax expenditures include credits, deductions, lowered tax rates, deferred taxes, all of which result in reduced tax liability. They are a form of subsidy—a tax subsidy—which reduces the money in the Treasury just as direct subsidies do.

Some examples of tax expenditures chosen at random, are the following: Pollution control facilities amortization, $25 million; dividend exclusion, $300 million; investment tax credit, $3.8 billion; sick pay exclusion, $225 million; tax deferral for domestic international sales corporations—DISC—$100 million; exclusion of social security retirement benefits, $3.5 billion, and accelerated depreciation, $860 million.

There are many more—many desirable some undesirable. But whatever their individual merits, the provisions should certainly be included in congressional decisionmaking on the budget.

How do tax expenditures relate to direct expenditures? In practice, very tenuously. Often direct spending programs are contemplated with no thought of existing or proposed tax expenditures in the same area. The reverse happens as well. Ideally, tax expenditures and direct expenditures are two complementary fiscal tools to be used, separately or together, to produce the most economical and efficient assistance possible.

Let us take some examples. Few would deny that education costs, property taxes, and housing subsidies are pressing problems yet to be solved. Each of these problems could be tackled through either direct expenditure programs or tax expenditures.

First. Education costs: Private school tuitions are soaring beyond the reach of average income citizens. Public schools are crowded, understaffed, underfunded. A proposal to aid parents of private schoolchildren by giving them a tax credit equal to part of the tuition was widely discussed this year. The credit would have cost an estimated $300 million in fiscal 1974. Another way to achieve the same result would be to provide direct assistance to private schools, enabling them to lower their tuition.

Second. Property tax relief: The Federal Government already provides some property tax relief in the form of a Federal income tax deduction and through general revenue sharing, but property taxes continue to burden many Americans unduly—particularly older Americans. There are more than 10 bills now before Ways and Means which would provide additional tax deductions or credits to relieve property taxes. Another approach to the same problems would be to make direct payments to States and localities, enabling them to lower property taxes. General revenue sharing embodies the latter approach.

Third. Housing subsidies: What is the best way to make sure that adequate low-cost housing is available? Is it through direct subsidies like section 235 and 236 programs? Or is it through increasing the current accelerated depreciation on rental housing?

Each approach to the above problems involves expenditure—either of revenues collected or of revenues forgone. Upon examination one approach will probably prove more efficient than the other in specific cases. But certainly both approaches must be considered, and information on existing tax expenditures must be part of the factual basis on which Congress makes direct spending decisions.

We are accustomed to looking at the President's budget—with its division into functional categories—each year, noting the proposed outlays in each category, and thinking that we have some idea of what Government spending will be like in the forthcoming fiscal year. It is interesting to add tax expenditures, also divided into functional categories, to that perspective.

Natural resources and environment cost only $3.7 billion in direct outlays, but tax expenditures—including oil depletion allowance, capital gains treatment of certain ores, pollution control amortization—add another $2.3 billion to this category. Commerce and transportation absorb not only the $12.4 billion shown in outlays, but a further $17.6 billion in tax expenditures—investment credit, asset depreciation range, bad debt reserves, rail freight car amortization, and others—actually a larger sum than direct expenditures in that category. General revenue sharing—aid to State and local governments—costs $6 billion, while tax expenditures—exemption of interest on State and local debt, deductibility of State and local taxes—costs another $3.2 billion.

Looking at tax expenditures and direct expenditures together makes it far easier to see just how much the Federal Government is spending, and just what ordering of priorities we have.

Congress recognized the importance of tax expenditures in 1971, when, in the conference report accompanying the Revenue Act, the Treasury was requested to make annual reports on revenue losses attributable to special tax provisions and provide them to Congress. The Joint Committee on Internal Revenue Taxation staff prepares these figures annually for publication by the Ways and Means Committee. I include for the RECORD at the end of these remarks a copy of the most recently published tax expenditure budget.

But the tax figures appear at a time when Congress will already, under the procedure contained in H.R. 7130, have made its important budget decisions. In 1972, the tax expenditure list was published in October, in 1973, in June. If Congress is to make informed decisions, we must have these figures at the beginning of the year—in the President's annual budget—with 5-year projections,

so we have some idea, however imperfect, of where we will end up—in the concurrent budget resolution when Congress tentatively charts its course for the fiscal year, and in reports accompanying any proposed new or changed tax expenditure legislation throughout the year.

The Senate budget bill, S. 1541, does provide for tax expenditure figures to be provided Congress whenever budget decisions are made. The Senate Government Operations Committee reported out this language unanimously. Our amendments—the exact text of which appears on pages 39297 to 39298 of the CONGRESSIONAL RECORD for Monday, December 3, 1973, would do the following:

First. Include review of tax expenditures and coordination of tax expenditures with direct expenditures in the duties of the budget committees and the Legislative Budget Office.

Second. Include the list of tax expenditures, by budget categories, as currently published by Ways and Means, in the current budget resolutions.

Third. Require the tax-writing committees to explain the impact of any proposed new or changed tax expenditure legislation upon existing expenditures—both tax and direct—in the same budget category, and to provide a 5-year projection of the revenue effect.

Fourth. Require the President to include the tax expenditure budget with 5-year projections in his annual Budget.

Tax expenditures logically should be included in any budget control bill. But the question is not only one of logic. If Congress should adopt a budget procedure subjecting every other form of spending—appropriations, backdoor spending, permanent appropriations—to reasonably severe scrutiny, the danger of excepting tax expenditures is obvious. The tax code will become a gateway to backdoor spending, the budget process which we have all spent so much time debating will become a farce, and we will be right back where we started.

I urge the House to vote for the amendments which Mr. ANDERSON and I will offer tomorrow.

I include the following:

TABLE 1.—ESTIMATED FEDERAL INCOME TAX EXPENDITURES,[1] CALENDAR YEARS 1967-72[2]

[In millions of dollars]

Item	1967	1968	1969	1970	1971			1972		
					Corporations	Individuals	Total	Corporations	Individuals	Total
NATIONAL DEFENSE										
Exclusion of benefits and allowances to Armed Forces personnel	500		550	500	----------	650	650	----------	700	[4] 700
INTERNATIONAL AFFAIRS										
Exemption for certain income earned abroad by U.S. citizens	40	45	45	40	----------	50	50	----------	50	50
Exclusion of income earned by individuals in U.S. possessions	10	10	10	10	----------	10	10	----------	10	10
Western Hemisphere trade corporations	50	55	55	50	75	----------	75	50	----------	50
Exclusion of gross-up on dividends of less-developed country corporations	50	55	55	55	55	----------	55	60	----------	60
Deferral of income of controlled foreign corporations	150	165	170	165	165	----------	165	300	25	[3] 325
Exclusion of income earned by corporations in U.S. possessions	70	80	85	80	80	----------	80	80	----------	80
Deferral of income of domestic international sales corporations								100	----------	100
AGRICULTURE										
Farming: Expensing and capital gain treatment	800	860	880	820	50	790	840	50	850	900
Timber: Capital gain treatment for certain income	130	140	140	130	125	50	175	125	50	175
NATURAL RESOURCES										
Expensing of exploration and development costs	300	330	340	325	260	65	325	580	70	[3] [4] 650
Excess of percentage over cost depletion	1,300	1,430	1,470	980	785	200	985	1,400	300	[3] 1,700
Capital gain treatment of royalties on coal and iron ore	5	5	5	5	5	----------	5	5	----------	5
COMMERCE AND TRANSPORTATION										
Investment credit	2,300	3,000	2,630	910	1,495	305	1,800	3,050	750	3,800
Depreciation on buildings (other than rental housing) in excess of straight-line	500	550	550	500	320	160	480	330	170	500
Asset depreciation range					600	100	700	850	10	[3] 860
Dividend exclusion	225	260	290	280	----------	300	300	----------	300	300
Capital gains: Corporation (other than farming and timber) [5]	500	525	525	425	380	----------	380	400	----------	400
Capital gains: Individuals (other than farming and timber) [5]	(6)	(6)	(6)	(6)	----------	5,600	5,600	----------	7,000	7,000
Bad debt reserves of financial institutions in excess of actual	600	660	680	380	400	----------	400	400	----------	[7] 400
Exemption of credit unions	40	45	45	40	40	----------	40	90	----------	[3] 90
Deductibility of interest on consumer credit	1,300	1,600	1,700	1,700	----------	1,800	1,800	----------	1,100	[3] 1,100
Expensing of research and development expenditures	500	550	565	540	545	----------	545	570	----------	570
$25,000 surtax exemption	1,800	2,000	2,300	2,000	2,300	----------	2,300	2,500	----------	2,500
Deferral of tax on shipping companies	10	10	10	10	10	----------	10	30	----------	30
Rail freight car amortization				105	45	----------	45	80	----------	[3] [8] 30
HOUSING AND COMMUNITY DEVELOPMENT										
Deductibility of interest on mortgages on owner-occupied homes	1,900	2,200	2,600	2,800	----------	2,400	2,400	----------	3,500	3,500
Deductibility of property taxes on owner-occupied homes	1,800	2,350	2,800	2,900	----------	2,700	2,700	----------	3,250	3,250
Depreciation on rental housing in excess of straight-line	250	250	275	255	300	200	500	350	250	600
Housing rehabilitation					10	15	25	15	25	40
HEALTH, LABOR, AND WELFARE										
Disability insurance benefits	(9)	100	120	130	----------	155	155	----------	175	175
Provisions relating to aged, blind, and disabled:										
Combined cost for additional exemption, retirement income credit, and exclusion of OASDHI for aged	2,300	2,700	2,800	2,950	----------	3,250	3,250	----------	3,550	3,550
Additional exemption for blind	10	10	10	10	----------	10	10	----------	10	10
Sick pay exclusion	85	95	105	105	----------	120	120	----------	225	[3] 225
Exclusion of unemployment insurance benefits	300	325	350	400	----------	800	800	----------	700	700
Exclusion of workmen's compensation benefits	150	180	210	210	----------	320	320	----------	375	375
Exclusion of public assistance benefits	50	50	50	50	----------	65	65	----------	65	65
Net exclusion of pension contributions and earnings:										
Plans for employees	3,000	4,000	3,150	3,075	----------	3,650	3,650	----------	4,000	4,000
Plans for self-employed persons	60	135	160	175	----------	250	250	----------	200	200
Exclusion of other employee benefits:										
Premiums on group term life insurance	400	400	440	440	----------	500	500	----------	550	550
Deductibility of accident and accidental death premiums	25	25	25	25	----------	30	30	----------	35	35
Medical insurance premiums and medical care	1,100	1,400	1,450	1,450	----------	2,000	2,000	----------	2,500	2,500
Privately financed supplementary unemployment benefits	25	15	15	20	----------	5	5	----------	5	5
Meals and lodging	150	165	170	170	----------	170	170	----------	170	170
Exclusion of interest on life insurance savings	900	1,000	1,050	1,050	----------	1,100	1,100	----------	1,200	1,200
Deductibility of charitable contributions (other than education)	2,200	3,000	3,450	3,550	----------	3,200	3,200	----------	3,100	3,100
Deductibility of medical expenses	1,500	1,600	1,700	1,700	----------	1,900	1,900	----------	1,900	1,900
Deductibility of child and dependent care expenses	25	25	25	25	----------	30	30	----------	180	180
Deductibility of casualty losses	70	80	80	80	----------	165	165	----------	150	[3] 150

Footnotes at end of table.

TABLE 1.—ESTIMATED FEDERAL INCOME TAX EXPENDITURES,[1] CALENDAR YEARS 1967-72[2]—Continued

[In millions of dollars]

Item	1967	1968	1969	1970	1971 Corporations	1971 Individuals	1971 Total	1972 Corporations	1972 Individuals	1972 Total
HEALTH, LABOR, AND WELFARE—Continued										
Excess of percentage standard deduction over minimum standard deduction	[9] 3,200	[9] 3,600	3,800	3,000	----------	700	700	----------	1,040	1,040
Pollution control amortization	----------	----------	15	15	15	----------	15	25	----------	25
Credit for employing public assistance recipients under WIN program	----------	----------	----------	----------	----------	----------	----------	5	----------	5
5-year amortization of child care facilities	----------	----------	----------	----------	----------	----------	----------	5	----------	5
EDUCATION										
Parental personal exemption for student age 19 or over	500	500	525	500	----------	550	550	----------	640	640
Deductibility of contributions to educational institutions	170	200	200	200	----------	275	275	----------	275	275
Exclusion of scholarships and fellowships	50	60	60	60	----------	110	110	----------	125	125
VETERANS' BENEFITS AND SERVICES										
Exclusion of certain veterans' benefits	550	600	600	650	----------	700	700	----------	480	[8] 480
GENERAL GOVERNMENT										
Political contributions	----------	----------	----------	----------	----------	----------	----------	----------	100	100
AID TO STATE AND LOCAL FINANCING										
Exemption of interest on State and local debt	1,800	2,000	2,200	2,300	1,800	800	2,600	1,900	1,000	[8] 2,900
Deductibility of nonbusiness State and local taxes (other than on owner-occupied homes)	2,800	4,150	5,100	5,600	----------	5,600	5,600	----------	5,300	5,300
Total	[10]	[10]	[10]	[10]	[10]	[10]	[10]	[10]	[10]	[10]

[1] Estimates are prepared on an individual basis for each item on the assumption that the item would be eliminated from the law without any other changes in the law with respect to the other items. If two or more changes in the law are made, the aggregate revenue effect will frequently not equal the sum of the revenue effects of the individual changes. Accordingly, the costs of the items are not additive.

[2] Roughly reflect fiscal years 1968 through 1973.

[3] Changes in the 1972 figures as compared to 1971 which are due wholly or in part to revised data and/or new sources of data and/or improved estimating methods.

[4] The estimate for 1972 considers this tax expenditure in isolation rather than in conjunction with percentage depletion as has been done for the years 1967-71.

[5] Assumes present restriction on capital losses is retained.

[6] Not available.

[7] This will decline over time as present law becomes fully effective.

[8] This item is being superseded by use of the investment credit.

[9] Standard deduction.

[10] As explained more fully in the text and in footnote 1, these totals are of limited significance and utility. However, as a matter of convenience the mathematical sums of the respective 10 columns are given here: $36,550,000,000; $44,140,000,000; $46,635,000,000; $43,945,000,000; $3,830,000,000; $11,850,000,000; $51,710,000,000; $13,350,000,000; $46,460,000,000; and $59,810,000,000. Much of the increase in the total figures given for 1971 and 1972 over that for 1970 is due to the fact that the 1970 figure does not include any estimate for capital gains of individuals while the 1971 and 1972 totals include $5,600,000,000 and $7,000,000,000, respectively.

Note: Changes in the figures from year to year not only reflect changes in the tax laws, in utilization of the items and in personal income and profit levels but also, in some instances, reflect revised and/or new sources of data and/or improved estimating methods.

Mr. VANIK. Mr. Chairman, I want to commend the committee for its efforts to bring Federal spending under some measure of control. In particular, I appreciate the effort of the committee to bring some control, some supervision to the chaos of backdoor spending.

Under the provisions of the committee bill, any legislation providing new spending authority would have to provide that "it would be effective only to the extent and in such amounts as are provided in appropriations." Most existing backdoor spending would be brought under appropriations process control by October 1, 1978. Section 142 defines the items brought within the examination and debate of the regular appropriations system. Thankfully, the new definitions of spending authority will now require that direct loans be covered within the regular budget process.

Unfortunately, the bill exempts from the new budget control language the following expenditures:

The budget outlays resulting therefrom consist of expenditures under a Federal insurance or guaranty program established by a law of the United States and in effect on the date of the enactment of this Act;

The budget outlays resulting therefrom are made by an organization which is (i) a mixed-ownership Government corporation (as defined in section 201 of the Government Corporation Control Act), or (ii) a wholly owned Government corporation (as defined in section 101 of such Act) which is specifically exempted by law from compliance with any or all of the provisions of that Act.

Increasingly, these agencies and these guarantee programs have been used as a route around the appropriations process and congressional oversight controls.

The growth of this form of back-door spending has been staggering—and has played a large role in the growth of inflation. For example, between 1968 and 1974, the level of direct loans is estimated to increase by a little less than $6 billion. But the level of guaranteed loans outstanding has spiraled nearly 100 percent—from $108.1 to $196.6 billion. It is obvious that a new form of spending and programing has been discovered in recent years—and, as much as I support most of these programs, many of them are being conducted without the proper degree of congressional oversight. Following is a chart which shows the growth of the "guaranteed" programs and the latest listing of the type of programs involved.

FEDERAL DIRECT AND GUARANTEED LOANS

[In billions of dollars]

Fiscal year	Amounts outstanding at end of fiscal year: Direct loans	Guaranteed loans
1968	[1] 45.2	108.1
1969	46.9	117.7
1970	51.1	124.1
1971	53.2	140.1
1972	50.1	158.9
1973 (estimated)	50.1	179.0
1974 (estimated)	51.0	196.6

[1] For consistency with current budget treatment, excludes loans of the banks for cooperatives, the Federal intermediate credit banks, and the Federal National Mortgage Association.

Source: Special analysis E of the budget of the U.S. Government.

GOVERNMENT LOAN AND CREDIT GUARANTEES AS OF JUNE 30, 1972

[In millions

Agency and program	Amount of contingency: Total	For guarantees and insurance in force	For commitments to guarantee or insure	Less: Amount shown as undelivered orders in sec. 11	Net amount of contingency	Explanatory notes
Department of Health, Education, and Welfare:						
Medical facilities construction loan guarantee and loan fund.	$81	$7	$74	----------	$81	Guarantees in force represent medical facilities guaranteed loans of $5,000,000 and prospective interest subsidy of $2,000,000 to maturities of loans.
Student loan insurance fund	1,861	1,861	----------	----------	1,861	Guaranteed loans—reinsured. Estimate of expected losses is $39,000,000. Funds are requested and appropriated by Congress to cover losses recognized during year in which claims are received.

Agency and program	Amount of contingency: Total	For guarantees and insurance in force	For commitments to guarantee or insure	Less: Amount shown as undelivered orders in sec. II	Net amount of contingency	Explanatory notes
Department of Housing and Urban Development:						
Low rent public housing program	$10,718	$10,718			$10,718	Represents guarantees of bonds and notes issued by local housing authorities to private investors.
New communities guarantee fund	124	124			124	Guarantees of loans issued by private developers to finance land acquisitions and development costs of new communities.
Federal Housing Administration	96,752	85,017	$11,735		96,752	Insurance of loans for financing the production, purchase, repair, and improvement of residential properties. The FHA is indemnified against loss by trust agreements, performance bonds, and personal demand notes to the extent of $1,000,000.
Urban renewal fund	3,347	3,347			3,347	Guarantee of non-Federal loans.
Department of Transportation:						
Federal Aviation Administration: Aircraft loan guarantees.	1		1		1	Represents guarantees of 2 aircraft loans.
Federal Railroad Administration: Railroad loan guarantees.	208	123	85		208	Represents a guarantee of $17,000,000 on a loan made to the National Rail Passenger Corporation and guarantees of $106,000,000 on trustee certificates of railroad companies undergoing reorganization.
General Services Administration: Defense production guarantees.	5	5			5	Guarantees are given on loans made by public and private financing institutions to facilitate performance of defense production contracts.
Veterans' Administration: Loan guaranty revolving fund	23,005	21,846	1,159		23,005	Represents the guaranteed portion only of total loans of $41,079,000,000 made to veterans for purchase of homes, farms, and business property; the remainder of $19,233,000,000 is nonguaranteed; cumulative gross claims of $1,577,000,000 were paid through fiscal year 1972 out of $46,790,000,000 guarantees issued. Salvage operations (acquisition and resale of security properties) have resulted in recovery of all but $77,800,000 of the total claim payments.
Other independent agencies:						
Emergency Loan Guarantee Board: Emergency loan guarantee fund.	160	100	60		160	The board may guarantee loans made by private lenders if necessary in order to prevent adverse and severe effects on the economy, if credit is not otherwise available on reasonable terms, if there is reasonable assurance that the loan will be repaid, and the lender certifies that it will not make the loan without such guarantee.
Export-Import Bank of the United States	3,480	1,138	2,343	1,169	2,311	Represents loans sold with recourse and medium-term guarantees.
Interstate Commerce Commission	59	59			59	Loan guarantees to railroads under pt V of the Interstate Commerce Act, as amended. This guaranty program ended as to receipt of new applications, on June 30, 1963. All applications pending on that date have been processed, and the proceeds of all the guaranteed loans have been fully disbursed. The appraised value of collateral pledged is $83,200,000.
National Credit Union Administration: National credit union share insurance fund.	1	1			1	The fund has guaranteed loans of $911,000 purchased by successful credit unions from liquidating credit unions at a price to permit payoff to members at par.
Small Business Administration:						
Business loan and investment fund	2,206	1,717	489	211	1,995	Represents guaranteed portion of loans held by private lenders as follows: business loans $1,772,800,000, displaced business loans $1,100,000, economic opportunity loans $54,500,000, local development company loans $38,800,000, and investment company loans and debentures of $141,400,000. The nonguaranteed portion of loans, or participants' share is $291,400,000.
Disaster loan fund	5	4	1	1	4	The nonguaranteed portion or participants' share is $560,000.
Total	152,291	134,853	17,440	2,121	150,169	

In addition, there has been no examination by anyone in the Federal Government about the implications of our growing contingent liability. The Federal Government has made insurance commitments and guarantees of approximately $1 trillion. Of course, a considerable portion of this trillion dollar liability is never likely to become debt—but it is also likely that some will become due—perhaps 5 percent or $50 billion.

In recent years, the contingent liability in high-risk programs appears to be growing much too rapidly. For example, the Overseas Private Investment Corporation has approximately $10 billion outstanding in insurance issued to American companies to encourage them to invest in high-risk areas abroad. There is already about $10 billion in insurance outstanding under the Price-Anderson nuclear reactor program. This level of insurance is likely to rise by $90 billion by the end of the decade. Yet a court has just ruled that nuclear powerplants should not be built in highly populated areas. Is there a higher risk in this insurance program than we have imagined? If not, why have not the private insurance companies taken over this program?

It would be my hope, Mr. Chairman, that in the future we would be able to develop a system to examine these programs, to review the level of support and subsidy which we are providing, and to determine whether or not these programs justify our level of support. Perhaps we may want to set a ceiling on insurance or regulate the level of insurance expansion. Perhaps we may want to determine more adequately the inflationary impact of loan guarantee programs.

Because of the size of the contingent liability, I would like to enter in the RECORD at this point a general description of the type of programs involved:

INSURANCE COMMITMENTS AS OF JUNE 30, 1972

[In millions]

Agency and program	Amount of insurance in force	Amount of commitments to insure	Less: Amount shown as undelivered orders in sec. II	Net amount of contingency	Explanatory notes
Funds appropriated to the President: Overseas Private Investment Corporation.	$3,904	$3,443		$7,353	This corporation insures U.S. investors against political risks of expropriation inconvertibility of local currency holdings and damage from war, revolution or insurrection.
Department of Agriculture: Federal Crop Insurance Corporation.	791			791	Represents the gross or maximum amount of 1972 crop insurance coverage provided. For fiscal year 1973 it is estimated that premiums of $12,000,000 will exceed indemnities of $13,000,000 by $1,000,000.

INSURANCE COMMITMENTS AS OF JUNE 30, 1972—Continued

[In millions]

Agency and program	Amount of insurance in force	Amount of commitments to insure	Less: Amount shown as undelivered orders in sec. II	Net amount of contingency	Explanatory notes
Department of Commerce: War risk insurance revolving fund:					
Builders risk insurance	$10			$10	Conditional liabilities for prelaunching war risk builders' risk insurance on 3 vessels.
Insurance under binder contracts	17,000			17,000	Represents the estimated insurance exposure under binder contracts. 1,103 contracts for hulls, 1,041 for protection and indemnity, and 811 for insurance on crew life and personal effects; and post-launching war risk builders' risk insurance policies; all of which become effective in the event of the outbreak of war.
Department of Health, Education, and Welfare: Student loan insurance fund.	1,362	$216		1,578	Represents Federal insurance program. Loss on insurance in force is estimated to be $54,200,000. Deferred income of $6,000,000 will offset a portion of the loss. The balance of the loss will be requested, appropriated by Congress, and recognized in the year in which claims are received.
Department of Housing and Urban Development: Federal Insurance Administration:					
Crime insurance	15			15	This insurance program enables businessmen and residents of homes and apartments to get crime insurance in States where crime insurance is difficult to get or excessively costly. Citizens of States designated to need the Federal program may purchase the Federal policies through any licensed insurance agent or broker.
Flood insurance	1,500			1,500	This insurance program enables persons to purchase insurance against losses resulting from physical damage to or loss of real or personal property arising from floods or mudslides. After communities are designated eligible. Federal insurance policies may be purchased from any licensed insurance agent or broker.
Riot insurance	125,000			125,000	This reinsurance program helps property owners in urban areas get insurance protection on property in areas subject to riots or civil disorders Federal reinsurance is available for companies participating in Fair Access Insurance Requirements (FAIR) Plans under supervision of the State insurance authority. These companies agree to provide coverage on insurable property. Owners who cannot get insurance in the private market are referred to the FAIR Plan headquarters, the property is inspected, the rate determined, and the policy is issued if requirements are met.
Department of Transportation: Aviation war risk insurance revolving fund.	76,365	4,279		80,644	Insurance in force of $74,161,000 is covered by an indemnity agreement with the Department of Defense. Hull insurance in force of $2,204,000 is covered by FAA. Commitments to insure are binder agreements to provide insurance in a state of emergency.
Atomic Energy Commission	100,000			100,000	Atomic Energy Commission has about 200 indemnity agreements in effect. Maximum liability coverage provided by an agreement is $500,000,000 for a nuclear incident.
Veterans' Administration:					
From appropriations	28			28	
U.S. Government life insurance fund	751			751	This fund holds $717,000,000 of public debt securities.
National service life insurance fund	28,040			28,040	This fund holds $6,155,000 of public debt securities, and $131,000,000 of participation certificates.
Service-disabled life insurance fund	1,162			1,162	
Veterans special life insurance fund	5,340			5,340	This fund holds $321,000,000 of public debt securities.
Veterans reopened insurance fund	1,326			1,326	This fund holds $220,000,000 of public debt securities.
Export-Import Bank of the United States	878	1,600	$667	1,811	Represents short and medium term insurance and war risk consignment insurance.
Federal Deposit Insurance Corp	385,810			385,810	Represents estimated insurance coverage of total deposits in insured banks as of June 30, 1972. This corporation holds $5,039,000 of public debt securities.
Federal Home Loan Bank Board: Federal Savings and Loan Insurance Corp.	180,615			180,615	Represents estimated potential insurance liability of the corporation. This corporation holds $2,648,000,000 of public debt securities, and $144,000,000 of participation certificates.
National Credit Union Administration: National credit union share insurance fund.	15,000			15,000	Represents estimated insurance liability of insured credit unions. The fund holds $16,000,000 of public debt securities.
Small Business Administration: Lease and surety bond guarantee revolving fund.	224	194		418	The nonguaranteed portion is $18,000,000. Includes indemnity agreements of $79,000,000.
Total	945,121	9,738	667	954,192	

Note: Data on indemnity agreements issued by Department of Defense not available.

Finally, Mr. Chairman, I am concerned about the removal through legislation of programs and agencies from the Federal budget. For example, in 1971, the Export-Import Bank was legislated out of the debt ceiling. Yet it obviously is an arm of the Federal Government and obviously has an effect on the economy. At the present, it has some $20 billion in loan and guarantee authority. It is asking for an increase in authority of $10 billion. Any agency entering the money markets with these authorities obviously has an impact on the entire economic structure.

Nevertheless, this Bank was removed from the debt ceiling. This action was—and still is—opposed by the Comptroller General, Elmer Staats, who said in hearings on the Bank in 1971:

In our view, excluding the Export-Import Bank's disbursements and receipts from the budget totals would establish a highly undesirable precedent since the exclusion could with equal logic and justification be applied to other loan programs—In my opinion it is impossible to differentiate between this program and other loan programs in the budget. It would open the door to excluding other programs, a weakening of the budgetary process, and reduce the ability of Congress to establish budgetary priorities.

The Congress has always thought that it had some measure of budget control through the public debt ceiling legislation. But that authority has been weakened by the exclusion of groups like the Bank from the debt ceiling. For example, this morning's newspapers described how the Government planned to proceed beyond the expiration of the debt ceiling through the use of Export-Import Bank manipulations:

TREASURY RESCHEDULES WEEKLY AUCTION TODAY

(By James L. Rowe, Jr.)

Minutes after the Senate approved an increase in the federal debt ceiling to $475.7 billion yesterday, the U.S. Treasury went back into the borrowing business and cancelled a back-door fund-raising scheme involving the Export-Import Bank.

The U.S. government lost its authority to borrow more money at 12:01 a.m. Saturday when the temporary ceiling of $465 billion on the federal debt expired and the permanent, $400 billion ceiling became the law. The federal debt was $462 billion at the time, so the government was technically "overborrowed" by $62 billion.

If Congress had failed to approve a new debt ceiling, the Treasury estimated it would have run out of money to pay its bills on Thursday, when $4.3 billion of Treasury bills fell due for payment.

However, the Treasury quickly rescheduled its weekly Monday auction for Tuesday this week. At today's auction, it will raise $4.3 billion which it will use to refund the bills maturing Thursday.

The Treasury also told 30,000 banks and payroll savings plans that they again could begin issuing U.S. Savings Bonds starting today.

At the same time, a $1.8 billion auction of three-month bills from the Export-Import Bank was cancelled last night. That auction, scheduled for today, would have partially filled the void left by the cancellation of the regular $4.3 billion Treasury auction.

The Ex-Im Bank woud have used the

proceeds of the auction to pay off a like amount of loans from the Treasury, injecting some cash into the Treasury's coffers. The Ex-Im Bank, along with a number of other similar agencies, is not subject to the federal debt ceiling. The proceeds of its borrowings are used to finance exports from the U.S.

Yesterday's order requiring commercial banks to deposit in Treasury accounts at the 12 Federal Reserve district banks all of the $2.7 billion those commercial banks were holding for the Treasury as of Nov. 30 remains in force.

By excluding groups like the Bank from normal legislative/appropriations processes, we weaken the ability of the Congress to control expenditures and direct the Nation's economy.

In many ways this budget control bill before the House today is only the beginning of the effort to regain legislative control over the National Government's sprawling financial operations.

Mr. BROYHILL of North Carolina. Mr. Chairman, today we are debating H.R. 7130, the Budget Control and Impoundment Act of 1973. As one of the two House Members of the Joint Study Committee on Budget Control who represented a legislative committee rather than an appropriations or revenue committee, I think my perspective will be of some help to my colleagues in our deliberations on this legislation.

In my more than 10 years in Congress, I have been increasingly dismayed by the appropriations and budgetary process in Congress. As I am sure you are aware, this sense of dismay is shared by a great majority of our colleagues. The source of our concern lies, quite simply, in the procedural mechanics of the appropriations process. These mechanics do make it possible to reach legislatively wise and prudent decisions on individual programs before Congress. But these same mechanics make it exceedingly difficult to frame our decisions in terms of the larger and equally important context of the budget—and the direction of the Federal Government—as a whole.

Congress through the public debt ceiling limitation legislation of 1972 mandated the joint study committee to a thorough study of the budget process and to recommend legislation that would improve the appropriations process and improve congressional control over the budget. For the first few months of this year, the study committee diligently pursued these goals through hearings and formal and informal discussions. As a result of this work, the study committee, under the leadership of JAMIE WHITTEN and AL ULLMAN, introduced H.R. 7130. The Rules Committee has since spent many hours in individual work and in meeting with the members of the joint committee revising this legislation. In my opinion, this legislation not only fulfills the mandate given to us by our colleagues last October but, if passed, will represent one of the most significant pieces of legislation accomplished by this or any other Congress.

I do not make this statement lightly. One need only look at the facts to reach that conclusion.

The Federal budget—projected at $267 billion for fiscal year 1974—now represents over 25 percent of the total income of this Nation. The economic impact of the Federal budget, taken as a whole, probably has more impact on the life of the individual citizen and taxpayer than any program which we consider on the floor of Congress. Yet we make no effort to review the total budget and its implications for the American economy and the direction of general Government policy.

Since 1931, the Federal Government's budget has been in a deficit position in 37 years—over 85 percent of the time. In recent years, the deficit totals have become increasingly high. In the last 3 years, the Federal deficit has been increasing at the astronomical rate of $2 billion a month. Very simply, America is fast approaching, if it has not already reached, a budget gone out of control.

Finally, the Federal budget, in terms of programs and interests funded, has become increasingly complex. We live in an era which has pointed out many areas of need and legislative responsibility in this country. Within the last decade, poverty, the environment, energy, have all become significant focuses of national concern. In response, the Federal Government under Congress's direction has developed programs which were intended to meet those concerns. Without getting into a discussion of the pros and cons of the individual programs, it is worthwhile to note that the complexity of today's budget is a mirror of the many national priorities that America confronts and intends to solve. Yet there is no institutional arrangement in the budget process of the U.S. Congress which would facilitate the hard spending decision which we must make every day between competing priorities and programs. This lack of an institutional procedure for crucial priority decisions lends itself to a situation where the budget determines Congress direction rather than the natural and Constitutional order of Congress setting the direction of our national policy through a well thought out and comprehensive budget. In addition, the present arrangement promotes the partial funding of many programs rather than the selective and full funding of the most critical and beneficial programs. The end result of this is, quite frankly, a wasted taxpayer's dollar.

I am convinced that the Budget Control Act of 1973 is a positive and constructive alternative to the present situation. The other methods historically used by Congress to create a semblance of budget control are essentially negative or cosmetic options. As an example, the use of the expenditure ceiling, as pointed out in the Senate committee report on the 1972 public debt legislation, is clearly an unsatisfactory answer to budget control. While it does bind the executive branch to a specified expenditure limitation, it does not similarly bind Congress to appropriate funds consistent with that limitation. Quite simply, if Congress is to exercise its proper power in the fiscal affairs of this country, it must be prepared to assume the responsibilities incumbent with that power.

In its barest terms, H.R. 7130 sharpens the decisionmaking abilities of Congress. Time and time again, witnesses before the joint study committee advanced one major thesis: these men, Members of Congress, past Members of Congress, Cabinet members, and noted academicians, all strongly noted that the major problem facing Congress in the budget process was a procedural problem. The present system operates in a half-real, half-fantasy world. Members are asked to vote for or against legislation on a piecemeal basis that fails to relate these programs and their funding levels to the interwoven questions of budget totals, taxes, and the economy at large. As a result, one week HEW appropriations is the most critical spending bill of the year, next week it is the Department of Defense and the next month, it is HUD appropriations that is the center of attention. By bringing together the budget and its complementary questions of tax revenue levels and the state of the economy, each Congressman will be in a better position to make the fiscal and legislative decisions that will serve the interest of this Nation and our individual constituencies.

I think that the Members of the House are all very aware of the provisions of H.R. 7130. However, I would caution the House against any attempts to weaken this legislation. If this legislation is to effectively fulfill its purpose, the budget ceilings must have strong procedural safeguards against the temptations of imprudent spending. The membership of this body expects a strong budget control bill and will not be satisfied with less.

Changing the appropriations rules of Congress is not a glamorous and exciting task. But if I read the people of the 10th District of North Carolina and all across this country correctly, they are looking to Congress for a better record in fiscal responsibility than they have been given in the past. I think that those Members of Congress who stand for fiscal responsibility, and this is a majority of them, agree with the conclusions of their constituencies and support the Budget Control Act as a key reform that will enable Congress to move forward with the task of better, more prudent government.

Mr. CLEVELAND. Mr. Chairman, as an advocate of structural reforms in Congress throughout my 11 years of service in this body, I rise in support of H.R. 7130. This landmark legislation will improve our ability to perform the responsibilities entrusted to us and to reverse the flow of power from Congress to the executive branch. Having observed many of my colleagues cordially contributing to the abdication of congressional prerogatives under previous administrations, I welcome their conversion to the cause of reasserting our constitutional powers.

I find it difficult to exaggerate the importance of this legislation. It has failed to engage the passionate interest of the press or the public, receiving much the same treatment as once was accorded the arcane subject of campaign reforms. This may be because it is regarded as mechanistic, procedural, with all the breathless urgency of a changeover in bookkeeping methods. But it also may be that by its track record, the Congress has done little to encourage hopes for reforms that truly redress power imbalances in our Federal structure. Whatever the reason for the comparative lack of attention, change of major magnitude

is at stake here. This legislation represents an opportunity to work fundamental changes in the workings of our National Government and restore Congress as a coequal branch as envisioned by the framers of the Constitution.

By equipping ourselves better to do our jobs, we in Congress will reduce the concentration of power in the executive, concentration of arbitrary power in the faceless bureaucracy which constitutes an open invitation to the abuses we deplore in Watergate. Having singled out the bad apples, we have an opportunity to go after some of the root causes.

LONG ADVOCACY OF REFORM

This is not a new concern on my part, as I have indicated. As far back as 1966, as chairman of the House Republican Task Force on Congressional Reform and Minority Staffing, I deplored the drift of power from representatives in the Congress to the executive departments downtown. More to the point, the section of our task force report, "We Propose: A Modern Congress," devoted to budgetary reform contained a number of recommendations to deal with problems addressed in this bill. They covered the need for improved budget information for Members, rescheduling of the budget process, reduction of the fixed commitments represented by backdoor spending, and the handling of programs on a functional rather than line-item basis.

These and other problems are addressed in this bill, which is intended to give us a comprehensive and coordinated grasp of spending programs, not only in relation to each other but also as they in combination relate to Federal revenues, the national debt, and a given budget's surplus or deficit. It provides a mechanism for setting priorities, which by definition means that some things come first and other do not. Furthermore, I am delighted that the bill combines in one measure the matters of restrictions against impoundments with internal budget discipline on the part of the Congress.

PRESENT SYSTEM, AN INVITATION TO VETOES

We must end the cycle of pie-in-the-sky authorizations too often based on the process of pulling figures out of the air, which dumps on the appropriations subcommittees the choice between ill-considered spending or confronting the public with the spectacle of Congress reneging on its commitments.

Furthermore, I, for one, am tired of being placed in the position of voting for measures on their individual merits, only to be confronted later with the need to vote in the name of fiscal responsibility and curbing inflation to sustain vetoes of those same measures. In connection with those votes, I have frequently stated that the President has, by his vetoes, in effect been doing our job for us because of our own lack of restraint and because we authorize and appropriate in a piecemeal manner.

Hopefully, by seizing the power back from the executive branch, we are seizing the responsibility as well. I see a very clear parallel here between this area of reform and war powers legislation which seeks to fix on the Congress responsibility for both action and inaction by our military establishment in response to threats to our security. Under this budget reform legislation, the buck stops here more ways than one.

DISCIPLINE NEEDED

This bill increases our powers over the budget by giving us the same comprehensive view, as enjoyed by the administration, and an institutionalized mechanism to exercise this oversight function, over the entire budget in the process of fixing national priorities and policies. The provision of a budget committee in each House to set tentative and final budget targets, and hence a procedure to balance the outcome of the authorization and appropriation process against those levels, is an important mechanism for instilling internal discipline.

As a cosponsor of H.R. 9397, a similar reform measure, I was particularly pleased to see the composition of the budget committee broadened, as we proposed in that measure, to make the committee more representative of the House as a whole.

The prohibition against selection of Budget Committee members on the basis of seniority, the limitation on members' service on it to 4 years out of any 10, and vesting of the powers of ratifying selections to the committee in the Democratic Caucus and the Republican Conference also should make for a more responsive committee.

The requirement that authorization and appropriation measures be evaluated in terms of over-all target figures by functional category is constructive. Of course, they are permissive, and I should have preferred to see a rule of consistency applied in the final adoption process. Yet this procedure represents such a large improvement over the current system that I find it acceptable.

BACKDOOR SPENDING CURB

Another virtue of the bill is its control over backdoor spending, dealing with the vast amounts expended outside the normal two-step authorization-appropriation procedure. In this connection, I also welcome the anti-impoundment provision's breadth in extending to all substantial deferrals of spending of available funds by the Executive. Earlier this year, I was shocked to find that after pulling and hauling and extensive compromise that went into the Water Pollution Control Act Amendments of 1972, which provided by the Environmental Protection Agency contract authority for waste water treatment, the funds for New England were being choked off under a so-called fiscal management device called obligational goals. A hearing convened by my friend JIM WRIGHT, chairman of the Public Works Investigations Subcommittee, enabled us to get the funds released. But I submit that these procedures, however successful, should not be necessary once the Congress has expressed its will in legislation.

When amendments are put forth, I wish to associate myself with the efforts of CHARLIE BENNETT, JACK KEMP, DEL CLAWSON, and KEN ROBINSON to provide for pilot testing of major expenditure programs in excess of $100 million before they can be implemented nationwide. I also shall support their amendment providing for a 3-year limitation on authorizations and periodic congressional review of major expenditure programs in excess of that amount.

I also support the effort of JOHN ANDERSON and HENRY REUSS to build into the bill requirements that adequate information on the tax expenditure side be cranked into the decisionmaking process of budgeting.

Also meriting support is a proposal by Mr. ANDERSON that a resolution to terminate an impoundment action be passed by both the House and Senate. Finally, I will offer tomorrow my own amendment, to provide that one-third of the staff of the new Committee on the Budget be made available to the minority on that committee.

Mr. ICHORD. Mr. Chairman, I rise in support of H.R. 7130. I hope that my dean of the delegation, the gentleman from Missouri (Mr. BOLLING), does work out something with the gentleman from Wisconsin and the gentleman from Illinois (Mr. ANDERSON) taking into consideration tax expenditures as well as direct expenditures.

I do commend the gentleman from Mississippi (Mr. WHITTEN) and the gentleman from Oregon (Mr. ULLMAN) for the leadership that they have exercised in bringing this bill to the floor. I think the fact that the Joint Committee, with such diverse and philosophical views, could agree on a single piece of legislation speaks very forcefully for the need for the legislation, and the gentleman from Missouri has, indeed, done a yeoman's job in readying this bill for the disposition of the House.

I was not here for the entire debate. I would ask the gentleman from Missouri if he worked out anything in regard to tax expenditures, because I think tax expenditures are just as important as direct expenditures.

Mr. BOLLING. There is a provision in the bill—I will locate it—which directs the administration, when they provide the country with a budget, to list such expenditures. This anticipates the debate tomorrow in relation to the amendment that will be offered in suggesting that it be included in the process that the Budget Committee undertakes. That language that directs the administration appears at the bottom of page 65 and says:

> The Budget transmitted pursuant to subsection (a) for each fiscal year shall set forth the amounts of revenue losses attributable to provisions of the Federal tax laws which allow an exclusion or deduction from gross income or which provide a preferential rate of tax or a deferral of tax liability (commonly referred to as "tax expenditures").

This requires a listing in the budget. The dilemma we are dealing with in terms of the amendment that apparently will be proposed is that we are dealing with a very imprecise definition. It is a new term, and to lock it into an experimental bill might please me except for the fact that I am unable to be sure what the effect of locking it in would be.

So we went about as far as what seemed to us reasonable in terms of putting together a bill that was a compromise bill by saying in effect that it had to be listed in some fashion in the budget.

In addition to that, it has been the

custom of the Committee on Ways and Means to do the same thing. But the definition of tax expenditures is so imprecise that I would be very fearful of accepting it as an amendment, as I understand it will be proposed tomorrow.

Mr. ICHORD. I thank the gentleman for his explanation.

Mr. Chairman, I rise today in support of H.R. 7130, the Budget and Impoundment Control Act of 1973. As my colleagues know, I have voted since April 17 to sustain every Presidential veto which involved Federal expenditures. I have voted in this manner, not because of my opposition to the proposed spending, but because of a commitment I made to the people of the Eighth Congressional District of Missouri on April 17 to not override any Presidential veto of a spending bill until Congress acted to set spending limitations and establish congressionally determined national spending priorities.

I made this commitment and voted to sustain Presidential spending vetoes because I have no doubt that irresponsible deficit spending is the principal cause of inflation and our serious monetary problems. I strongly believe that the paramount concern of this Congress should be to take the steps toward putting our fiscal house in order by adopting effective budgetary and appropriation procedures.

I am firmly convinced that such procedures are contained in the Ullman-Whitten proposal before us today, and I strongly urge this body to act favorably on this important piece of legislation.

Let me remind my colleagues that history is strewn with the remains of civilizations which failed to manage their fiscal affairs responsibly. Many democracies of the past have perished because of the failure of their elected representatives to resist spending pressures, and at the risk of being called a doomsayer, let me say that unless we change our ways we are certain to meet the same fate.

Our appropriations and budgetary procedures which we used quite well in the past are not only unworkable today, but clearly counterproductive. Such procedures worked satisfactorily in the days before the Federal Government undertook to solve so many of the problems of the people. But today, in an era where Federal, State, and local governmental responsibilities are no longer maintained, these procedures of the past are unworkable. Indeed, we have survived this long only because we emerged from World War II with a high tax structure that was instituted to finance the war.

With the end of the war, we had an abundance of tax revenues to play around with, and we used that money to finance a multitude of meritorious projects and to meet the financial burdens of the new responsibilities that we assumed. But we have long since scratched the bottom of the barrel. During and after World War II, we spent all of our revenues and $213 billion more. The sum of $481 billion is now our national debt—almost one-fourth of which has been accumulated in the last 5 years. We now pay in excess of $26 billion in interest alone on the national debt, and it has been estimated that the interest will rise to $31 billion a year because of the recent astronomical increase in interest rates.

It was not very many years ago that the sum of $31 billion was less than the entire budgeted Federal expenditures. In my mind, this is nothing but fiscal insanity, and we have dearly paid the price of such insanity with two devaluations of the dollar and runaway inflation. Our appropriation and budgetary procedures are so inadequate that every Member is left to write his own record of fiscal responsibility. I imagine that most of the Members of this body have compiled a voting record of balancing expenditures with revenues, but the final result is more and more deficits. Every Member can balance his own budget by voting for defense and against foreign aid and social services or vice-versa thus having a record of balancing expenditures with revenues. While the intent of such individual balancing is commendable, it hardly works to produce a composite balanced budget. Indeed, it is little wonder that we often hear the half-jestful statement that a fiscal conservative is one who votes against spending in someone else's district.

Let no one construe my remarks as praise for the fiscal policies of the Nixon administration. Exactly the opposite is intended. The two Nixon administrations have been the wildest spending administrations in history. The hands of the President are as dirty as ours. The facts are these: The President has proposed deficit budgets which the Congress adopted with some changes. It cut approximately $3 billion in certain areas, but then it turned around and added some $30 billion in other areas. The Congress continued to adopt new programs, and the President continued to submit deficit budgets each year just as he did this year. Both branches of Government have thus been irresponsible. Adding approximately $100 billion, any way you compute it, to the national debt in the last 5 years can be described in no other way and in no other terms than irresponsible. If my computations are correct, this administration created a larger deficit in the first 4 years in office than the combined deficits after World War II of the Truman, Eisenhower, Kennedy, and Johnson administrations.

Mr. Chairman, in my opinion there has been an excess of posturing, politicking, and demagoging on both sides of the issue of Federal spending, and as is often the case, the truth no doubt lies somewhere between the two extremes. The fact remains however that there is a desperate need to balance the budget. There is additionally the need for Congress to set spending limitations and establish spending priorities. Deficit spending, as the major cause of inflation and other financial problems, just cannot be allowed to continue.

My fervent hope, Mr. Chairman, is that we will do our job today by giving this measure an overwhelmingly favorable vote. To put our fiscal house in order, all of us will have to make some sacrifice. Defict spending cannot be continued at the same levels as in the past. We must either vote against programs we would like to vote for or close the gap between the expenditures of our Government and its revenues by an increase in taxes. Mr. Chairman, there are no alternatives if we are to act responsibly, and I, therefore, ask my colleagues to join me in support of the important and much needed proposal before us today.

Mr. DE LA GARZA. Mr. Chairman, I support H.R. 7130, the Budget and Impoundment Control Act of 1973. Its principles are sound and in accord with constitutional provisions placing Congress in charge of the Federal Government's purse strings.

It is, in my opinion, important and necessary for the erosion of legislative power over the budgetary process to be halted. It is right that Congress should set target spending and appropriations ceilings for the varied Federal programs. It is right that Congress, after the President has submitted his budget, should establish spending priorities.

As we work toward these ends, we must at the same time take cognizance of the hard fact that Federal spending has gone out of control.

The public debt continues to rise. The Federal Government must now pay more than twice as much in interest on the debt as it paid as recently as fiscal 1965. This alarming circumstance must not be obscured by debate over impoundment of appropriated funds by the executive branch.

Our Government is living beyond its means. It is essential that control of Federal spending be reestablished on a permanent basis.

On the first day of this session of Congress I introduced a joint resolution designed to do precisely that. My resolution proposes an amendment to the Constitution providing that appropriations shall not exceed revenues in any year, except in time of national emergency.

Under provisions of the proposed amendment, the President each year would determine and proclaim the estimated total revenue of the Federal Government. Congress would be barred from authorizing the withdrawal of Treasury funds in excess of the total amount of revenues.

Submission of this amendment would give the people's representatives in the legislature of the several States an opportunity to decide whether they want realistic control exercised over Federal spending. The proposal is simply to put the Federal Government on a pay-as-you-go basis, bringing an end to the heavy deficits that, if continued, can lead only to a ruinous situation in the United States.

Mr. Chairman, I believe that reform of the budgetary process is necessary. I believe no less strongly that overall spending by the Federal Government must be held in line with revenues accruing to the Government. That is not a complicated proposition. This bill is a good first step, but it still has not clearly and simply done what my proposal would do—just spend what you take in and no more.

Mr. BOLLING. Mr. Chairman, we have no further requests for time.

The CHAIRMAN. All time has expired. Pursuant to the rule, the Clerk will now read by titles the committee amendment

in the nature of a substitute printed in the reported bill as an original bill for the purpose of amendment.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Section 1. Short title; table of contents.

(a) SHORT TITLE.—This Act may be cited as the "Budget and Impoundment Control Act of 1973".

(b) TABLE OF CONTENTS.—

Sec. 1. Short title; table of contents.
Sec. 2. Definitions.
Sec. 3. Rulemaking power of the House and Senate.

TITLE I—CONGRESSIONAL BUDGET CONTROL

PART 1—ESTABLISHMENT OF HOUSE AND SENATE BUDGET COMMITTEES

Sec. 111. Budget Committee of the House of Representatives.

PART 2—CONGRESSIONAL BUDGET

Sec. 121. Adoption of tentative congressional budget.
Sec. 122. Final determination of congressional budget.
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Sec. 127. Conformance of bills with budget resolution.
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PART 3—TIMETABLE AND PROCEDURE WITH RESPECT TO APPROPRIATION BILLS AND BUDGET RECONCILIATION BILL

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Sec. 132. Action on all appropriation bills to be completed by August 1; bills to be held pending conformance.
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PART 6—TECHNICAL AND CONFORMING AMENDMENTS

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Sec. 163. Amendments to Legislative Reorganization Act of 1970.

PART 7—LEGISLATIVE BUDGET OFFICE; DIRECTOR AND STAFF

Sec. 171. Legislative Budget Director; staff.
Sec. 172. Power to obtain data.
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PART 8—EFFECTIVE DATE

Sec. 181. Effective date for budget procedures.

TITLE II—IMPOUNDMENT CONTROL

Sec. 201. Transmission of special messages by President.
Sec. 202. Disapproval of impoundments by House or Senate.
Sec. 203. Definition of impoundment.
Sec. 204. Congressional procedures.
Sec. 205. Reports of impoundments by Comptroller General.
Sec. 206. Suits by Comptroller General to enforce controls.
Sec. 207. Repeal of existing impoundment reporting provision.
Sec. 208. Disclaimer.

Sec. 2. Definitions.

For purposes of this Act (and the amendments made by this Act)—

(1) the term "budget outlays" means, with respect to any fiscal year or period, expenditures and net lending of funds under budget authority during each year or period;

(2) the term "budget authority" means authority provided by law to enter into obligations which will result in immediate or future outlays involving Government funds;

(3) the term "concurrent resolution on the budget" means—

(A) a concurrent resolution setting forth the tentative congressional budget for the United States Government for a fiscal year, as provided in section 121,

(B) a concurrent resolution reaffirming or revising the tentative congressional budget for the United States Government for a fiscal year, as provided in section 122, and

(C) any other concurrent resolution reaffirming or revising the congressional budget for the United States Government for a fiscal year.

Sec. 3. Rulemaking power of the House and Senate.

The provisions of parts 1 through 4 and 6 of title I, and the provisions of section 204, are enacted by the Congress—

(1) as an exercise of the rulemaking power of the House of Representatives and the Senate, respectively, and as such they shall be considered as part of the rules of each House, respectively, or of that House to which they specifically apply; and such rules shall supersede other rules only to the extent that they are inconsistent therewith; and

(2) with full recognition of the constitutional right of either House to change such rules (so far as relating to the procedure in such House) at any time, in the same manner and to the same extent as in the case of any other rule of such House.

TITLE I—CONGRESSIONAL BUDGET CONTROL

PART 1—ESTABLISHMENT OF HOUSE AND SENATE BUDGET COMMITTEES

Sec. 111. Budget Committee of the House of Representatives.

(e) Clause 1 of Rule X of the Rules of the House of Representatives is amended by redesignating paragraphs (e) through (u), inclusive, as paragraphs (f) through (v), respectively, and by inserting after paragraph (d) the following new paragraph:

"(e) Committee on the Budget, to consist of twenty-three Members as follows:

"(1) five Members who are members of the Committee on Appropriations;

"(2) five Members who are members of the Committee on Ways and Means;

"(3) eleven Members who are members of other standing committees;

"(4) one Member from the leadership of the majority party; and

"(5) one Member from the leadership of the minority party.

No member shall serve as a member of the Committee on the Budget during more than two Congresses in any period of five successive Congresses beginning after 1973 (disregarding for this purpose any service performed as a member of such committee for less than a full session in any Congress). All selections of Members to serve on the committee shall be made without regard to seniority."

(b) Rule X of the Rules of the House of Representatives is amended by adding at the end thereof the following new clause:

"6. For carrying out the purposes set forth in clause 5 of Rule XI, the Committee on the Budget or any subcommittee thereof is authorized to sit and act at such times and places within the United States, whether the House is in session, has recessed, or has adjourned, to hold such hearings, to require the attendance of such witnesses and the production of such books or papers or documents or vouchers by subpena or otherwise, and to take such testimony and records, as it deems necessary. Subpenas may be issued over the signature of the chairman of the committee or of any member of the committee designated by him, and may be served by any person designated by such chairman or member. The chairman of the committee, or any member thereof, may administer oaths to witnesses."

(c) Rule XI of the Rules of the House of Representatives is amended by redesignating clauses 5 through 33 as clauses 6 through 34, respectively, and by inserting after clause 4 the following new clause:

5. Committee on the budget

"(a) The establishment of an appropriate level of total budget outlays, and an appropriate level of total new budget authority, of the United States Government.

"(b) The determination of appropriate overall level of Federal revenues, and the appropriate overall level of the public debt of the United States, to be associated with the budget outlay level referred to in paragraph (a).

"(c) The determination of the appropriate level of surplus or deficit in the budget in the light of economic conditions and such other factors as may be relevant to that determination.

"(d) The committee shall have the duty—

"(1) to report during each regular session of Congress at least two concurrent resolutions dealing with the matters specified in paragraphs (a), (b), and (c), and

"(2) to make continuing studies of the effect on budget outlays of existing and proposed legislation and to report the results of such studies to the House on a recurring basis."

PART 2—CONGRESSIONAL BUDGET

Sec. 121. Adoption of tentative congressional budget.

(a) ACTION TO BE COMPLETED BY MAY 1.—On or before May 1 of each calendar year, the Congress shall complete action on a concurrent resolution setting forth the tentative congressional budget for the United States Government for the fiscal year beginning in that calendar year.

(b) MATTERS REQUIRED TO BE SET FORTH IN CONCURRENT RESOLUTION.—The concurrent resolution referred to in subsection (a) shall set forth, for the fiscal year concerned—

(1) the appropriate level of total budget outlays and the appropriate level of total new budget authority,

(2) the appropriate level of budget outlays and new budget authority allocated by functional categories (as set out in the United States Budget),

(3) the appropriate overall level of Federal revenues, and the appropriate overall level of the public debt of the United States, to be associated with the level of budget outlays for the fiscal year.

(4) the amount of the surplus or the amount of the deficit in the budget which is appropriate in the light of economic conditions and such other factors as may be relevant, and

(5) such other matters relating to the budget as may be appropriate to carry out the purposes of this Act.

(c) VIEWS AND RECOMMENDATIONS OF OTHER COMMITTEES.—Before March 1 of each year, the Committees on Appropriations and Ways and Means of the House of Representatives shall submit their views and recommendations to the Committee on the Budget of the House, the Committees on Appropriations and Finance of the Senate shall submit their views and recommendations to the Committee on the Budget of the Senate, and the Joint Economic Committee and the Joint Committee on Internal Revenue Taxation shall submit their views and recommendations to the Committees on the Budget of the House and Senate, with respect to all matters set forth in subsection (b) which relate to matters within the respective jurisdictions or functions of such committees and joint committees. Any other committee of the House of Representatives or the Senate may submit to the Committee on the Budget of its House, and any other joint committee of the Congress may submit to the Committees on the Budget of the House and Senate, its views and estimates with respect to all matters set forth in subsection (b) which relate to matters within its jurisdiction or function.

(d) HEARINGS.—

(1) In developing the concurrent resolution referred to in subsection (a) (or the concurrent resolution referred to in section 122(a)), the Committee on the Budget of the House or the House or the Committee on the Budget of the Senate shall hold hearings for the purpose of considering matters required to be set forth in such resolution.

(2) In holding hearings pursuant to paragraph (1), the committee shall receive testimony from the Secretary of the Treasury, the Director of the Office of Management and Budget, the Chairman of the Council of Economic Advisers, appropriate officials of other Federal departments and agencies, and such representatives of national organizations which have made special studies of Federal programs and expenditures and their impacts as the committee may desire.

(3) Hearings pursuant to paragraph (1), or any part thereof, may be held by the Committee on the Budget of either House jointly with the Committee on Appropriations of that House in accordance with such procedures as the two committees may jointly determine.

(e) INFORMATION CONCERNING DERIVATION OF BUDGET FIGURES.—In its report accompanying a concurrent resolution on the budget, the Committee on the Budget of the House or the Committee on the Budget of the Senate shall include information and data indicating the manner in which it arrived at the levels and figures set forth in such resolution.

Sec. 122. Final determination of congressional budget.

(a) IN GENERAL.—On or before September 15 each year, the Congress shall complete action on a concurrent resolution which reaffirms or revises the tentative congressional budget for the United States Government adopted pursuant to section 121 for the fiscal year beginning on October 1.

(b) NATURE OF FINAL DETERMINATION.—The concurrent resolution described in subsection (a) shall call for such action or actions as may be required to establish and implement (as provided in sections 133 and 134) the appropriate level of budget outlays and new budget authority, and the appropriate overall level of Federal revenues and the public debt, for the fiscal year. Such concurrent resolution, and any action called for by such resolution, shall take account of the actions previously taken by the Congress during the fiscal year in enacting appropriations or otherwise providing new budget authority. For this purpose such concurrent resolution may—

(1) call for the rescission or amendment of appropriations, and direct that legislation to implement such rescission or amendment be reported by the Committees on Appropriations of the House of Representatives and the Senate;

(2) call for adjustments in tax rates and provisions relating thereto, or for adjustments in the limit on the public debt, or both, and direct that legislation to implement such adjustments be reported by the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate; or

(3) call for any combination of the actions described in paragraphs (1) and (2).

(c) PERMISSIBLE REVISIONS.—At any time after the concurrent resolution described in subsection (a) has been adopted for any fiscal year, and before the close of such fiscal year, the Congress may adopt a concurrent resolution which revises the congressional budget for the United States Government most recently adopted for that fiscal year; and the provisions of this part shall apply with respect to any concurrent resolution adopted pursuant to this subsection as though it were a concurrent resolution described in subsection (a).

Sec. 123. Congress must adopt and implement final concurrent resolution on the budget before adjourning.

It shall not be in order in either the House of Representatives or the Senate to consider any resolution providing for the sine die adjournment of any regular session of the Congress unless the Congress theretofore during such session has adopted a concurrent resolution on the budget described in section 122, and, if legislation is needed to implement such resolution, has enacted such legislation.

Sec. 124. Consideration of concurrent budget resolutions to be expedited.

(a) REFERENCE OF RESOLUTIONS TO COMMITTEE.—All concurrent resolutions on the budget shall be referred to the Committee on the Budget of the House of Representatives or the Committee on the Budget of the Senate, as the case may be.

(b) PROCEDURE IN HOUSE OF REPRESENTATIVES AFTER REPORT OF COMMITTEE; DEBATE.—

(1) When the Committee on the Budget of the House has reported any concurrent resolution on the budget, it is in order at any time after the fifth day following the day on which such resolution was reported (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of the concurrent resolution. The motion is highly privileged and is not debatable. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(2) General debate on any concurrent resolution on the budget in the House of Representatives shall be limited to not more than 10 hours, which shall be divided equally between the majority and minority parties. A motion further to limit debate is not debatable. A motion to recommit the concurrent resolution is not in order, and it is not in order to move to reconsider the vote by which the concurrent resolution is agreed to or disagreed to.

(3) Consideration of any concurrent resolution on the budget by the House of Representatives shall be in the Committee of the Whole, and the resolution shall be read for amendment under the five-minute rule in accordance with the applicable provisions of rule XXIII of the Rules of the House of Representatives. After the Committee rises and reports the resolution back to the House, the previous question shall be considered as ordered on the resolution and any amendments thereto to final passage without intervening motion; except that it shall be in order at any time prior to final passage (notwithstanding any other rule or provision of law) to consider and adopt one amendment changing the level of total budget outlays, the level of total new budget authority, or the appropriate amount of the surplus or deficit in the budget, as set forth (pursuant to section 121(b) (1) or (4)) in the resolution as so reported, or any combination thereof, to the extent necessary to achieve mathematical consistency.

(4) Debate in the House of Representatives on the conference report on any concurrent resolution on the budget shall be limited to not more than 5 hours, which shall be divided equally between the majority and minority parties. A motion further to limit debate is not debatable. A motion to recommit the conference report is not in order, and it is not in order to move to reconsider the vote by which the conference report is agreed to or disagreed to.

(5) Motions to postpone, made with respect to the consideration of any concurrent resolution on the budget and motions to proceed to the consideration of other business, shall be decided without debate.

(6) Appeals from the decisions of the Chair relating to the application of the Rules of the House of Representatives to the procedure relating to any concurrent resolution on the budget shall be decided without debate.

(c) SENATE MAY PROCEED CONCURRENTLY, BUT FINAL ACTION MUST BE ON HOUSE BUDGET RESOLUTION.—

(1) If, before the passage by the Senate of a budget resolution of the Senate, the Senate receives from the House of Representatives a budget resolution of the House, then, except as provided in paragraph (2), the procedure with respect to the budget resolution of the Senate shall be the same as if no budget resolution from the House of Representatives had been received.

(2) On any vote on final passage of any budget resolution of the Senate, the budget resolution of the House of Representatives shall be automatically substituted.

Sec. 125. Legislation dealing with congressional budget must be in form of concurrent budget resolution.

No measure or proposal dealing with any matter which is within the jurisdiction of the Committee on the Budget of either House, and no amendment to any such measure or proposal, shall be considered in that House unless it is in the form of a concurrent resolution on the budget which has been reported by the Committee on the Budget of that House (or from the consideration of which such committee has been discharged) or unless it is an amendment to such a concurrent resolution.

Sec. 126. Concurrent resolution on budget must be adopted before appropriations, and changes in revenues and public debt limit, are made.

(a) IN GENERAL.—It shall not be in order in either the House of Representatives or the Senate to consider any bill or resolution (or amendment thereto) which provides—

(1) new budget authority for a fiscal year,

(2) an increase or decrease in revenues to be effective during a fiscal year, or

(3) an increase or decrease in the public debt limit to become effective during a fiscal year,

until the concurrent resolution on the budget for such year referred to in section 121 has been adopted by the Congress.

(b) EXCEPTION.—Subsection (a) shall not apply to new budget authority which first become available in a fiscal year following the fiscal year to which the concurrent resolution applies.

Sec. 127. Conformance of bills with budget resolution.

Appropriation bills or bills involving a trust fund as described in section 142(c)(2)(A) shall be held, and not enrolled or sent to the President, pending conformance with the final concurrent resolution on the budget and (if necessary) enactment of the budget reconciliation bill, except in the case of a bill which contains new budget authority, and budget outlays resulting therefrom, that are not in excess of the new budget authority and budget outlays provided therefor in the

related functional categories in the most recently adopted concurrent resolution on the budget.

Sec. 128. Projections and summaries of congressional budget actions

(a) REPORTS ON LEGISLATION PROVIDING NEW BUDGET AUTHORITY.—Whenever a committee of either House reports a bill or resolution providing new budget authority, for a fiscal year, the report accompanying that bill or resolution shall contain a projection prepared in consultation with the Legislative Budget Director of the budget outlays which will result from that bill or resolution in such fiscal year and in each of the four succeeding fiscal years.

(b) UP-TO-DATE TABULATION OF CONGRESSIONAL BUDGET ACTIONS.—The Legislative Budget Director shall issue periodic reports detailing and tabulating the progress of Congressional action on legislation providing new budget authority, including up-to-date status reports on all new budget authority legislation in both Houses and a comparison of such legislation with the functional categories set forth in the most recently adopted concurrent resolution on the budget.

(c) FIVE-YEAR PROJECTION OF CONGRESSIONAL BUDGET ACTION.—As soon as possible after the beginning of each fiscal year, the Legislative Budget Director shall issue a report projecting for the period of five fiscal years beginning with such fiscal year—

(1) total budget outlays and new budget authority for each fiscal year in such period, and

(2) revenues to be received and the major sources thereof, and the surplus or deficit, if any, for each fiscal year in such period.

PART 3—TIMETABLE AND PROCEDURE WITH RESPECT TO APPROPRIATION BILLS AND BUDGET RECONCILIATION BILL

Prior to the reporting of the first annual appropriation bill the House Committee on Appropriations shall complete subcommittee markup and full committee action on each of the annual appropriation bills and submit to the House a summary report comparing the committee's recommendations with the appropriate levels of budget outlays and new budget authority as set forth in the budget resolution.

Sec. 131. Committee action on all appropriation bills to be completed before first appropriation bill is reported.

Sec. 132. Action on all appropriation bills to be completed by August 1; bills to be held pending conformance.

On or before August 1 of each year the Congress shall complete action on all annual appropriation bills which shall be held by the Congress, except as provided in section 127, pending conformance with the final budget resolution and enactment of any required budget reconciliation bill.

Sec. 133. Budget reconciliation bill to be reported in certain cases.

If the total budget authority authorized by the annual appropriation bills exceeds the appropriate level of new budget authority adopted in the final budget resolution or will result in total budget outlays in excess of that established in the final budget resolution, the House Committee on Appropriations (in accordance with section 122(b)) shall report a budget reconciliation bill containing such rescissions or amendments to the appropriations bills as are required to conform with the budget authority and budget outlay totals of the final budget resolution.

Sec. 134. Budget reconciliation bill to include tax measure in certain cases.

If the estimate of aggregate revenues of the United States for the fiscal year is less than the appropriate overall level of Federal revenues, as set forth in the final budget resolution, the Committee on Ways and Means (in accordance with section 122(b)) shall report as a separate title in the budget reconciliation bill a tax measure which, for the 12-month period which begins on January 1 which occurs in the fiscal year in question, will raise an amount of additional revenue approximately equal to that required to be raised to provide the appropriate overall level of Federal revenues set forth in the final budget resolution.

PART 4—IMPROVEMENTS IN FISCAL PROCEDURES

Sec. 141. Limitation on new budget authority.

(a) General Rule.—Beginning with the first session of the 94th Congress, it shall not be in order in either House to consider any bill or resolution which provides new budget authority unless such bill or resolution has been reported by the Committee on Appropriations of that House.

(b) Exception.—Subsection (a) shall not apply to any bill or resolution to the extent that the new budget authority involves outlays described in section 142(c)(2).

Sec. 142. Limitations on spending authority.

(a) Legislation Providing New Spending Authority Subject to Point of Order.—Beginning with the first session of the Ninety-fourth Congress, it shall not be in order in either the House of Representatives or the Senate to consider any bill or resolution which provides new spending authority (or any amendment which provides new spending authority) unless such bill or resolution, or such amendment, also provides that such spending authority is to be effective for any fiscal year only to such extent or in such amounts as are provided in appropriation Acts enacted after the enactment of such bill or resolution.

(b) LIMITATION ON EXERCISE OF EXISTING SPENDING AUTHORITY.—Notwithstanding any other provision of law, on and after October 1, 1978, no officer or agency of the United States shall exercise any spending authority enacted prior to that date and in effect on September 30, 1978, except to such extent and in such amounts as are provided in appropriation Acts enacted after the enactment of this Act.

(c) SPENDING AUTHORITY DEFINED.—For purposes of this section—

(1) SPENDING AUTHORITY.—Except as provided in paragraph (2), the term "spending authority" means authority provided by law, whether on a temporary or permanent basis—

(A) to enter into contracts under which the United States is obligated to make budget outlays and which have not been provided for in advance by appropriation Acts,

(B) to incur indebtedness for the repayment of which the United States is liable (other than indebtedness incurred under the Second Liberty Bond Act) and which has not been provided for in advance by appropriation Acts,

(C) to make payments (including loans and grants) which have not been provided for in advance by appropriation Acts, to any person or government, if, under the provisions of the law containing such authority, the United States is obligated to make such payments to persons or governments who meet the requirements established by such law, and

(D) to obligate the United States to make budget outlays by any other means which have not been provided for in advance by appropriation Acts.

(2) EXCEPTIONS.—The term "spending authority" does not include any authority described in paragraph (1) to the extent that—

(A) the budget authority made available for obligations, and outlays resulting therefrom, incurred under the law containing such authority is derived from a trust fund consisting of amounts equivalent to amounts of taxes (related to the purposes for which such outlays are made) received in the Treasury under specified provisions of the Internal Revenue Code of 1954;

(B) the budget outlays resulting therefrom consist of expenditures under a Federal insurance or guaranty program established by a law of the United States and in effect on the date of the enactment of this Act;

(C) the budget outlays resulting therefrom are made by an organization which is (i) a mixed-ownership Government corporation (as defined in section 201 of the Government Corporation Control Act), or (ii) a wholly owned Government corporation (as defined in section 101 of such Act) which is specifically exempted by law from compliance with any or all of the provisions of that Act; or

(D) the budget outlays resulting therefrom consist exclusively of the proceeds of gifts or bequests made to the United States for a specific purpose.

Sec. 143. Requirement of authorizing legislation before April 1.

(a) LEGISLATION SUBJECT TO POINT OF ORDER.—Except as provided in subsection (b), it shall not be in order to consider any bill or resolution (or conference report thereon) authorizing the enactment of new budget authority for any fiscal year after March 31 of the calendar year in which such fiscal year begins.

(b) EMERGENCY WAIVER.—If the Committee on Rules of the House of Representatives determines that emergency conditions require a waiver of subsection (a) with respect to any bill, resolution, or conference report, such committee may report, and the House may consider and adopt, a resolution waiving the application of subsection (a) in the case of such bill, resolution, or conference report.

Sec. 144. Jurisdiction to report legislation rescinding budget authority.

Paragraph (a) of clause 2 of Rule XI of the Rules of the House of Representatives is amended by inserting immediately before the period at the end thereof the following: ", and the rescission of appropriations".

Sec. 145. Changes in functional categories.

Any change in the functional categories set out in the United States Budget shall be made only in consultation between the Office of Management and Budget and the Committees on the Budget of the House and Senate.

Sec. 146. Amendments to Budget and Accounting Act.

(a) PRESIDENTIAL BUDGET TO INCLUDE TAX EXPENDITURES.—Section 201 of the Budget and Accounting Act, 1921 (31 U.S.C. 11), is amended by adding at the end thereof the following new subsection:

"(d) The Budget transmitted pursuant to subsection (a) for each fiscal year shall set forth the amounts of revenue losses attributable to provisions of the Federal tax laws which allow an exclusion or deduction from gross income or which provide a preferential rate of tax or a deferral of tax liability (commonly referred to as 'tax expenditures').".

(b) FIVE-YEAR BUDGET PROJECTIONS.—Section 201(a) of such Act (31 U.S.C. 11) is amended—

(1) by inserting after "ensuing fiscal year" in paragraph (5) "and projections for the four fiscal years immediately following the ensuing fiscal year";

(2) by striking out "such year" in paragraph (5) and inserting in lieu thereof "such years"; and

(3) by inserting after "ensuing fiscal year" in paragraph (6) "and projections for the four fiscal years immediately following the ensuing fiscal year".

PART 5—CHANGE IN FISCAL YEAR

Sec. 151. Fiscal year to commence October 1.

(a) IN GENERAL.—Effective with the calendar year 1975, the fiscal year of all departments, agencies and instrumentalities of the Federal Government and the government of

the District of Columbia shall begin on the first day of October of each year.

(b) CONFORMING PROVISIONS.—

(1) Effective with the calendar year 1975, section 237 of the Revised Statutes (31 U.S.C. 1020) is amended by striking out "July" each place it appears and inserting in lieu thereof "October".

(2) Notwithstanding section 201 of the Budget and Accounting Act, 1921 (31 U.S.C. 11), or any other provision of law, the budget which the President transmits for the fiscal year beginning July 1, 1974, shall cover the period beginning July 1 of such year and ending September 30, 1975.

(3) Any law, regulation, or order which refers or applies to a fiscal year beginning in any calendar year after 1974 (whether or not such law, regulation, or order specifies the beginning or ending date of the fiscal year) shall be deemed to refer or apply to the fiscal year (beginning in such calendar year) as prescribed by subsection (a).

Sec. 152. Transition.

The Director of the Office of Management and Budget shall provide by regulation, order, or otherwise for the orderly transition by all departments, agencies, and instrumentalities of the Federal Government and the government of the District of Columbia from the use of the fiscal year in effect on the date of enactment of this Act to the use of the new fiscal year prescribed by section 151(a). The Director shall prepare and submit to the Congress a draft or drafts of such additional legislation as he considers necessary to accomplish this objective.

PART 6—TECHNICAL AND CONFORMING AMENDMENTS

Sec. 161. Amendments to House rules.

(a) Rule XI of the Rules of the House of Representatives (as amended by section 111 (c) of this Act) is amended by inserting immediately after clause 22 the following new clause:

"22A. The respective areas of legislative jurisdiction under this rule are modified by title I of the Budget and Impoundment Control Act of 1973."

(b) Paragraph (c) of clause 29 of Rule XI of the Rules of the House of Representatives (as redesignated by section 111(c) of this Act) is amended by inserting "the Committee on the Budget," immediately after "the Committee on Appropriations,".

(c) Subparagraph (5) of paragraph (a) of clause 30 of Rule XI of the Rules of the House of Representatives (as so redesignated) is amended by inserting "and the Committee on the Budget" immediately before the period at the end thereof.

(d) Subparagraph (4) of paragraph (b) of clause 30 of Rule XI of the Rules of the House of Representatives (as so redesignated) is amended by inserting "and the Committee on the Budget" immediately before the period at the end thereof.

(e) Clause 32 of Rule XI of the Rules of the House of Representatives (as so redesignated) is amended by inserting "the Committee on the Budget" immediately after "the Committee on Appropriations,".

(f) Paragraph (a) of clause 33 of Rule XI of the Rules of the House of Representatives (as so redesignated) is amended by inserting "and the Committee on the Budget" immediately after "the Committee on Appropriations".

Sec. 162. Amendments to Legislative Reorganization Act of 1946.

(a) Section 133 of the Legislative Reorganization Act of 1946 (2 U.S.C. 190a) is amended—

(1) by inserting "and the Committee on the Budget" after "Appropriations" in subsections (d) and (f), and

(2) by inserting "or the Committee on the Budget" after "Appropriations" in subsection (h).

(b) Section 133A of such Act (2 U.S.C. 190a–1) is amended by inserting "and the Committee on the Budget" after "Appropriations" each place it appears.

(c) Section 134(c) of such Act (2 U.S.C. 190b(b)) is amended by inserting "or the Committee on the Budget" after "Appropriations".

(d) Section 136(c) of such Act (2 U.S.C. 190d(c)) is amended by striking out "Committee on Appropriations of the Senate and the Committees on Appropriations," and inserting in lieu thereof "Committees on Appropriations and the Budget of the Senate and the Committees on Appropriations, the Budget,".

(e) Section 202 of such Act (2 U.S.C. 72a) is amended by adding at the end thereof the following new subsection:

"(k) The preceding subsections of this section shall not apply to the Committees on the Budget of the House of Representatives and the Senate."

Sec. 163. Amendments to Legislative Reorganization Act of 1970.

(a) Section 232 of the Legislative Reorganization Act of 1970 (31 U.S.C. 1172) is amended by renumbering paragraphs (2) and (3) as paragraphs (3) and (4), respectively, and by inserting after paragraph (1) the following new paragraph:

"(2) the Committees on the Budget of the House and Senate,".

(b) Section 236 of such Act (31 U.S.C. 1176) is amended by inserting "and the Budget" after "Appropriations" in paragraph (2).

(c) Section 242(a) of such Act (2 U.S.C. 190h) is amended by inserting "or the Committee on the Budget" after "Appropriations".

(d) Section 243 of such Act (2 U.S.C. 1901) is amended by inserting "(a)" immediately after "243." and by adding at the end thereof the following new subsection:

"(b) The provisions of subsection (a) shall also apply to the Committee on the Budget of the Senate."

PART 7—LEGISLATIVE BUDGET OFFICE; DIRECTOR AND STAFF

Sec. 171. Legislative Budget Director; staff.

(a) To assist the Committee on the Budget of the House of Representatives and the Committee on the Budget of the Senate, there shall be within the legislative branch of the Government a Legislative Budget Office, headed by a Legislative Budget Director. The Legislative Budget Director shall be appointed by the Speaker of the House of Representatives upon the recommendation of the Committee on the Budget of the House of Representatives, without regard to political affiliation and solely on the basis of fitness to perform his duties. He shall be paid at a per annum gross rate equal to the rate of basic pay, as in effect from time to time, for level III of the Executive Schedule in section 5314 of title 5, United States Code.

(b) With the approval of the Chairman of the Committee on the Budget of each House, the Legislative Budget Director may—

(1) appoint, without regard to political affiliation and solely on the basis of fitness to perform their duties, such professional, technical, clerical, and other personnel as may be necessary to carry out the purposes of this Act,

(2) prescribe their duties and responsibilities,

(3) fix their pay, and

(4) terminate their employment.

(c) In carrying out its functions under this Act, the Legislative Budget Office may utilize the services, information, facilities, and personnel of the departments and establishments of the Government, and may procure the temporary (not to exceed one year) or intermittent services of experts or consultants or organizations thereof by contract as independent contractors, or in the case of individual experts or consultants by employment at rates of pay not in excess of the daily equivalent of the highest rate of basic pay set forth in the General Schedule of section 5332 of title 5, United States Code, including payment of such rates for necessary traveltime.

(d) There are authorized to be appropriated, for the fiscal year ending June 30, 1974, and each fiscal year thereafter, such sums as may be necessary to enable the Legislative Budget Office to carry out its functions and duties under this Act. Until sums are first appropriated to the Office pursuant to the preceding sentence, the expenses of the Office shall be paid from the contingent fund of the House of Representatives, upon vouchers approved by the Director.

(e) For purposes of pay and employment benefits, rights, and privileges, the employees of the Office shall be deemed to be employees of the House of Representatives.

Sec. 172. Power to obtain data.

(a) SECURING OF DATA.—The Legislative Budget Director, with the approval of the chairman of the Committee on the Budget of the House of Representatives or the Senate, is authorized to secure directly from any executive department, office, board, bureau, agency, independent establishment, or instrumentality of the Government any information, data, estimates, and statistics relating to the functions of the Legislative Budget Office.

(b) FURNISHING OF DATA.—Executive departments offices, boards, bureaus, agencies, independent establishments, and instrumentalities are authorized and directed (notwithstanding section 206 of the Budget and Accounting Act, 1921) to furnish such information, data, estimates, and statistics directly to the Legislative Budget Director, upon request made pursuant to this section.

Sec. 173. Projections of budget outlays.

The Legislative Budget Office shall develop for the Committees on the Budget of the House and Senate, and for other committees of the House and Senate upon their request, information with respect to existing and proposed legislation (whether authorizing or appropriation or similar legislation) which will form the basis of estimating the effect on budget outlays of such legislation not only on the current fiscal year but also for the next four fiscal years. Any information and data readily available in the files of the Legislative Budget Office, and related technical assistance, may be furnished upon request to committees and Members of the House or Senate.

PART 8—EFFECTIVE DATE

Sec. 181. Effective date for budget procedures.

Parts 2, 3, and 4 of this title, and part 6 of this title to the extent that it relates to parts 2, 3, and 4, shall apply (except as otherwise specifically provided) only with respect to the fiscal year beginning October 1, 1975, and succeeding fiscal years.

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

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

There was *no objection*.

Mr. BOLLING. Mr. Chairman, I move that the Committee do now rise.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. UDALL, 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. 7130) to amend the Rules of the House of Representatives and the Senate to improve congressional control over budgetary outlay and receipt totals, to

provide for a Legislative Budget Director and staff, and for other purposes, had come to no resolution thereon.

GENERAL LEAVE

Mr. BOLLING. 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 under consideration.

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

There was no objection.

PERMISSION FOR COMMITTEE ON THE JUDICIARY TO FILE REPORT ON THE NOMINATION OF THE GENTLEMAN FROM MICHIGAN, MR. GERALD R. FORD, FOR VICE PRESIDENT

Mr. SARBANES. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary may have until midnight tonight to file its report on the nomination of the gentleman from Michigan (Mr. GERALD R. FORD) to be Vice President.

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

There was no objection.

COMPARISON OF MAJOR LEGISLATIVE PROPOSALS CONCERNING COMMUNITY DEVELOPMENT PROGRAMS

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

Mr. WIDNALL. Mr. Speaker, on November 1, 1973, the Housing Subcommittee completed 3 weeks of intensive hearings on various bills involving community development and housing programs. We were fortunate in receiving a good cross section of both expert and representative views, claims and counterclaims pertaining to the values of these proposals. The testimony concerning the three major proposals for community development legislation was particularly wide ranging, creating significant uncertainty as to relative advantages and disadvantages of these bills.

My concern in this matter led me to request a factual comparison of the three proposals so that the pertinent value and impact of each could be properly assessed. Accordingly, I directed this request to the Administrator of Federal Community Development Programs, the Honorable James T. Lynn, Secretary of the Department of Housing and Urban Development.

Secretary Lynn has now provided an objective comparison of these legislative proposals. The report sets forth the pertinent considerations in clear and meaningful terms.

In order to give other Members the opportunity to read this report and to more clearly judge the relative merits, I include my correspondence with Secretary Lynn and a copy of his report:

NOVEMBER 20, 1973.

Hon. JAMES T. LYNN,
Secretary, Department of Housing and Urban Development, Washington, D.C.

DEAR MR. SECRETARY: Three major legislative proposals concerning community development programs are now before the Congress. These include the Administration's Better Communities Act (H.R. 7277), the so-called Sparkman bill (S. 2182) and the bill H.R. 10036, which was jointly introduced by Congressmen William A. Barrett and Thomas L. Ashley.

Although the three proposals state similar objectives, there are significant, for reaching, differences to be noted in their suggested methods for achieving the goals.

As you know, this legislation will be of vital importance to the nation's future. I consider it imperative that each proposal be fully evaluated before final passage.

While our hearings to date have been informative in obtaining a cross section of views I have not yet seen a comparative analysis of the three bills which treats the effects advantages and disadvantages of each proposal.

As the administrator of the community development programs your analysis of these proposals would be very helpful in our final deliberations.

I would therefore greatly appreciate your analysis of the major issues to be considered in the forthcoming Community Development legislation.

Sincerely

WILLIAM B. WIDNALL,
Member of Congress.

THE SECRETARY OF HOUSING,
AND URBAN DEVELOPMENT,
Washington, D.C., November 26, 1973.

Hon. WILLIAM B. WIDNALL,
House of Representatives,
Washington, D.C.

DEAR BILL: In response to your request for a comparative analysis of the three major legislative proposals concerning community development, I am pleased to provide you with the attached analysis. This chart provides our summary of the differences among the three bills on the issues of primary concern to the Congress and to the communities which would be affected. I trust this summary will be helpful to you as the House proceeds in its consideration of this legislation.

Sincerely yours

JAMES T. LYNN.

COMPARISON OF MAJOR FEATURES OF ADMINISTRATION'S PROPOSED BETTER COMMUNITIES ACT (BCA), THE SENATE (SPARKMAN) COMMUNITY DEVELOPMENT BILL (S. 1744), AND THE HOUSE (BARRETT-ASHLEY) COMMUNITY DEVELOPMENT BLOCK GRANTS BILL (H.R. 10036)

(Source: U.S. Department of Housing and Urban Development)

BASIC PURPOSE OF NEW FEDERAL COMMUNITY DEVELOPMENT PROGRAM

BCA	Senate Bill	House Bill
"To help States and units of general local government to deal more effectively with a broad range of community development concerns . . . through a simpler, more certain and more expeditious system of revenue sharing assistance."	"Primary objective" is "improvement of living conditions, economic opportunities and neighborhoods of persons of low- and moderate-income," and purpose is to create a more comprehensive assistance program and provide greater continuity of Federal support. Federal assistance is to be used "consistent with [the] primary objective" for specific community development objectives.[1]	"To further the development of a national urban growth policy" through a system of Federal aid that will provide annual assistance with maximum certainty and minimum delay, encourage activities connected with local and areawide planning and further housing objectives.

DATE FUNDS TO BE AVAILABLE

BCA	Senate Bill	House Bill
July 1, 1974	July 1, 1974	July 1, 1975

PERIOD DURING WHICH PROGRAM WOULD OPERATE WITH OUT NEED FOR NEW CONGRESSIONAL AUTHORIZATIONS

BCA	Senate Bill	House Bill
Five years	Two years	Three years

AMOUNT OF FEDERAL FUNDS TO BE COMMITTED EACH YEAR

BCA	Senate Bill	House Bill
No limit on amount, which will be set annually in appropriations act. Administration states it will request $2.3 billion per year in initial years. Appropriations in fiscal 1972 were $2.13 billion for HUD's prior categorical community development programs.	Would authorize HUD Secretary to commit an amount "not to exceed" $2.7 billion in first year, fiscal 1975, and $3.2 billion in second, but amounts would be approved in appropriations act which could be annual or multiyear depending upon result of appropriations process. (Note: Committee during "Mark Up" has passed over this part of bill and is considering possibility of lower funding level.)	HUD Secretary could commit an amount "not to exceed" $2.5 billion in first year, fiscal year 1976, $2.75 billion in second and $3 billion in third, but amounts would be approved in appropriations act which could be annual or multiyear depending upon result of appropriation process.

Footnotes at end of table.

COMPARISON OF MAJOR FEATURES OF ADMINISTRATION'S PROPOSED BETTER COMMUNITIES ACT (BCA), THE SENATE (SPARKMAN) COMMUNITY DEVELOPMENT BILL (S. 1744), AND THE HOUSE (BARRETT-ASHLEY) COMMUNITY DEVELOPMENT BLOCK GRANTS BILL (H.R. 10036)—Con.

ELIGIBLE RECIPIENTS OF FUNDS

BCA	Senate Bill	House Bill
Cities, counties and other units of local general government may receive funds; States receive funds for distribution to local communities, but generally could not receive funds for State community development projects.	States (for purposes which could include State community development projects), cities, counties and other units of local general government (including designated public agencies such as urban renewal agencies) may receive funds. In addition, private developers of "new communities" and citizen associations in such "new communities" would be eligible to receive funds (and HUD Secretary is required to allocate funds to take account of new community assistance needs.)[1]	States (for purposes which could include State community development projects), cities, counties and other units of general local government.

REQUIRED CONTRIBUTION OF STATE OR LOCAL FUNDS AS A CONDITION FOR FEDERAL ASSISTANCE

BCA	Senate Bill	House Bill
100% Federal funding; local contribution cannot be required. No need to show maintenance of prior effort.	Any community (or State) participating must contribute, "in cash grants," 10% of cost of assisted activities, with very limited exceptions. Also, assistance is not to be used to reduce "substantially" prior level of local financial support for "community development activities."	Neither a requirement for, nor a prohibition against, State or local contributions. No maintenance of prior effort provision.

WHAT A COMMUNITY MUST DO TO SECURE FUNDING

Need for an Application

BCA	Senate Bill	House Bill
No provision for an application but a statement of community development objectives and proposed use of funds must be prepared and a copy furnished the HUD Secretary.	Requires submission of a detailed application potentially similar to a Model Cities application, annually, for Federal approval. Provision made for exceptions from all or part of the application requirement, but only at the discretion of the HUD Secretary and only in the case of smaller communities which are outside of SMSAs or urbanized areas, have never received funds before under the Act, and are seeking funds only for limited purpose public facility projects.	Requires submission of a detailed application, potentially similar to a Model Cities application, annually, for Federal approval. No provision for exceptions although there are variations in the material required according to size of city.

Contents of application

BCA	Senate Bill	House Bill
Statement of proposed use of funds can be brief form documents similar to General Revenue Sharing "Planned Use Reports."	Application must contain outline of needs, purposes and actions over next three years "to meet housing needs" of families, particularly for low- and moderate-income families, "who may reasonably be expected to seek housing in the community" to improve and upgrade "community services and facilities to meet the social needs of residents." particularly low- and moderate-income families, in areas affected by community development activities[1] to prevent and eliminate slums and blight and upgrade deteriorating neighborhoods[1] description of activities over next two-year period to meet community development goals including estimated costs and general location of the activities and requirements for federally assisted housing units certification that the community development program is consistent with objectives of Act and "with local and areawide comprehensive development plans and national growth policies" adequate opportunity has been or will be afforded for public hearings prior to any private land acquisition a "substantial portion" of activities will be directed toward the "improvement of the living conditions, economic opportunities, and neighborhoods of persons of low- and moderate-income"[1] Adequate citizen participation and involvement afforded.	Application must contain identification of "community development needs" specification of "both short- and long-term community development objectives" consistent with "comprehensive local and areawide development planning" "national urban growth policies" description of activities to be undertaken to meet community development needs and objectives, including estimated costs and general location of activities formulation of a program of any activities necessary "to provide adequate housing in a suitable living environment for low- and moderate-income persons" residing in the community or "who are employed in or may otherwise reasonably be expected to reside in the community" evidence as to citizen participation evidence that each applicant which is a city of 50,000 or more or an SMSA central city has established a "realistic" three-year schedule of program activities designating resources "which can and will be available locally" for meeting needs made "satisfactory" provision for periodic reexamination of "program methods and objectives" from available information on the "social, economic, and environmental consequences" of programs formulated a "comprehensive program" to "eliminate or prevent slums, blight, and deterioration" develop "properly planned" facilities and improvements, including the provision of "supporting health, social, and similar services."

Footnotes at end of table.

COMPARISON OF MAJOR FEATURES OF ADMINISTRATION'S PROPOSED BETTER COMMUNITIES ACT (BCA), THE SENATE (SPARKMAN) COMMUNITY DEVELOPMENT BILL (S. 1744), AND THE HOUSE (BARRETT-ASHLEY) COMMUNITY DEVELOPMENT BLOCK GRANTS BILL (H.R. 10036)—Con.

WHAT A COMMUNITY MUST DO TO SECURE FUNDING—continued

Required citizen participation

BCA	Senate Bill	House Bill
Proposed statement of community development objectives and proposed use of funds must be available for public comment 60 days prior to finalization.	Applicant must either hold a public hearing on application or publish application for comment 30 days before submission.[1] Applicant also must certify that adequate opportunity afforded for public hearings prior to any private land acquistion "adequate opportunity for citizen participation" afforded "meaningful involvement" provided in planning and execution of community development activities for residents of areas in which such activities are to be concentrated, "including the provision of adequate information and resources."	Applicant must provide citizens "likely" to be affected with adequate information on funds, activities and "important" program requirements hold public hearings provide affected citizens with "an adequate opportunity to participate in the development of the application."

Federal review of application

BCA	Senate Bill	House Bill
No Federal review of contents of recipients' programs.	HUD personnel must determine from application whether to approve or disapprove within 90 days of submission. There is neither a prohibition against, nor a specific limitation on, degree of HUD review or upon HUD authority to reduce or limit use of funds as a condition of approval; applications must, however, be disapproved if HUD determines there is no basis for local certification as to relationship between activities and objectives of the Act consistency with areawide planning adequacy of citizen participation assurances that a substantial proportion of activities are directed toward improvement of "living conditions, economic opportunities, and neighborhoods of persons of low- and moderate-income."[1] In addition, unless HUD Secretary modifies requirement by certifying the modification is "necessary to meet urgent community needs, "application must be disapproved if it is determined that community will not spend ⅔ or more of grant on housing needs, prevention and elimination of slums and blight and improvement of community services to meet the social needs of residents, particularly low- or moderate-income families, of affected areas.[1]	HUD personnel must approve from the application such matters as the consistency of the program with local and areawide comprehensive planning adequacy of the community's housing program adequacy of local citizen participation realism of the scheduled activities comprehensiveness of the program property of community facilities and public improvements planning within 60 days after beginning of fiscal year in which grant is made. Amounts of funds can also be lowered (despite formula or hold harmless amount) where Federal officials determine this is appropriate on the basis of past "performance," community program capacity, and the timeliness of program execution efforts.

A–95 review

BCA	Senate Bill	House Bill
No review contemplated.	Review probably contemplated.	Review specifically required.

Environmental impact statement

BCA	Senate Bill	House Bill
Environmental impact statements not contemplated for entitlement recipients.	Environmental impact statements would be necessary even for annual funding of recipients of formula and hold harmless funds.	Environmental impact statements would be necessary even for annual funding of recipients of formula and hold harmless funds.

Estimated application processing time

BCA	Senate Bill	House Bill
Statements of community development objectives and proposed uses of funds could be processed within 30 days of submission.	Although applications must be disapproved or approved within 90 days, complexity of applications would probably require that negotiations begin well before formal document is submitted. Process might take a year or more.	Although applications must be acted upon within 60 days of the beginning of a fiscal year, complexity of applications would require either that they be submitted well before the beginning of the year or that an "informal" review process take place before formal application is submitted. Process might take more than a year for metropolitan cities required to have a "comprehensive" program, as review would be similar to that required for Model Cities applications.

PERMISSIBLE USES OF FUNDS

BCA	Senate Bill	House Bill
Funds may be used for any purpose for which they could be used under existing HUD community development programs (including Model Cities), with community choosing for itself what activities it wants to undertake and the amount of funds it wants to devote to each.	Communities must spend, unless HUD Secretary granted a special exception, two-thirds of funds on housing, urban renewal and Model Cities type activities, with the result that a community generally could not use its entire allotment for projects like those funded in the past under the water and sewer and open space land program, but cannot spend more than 25% of funds on Model Cities "software" type facilities and services and certain other activities regardless of prior program levels.[1]	No requirement that specified percentages of funds be used (or not used) for particular activities. However, limitations on use could apparently be imposed by HUD Secretary as a condition of application approval or as a result of Federal evaluation of program performance.

Footnotes at end of table.

COMPARISON OF MAJOR FEATURES OF ADMINISTRATION'S PROPOSED BETTER COMMUNITIES ACT (BCA), THE SENATE (SPARKMAN) COMMUNITY DEVELOPMENT BILL (S. 1744), AND THE HOUSE (BARRETT-ASHLEY) COMMUNITY DEVELOPMENT BLOCK GRANTS BILL (H.R. 10036)—Con.

DISTRIBUTION OF FUNDS

Formula used to allocate fun

BCA	Senate Bill	House Bill
Uses an objective formula to indicate need for community development assistance of any community relative to all other communities: the population of the city (or county), the amount of housing overcrowding, and the extent of poverty (counted twice).	Uses formula which is like that in BCA except that it "includes an additional "program experience" factor (on top of the "hold harmless" provision described below) which serves to increase the relative share of funds going to communities which in the past have been securing the largest amounts under urban renewal and other HUD categorical assistance programs and to decrease the share of other communities.	Like Senate Bill uses a formula which includes "program experience." Also provides for a "regionalization" of poverty, which, as applied on the basis of available data, tends to reduce amounts going to communities in the South (without regard to actual living costs in specific SMSAs or communities) as compared to communities in other areas (especially the West).

Authority of HUD to reduce entitlement amounts

BCA	Senate Bill	House Bill
Amounts paid on an entitlement basis as formula or hold harmless funds cannot be reduced so long as funds are used for community development activities and there are no violations of specific requirements (e.g., nondiscrimination).	Since HUD must review and approve detailed applications, it could apparently reduce entitlement amounts as a condition of approval. For example, HUD could require that specific items be eliminated from program, thus reducing entitlement funding, if it determined this was appropriate to assure that program activities were substantially directed to helping low- and moderate-income families.	Formula or hold harmless amounts are only a maximum, since bill specifically requires that HUD review community performance at least each year and determine whether funding to which a community might otherwise be entitled should be reduced. Also, proposed costs of activities could be reduced if found unreasonable and, as under Senate Bill, reductions could be made if specific proposed activities were disapproved.

Distribution of funds to metropolitan cities

BCA	Senate Bill	House Bill
Funds are distributed by formula directly to cities of 50,000 and over (and to other central cities of SMSAs and certain counties) with cities and counties receiving funds according to their needs measured against those of other cities and counties.	Funds distributed by formula through SMSA based computations. Each city of 50,000 and over (and each central city) receives funds by formula out of its SMSA "pot." The amount received by each city varies according to how the city compares under the formula to all other communities in the SMSA. The funds allocated to the SMSA, in turn, vary according to how it compares with all other SMSAs.	Like Senate Bill.

Distribution of funds to urban counties

BCA	Senate Bill	House Bill
Urban counties with populations of 200,000 or more (exclusive of SMSA central cities or cities of 50,000 or over) and located in SMSAs would be allocated funds directly by formula.	Counties would not receive funds on a formula basis although a change to allow at least some counties to be formula recipients is now being considered by the Committee.	Unlike 1972 House Bill, counties would not receive funds on a formula basis. Larger counties would however, be among those entitled to a "priority" in the distribution by HUD Secretary of discretionary funds not needed for formula or "hold harmless" purposes.

The "hold harmless" amount—Formula cities

BCA	Senate Bill	House Bill
Formula cities receiving, under prior HUD community development programs, an amount in excess of their formula amount, would receive that higher sum, i.e., would be "held harmless." This excess would be phased out by thirds over the last three years of the Act, with the funds saved thus becoming available to these and other formula cities and to smaller communities and counties that do not qualify for formula funds.	Includes provisions like BCA by which formula recipients would be "held harmless" on the basis of their prior program levels, but with no provisions for phase out.	Like Senate Bill.

The "hold harmless" amount—Non-formula communities which have been participating in either urban renewal (conventional or NDP) or model cities program [2]

BCA	Senate Bill	House Bill
These communities would continue to receive their prior program level for a period of two years, after which this guaranteed funding would be phased out, with the funds then being available for distribution to these and other communities.	If community participating in urban renewal, hold harmless provisions similar to BCA apply, but no provision made for phase out.	Smaller communities participating in urban renewal or model cities "held harmless" but includes provisions that would have the effect of phasing out over a five year period, not necessarily in graduated steps, "hold harmless" for such communities, even though no phase out is provided for "hold harmless" payments to larger formula recipients.

Distribution of funds to other—i.e., non-formula, non-hold harmless—Communities located in SMSAs

BCA	Senate Bill	House Bill
Smaller communities that have not been participating in urban renewal or Model Cities would receive funds (principally through States) out of amounts not used for formula distribution or "hold harm-	The smaller communities located in SMSAs may have little or nothing available to them if the funds alloted to that SMSA were needed to "hold harmless" the central city, and other communities in the SMSA if they have been	Like the Senate Bill, amounts available to smaller communities in an SMSA would vary according to hold harmless needs of other communities in the SMSAs.

Footnotes at end of table.

COMPARISON OF MAJOR FEATURES OF ADMINISTRATION'S PROPOSED BETTER COMMUNITIES ACT (BCA), THE SENATE (SPARKMAN) COMMUNITY DEVELOPMENT BILL (S. 1744), AND THE HOUSE (BARRETT-ASHLEY) COMMUNITY DEVELOPMENT BLOCK GRANTS BILL (H.R. 10036)—Con.

DISTRIBUTION OF FUNDS—continued

BCA	Senate Bill	House Bill
less." A smaller community located in an SMSA would be able to participate in the fund made available to that SMSA by the State because the fund would not be affected by any "hold harmless" requirements of the cities or other communities in that SMSA.	engaged in urban renewal. These smaller communities in SMSAs would have prospects for receiving from HUD funds that vary according to the relative proportions of the individual SMSA formula shares that are needed in those SMSAs for "hold harmless."	

Distribution of funds to other—i.e., non-formula, non-hold harmless—Communities located anywhere

BCA	Senate Bill	House Bill
Because "hold harmless" for formula cities and communities participating in urban renewal or Model Cities "phases out" beginning in the third year, funds available through States for all communities, including smaller communities, will increase even if overall program levels should remain constant.	Continuation of "hold harmless" for cities and other communities which have been benefited in the past would eliminate any increases in funds for all communities, including smaller communities, unless overall funding levels rise.	Phase out of "hold harmless" for smaller communities with past benefits (but not larger formula cities) would allow for some increase in funds for all communities, including smaller communities.

LOANS FOR LAND ACQUISITION AND OTHER PURPOSES

BCA	Senate Bill	House Bill
Recipients may pledge assets, including funds received under BCA, if otherwise authorized to do so, to secure loans, but Secretary not authorized to make loans.	Secretary is authorized to make loans for planning and operating activities of communities pending receipt of grant funds or other permanent financing.	Secretary authorized to make loans to provide for financing real property acquisition activities.

ROLE OF STATES

BCA	Senate Bill	House Bill
90% of funds not paid by formula or as "hold harmless" payments would be distributed through States. States could not retain any of these funds for their own community development purposes.	No provision requiring any funds to be distributed through States. States could, however, receive funds and could use these funds for their own community development projects.	Like Senate Bill, no provision requiring distribution of any funds through States. However, States could establish development policies or priorities which must be recognized in the distribution of funds by the Secretary. States could also receive and use funds for their own development projects.

[1] Reflects tentative decisions taken in Senate Banking, Housing and Urban Affairs Committee Markup as of November 20, 1973.

[2] Benefits of this provision would *not* extend to communities which had participated *only* in the water and sewer grant, public facility loan, code enforcement, neighborhood facility, rehabilitation loan or open space land programs.

CHILE CLEARED ON RACISM CHARGE

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

Mr. FASCELL. Mr. Speaker, last Friday the Washington Post carried a story implying that the Chilean Government had indicated to the United States that a proposed U.S. Army attaché was unacceptable because he is black. This charge has been vigorously denied by both Chilean officials and the Departments of State and Defense. On Saturday the Post printed a second story to the effect that Chile did not reject the proposed attaché and, in fact, was never consulted at all about the individual in question. The chief of the U.S. military group in Chile has stated that he alone declined the nomination.

Mr. Speaker, since the charges made in the original article might have had serious consequences for United States-Chilean relations if they had been true, it is important that the second article which greatly clarifies the situation receive appropriate attention and I include it at this point as a part of my remarks along with the texts of statement released Friday by the Pentagon and a copy of an editorial which appeared in today's Washington Post:

BLACK ATTACHÉ TO CHILE BARRED BY U.S. MILITARY AIDE IN SANTIAGO

(By Austin Scott and Michael Getler)

The Defense Department said last night that it was the chief of the U.S. military advisory group in Santiago, not the Chilean government, who said that a black U.S. Army colonel was not acceptable as a military adviser to Chile because of his race.

Diplomatic messages sent to Washington explaining the rejection of Col. T. M. Gafford had claimed, according to Pentagon sources, that Gafford was not acceptable to the Chilean government because of its racial policies.

But in a two paragraph statement, the Pentagon said last night Chile was never consulted about Gafford's nomination.

The nomination was "forwarded through appropriate channels to the chief of the military group for coordination with the U.S. embassy and the government of Chile," the Pentagon statement said.

Navy Capt. R. E. Davis, chief of the military group, "declined that nomination without coordinating with the government of Chile or with the U.S. embassy," the statement continued.

"His assessment of the situation was invalid, resulting in an error in judgment. Instructions are being issued to insure that comments of the U.S. embassy and the government of Chile are obtained concerning any proposed nominations."

A Pentagon spokesman refused to go beyond the statement when asked whether the "instructions" include disciplining or removal of Davis, and what Davis' reasons were for rejecting Gafford's nomination.

Sources, however, said Davis thought the Chilean government would object to a black.

A Pentagon source said the decision amounted to "a major foulup" within the U.S. military group in Chile, and was "certainly not in line with our policies of assigning people without regard to race."

It also raised the question of who had lied about the Chilean government's role.

Authoritative sources on Capitol Hill and in the Pentagon said Thursday that Gen. William B. Rosson, commander in chief of the U.S. Southern Command in Panama, reported to Washington that his command had been informed by the U.S. team in Chile that Gafford was not acceptable to the Chilean government because of its racial policies.

Pentagon sources said yesterday that Rosson apparently relayed just what he had been told; that he apparently was not told "that this was a military group decision."

The military group in Chile was "anticipating rather than thinking," the sources said.

The Chilean embassy here issued a statement saying any suggestion that the Chilean government rejected the appointment of a black officer was "a slander against both the Chilean government and the Chilean people."

Gen. Walter Heitmann, Chile's ambassador to the United States, called a news conference to say the Chilean government was never told about Gafford, or the possibility that he might get the appointment.

Asked whether Chile would accept a black military adviser, he said, "Whenever they decide to send one, he is welcome."

"We're not aware of any special racial policy of the government of Chile," a State Department spokesman said.

The Pentagon confirmed Thursday that a white officer had been sent to Chile in Gafford's place.

There was no indication from the Pentagon whether the white officer would remain there or be withdrawn, or who might replace him if he were withdrawn.

ARMY RACISIM

There seems to be no foundation to the report that, for racial reasons, Chile refused to accept a black United States colonel who had been named to the American Military Advisory Group in Santiago. The new Chilean government has come under sharp and deserved challenge for many of its human rights policies; its insensitivity to interna-

tional opinion in this regard is already well established. But in this instance Chile appears blameless. The country is proud, and deservedly so, of its tradition of racial tolerance.

Unfortunately, the matter does not end there. For a black colonel, T. M. Gafford, was indeed rejected for the Santiago post which was subsequently filled by a white officer. The Pentagon now says this was the decision of the chief of the Advisory Group in Santiago. This officer, it is suggested, thought Chile would object to a black. Since no Chilean objection was actually expressed, however, and since Chile's racial record can stand close scrutiny, and since no anticipated or actual Chilean objection should have been sustained anyway, it is very hard to credit this Pentagon suggestion.

The whole affair reeks of racism. It is bad enough that an American colleague may have rejected Col. Gafford and tried to blame the Chileans—surely that alone is worth official inquiry. It is worse in a sense that his Army superiors apparently acquiesced in a situation involving, at face, the humiliation of a fellow officer, of the U.S. Army and of the United States. The public is owed a prompt and full report on this disgraceful affair.

DEPARTMENT OF DEFENSE STATEMENT,
NOVEMBER 30, 1973

The Department of Defense nomination of Colonel Gafford for assignment to the United States Military Group in Chile was forwarded through appropriate channels to the Chief of the Military Group for coordination with the U.S. Embassy and the Government of Chile. The Chief of the Military Group declined the nomination without coordinating with the Government of Chile or with the U.S. Embassy. His assessment of the situation was invalid resulting in an error in judgment. Instructions are being issued to insure that comments of the U.S. Embassy and the Government of Chile are obtained concerning any proposed nominations.

FEDERAL NURSING HOME PATIENTS BILL OF RIGHTS

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

Mr. COHEN. Mr. Speaker, in the last 20 years, advances in medical science have enabled more and more of our senior citizens to live well into their eighties and nineties. Unfortunately, the past 20 years have also seen major changes in the American family structure which have made it increasingly difficult for the elderly to receive the care and assistance they need within the family setting. The result has been a growing demand for what we know as nursing homes or convalescent centers, long-term care facilities which today provide general and medical care for many elderly people.

Millions of elderly Americans are now living in nursing homes, and more homes are being opened every month. Last year, the Federal Government provided over a billion dollars to such institutions as part of the medicare and medicaid programs. Tragically, despite the vital function of these nursing facilities and the extensive Federal involvement in them, a significant percentage of the homes fall far short of the standard of care their patients need. Many elderly individuals, entering such facilities for needed services, have instead become victims of the institutions.

People knowledgeable of nursing home conditions can cite endless examples of the abuse and neglect that can and do occur in such facilities: bedridden incontinent patients left unattended for the entire day; staff stealing food and money from the residents; an elderly lady classified as senile because the doctor did not determine that she was stone deaf and could not hear his questions; a woman whose leg had to be amputated because a blood clot was not noticed by the staff until the leg had turned gangrenous. It is small wonder that the elderly dread the day when they may no longer be able to care for themselves and must enter nursing homes.

I believe strongly that conditions in nursing homes, beginning with those receiving Federal moneys, can and must be improved.

Today I am introducing with 18 of my colleagues legislation providing for a Federal Nursing Home Patients bill of rights. The measure requires that long-term care facilities certified for medicare and medicaid patients adopt, give to their patients, and implement through appropriate staff training a statement of the rights reserved to the patients.

The guarantees would include the patients' rights to exercise civil ad religious liberties, to receive adequate and appropriate medical care, to have full knowledge of their medical condition and to participate in the planning of their medical treatment.

They would provide the rights to have private and unrestricted communication with any person, to present grievances on behalf of themselves or other patients to the facility or Government officials without fear of reprisal, to have their records kept confidential, and to have a secure place to store their personal possessions. Finally, the guarantees would include the right to receive fair, equal and courteous treatment and services and to be free from mental or physical abuse, except physical restraints or sedation which are specifically authorized by a doctor for a limited period of time. Should the patient be adjudicated incompetent, these rights would devolve upon a trusted sponsor who could act in the patient's behalf.

Instituting a bill of rights would help correct a number of problems inherent with many nursing homes. For one, it would make it clear to both the patient and the staff that residents of the facility are individuals and retain the rights and privileges of other citizens in this country. Also, it would give the patient badly needed reassurances about the care he can expect and a measure of control over the conditions surroundings and affecting him. Finally, it would provide the patients—or their sponsors—with the right and the means to alert Government officials to substandard conditions in nursing home facilities and to work with patients or other concerned individuals in seeking improvements.

I think it important to point out that the approaches and attitudes engendered by such guarantees would benefit not only the patient but also the nursing home. A patient who is confident in the care he is receiving and is informed of his condition will generally be far more cooperative and will respond better to treatment. A bill of rights can also do much to correct the sometimes overwhelming atmosphere of apathy and despair which occurs when patients believe they have been consigned to nursing homes only to await death. In the cold, authoritarian environment of a medical institution patients come to feel themselves objects rather than people. Such an atmosphere can insure even the most understanding staff and defeat the entire purpose of the nursing home.

In developing this legislation, I have spoken at length with HEW officials involved in nursing home standards, with representatives of groups concerned about elderly problems, and with those involved in nursing home administration.

The organizations included the National Council of Senior Citizens, the National Retired Teachers Association, the American Association of Homes for the Aging, and the American Nursing Home Association. I also had the help of nursing home administrators, one of whom told me that operating under these guarantees is just good business sense. Among those I consulted there was strong agreement that requiring the adoption by nursing homes of a bill of rights would not be a problem in good nursing homes but could prove a vital mechanism for improving conditions in substandard facilities. They also felt that placing such a requirement in Federal law would assure more effective enforcement of these rights in medicare and medicaid facilities and would encourage and assist the States, who have the responsibility for inspecting and licensing the bulk of the nursing homes, in adopting similar legislation.

I am pleased to report that in some places there has already been a welcome indication of concern at the State level. A few States, including West Virginia and Minnesota, have enacted similar statements of rights for long-term care patients. Last week, in my own State of Maine, one thousand delegates to the Fourth Blaine House Conference on Aging unanimously endorsed a bill of rights for Maine's nursing home patients. Legislation embodying these guarantees is expected to be introduced during a special session of the Maine State Legislature, which convenes in January. Needless to say, I am very encouraged by the conference's resolution and will be working closely with State legislators to insure that their efforts to give greater protection to Maine's nursing home patients are fully rewarded.

Clearly, providing guarantees of patient's rights is a need and idea whose time has come. To bring it to fruition, however, we must have concerted leadership and action on the national level. We need model legislation and enforcement which can provide all the States with the direction and purpose they need. I, therefore, urge the Members of this House to join with me and Congressmen ANDERSON of Illinois, RAILSBACK, HOSMER, BOLAND, WALDIE, MOAKLEY, HECHLER of West Virginia, YATRON, PODELL, HARRINGTON, PEYSER, ST GERMAIN, EDWARDS of California, and HEINZ, and Congresswomen HECKLER of Massachusetts, ABZUG, CHISHOLM, and SCHROEDER in sponsoring and supporting this legislation.

ROMANIA ENTITLED TO CHANGE IN OUR TARIFF LAWS

Mr. FRELINGHUYSEN. Mr. Speaker, as most of us know, Mr. Nicolae Ceausescu, the President of Romania, arrived on the White House lawn this morning to begin his first official visit to the United States. Romania's role in recent years has been an interesting and constructive one, and I trust that Mr. Ceausescu's visit proves most successful.

Although a relatively small country and a neighbor of the Soviet Union, Romania has given abundant evidence of her determination to pursue an independent foreign policy line. For example, Romania publicly criticized the Soviet invasion of Czechoslovakia in August 1968. Her independence has been illustrated also by the excellent relations she has maintained with Israel during recent years. In that connection, it is interesting to note that more people have emigrated from Romania to Israel—over 300,000—during the last 20 years than from any other Eastern European country, or from the Soviet Union.

Romania, under the leadership of President Ceausescu, has taken a number of steps to foster closer economic ties with Western Europe and the United States. She became a member of the International Monetary Fund, the World Bank and GATT, and was the first country in Eastern Europe to negotiate trade preferences with the European Common Market. Her trade has changed dramatically from one almost exclusively with other Comecon countries to a point where now about 50 percent is with non-Communist countries.

Romania has also sought actively to improve economic relationships with the United States. This presumably is a major reason for Mr. Ceausescu's present visit. She has changed her laws in ways which have expanded her trade with the United States, and has encouraged foreign investment by developing joint ventures, with American companies having an equity position in Romanian firms. Under these circumstances I personally can sympathize with Romania's hope for an end to our policy of denying Romania "most favored nation" treatment, although it is accorded both to Poland and Yugoslavia. In my opinion, Romania has amply proven that she is entitled to a change in our tariff laws.

A SUGGESTED FEDERAL NATURAL GAS POLICY

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

Mr. ROUSSELOT. Mr. Speaker, John H. Robson, president of the Oil Heat Marketers Association, Chicago, Ill., has recently presented a statement to the Senate Commerce Committee on proposed changes in Federal natural gas policy for inclusion in the hearing record. Since there is so much discussion in the Congress, in the news media, and by the American people all over the country about the energy crisis, I thought it would be constructive if my colleagues would take the time to study some of the comments by Mr. Robson. Some of his recommended proposals could well lead to solutions in our deliberations on this subject. It is my hope that we in this Congress are wise enough to listen to men such as Mr. Robson who are involved in the marketing of energy products and who are on a day-to-day basis on the firing-line in the American marketplace. Let me review with my colleagues Mr. Robson's testimony submitted to the Senate Commerce Committee in October 1973:

A New Federal Natural Gas Policy Is Needed

(Statement of John H. Robson, president, Oil Heat Marketers Association, Chicago, Ill., at the public hearings held by the State Commerce Committee on proposed changes in Federal natural gas pricing policies, Oct. 24–25 and Nov. 7–8, 1973, Washington, D.C.)

As the president of the Oil Heat Marketers Association, a partner in a retail fuel oil business, and a citizen concerned about our nation's future, I would like to see our Federal Government adopt a sound natural gas policy. It is mostly because of our past Federal gas pricing policies that our nation now faces serious shortages of natural gas, fuel oil and propane—it is because of these gas policies that many of our oil customers may be without heat this winter.

Although there has been other testimony from government and industry officials which has placed most of the blame for our nation's present gas problems on our natural gas pricing policies, I know of no testimony which adequately described how these same gas policies have been detrimental to our nation's ability to provide adequate quantities of all other fuels. We hope, in this statement, to describe how these policies tended to undermine our total fuel industry. At its conclusion, we will present recommendation for changes in our present gas pricing policies which will start our nation moving in the right direction.

The Federal Natural Gas Pricing Policies Caused Our Fuel Shortages

Although it is true that the too rapid application of environmental controls and restrictions on the use of high sulphur fuels brought us more quickly to our present fuel problems, the present and worsening shortages of heating oil, propane, and natural gas can *all* be traced back to a 1954 Supreme Court decision concerning natural gas. The Court then ruled that the Federal Power Commission should control the wellhead price of all natural gas that was to move interstate. The Government, following a philosophy that the supply of natural gas was infinite and that it was a "free" by-product of oil production, set these prices at artificially low levels. The introduction of natural gas at these low prices affected the economic forces influencing the production and utilization of natural gas and all competing fuels.

"Cheap" Natural Gas Moved Into Utilities and Industry

The introduction of "cheap" natural gas to large fuel users at extremely low prices undermined the market for competing industrial fuels. During the 1950's interruptible gas was being sold in Illinois at 2.4 cents per therm—equivalent to 12,000 BTU coal selling at $5.76 per ton, and No. 6 oil selling at 3.7 cents per gallon.

At the time of the Supreme Court's 1954 decision, approximately 60 percent of each barrel of crude oil was made into gasoline and distillates, the remaining 40 percent being left as No. 6 residual oil, used by the utilities and industry as boiler fuel. The competition from the artificially priced "cheap" natural gas undercut the heavy oil, driving the price of the No. 6 down to the point where its manufacturing cost could not be recovered.

Refiners solved their No. 6 oil problem by utilizing new thermal and catalytic cracking processes which converted almost the entire barrel of crude oil into the more profitable gasoline and distillates. The No. 6 oil that continued to be used as boiler fuel, primarily along the East Coast, where pipeline costs made it still competitive with natural gas, came from Venezuela and the Caribbean

"Cheap" Natural Gas Causes the Gasoline Surpluses of the 1960's

The conversions to catalytic cracking to reduce the production of No. 6 oil created surpluses of gasoline and distillates during the early 1960's as the refining companies tried to dispose of their crude oil production and reduce unit costs by operating refineries at near full capacity. An oversupply of distillates was created as "cheap" natural gas continued to take a larger and larger share of the space heating market away from heating oil in the mid-continent. The refining companies responded to these distillate overruns by further cracking to convert larger portions of the barrel of crude to gasoline.

The refining companies having their own retail outlets moved as much of their gasoline as possible through their own dealers by bribing customers with steak knives, S & H Green Stamps, and games of chance. The gasoline not sold through their own dealers was sold at low prices to a growing number of independent gasoline marketers. These independents competed against the major oil companies by selling gasoline at lower prices. During the 1960's price wars became chronic as the gasoline marketers tried to force more and more product into a completely saturated market.

"Cheap" Natural Gas Helped Cause Our Shortage of Refining Capacity

During these years of gasoline surpluses and depressed prices, profits from domestic refinery operation were frequently averaging about 2 percent, not sufficient to pay the interest on investment capital required to build new additional refineries. During the 60's the major oil companies continued to build refineries in foreign countries, however, where distillate markets had not been destroyed by the availability of "cheap" natural gas.

Although low refinery profits was the most important reason new refineries were not built in this country, there were also other reasons:

The major oil companies also realized that additional refineries would only increase the flood of gasoline that was already permitting aggressive independent gasoline marketers to cut deeper into their own retail markets.

In 1959 President Eisenhower initiated import quotas for the purpose of protecting domestic petroleum producers. The major oil companies had urged this policy to restrict competition from independents in the already saturated fuel market. Later, the uncertainties concerning our government's future import policies discouraged refiners from investing in new plants to process crude oil from foreign sources.

During the early 1970's plans to build new refineries on the East Coast were stopped because of objections from environmental groups concerning siting locations.

Although there have been several reasons why the major oil companies and independent refiners did not build new refineries during the 1960's, low refinery profits caused by "cheap" natural gas undercutting the fuel oil markets in the mid-continent was certainly a major factor.

THE CLEAN AIR ACT OF 1970

Although it was the Supreme Court's decision concerning interstate natural gas prices and the resulting government price controls which planted the seed and nurtured our present fuel crisis, it was the Clean Air Act of 1970 which quickly brought the crisis to full bloom. This environmental law was enacted in an atmosphere of a Roman circus just prior to the national elections of 1970 when an uninformed and apathetic public permitted a vocal and organized minority to stampede an election-conscious Congress into unwise legislation.

Although the largely unsupportable exhaust emission standards for automobiles will affect the efficiency of our new cars and consequently the total quantities of crude oil which we will need to import, these emission standards will not have nearly the detrimental effect on our nation's economic strength and our future foreign policy as have the EPA's ambient air standards for sulphur dioxide and particulates. It is because of these standards that many of our states have adopted pollution control regulations banning the use of coal for space heating of large buildings and our largest fuel users were pressured into converting from coal to either natural gas or distillates. The limitation on the sulphur content of No. 6 oil forced East Coast fuel users to either convert to straight distillates or reduce residual sulphur levels by blending huge quantities of distillates into the residual oil. Delays in nuclear plant construction and environmental restrictions on high sulphur fuels forced electric utilities to consume rapidly increasing quantities of distillates and natural gas in turbine "peaking" units. And as gas reserves continue to decrease, more and more of this huge new energy load is being transferred over into distillates.

The EPA has been forced to admit that several of the excessively stringent standards they are now enforcing are not based on valid quantitative studies—including those for sulphur dioxide.

CURTAILMENTS OF "CHEAP" INTERRUPTIBLE GAS IMPERILS FUEL OIL SUPPLY

The present serious fuel oil shortage is caused by the interlocking dependence between our nation's energy fuels. Although the environmental restrictions on the use of high sulphur fuels have caused many factories and power plants to turn to low sulphur distillates, one of the most important causes of the oil shortage is the increasing number of curtailments of natural gas to large customers on interruptible contracts. These contracts cover 23 percent of all the natural gas being consumed in this country and as the gas shortage becomes increasingly worse, an increasing number of these large fuel users are being forced to turn to heating oil as a "swing fuel".

THE SHORTAGE OF "CHEAP" GAS IS PUSHING MORE RESIDENTIAL CUSTOMERS TO GAS

As more of the large fuel users are being forced to turn to distillates because of increasing curtailments of gas service, the sudden and unexpected increase in the demand for heating oil is creating shortages which threaten the warmth and comfort of every homeowner depending on oil. Because of the fuel oil shortage, prices of that fuel are moving up rapidly. In Illinois retail prices this next winter can be expected to range between 22 and 35 cents per gallon, depending on the individual retailer's source of fuel—some of the imported product being quoted at wholesale prices as high as 32 cents, F.O.B. the Gulf Coast. As the oil prices have shot up, the natural gas prices have remained low-equivalent to an oil price of slightly less than 16½ cents per gallon.

The gas distribution companies in the midcontinent are continually assuring the public that all their residential customers need not worry about their fuel supply this winter—that only the large industrial gas customers should expect interruptions in supply. Because these gas companies can increase their profits by shifting their gas sales from the lower priced industrial customers to the higher priced residential customers, many of these gas companies are continuing to accept homes converting from oil.

It is ironic that our Federal and State gas pricing policies have created a gas shortage which is now pushing oil customers to convert to gas.

OUR NATION IS RUNNING OUT OF "CHEAP" NATURAL GAS

During the last five years total U.S. reserve additions in the lower 48 states have been less than half of production and the proven reserve inventory has shrunk by 54.7 trillion cubic feet. The reserve/production ratio which stood at 23.1 twenty years ago has now dropped to only 10.5.

Our nation's steady decline in the gas supply has manifested itself in curtailments of firm service by interstate pipeline companies to their customers during the past several winter heating seasons. These curtailments have increased from 62 billion cubic feet during the 1970–71 winter season, to 236 billion cubic feet during the 1971–72 winter season, and finally to 566 billion cubic feet during the past winter.

Last year the U.S. consumed approximately 23 trillion cubic feet of natural gas—enough to fill a cylinder of 161 foot diameter reaching clear to the moon. In the same year we added only six trillion cubic feet to our reserves, reducing our total reserves by 17 trillion cubic feet. The obvious answer seems to be to decontrol wellhead prices of new gas to accelerate drilling activity. But in our best year, 1955, before our Federal regulatory practices emasculated the exploratory function, the top reserves discovered amounted to only 15 trillion cubic feet. With the "easy" reserves already found, with wells having to probe deeper or offshore in more complex operations, can any kind of crash program produce new reserves at the rate of more than 23 trillion cubic feet each year in the years ahead?

HOW IMPORTANT ARE OUR UNDISCOVERED RESERVES?

The Potential Gas Committee, sponsored by the Colorado School of Mines, estimates that the potential supply of natural gas in the United States which remains to be found and developed in the lower 48 states is 780 trillion cubic feet—enough to increase our reserve/production ratio to 44 years if it were all found today. Although others may give different estimates of our undiscovered reserves, the variations in these estimates do not change the fact our gas reserves are indeed limited.

Although members of this committee may not completely agree with the figures of known reserves provided by the American Gas Association, or with the estimates of the undiscovered potential gas reserves provided by the Potential Gas Committee, the differences between your estimates and theirs will not alter the basic premise on which a sound Federal gas policy must be based.

The important question is not whether the present estimates of proven or potential reserves are conservative; *the important question is whether we can continually discover and develop new reserves, year after year, at a rate equal to our annual rates of consumption.* When considering this question, it should be remembered that much of our potential reserves may remain undiscovered for hundreds of years and an unknown percentage of this potential will never be found.

WE SHOULD NOT PRODUCE SNG FROM PETROLEUM

The nation's gas companies know that the increasing gas shortfall is critical and they are taking drastic action to assure that most-critical needs are met. One of these actions is the production of "synthetic natural gas" from other fuels.

As of May 1, there were 26 plants in various stages of development to convert 735,000 barrels per day of naphtha and natural gas liquids into 3.34 billion cubic feet of SNG. In addition, another 11 plants were being developed to convert 780,000 barrels per day of crude oil to 1.58 billion cubic feet of pipeline quality gas. All these plants would consume when and if completed the equivalent to the entire domestic throughput of Mobil Oil and Gulf Oil, combined. Although such plants may temporarily delay the approaching collapse of our gas system, the impact of these plants on our nation's gasoline and heating oil supplies would be devastating.

Although SNG plants will be needed in the future, *all efforts should be placed on coal gasification.*

WHAT EFFECT WOULD THE DECONTROL OF WELLHEAD PRICES HAVE ON RETAIL PRICES?

Although the decontrol of wellhead prices for new gas would do more than any other single action to bring quick relief to our rapidly growing shortages of clean fuels, such decontrol would only tend to increase the speed with which we would consume our total natural gas reserves unless the demand for gas was also dampened by substantial increases in gas prices. To adequately dampen gas demand, cost of gas to consumers must be increased above those of competitive fuels, per unit of heat.

The average wellhead cost for interstate gas is approximately 2.3 cents per therm, the average paid by residential gas customers is approximately 10.9 cents per therm—leaving 8.6 cents, or about 79 percent of the total cost to cover the cost of transmission and to provide the profits for both the gas pipeline and distribution companies. Because such a large percentage of the consumer's gas costs are from transmission, large increases in the wellhead prices of gas would produce relatively small increases in retail prices paid by residential customers.

A 100 percent increase in the average wellhead gas price, for example, would increase the residential consumer's cost from 10.9 cents to 13.2 cents per therm—an increase of only 21 percent.

HOW MUCH SHOULD GAS PRICES BE INCREASED?

Because natural gas provides valuable "building blocks" from which the petrochemical industry can build their ammonia-base fertilizers, plastics and other chemical products, gas prices should at least reflect its full heating value when compared with competitive fuels.

Industrial gas customers, both firm and interruptible, now account for about 51.5 percent of all gas being consumed. The average price paid by these largest gas users is only about 3.7 cents per therm, about one-third of that paid by the average homeowner, and equivalent to 12,000 BTU coal selling for only $8.88 per ton. Commonwealth Edison in Chicago is now paying $12.22 per ton for low-sulphur coal—36 percent more than the average industrial gas price.

Commercial gas users consume about 8.1 percent of all gas consumed and pay an average of 8.2 cents per therm—equivalent to 14,000 BTU coal selling for $22.71 per ton and distillates selling for only 11½ cents per gallon. Low-sulphur, low ash coal of 14,000 BTU heat content is presently being delivered at prices ranging between $34 and $37 per ton in Chicago.

To curb the demand for gas in the midcontinent and prevent a massive shift from distillate to natural gas, gas prices to *all* gas consumers should be artifically increased to a minimum of 17.8 cents per therm—equivalent in cost per unit of heat to distillate selling for 25 cents per gallon, to No. 6 residual oil selling for 27 cents per gallon, and to 12,000 BTU coal selling for $42.72 per ton.

Such an increase in gas prices would greatly increase the financial incentives for our largest fuel users to convert to coal and to invest in the costly equipment required to burn our most plentiful fuel cleanly. Such

an increase in gas prices would also reduce the incentives for our residential oil customers to convert to gas, and provide greater incentives for those who choose to use gas, to insulate their homes and to set their thermostats lower.

HOW SHOULD "EXPENSIVE" NATURAL GAS BE USED?

Our present theoretical projections of gas demand are predicated on the continuation of the same pricing pattern we have had during the past 20 years. Under these projections future gas demand looms above future gas supply. But these theoretical projections include all gas users who have been paying prices which vary over an extremely wide range, with our largest gas users, the utilities, paying less than one-third the cost of that synthetic gas that will be needed to replace the gas they are now consuming.

With gas prices to all users increased to a minimum of 17.8 cents per therm, the largest gas users will look to other fuels. Because distillate prices will continue to remain relatively high, coal will become the fuel of choice and there will be strong economic incentives for utilities and industry to install the equipment needed to burn that fuel cleanly.

To further encourage greater use of our most plentiful fuel, part of the billions of dollars received by Government from a new natural gas tax could be made available to large fuel users in the form of low interest loans, to pay for the expensive conversions to coal and the equipment required to control stack emissions.

OUR FEDERAL NATURAL GAS LEGISLATION SHOULD AIM FOR THE RIGHT TARGET

Members of this committee have evidence that some major oil companies may have been trying to stifle competition and that the majors' anticompetitive actions by these companies may be contributing to our present problems. Although evidence may indicate that certain anticompetitive actions taken by certain major oil companies may tend to aggravate our problems, it would be incorrect to assume that our fuel shortages are caused by such actions. Although Government should take appropriate actions to prevent major oil companies from anticompetitive activities, gas legislation should not be based on a false premise that these anticompetitive activities have caused our problem.

It is probably true that our immediate natural gas shortages may be adversely affected by owners of some gas wells holding their gas off the market, waiting for higher wellhead prices. In a sense, those who have been sitting on capped wells have been doing our nation a service—if their actions have caused our Federal government to increase wellhead prices from their present unrealistically low levels. This holding of gas does not alter the fact that U.S. gas reserves are shrinking rapidly because of excessive demand. Any Federal gas legislation based on the premise that our gas shortage is primarily caused by such gas holding actions, would be disastrous.

Our Federal natural gas policy must not be designed to provide gas at the lowest "reasonable" cost to consumers by Federally controlling the wellhead price of gas. Such a policy would be reasonable only if our nation's gas reserves were almost infinite and easy to find. A Federal natural gas policy based on the short-sighted objective of providing gas to consumers at low prices now, will only guarantee that millions of homes would soon be heated with wood or coal.

Our Federal natural gas policy should be designed to benefit the entire nation over the long-haul. It should encourage the development of new sources of gas and all other forms of energy—not discourage it. It should encourage conservation of all fuels—and especially those in shortest supply. It should make our nation more self-sufficient—able to produce from domestic sources the fuels we will need in the years ahead. It should increase incentives for investment in the research and equipment required to convert our great reserves of coal into clean fuels. Our failure to develop a gas policy that will accomplish these objectives would allow our nation to drift further into catastrophic energy problems.

The United States stands alone in the world today in our extravagant and wasteful use of natural gas. Natural gas is a premium fuel and it is rapidly disappearing. Its price *must* reflect that fact.

Our nation has been drifting down a river. It's been pleasant and peaceful. As we round a bend, we can see that the river drops over a cliff. As we begin to move rapidly toward the falls, some still can't believe that the falls are actually there.

Senators and members of this committee—it is time that we accept the fact that the falls are indeed there and that we had all better grab a paddle and get busy.

RETIREMENT OF THE HONORABLE WILLIAM J. KEATING

The SPEAKER pro tempore (Mr. MATSUNAGA). Under a previous order of the House the gentleman from Florida (Mr. FREY) is recognized for 60 minutes.

Mr. FREY. Mr. Speaker, this is a very sad and at the same time a very happy occasion—very sad because we soon will be losing one of the most outstanding, conscientious, and dedicated Members of of Congress. I am referring to the gentleman from the First District of Ohio, WILLIAM J. KEATING, who has accepted the position of president and chief executive officer of a great newspaper, the Cincinnati Enquirer. Yet, Mr. Speaker, this is a happy occasion, too, in that we have the opportunity to let BILL know that we are proud of his service in the Congress and of his efforts to make this a better Nation. He has shown leadership in many legislative areas; such as his election reform legislation, his fight against the present Federal policy of relocating Federal civilian employees at great expense to the taxpayers, and his bill to locate and help runaways. His new position will enable him to continue his quest for a better America. Many of us hope that someday in the future BILL will return to the political scene.

Mr. Speaker, I am aware that BILL'S family, his lovely wife, Nancy, and his seven children, Nancy, Bill, Jr., Mike, Dan, Susie, Tom, and John, are delighted that BILL will be coming home. His family is a most important factor in his life and I know his desire to be with them on a more regular basis was a major element in his tough decision to leave the Congress—especially tough because many people in the Congress and his State of Ohio firmly believed BILL KEATING could be the next Senator from Ohio. Educated at the University of Cincinnati BILL received degrees from both the College of Business Administration and the College of Law. He is a member of the UC "C" Club, Phi Alpha Delta Legal Fraternity, and Sigma Chi Fraternity. He has been in public service for over 15 years. In 1958, BILL was appointed judge of Cincinnati Municipal Court where he was later elected and served until December 1964. He was elected to the Hamilton County Court of Common Pleas on January 1, 1965, where he served until August 1, 1967. On December 1, 1967, BILL took office as a member of the Cincinnati City Council as majority leader and chairman of the finance committee, where he worked for 3 years. In 1970, BILL was first elected to the Congress and was reelected to the 93d Congress receiving over 70 percent of the popular vote. As a member of the House Judiciary Committee, BILL is the ranking Republican on the Subcommittee on Immigration, Citizenship, and International Law, and is a member of the Judiciary Crime Subcommittee. He is also a member of the Republican Task Force on Aging, the Task Force on Health Care and the Special Task Force on Election Reform. During World War II, BILL served with the Navy. He was commissioned a first lieutenant in the Air Force Reserve.

As BILL returns to Ohio, he will continue his memberships in numerous organizations such as serving as board director of the Friars Club, Multiple Sclerosis Foundation, National Foundation, Cincinnati Pepsi Marlins, Big Brothers Association, and Knights of Columbus. BILL is a member of the Cincinnati and Ohio State Bar Associations.

It would be impossible in closing to not mention the high personal regard that I have for the gentleman from Ohio. His advice, his dry sense of humor, his insight into issues, his sense of what is right and what is wrong, his vision, his courage, his honesty and integrity, and most of all, his friendship will be sorely missed. I wish BILL and his family only the best in the years ahead. Good luck, best wishes, and Godspeed.

Mr. FREY. Mr. Speaker, there are a number of colleagues here who wish to speak on this subject at this time, and I will yield to them.

Mr. MINSHALL of Ohio. Mr. Speaker, will the gentleman yield?

Mr. FREY. I yield to the gentleman from Ohio.

Mr. MINSHALL of Ohio. Mr. Speaker, it is with mixed emotions that we say farewell to our retiring friend and colleague. WILLIAM J. KEATING, who is leaving the House of Representatives to become president and chief executive of the Cincinnati Enquirer.

We are all sorry to lose BILL KEATING'S valuable services in the House. He has served the First District of Ohio with dedication and distinction during the 92d and 93d Congresses. His contributions both in the House Committee on the Judiciary and on the House floor are considerable, and, had he chosen to remain in Congress I am certain he would have enjoyed a long tenure of office.

On the other hand, we know how much BILL has wanted to have more time to spend with his family, and those of us who have children know the many sacrifices that are required by a Member's wife and youngsters. I know he will do a brilliant job heading up the Enquirer and that he will win fresh laurels in the world of journalism. BILL KEATING is a magnificently versatile and talented young man and I know he will do a brilliant job at the helm of one of the Na-

tion's most distingushed and outstanding newspapers.

Our good friend has a distinguished record of public service, including that of assistant attorney general of the State of Ohio, 1957–58; judge, Cincinnati Municipal Court, 1959–64; presiding judge, 1962–63; judge, Hamilton County Court of Common Pleas, 1964–67; Cincinnati city councilman, 1967–70. He was elected to the 92d Congress on November 3, 1970, and reelected to the 93d. Had it been his wish, I am sure he could have been returned to many more Congresses in the future.

We will miss BILL and his charming wife, Nancy, and the lovely family to whom he is so devoted. With mixed regret and happiness for the new career he is so enthusiastically starting, I wish him Godspeed.

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

Mr. FREY. I yield to the gentleman from Ohio (Mr. CLANCY).

Mr. CLANCY. Mr. Speaker, I wish at this time to express my sincere regrets at the impending departure of our good colleague, the Honorable WILLIAM J. KEATING of Cincinnati.

We all have come to admire and respect BILL in the 3 years that he has served with us. He especially has impressed us with his quick and sure grasp of thorny, legal problems in the Committee on Judiciary. He established himself as one of its most competent members.

I, for one, was not surprised because I knew BILL KEATING before he came to Congress. Back home, I saw him as a young man begin his career climb with a law degree from the University of Cincinnati. I saw him working diligently and hard.

He began attracting attention by his legal knowledge as an assistant attorney general of Ohio. He clearly demonstrated his leadership abilities while serving two terms on the Cincinnati City Council. He accentuated his grasp of the intricacies of laws as judge of the Cincinnati Municipal Court, then as judge of the Hamilton County Court of Common Pleas.

Barely a month ago, my friend BILL KEATING announced his resignation from the House of Representatives, effective next month, to become chief executive of the Cincinnati Enquirer, and so he is entering still another new field at which I am sure he will be very successful.

BILL tells me that he enjoyed his time here in Congress and I understand that his new position will allow him more time with his family. Most of us here know the family sacrifices which must be made to conscientiously serve in this body, and all of us, therefore, can understand BILL KEATING's decision—and maybe even envy him a bit.

We will all miss him and wish him Godspeed in his new endeavors.

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

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

Mr. SMITH of New York. Mr. Speaker, I thank the gentleman for yielding.

I just want to say that all of us on the Committee on the Judiciary on both sides of the aisle have enjoyed serving with BILL KEATING. We shall miss him, both from the Committee on the Judiciary and from the ranks of the House of Representatives.

I know that all of us join in wishing BILL great happiness and satisfaction in his coming life in the journalistic world.

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

Mr. FREY. I yield to the gentleman from Oregon (Mr. DELLENBACK).

Mr. DELLENBACK. Mr. Speaker, on the one hand, it is really a sad occasion to be saying even a partial goodby to an individual who has been both a very able legislator and a very good friend. He will be sorely missed by all of us who proudly call ourselves his colleagues.

On the other hand, the circumstances under which BILL KEATING is leaving are unique and, I think, rather refreshing. With a highly promising political career ahead of him, BILL has chosen to disprove that old maxim, "They never go back to Pocatello."

A lot of people would probably think that Bill is giving up a lot. But in thinking about how he will have more time to call his own, more time to spend with his family, and a new and different type of influence to bring to bear on public affairs, I can only commend him for what I think is a very courageous and praiseworthy decision.

I have valued both BILL's companionship and his counsel in the House. I wish him the very best in his new career, and I hope and most sincerely pray that the future will bring the finest fruits of life to BILL, to Nancy and to the entire Keating family.

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

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

Mr. ROUSSELOT. Mr. Speaker, it is always difficult to say goodbye to someone whom you have come to know as we all have BILL KEATING.

BILL is a fine and decent gentleman with a strong sense of honor. He is an individual who has made a substantial contribution even though he has been in this legislation body but 3 short years.

In the several times that we have had an opportunity to discuss legislation, BILL has always approached it with a great deal of thoughtfulness and has tried to weigh very carefully all points of view, and then make his judgment and move successfully to bring that point of view into the legislation.

As has already been stated, he has made an excellent contribution to this body because he is a strong family man. That background that he brought to the Congress is an important element we need in this House. He has always, although he has never proclaimed it publicly, been a fine religious man. That is certainly needed, too. Spiritual values are always needed in this body. BILL has never been hesitant to include those concepts of spiritual values in the judgments he brought to the House.

I am delighted that he has decided to accept a very fine position in the free enterprise system, because I know in that way he will be able to continue to give us an input that we very much need in this body, namely, the concepts of the free marketplace. He has the additional ability now in the position with the media he is joining to be able publicly to acknowledge the value of our free market system in this country through the news media which I believe needs that kind of an input.

I think I was most impressed with BILL KEATING's good qualities when just recently he was willing to say, "Well, I made a mistake on a given issue of wage and price controls. I am sorry I did that, but now I publicly acknowledge that I made that mistake." There are not too many people in political life who are willing to say that publicly, and then back it up with very good reasoning and common sense.

We will certainly miss BILL KEATING on our Republican baseball team.

Mr. FREY. Amen.

Mr. ROUSSELOT. He was a good athlete, and we need him. We will probably have some difficulty in trying to find a replacement.

Indeed, this House is also the loser because he will not be here to participate, but maybe in another way we gain from it because I know he will continue to come back here and visit with us and give us the valuable input which we need. We are sorry to see BILL leave.

I thank the gentleman from Florida for taking this time to make sure that we can recount some of the many blessings we have had because BILL has served here.

Mr. FREY. I thank the gentleman, who is part of a great double play combination—good hit, good glove.

I now yield to the gentleman from New York (Mr. MCEWEN).

Mr. MCEWEN. Mr. Speaker, I, too, would like to join with my colleagues in saying a few words about BILL KEATING.

I am not a member of BILL's State delegation or of his class in Congress, nor have I had the privilege of serving on one of our committees with BILL. My acquaintance with him has been here on the floor and, yes, on some evenings as we gathered with a number of our colleagues and friends over supper and discussed some of the issues of the day.

Mr. Speaker, if one word can be used to describe BILL KEATING above all else, it is the word the gentleman from California (Mr. ROUSSELOT), just used in referring to him, and that is "decent." BILL KEATING is a real decent person. He has a decent regard for this institution, for the importance of the work, for his family, and for his friends. It is with real sorrow that I see a man of BILL KEATING's stature and good instincts leaving us.

So I wish for BILL KEATING and for his family the greatest of satisfaction, health, and success in the work that he is

going on to with that great paper in Cincinnati, Ohio.

Mr. FREY. Mr. Speaker, I now yield to the gentleman from Indiana (Mr. HILLIS).

Mr. HILLIS. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I had the pleasure of coming to Congress with BILL KEATING and serving as a freshman with him during the 92d Congress. Through this common factor we became friends and learned about the workings of the Congress together.

The House of Representatives is losing a fine man. I am sure that the First District of Ohio realizes this and appreciates the 3 years that BILL gave to serve them.

BILL has earned the reputation of a dedicated legislator in his short time here in the House. His service has been inspiring to all of us. He has won the respect of Republicans and Democrats alike.

I know well the many sacrifices a man must make with his family when he comes to Congress. It is difficult at best and the strains are numerous. BILL is to be respected for the decision he has made to return to Ohio and his family.

Today I join my colleagues in paying tribute to BILL KEATING—a distinguished legislator, an honorable man, and a good friend. I know that every Member of this body extends to BILL, his wife, and lovely children, a wish for all the good things in life in the days ahead.

Mr. FREY. Mr. Speaker, I now yield to the gentleman from New York (Mr. KEMP.)

Mr. KEMP. Mr. Speaker, I appreciate the gentleman from Florida (Mr. FREY) taking this special order so that his friends and colleagues can take some time to reflect on the qualities of leadership that our friend, BILL KEATING, has manifested in his short, very substantive and meaningful career here in the Congress of the United States.

Mr. Speaker, it was with a profound sense of personal loss and regret that I received the recent announcement of the gentleman from Ohio (Mr. KEATING) that he will not seek reelection at the end of his current term. BILL KEATING is a leader whose life will have an impact on America as a newspaperman as it has as a Member of Congress.

Long after BILL departs these halls next January, communities in the First District of Ohio and throughout the United States will be benefiting directly from his fine legislative initiatives in this, and in the 92d Congress. As a member of the House Judiciary Committee, the ranking Republican on the Subcommittee on Immigration, Citizenship and International Law, and as a member of the Republican task force on aging, the task force on health care, and the special task force of election reform, BILL'S influence has spanned a broad spectrum of public concerns, and will assuredly have permanent impact.

It has been my great pleasure and honor to have entered Congress at the same time as BILL KEATING, and to have had the benefit of his friendship and thoughtful counsel. While I join my colleagues in deep regret that such an outstanding addition to our membership will be leaving, I am at the same time reminded of the words of Cervantes, which, I believe, crystallize the sentiment of so many of us:

> There is a strange charm in the thoughts of a good legacy . . . which wondrously alleviate the sorrow that men would otherwise feel for the departure of their friends.

Mr. Speaker, I would like to express my heartfelt thanks to BILL KEATING for his fine work on behalf of all of us, and to wish him much happiness and continued good health in the years ahead as well as his lovely wife Nancy and their great family.

A short biography of BILL KEATING follows:

MEET BILL KEATING

Congressman William J. Keating represents the First District of Ohio (the eastern half of Cincinnati and Hamilton County) in the U.S. House of Representatives.

Educated at the University of Cincinnati, receiving degrees both from the College of Business Administration and the College of Law, Bill is a member of the UC "C" Club, Phi Alpha Delta Legal Fraternity, and Sigma Chi Fraternity.

During World War II he served with the Navy. He was commissioned a First Lieutenant in the Air Force Reserve.

Congressman Keating serves as a member of the House Judiciary Committee. He is the ranking Republican on the Subcommittee on Immigration, Citizenship, and International Law, and is a member of the Judiciary Crime Subcommittee. He is also a member of the Republican Task Force on Aging, the Task Force on Health Care, and the Special Task Force on Election Reform.

Bill was appointed in December 1958 as Judge of Cincinnati Municipal Court where he was later elected and served until December 1964. Judge Keating was elected to the Hamilton County Court of Common Pleas on January 1, 1965, where he served until August 1, 1967.

On December 1, 1967, Bill took office as a member of the Cincinnati City Council as Majority Leader and Chairman of Finance Committee, where he worked for three years. He was first elected to the Congress in 1970 and was re-elected to the 93rd Congress receiving over 70% of the popular vote.

Representative Keating is a member of the Cincinnati and Ohio State Bar Associations. He is a member of the Board of Directors of the Friars Club, Multiple Sclerosis Foundation, National Foundation, Cincinnati Pepsi Marlins, Big Brothers Association, and Knights of Columbus. He is also a member of the Mt. Lookout Civic Club, American Legion Post 744, and Christ the King Church.

Bill was born, grew up, and was educated in Cincinnati. He is married to Nancy Nenninger Keating; and they have seven children, ages twenty-one to nine—Nancy, Bill, Mike, Dan, Susie, Tom, and John.

Mr. FREY. I thank the gentleman from New York for his comments.

I yield to the gentleman from Maryland (Mr. HOGAN).

Mr. HOGAN. I thank the gentleman for yielding.

Mr. Speaker, I should like to join in the accolades we have been hearing about BILL KEATING. I should like to share in the regret being expressed that he no longer will be serving with us here in Congress. I consider myself very fortunate to have known BILL KEATING. I sit next to him on the Committee on the Judiciary, and I have come to know him as, not only a dedicated and outstanding legislator, but as a really fine human being. If one can go through life and meet a half dozen people of BILL KEATING'S caliber, then one is fortunate, indeed.

I think the one word to describe BILL KEATING is "integrity." He was very effective here in Congress in his quiet, efficient way, and as much as we are going to miss him, I am sure that the people of the First District of Ohio will miss him even more.

The individual who succeeds to his seat in Congress will have a very difficult time in trying to fill his shoes.

I think if the American people, who have such a low regard for politicians, could get to know a man such as BILL KEATING, the profession of politics would be more highly regarded. Politics is enhanced just because the system has produced a BILL KEATING, who is motivated solely by public service, who is a man of principle and integrity.

Mr. Speaker, I wish him and his family well.

I am pleased that since he is leaving politics he is going to another important career where his influence can be felt. I am sure that his work on the Cincinnati Enquirer will pay dividends, not only to the people of that community, but to the people of the Nation as well, because he will take to that job the same kind of intelligence and dedication that he brought to this one.

Mr. Speaker, I shall miss him as a friend, and I wish him and his family well.

Mr. FREY. I thank the gentleman for his comments.

Mr. Speaker, I yield to the gentleman from Maryland (Mr. SARBANES).

Mr. SARBANES. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I should like to join my colleagues on the other side of the aisle and underscore the bipartisan nature of this tribute to BILL KEATING. BILL and I came to the Congress together. It was my privilege to serve with him on the Committee on the Judiciary, and I want to emphasize how thoughtful and how concerned and what a valuable member he was of that committee and of this body. He made an enormous contribution to the House, and I think all of us who had the opportunity to work with him developed a tremendous respect for his capabilities.

He leaves now to go to a position in which I am grateful he will be able to continue to exercise his abilities on behalf of the public good. We know that the contribution he will make in his new calling will be every bit as significant and as important to the future of the Nation as the contribution he was able to make during his stay here. We wish him well.

I am pleased to join with so many of my colleagues in paying this respect to him.

Mr. FREY. I thank the gentleman.

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

Mr. DENNIS. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I am very desirous of joining with my colleagues here in speaking a few words of respect for our colleague, BILL KEATING, and in expressing, along with others, my regret that he is retiring from the Congress.

BILL KEATING and I are neighbors across the Indiana-Ohio State line. I know his part of the country very well. We have that bond between us. Since he has been here we have served on the same committee and on the same subcommittee a portion of the time and I have been able to form a just estimate, I think, of his ability and his service as a Member of this body. In the relatively short time that BILL has been here he has definitely made his mark as one of our most useful and constructive Members. He is a thorough gentleman in the very best sense of that word. He is a man of complete integrity. I think his distinction and his outstanding qualities are perhaps best illustrated by the fact that while he is a relatively young man he has served as a common pleas judge in his State and as a Member of this body and is now to serve as president of one of the great newspapers in the Middle West which is circulated very widely in my part of the country.

We will miss BILL KEATING. The loss of the Congress is the gain of the Midwest. As he goes back home to this useful service he certainly takes along my good wishes and best hopes for the future along with those of all my colleagues.

Mr. FREY. I thank the gentleman from Indiana.

I yield now to the gentleman from Delaware (Mr. DU PONT).

Mr. DU PONT. Mr. Speaker, I thank the gentleman from Florida for yielding.

I would like to join with my colleagues in undertaking one of the most difficult tasks that we are called upon to achieve in the Congress and that is delivering eulogies for the living. I find myself in a very unusual position and I am only going to try to say something that is fitting so that Mr. KEATING's children and grandchildren may some day look back on this occasion with some sort of pleasure.

Shortly after I was sworn in the 92d Congress I attended a briefing that lasted well into the evening and I had the privilege of giving BILL KEATING a ride home. I asked him on that ride what he thought about being in the Congress. He said, "Well, I really do not know because I have not been around long enough to be able to tell." It struck me at the time that was a pretty good answer, and also it struck me that he exercised a great deal of good judgment in making an answer like that rather than trying to explain to me, who had even less judgment than he had at that point, what was really going on.

My impression of BILL KEATING has stemmed from that first evening and has grown over the years. I believe he is a man of extraordinary judgment.

Mr. Speaker, whether or not we succeed in the United States in the decade of the 1970's in meeting and overcoming the problems we have depends in the last analysis upon our people. It depends on having men of ability and men of individual integrity and men of very good judgment making the decisions before us. I think I can honestly say of BILL KEATING that of all the men who came into Congress at the same time I did, that he has the best judgment. I say that knowing full well that some of the other gentlemen sitting around me will be startled at my conclusion, but I will stick to my guns and say that he does indeed have the best judgment of us all.

We are not at a time in this country when we can afford to lose the good men we have in the Congress and I am sorry we are going to lose BILL KEATING.

The Congress is going to miss BILL KEATING, his constituents are going to miss him, and most of all I think his colleagues on the floor are going to miss him.

BILL KEATING, we need you here and I am sorry you are going. The very best of luck of you.

Mr. FREY. I thank the gentleman from Delaware for his remarks.

I yield now to the gentleman from Ohio (Mr. REGULA).

Mr. REGULA. Mr. Speaker, one of our most able colleagues is going to leave our midst to meet yet another challenge as editor and publisher of the Cincinnati Enquirer. We will miss BILL KEATING who came here less than 2 years ago but who in that short time has left an indelible mark in this body characterized by his integrity and his thoroughness.

Upon first meeting him, his personality and obvious ability gained my respect. He has been an inspiration to me as a freshman Member and he has always been helpful.

I believe one of the greatest characteristics about BILL was that he always tried to be helpful. BILL's departure will in one sense be a loss to the Nation, as he leaves his congressional responsibility; but on the other hand, with his enthusiasm, vision and his sincerity, he will surely become a strong influence in both the Cincinnati area and throughout Ohio.

All of us will miss BILL as a cherished colleague and friend. We wish BILL and Nancy well in their new venture as BILL continues to serve his community and the Nation.

Mr. FREY. Mr. Speaker, I yield to the gentleman from Colorado.

Mr. ARMSTRONG. Mr. Speaker, I thank the gentleman for yielding. I only wish he were here. All of us will miss his others have brought to this subject.

But I am glad to have this opportunity to join in expressing my admiration for our colleague, BILL KEATING, and to say a word of appreciation for his service to the country. All of us serve as U.S. Representatives not solely as emissaries of our own States. While it is true that BILL has represented his State with great distinction and has faithfully served the people of his district, I cannot help but note on this occasion all the people of the country owe him a great debt of gratitude for his devotion and dedication to service.

I learned the news of his departure from this Chamber with mixed emotions. As others have expressed, I will miss BILL in the Chamber day by day and I know the House of Representatives will often wish I could muster the eloquence that wisdom and strength and the contribution he has made to our work.

On the other hand, I note in leaving this Chamber BILL is not dropping out. He is not leaving public life. He is not forgetting the concerns which motivated him to come to Congress. He is embarking on another form of service to our country as the head of a great newspaper. We all realize that such a newspaper has great impact on its community. But the Cincinnati Enquirer has an importance far beyond the local community. Indeed, its influence is national in scope. The management of such an enterprise carries a correspondingly great responsibility.

The paper is lucky to have a man of BILL's integrity and stature to give it leadership in the years ahead.

I trust our colleague, BILL KEATING, will find his new responsibilities in the newspaper field richly rewarding in every way. But I also hope he will not forget his friends in the House and that he will return often to give us the benefit of his advice and counsel.

Mr. FREY. Mr. Speaker, I yield to the gentleman from North Carolina (Mr. RUTH).

Mr. RUTH. Mr. Speaker, BILL KEATING has served this Congress well and I would like to wish him success in his new career.

Mr. FREY. Mr. Speaker, I yield to the gentleman from Pennsylvania.

Mr. COUGHLIN. Mr. Speaker, I join with my other colleagues to pay tribute to the Honorable WILLIAM J. KEATING, of Ohio's First Congressional District, who will be leaving the House of Representatives to assume an important position in the newspaper business.

I view BILL KEATING's departure with regret since I feel the U.S. Congress must attract and hold the finest public servants. Yet, I cannot help but note that the newspaper business to which BILL KEATING will be going is a vital institution in itself that again has demonstrated its essential role in protecting and enhancing this democratic Republic in which we live.

When he assumes his duties as chief executive officer and president of the Cincinnati Enquirer, BILL KEATING will bring to that role the experience of an Armed Forces veteran, a lawyer, a city councilman, an assistant attorney general and a U.S. Representative.

During BILL KEATING's first term in the Congress, I served with him on the Judiciary Committee. I know that the attributes he demonstrated in his tenure on that committee will serve him well in the newspaper business. The thoughtfulness, incisiveness, and scope of his knowledge certainly will be assets as he guides one of this Nation's outstanding newspapers.

I will miss BILL KEATING personally. That, in a sense, he still will be serving the people through the medium of a daily newspaper is consolation to those of us who hate to see him depart. I want to wish him and his family the very best

of health, happiness, and success in the many years to come.

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

Mr. WYLIE. Mr. Speaker, I thank the gentleman for yielding to me.

Mr. Speaker, I am happy to participate in this special order honoring one of the Ohio Delegation's most distinguished Members, my good friend, the Honorable WILLIAM J. KEATING. BILL is an unusual person. The fact that he is retiring from Congress after two terms when he could be elected again and again makes him unusual.

BILL led the ticket for city council of Cincinnati and was selected chairman of the finance committee. He was elected overwhelmingly to Congress in 1970 by 69 percent of the vote when ROBERT TAFT chose to run for the U.S. Senate. In 1972, he received 70 percent of the vote.

When I heard that BILL would not seek reelection to Congress but would assume the job of running one of Ohio's great newspapers instead, I asked him about his decision. BILL said:

I honestly feel that being the President and Chief Executive Officer of the Cincinnati Enquirer will afford me an ever greater opportunity for public service.

And, he meant it.

BILL got into the swim of things early. You know he was an all around swimmer both at Saint Xavier High School and, later, when he swam as a collegiate swimmer at the University of Cincinnati where he won honors for the State of Ohio. He and his brother formed a swimming team in the city of Cincinnati—known as the Cincinnati Pepsi Marlins—and BILL continues to serve on the board of directors.

During his all too brief stay in the House of Representatives, BILL has made a legion of friends among his colleagues on both sides of the aisle. His service in the House has been marked by a congenial disposition, a keen intellect, and a willingness to assist in supporting constructive legislation.

We will all miss BILL and wish him well. Indeed, both the House of Representatives and the people he has the honor to represent will be losing one of the most capable, conscientious, and promising legislators to come down the political pike in a long time.

Mr. FREY. Mr. Speaker, I yield to the gentleman from Nebraska (Mr. MCCOLLISTER).

Mr. MCCOLLISTER. Mr. Speaker, I thank the gentleman from Florida for yielding to me. Mr. Speaker, I am grateful to him and all others who have spoken in paying this tribute to our friend, BILL KEATING.

I stand here today, as many Members do, with the same mixed emotions on the departure of our friend and colleague. I feel joy for the brilliant future that lies ahead of BILL as he assumes the presidency of the Cincinnati Enquirer. I know he will bring to the newspaper business the same sense of fair play and honesty that has characterized his service in the House.

I am also sad at the loss that will be felt by the constituents of BILL KEATING, by the people of his State, by the Nation and all of us when he leaves the House this next January. BILL has been an excellent legislator who takes great pride in his work, both in committee and on the House floor. He has impressed me with his diligence, care, and thoroughness in review of legislation. He has always been willing to take firm positions on issues of importance and not fall to the temptations of political opportunism.

He has always shown a very high degree of integrity in his relations with his colleagues in Congress, and we respect him for it. The people of Cincinnati have recognized his abilities, too, as others have indicated previously. As the gentleman from Ohio (Mr. WYLIE) said, many of us believe that BILL KEATING could have remained here in the House forever with the outstanding support that was given to him by his constituents.

But, the time away from his wife and family bore heavily on BILL KEATING. He never felt comfortable in the role of absentee father.

He felt the penalty of his success was being exacted on his wife, Nancy, and their children. He should be greatly admired for leaving a very promising career in the House—and who knows, even in the Senate—because of a feeling of duty to his family.

As President of the Cincinnati Enquirer, Bill will continue his career in public service, but this time in another arena. More importantly, he will be able to be close to his family and play an active part in their upbringing and in the shaping of their future.

I salute BILL for his courage, and this Member will miss him deeply as a friend.

Mr. Speaker, I have not kept score, I will say to the gentleman from Florida, on the number of our colleagues who have this afternoon paid tribute to BILL, but I suspect that if we had thought of this earlier, perhaps we would have had another candidate for minority leader or some such office.

In most cases I think a eulogy such as this and the payment of tribute to a good friend and a good colleague would turn one's head. But BILL KEATING, among all the other characteristics that he has, as previously enumerated, is also one who possesses great humility, and I am certain that he takes this as a very sincere expression of friendship and of regret for his leaving, which this Member and all those who spoke previously wished to offer.

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

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

Mr. BELL. Mr. Speaker, I wish to add my few words to what has been said about our very distinguished friend, BILL KEATING. He has done an outstanding job here in Congress. We are all going to miss his ability and his leadership. I think it is going to be an addition to the needs of the country to have him in the newspaper business, because his style of reporting, I would think, would be very, very effective.

Mr. SARASIN. Mr. Speaker, it is with regret that I bid farewell to my friend and colleague WILLIAM J. KEATING as he prepares to leave his office as Representative of the First District of Ohio. Since he has decided to devote his energies to the world of newspapers and the decisionmaking and deadlines synonymous with that profession, I am hopeful he will not forget the committee meetings, Floor debates and hectic life here on Capitol Hill that he shared with so many.

As he takes his leave on January 3 to oversee the Cincinnati Enquirer of which he will serve as president and chief executive editor, we will be losing a respected Representative. Having served in almost every level of political participation, ranging from Cincinnati city councilman, to assistant attorney general of Ohio, to judge in the Cincinnati municipal court to presiding judge in the Hamilton County court of common pleas, WILLIAM KEATING has given his talent and energies not only to Ohioans, but to all Americans.

Congressman KEATING has served his constituents well since his election to the 93d Congress, and they will lose from his "retirement" from public service, but none will begrudge him his decision to take on the new and exciting challenges in the newspaper business.

I offer my best wishes to Congressman KEATING in his new adventure.

Mr. ARCHER. Mr. Speaker, it is an honor for me to participate in this special order for our colleague, BILL KEATING, the esteemed gentleman from Ohio, who will soon be leaving these hallowed halls to return to the serene, uneventful, 9-to-5 life of Joe Citizen. We will miss his smiling face, his white teeth, his twinkling eyes. But most of all we will miss his undaunted courage, a final example of which he is showing us by virtue of the profession he has chosen to enter.

The gentleman from Ohio leaves the U.S. House of Representatives to become a member of the fourth estate, as editor of the Cincinnati Enquirer.

BILL KEATING will make a great contribution to the country as an even-tempered, straight-thinking, level-headed, forward-looking newspaper editor. But BILL KEATING will be missed on the Judiciary Committee—where the country also needs an even-tempered, straight-thinking, level-headed, forward-moving Congressman, particularly in these troubled times.

BILL, we know it was a hard choice for you to make. You have been a wonderful Member of Congress, a credit to all who have ever served in this body. You have remained true to your ideals and convictions, voting your heart when you had to, inspiring your colleagues to do the right thing.

I personally have learned a great deal from this man. He has been a true friend and an able leader. I join my colleagues in wishing BILL KEATING the very best in the world.

We look forward to reading the reprints of BILL KEATING's editorials in The Washington Post.

Mr. ANDERSON of Illinois. Mr. Speaker, the gentleman from the First District of Ohio, WILLIAM J. KEATING, was first elected to the Congress in 1970, and was reelected to the 93d Congress having received over 70 percent of the popular vote. In the wake of his over-

whelming victory, widespread acclaim and praise have led many people in Ohio to believe that BILL KEATING, if he so chose, would have one of the brightest political futures in Ohio. But on October 29 of this year, BILL foreclosed—at least for a time—his political options and announced that he would accept the position of president and chief executive officer of the Cincinnati Enquirer.

This decision in itself gives us an insight into our gifted and complex colleague. After 17 years in public service, 15 in elective office, and with his star rising, he has chosen a new path to public service. Here is a man who truly marches to his own beat, and who is able to withstand what for others might be irresistible forces.

Though certainly the kind of individual strength revealed by his decision is exceedingly important for a politician—as we are aware today, perhaps more than ever—it is equally important for a member of the fourth estate. The management of the Enquirer is to be complimented, and the more than 200,000 daily readers of the Enquirer are to be envied, on the selection of our most principled colleague as chief executive of that great newspaper.

Only in the narrowest sense are we in Congress the losers as the result of BILL'S decision. BILL put it well himself in his October statement. He said:

> While I may be leaving elective office, I feel I shall be continuing, through the Enquirer, to articulate positions of great public moment in dealing with the issues that affect people in their daily lives.

So, while we in this body, and his colleagues on the Judiciary Committee will miss his incisive and intelligent contribution to our dialogs, he has found a forum through which nonetheless his point of view will continue to reach us.

In his new endeavor and his return home to Cincinnati, I want to convey my best wishes to BILL, his wife Nancy, and their seven children. May the future bring to BILL and his family richly deserved good fortune and fulfillment.

Mr. WYMAN. Mr. Speaker, all of us who have come to know our distinguished colleague BILL KEATING, are sorry to see BILL leave the House. He has been a dynamic, capable, sound, and constructive Member of the House whose representation of Ohio's First District has been outstanding.

At one time or another we have all looked to BILL for his judicial expertise as a member of the House Judiciary Committee and its Subcommittee on Immigration, Citizenship, International Law, and Criminal Law. His judgment and opinion is valued above that of many Members otherwise his senior because of the careful thought and concise clarity of expression that is a Keating characteristic.

It is too bad for the Republican minority to lose such a popular, capable, effective Member as BILL KEATING. We can only hope that BILL'S replacement will measure up to the loss to the Congress involved in his leaving.

The Congress has been enriched by BILL'S many significant contributions to debate, discussion, and legislation. The Nation is the gainer from the wisdom shown by the good people of Ohio's First Congressional District in sending such a quality Congressman to the House to be their Representative. We shall miss BILL KEATING.

It has also been my personal privilege to have been a Member of the SOS Club that voted to ask BILL to join it when he first came to the Congress. This group meets twice weekly to share opinions and reports from its members in a group format. BILL'S contribution to the thinking and discussions of SOS has been of major importance in helping formulate positions on pending legislation. The Cincinnati Enquirer could not find a better man for the important new responsibilities that will soon be his.

Mr. SHRIVER. Mr. Speaker, it is with mixed emotions that I rise to join in this tribute to our able colleague from Ohio, BILL KEATING. As a Member of the House for the past 3 years he has proven himself to be an articulate and effective legislator. It is with deep personal regret that I see him leave this body where he has made such an important contribution to our Nation and to his First Congressional District of Ohio.

However, BILL KEATING will still be heard from on the national scene. He assumes an important position as president and chief executive officer of the Cincinnati Enquirer. In this capacity he will be able to make a valuable contribution in public information and public opinion. I know that he will be working to encourage good government at every level.

His background of experience in government and now as a part of the fourth estate should serve as an incentive for him to turn again to public service at the national level.

It has been a pleasure and privilege to serve with BILL KEATING, and we extend our congratulations and best wishes to him and his wife, Nancy, as they return to their native Ohio for a new and challenging experience.

Mr. HARVEY. Mr. Speaker, my first reaction in learning of the resignation of BILL KEATING was that Congress can ill afford to lose men of his caliber. I recognize that was a selfish reaction, but in retrospect my initial feelings remain unchanged. I consider BILL KEATING—as one newspaper reported—"a bright GOP star of the future."

In just 3 years, BILL KEATING truly established himself as a "bright star" not only of the future, but of the present as well. I can well understand and appreciate why his hometown newspaper, the Cincinnati Enquirer, one of our Nation's outstanding papers, sought him as its chief executive. He will be a great one.

But even in resigning, the class of BILL KEATING came through. BILL placed his family—his wife, Nancy, and seven children—above likely future political greatness. We all know that an elective public official makes many personal sacrifices—foremost, the separation from his family.

To say that we are going to miss BILL—his many fine contributions not only on the House Committee on the Judiciary, but here on the floor of the House on all legislation—would be an understatement. We are losing an extremely able and conscientious legislator—one who has offered and given so much. But, it is not our loss alone—our Nation will lose the services of a truly outstanding young Congressman. Fortunately, he will still be in public service—serving a large segment of our Nation's people through a vital news medium.

I join with all my colleagues in wishing BILL KEATING even greater family happiness and success in the years ahead. It has been an honor for me to serve with him.

Mr. EDWARDS of Alabama. Mr. Speaker, BILL KEATING is one of the truly outstanding young Members of Congress, and it is the Nation's loss that he has decided to return to Ohio. But the edge of that loss is dulled by the realization that in BILL'S new role as president and chief executive officer of the Cincinnati Enquirer, he will continue his fine contribution to our country.

BILL is a man of enormous vision and enthusiasm from which every Member of this body has benefitted. I am sure that his great ability to translate his talents into constructive action will stand him in good stead as he assumes his new responsibilities.

BILL KEATING realizes the great potential of America. He believes in our people. These qualities and the energy, productivity, persuasiveness, conviction and compassion which BILL has displayed day after day here in Congress guarantee his success in his new career.

BILL will carry with him to Ohio the deep respect of all his colleagues. I join every Member of the House in sending along with that high regard my wishes for all the best in his new endeavor.

Mr. BAKER. Mr. Speaker, a crying need in Government today is to secure the services of qualified individuals of high integrity and dedication to duty. There is such a man in the Honorable WILLIAM J. KEATING, our esteemed colleague from the First District of Ohio.

I observe Representative KEATING with a considerable degree of pride due to the fact that he is a member of the 92d Club, that group which entered the House of Representatives in January 1971.

In the few short years of our service, I have come to respect BILL KEATING and his understanding for sense of direction and his association with the highest and most noble causes for which we in the House of Representatives have contended.

The loss of BILL KEATING to this deliberate body will be strongly felt, but I trust the call to which he has responded will fully serve the public interest. It would be needless to go on and on to describe the attributes of this fine young man which will be repeated today by all those who address this body.

I simply say my warmest salutation to the Honorable WILLIAM J. KEATING, recognizing him as a true friend. Best wishes in your every endeavor in life.

Mr. ERLENBORN. Mr. Speaker, we have heard much of the adversary relationship between the press and the Government. I do not take much stock in that kind of talk; but, to whatever degree that relationship exists, it must be reported that one of our number is going over to the enemy.

Representative WILLIAM J. KEATING will leave this House in January to become a newspaper executive in Cincinnati, his home town.

If BILL KEATING is an opponent, he has been one of the most helpful adversaries Congress has ever had. His service on the Judiciary Committee and on the floor of this House has been exemplary. His advice has been sensible. His demeanor has been friendly. His outlook has been optimistic.

We will miss him here. I wish him Godspeed in his new endeavors.

Mr. GERALD R. FORD. Mr. Speaker, it was with great regret that I learned BILL KEATING will be leaving this Chamber to become president of the Cincinnati Enquirer. I can understand why the Enquirer would want to lure BILL away from us. But at the same time I feel a deep sense of loss because of BILL's imminent departure.

BILL has been an outstanding Member of the House. He is an excellent legislator and has been an active member of the House Judiciary Committee, a most vigorous participant in that committee's work.

BILL was most eminently qualified for service in the House. He came to us after serving as a judge in the Hamilton County, Ohio, Court of Common Pleas. Prior to that, he was the presiding judge in the Cincinnati Municipal Court. He had also filled the office of Cincinnati city councilman and assistant attorney general of the State of Ohio.

Mr. Speaker, we will all miss BILL KEATING. And I, for my part, consider it a privilege to have worked and served with him in the House of Representatives.

Mr. ASHBROOK. Mr. Speaker, it was with deep regret that I learned of the coming retirement of my good friend and colleague, BILL KEATING. His departure will be a great loss both to Congress and to the Nation.

During his 3-year tenure in office, BILL has made a major contribution to the work of Congress. He has served with distinction on the Judiciary Committee and the Select Committee on Crime. He has also been at the forefront in promoting key legislation.

This fall, BILL has spearheaded efforts to repeal the Economic Stabilization Act of 1970. This action would terminate Presidential authority to impose wage and price controls. These controls have brought chaos to our economy—shortages, increased exports, business closures and high interest rates. It would be a fitting tribute to BILL for Congress to repeal the Economic Stabilization Act and end these disastrous controls.

Mr. MILLER. Mr. Speaker, a colleague of ours is retiring. He is BILL KEATING and he is going on to become the president of the Cincinnati Enquirer. I would like to take this opportunity to say a few words about him.

BILL had an excellent background before joining us in Congress. He enlisted in the U.S. Navy, and served our country with distinction in World War II.

BILL brought an extensive legal background to the Congress. He obtained his law degree from the University of Cincinnati in 1950. He has practiced law for years and has been both a partner and an associate in the law firm of Keating, Muething & Klekamp.

BILL's record of public service is quite lengthy. He served the State of Ohio as its assistant attorney general in 1957 and 1958. He then served until 1967 as a judge on the Cincinnati Municipal Court, including 2 years as its presiding judge, and as a judge on the Hamilton County Court of Common Pleas. BILL entered city government as a Cincinnati city councilman. In 1970 he became a Member of Congress and in 1972 his constituents returned him to Congress.

I have known BILL for a long time, and he is a very good friend. I for one am sad that he is leaving Congress. BILL was certainly a credit to the State of Ohio, and to the House of Representatives. I think everyone who knows him has a great deal of respect for him personally and for his legislative ability. I would like to join many others in wishing BILL, his wife Nancy, and their family good luck upon their return to Cincinnati.

Mr. BROWN of Ohio. Mr. Speaker, it is a pleasure to join in this tribute to my colleague and friend, the Honorable WILLIAM J. KEATING, who will be leaving the ranks of the House after this session of Congress.

BILL, as has been stated here today, has been a valued and respected Member of the House during the 1½ terms he has served here with us. As in his previous military service, his work as a judge and his public service on the Cincinnati City Council, his work in Congress has also earned him the trust and respect of his constituents, as shown by the 70 percent of the popular vote by which they reelected him to the House last year. Had he chosen to remain in Congress, I would guess that BILL would continue to receive that same type of vote of confidence in future elections and that he would provide his district, State and Nation with many years of outstanding and dedicated public service.

But, although BILL will be leaving the Congress to return to his home and family in Cincinnati to become president of a great newspaper, he is not leaving public service. As a fellow journalist, I commend him for his new choice of profession—a field that has always been considered one of the most important ingredients of our democratic system. It was another great public servant, Thomas Jefferson, who said that given the choice between government and newspaper, he would choose newspapers. BILL KEATING has been guided by a sound precedent.

BILL's choice, of course, was also made because of the obligations of a large family—two daughters and five sons. He and his lovely wife, Nancy, are dedicated parents who have decided that their family values outweigh the opportunity for continuing congressional service. Such a fundamental decision is always hard to make, but once made, must be sincerely admired.

In closing I would like to quote a short writing of Henry David Thoreau which I think exemplifies the life and service—both past and future—of BILL:

> It is something to be able to paint a particular picture, or to carve a statue, and make a few objects beautiful; but it is far more glorious to carve and paint the very atmosphere and medium through which we look. To affect the quality of the day—that is the highest of arts."

Such an opportunity has been and will be BILL KEATING's. He will do as well with it as he always has in the past.

Mr. CEDERBERG. Mr. Speaker, it is with a sense of regret that I take this opportunity to join my colleagues in noting the retirement of our colleague from Ohio, BILL KEATING. The Congress is surely losing one of its finer Members, one who would certainly have an opportunity in the future to make a substantial contribution to the Congress and the country.

Even in the few short years that we have had the privilege of having BILL KEATING in this House he has distinguished himself as a Member who takes his job seriously and works with a special dedication for the people of the First District of Ohio. His short career in the House has been marked with the same attention to the needs of his constituents which he brought to his service to the people of the city of Cincinnati and the State of Ohio. I know that his election to the Congress was just recognition of his concern for people and for the rule of law which he so ably represents.

His appointment to, and service on, the Judiciary Committee recognize his talents and the contribution he makes to law in the service of man. I am sure that he will be sorely missed on the committee.

As he leaves this body for the fourth estate, I join my colleagues in wishing him well. I am sure that his future will be blessed with the same success that has characterized his all too short time in the Congress.

Mr. RHODES. Mr. Speaker, I am pleased to have this opportunity to join my colleagues in tribute to an outstanding Member of our Body, Hon. WILLIAM J. KEATING. BILL KEATING, although a young man, has been an effective Member who will be remembered as one of the bright stars of the Congress. His leaving will be a great loss to the legislative body, but he will be going into a position where he can be a leader in making sure that news is reported fairly and openly. As an instrument in the formation of public opinion, his sincerity, wisdom, and honesty will be an invaluable service to his country.

WILLIAM J. KEATING is an extremely useful citizen, and will always be a useful citizen no matter what work or life he may follow. I wish him well, and look forward to continuing our friendship throughout the years to come.

Mr. STEIGER of Wisconsin. Mr. Speaker, in association with Mr. FREY, I want to extend a warm farewell to our colleague WILLIAM J. KEATING.

During the 3 years he has represented Ohio's First District, BILL KEATING has made a substantial contribution to the work of this chamber.

I will miss particularly his creative approach to problem-solving. In fact, it has been a distinct pleasure to know him.

BILL KEATING's decision to voluntarily end his congressional career is a loss to the House and a clear gain for the field of journalism.

Here's wishing many successful years to the new president of the Cincinnati Enquirer. While we will miss him sorely, we can feel confident that he will be looking at public policy from the same judicious—if a somewhat different—perspective.

Mr. CONABLE. Mr. Speaker, I suppose there is no cause for sorrow today in this special order for the purpose of thanking our soon-to-depart colleague, BILL KEATING of Ohio. Such a person does not retreat from public life, since any job he holds is bound to provide service to the public. With anyone as admired as he as a public figure, even if he were not going into the intensely public world of journalism, the quality of his fine service here in Congress would be carried over into the contribution he would make to any community in which he settles.

Nevertheless, I am sad to see him leave the House of Representatives. If he had not made the decision to leave, he would have a great future here. He is the kind of man who inspires confidence and this quality is a necessary ingredient for successful service here. I have noted that too many of the people who have a fine future in the House seem to spend that future elsewhere. Since I am persuaded that there is no higher calling than the U.S. House of Representatives, I can only feel deep regret that a man like BILL KEATING has not found its rewards satisfying enough in relation to the other opportunities available to him. I am sure he would be able to stay here as long as he wished, if he affects his constituents like he does his colleagues, and so I am sure his departure is not occasioned by any political insecurity or unpleasant reaction to his associations here.

Mr. Speaker, I want to thank this kind and thoughtful man for the many things he has done for his colleagues in the House, for his friendship and for the inspiration of his example.

Mr. LENT. Mr. Speaker, I am pleased to join with many of my colleagues on both sides of the aisle in paying tribute to the Representative from the First District of Ohio.

BILL and I both came to Congress in January 1971, and in the all too brief time I have been privileged to serve with him I have come to know him to be a capable legislator and excellent Representative of his constituents. His valuable service on the Committee on the Judiciary, the last year as ranking minority member of the Subcommittee on Immigration and Nationality, and his keen insight into the legislative process will be sorely missed.

BILL's new position will no doubt be challenging, but his uncommon ability and his integrity will most certainly be an asset to him. I want to take this opportunity to wish BILL and his family the best of health and happiness in the future.

Mr. ROBINSON of Virginia. Mr. Speaker, it is with sincere personal regret that I join on this occasion in wishing well to our departing colleague, BILL KEATING. The wishing well is not the cause of my regret, of course, but the departing is.

It was with this fine Ohioan that I established one of my first firm friendships with a fellow Member of the 92d Congress class, in which we entered service in the House. It has been my privilege and pleasure to consult with him often on legislative matters, and I have been reinforced in my own conclusions, on numerous occasions, in finding that he had reached like judgments.

I do not want these few remarks to take on the tone of an obituary, because I am sure our colleague will not become entombed in his new newspaper association, but I am obliged to say that there is an impending sense of loss among us, as we come to the realization that a man of such energy, ability, integrity, and promise of high achievement over many years in this body has decided to cut short his service and move back to the private sector.

If there is some balm available to us, his friends, in these circumstances, it may be found in the assurance that his unfailing integrity will be reflected in his efforts, wherever he goes and whatever he does.

Some of us have been distrustful of some elements of the news media. We have doubted, in some situations, the presence of a commitment to fairness. If I find myself deeply troubled in the future in this regard, I just may seek out BILL KEATING's paper for reassurance. I may not agree with the editorial conclusions, but I will feel confident that, as long as BILL has anything to do with the operation, essential fairness in the development and presentation of the news will be observed.

The citizens of the First District of Ohio have been given no cause to regret the choice they made in sending BILL KEATING to Washington as their Representative in the 92d Congress, and in renewing his commission for the 93d Congress. They have been served with honor and dedication. They now must share our regret that, for sound personal reasons which we must respect, he has chosen to resign that commission.

GENERAL LEAVE

Mr. FREY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. FREY. Mr. Speaker, I thank the gentlemen who have spoken.

Mr. Speaker, in conclusion, I believe most of what we wish to say has been covered. Some day when many of us leave this body, and we are here either in person or our families are here to listen, I hope we do half as well.

BILL, his wife Nancy, and their seven children, I hope, will read these remarks and will understand that these remarks that were made come from a great deal of affection, a great deal of pride, and express the friendship that we have all had, and also, most importantly, they express a great deal of mutual respect, respect that has been won the hard way. That is the way one earns that up here; it does not come easy.

We are obviously proud of the job, BILL, that you have done. We are proud of the opportunity to serve with you. We know that you are going to take these remarks as they are meant. Anybody who cannot catch pop flies cannot be all good. And we know also that in the days and the years ahead our friendship and the things that we have worked for are going to remain, and really it is not just a "goodbye"; it is just sort of a change in form.

We wish you good luck, best wishes and Godspeed.

THE CREDIBILITY OF THE OFFICE OF PRESIDENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. RAILSBACK) is recognized for 5 minutes.

Mr. RAILSBACK. Mr. Speaker, I strongly supported President Nixon in the last election. He received a tremendous vote of confidence. His success in foreign affairs has been widely heralded. Now because of a bizarre series of events, Americans' confidence in him has been devastated. Watergate and related activities have shaken the very foundation of our Constitutional Republic.

For his own good and the good of the country, I am therefore today urging the President to voluntarily make full disclosure of all documents, information, and tapes pertaining to Watergate and related matters. Only in this way can he regain the confidence of the American people, restore the credibility of his Office and carry out the important duties vested in him.

I was encouraged that the President made available both the audits of his property holdings as well as his income tax returns for the past 4 years. These actions in themselves represent a significant step in the right direction. However, there are still many other unanswered questions which need to be resolved.

As important as the concept of executive privilege may be, we have now reached a point where that concept must be subordinated in order for the President to regain the confidence of the American people.

Our Government rests on the principle that it is administered for the public good and is regulated by the people's will. It is now time for the administration to affirm its belief in this principle with positive action.

ENERGY SHORTAGE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. DON H. CLAUSEN), is recognized for 10 minutes.

Mr. DON H. CLAUSEN. Mr. Speaker, the energy situation our Nation faces today poses problems of such complexity and uncertainty that decisions based upon incorrect assumptions can have devastating and far-reaching consequences.

We have recently seen an example of such a decision in the announcement that the fuel available for general aviation needs would be cut by nearly one-half as a result of the energy shortage.

I was shocked and chagrined when I

heard the announcement a week ago of this excessive proposal and immediately contacted members of the appropriate congressional committees to let them know the impact this proposal would have.

Since that time we have made a good deal of progress toward a more realistic and acceptable policy. The House Interstate and Foreign Commerce Committee is currently marking up an energy bill and I am hopeful it will approve certain pending amendments which will require a more evenhanded treatment of general aviation.

I have spent half my lifetime in aviation-related activities so I know from long experience the many misconceptions that are held by those not familiar with general aviation. One hundred million people fly in intercity transit each year on other than the scheduled airlines. Our rate of agricultural production would be far less without the airplane. For some rural areas the only rapid and flexible means of transportation for economic, medical, or social needs is the airplane.

For these and a vast variety of other reasons, general aviation must not be prevented from playing its important and essential role in promoting our national well-being.

This is not to say, however, that the general aviation community does not expect to share the burdens imposed by our energy problems.

Without exception the fixed base operators and pilots I have talked to have indicated full support for an energy conservation program. They are completely willing to do their part.

But, general aviation must not be asked to bear an unbearable burden for the energy saving would be relatively small while the loss to the country would be great and irreplaceable.

While the original announcement has been amended, I strongly believe it is important for the Congress to spell out very clearly, in legislation we pass, that all sectors of the economy be treated fairly and equally.

In addition, this must be a continuing concern as energy regulations are further refined. I shall be following this situation closely to make certain the philosophy I have just outlined is retained in all forthcoming rules.

HON. GERALD R. FORD'S FINE SPEECH ON ISRAEL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. GROVER), is recognized for 15 minutes.

Mr. GROVER. Mr. Speaker, reference is made to my remarks of November 28, 1973, concerning Vice-President-designate GERALD R. FORD'S address of November 26. The speech as delivered had a quotation:

It is perfectly possible for Americans to hold on proudly to the best elements of their different national heritages—and yet be united in common love for our country.

In the reprint in the RECORD, it was erroneously printed as:

It is perfectly impossible for Americans to hold on proudly to the best elements of their different national heritages—and yet be united in common love for our country.

I would like the RECORD to be corrected accordingly; and in view of this error, I would like to resubmit my remarks and the speech in its entirety:

Mr. Speaker, it was my honor both to arrange for his attendance and to introduce our distinguished minority leader and Vice-President-designate at the United Jewish Appeal "Dinner for Life" at the Colonie Hill Restaurant in my district this past Monday.

The reception given GERRY FORD was one of the most cordial ever, and his words were received with warmth and enthusiasm

I am pleased to submit for the RECORD his fine address:

Ladies and gentlemen, it is a special pleasure to address you at a time when the world seems finally ready, after so many tragic years of bloodshed and senseless procrastination, to acknowledge an unavoidable reality.

That reality is the reality of Israel's existence. The United States has worked long and hard—and often alone—to uphold Israel's security. In the peace negotiations that are at long last about to begin between Israel and the Arabs, we will continue to support Israel's existence and her right to live in security.

The relationship between the United States and Israel has always been a unique one, and as I worked on these remarks I tried to come to some conclusions about why this should be so. I think I've come up with at least a partial answer, an answer involving the Bible, a poet, a statute, and the work the UJA is doing to assist Russian emigrants. The plight of Soviet Jewry, incidentally, is one that has long concerned me, and I'm sure some of you here tonight remember that I addressed this subject at a rally for Soviet Jewry in Madison Square Garden in 1971.

The passage in the Bible to which I referred comes from Isaiah. I'd like to read a few brief excerpts. According to the prophet, the mission of Israel was, and I quote, ". . . to loose the bands of wickedness, to undo the heavy burdens, and to let the oppressed go free . . . to deal thy bread to the hungry and . . . bring the poor that are cast out to thy house . . . Then shall this light break forth as the morning . . ."

As you are well aware, the historical parallels between our age and the age of Isaiah are striking. Then, as now, for example, the Jewish people were returning to Zion to rebuild their nation.

But there is another contemporary historic parallel that I find even more striking. Listen to the following lines, ladies and gentlemen. I am sure you know them by heart.

Give me your tired, your poor,
Your huddled masses yearning to breathe free,
The wretched refuse of your teeming shore,
Send these, the homeless, the tempest-tossed to me:
I lift up my lamp beside the golden door.

Those are, of course, the famous lines engraved on the pedestal of the greatest symbol of human freedom in the world—the Statue of Liberty. They are also the closing lines of a poem that celebrates America as the haven for the world's oppressed. The poem is entitled "The New Colossus." The author was Emma Lazarus, a Jewish woman who organized relief for Jewish refugees who had fled the oppression of 19th century Russia.

The ring of Isaiah is in those lines. I think those words on the Statue of Liberty capture the essential spirit of both America and Israel—almost uniquely among the nations of the world—havens for the persecuted, the homeless, the oppressed.

And it is because of this unique common tradition, I believe, that the bonds between America and Israel are so very close. There is no contradiction whatsoever between the support you offer to Israel and the loyalty you feel toward America.

There are many of you in this audience tonight whose parents came to these shores fleeing oppression. Some of you came under those conditions yourselves. And as you all know, the accomplishments of the UJA in assisting such immigrants have been nothing short of phenomenal. And what you and your parents found here was something you could not find in the nations you left—the promise that you could rise just as high and travel just as far as your abilities and dedication could carry you.

All of you here tonight have realized that promise, and your lives are tangible testimonials to a very simple but often overlooked truth—the American system is alive and healthy. The system does work. You have proved that it works.

Still another truth about our society is that it is diverse, a pluralistic society strengthened socially and culturally by the beliefs and customs of the various nationalities and religions that found sanctuary and opportunity here.

The melting pot theory still holds. The melting process, of course, distills different social and philosophic views down into common national goals and purposes. That melting process should not, however, attempt to boil out those unique things we bring to America as members of distinct cultural groups, qualities which help to enrich our society as a whole.

Too often, I believe, we stress the sameness, the homogeneity of American life while ignoring the healthy differences and variations that give such richness to the American fabric.

The texture of our Nation, which has contributed to its unparalleled greatness, comes from many ethnic, religious and nationality strains. America, as we know it and love it, is like a good soup. Its full flavor comes from the blending of many ingredients.

Yet from many quarters we hear a great deal of talk about assimilation—especially from the younger generation. And, of course, it is necessary that we should be alike in some ways—in our standard of justice, our concept of democratic government, our common ideal of liberty and freedom.

But, we must also recognize that we can pay too high a price for sameness. We can make our soup bland. There are differences that we cannot afford to lose.

I do not like to believe and do not concede that in this country we have Italian-Americans, Irish-Americans, Afro-Americans or Jewish-Americans because the hyphen implies that different groups should be treated differently. This is wrong.

On the other hand, it is necessary to understand that different groups have added immeasurably to American life because they *are* different. Out of their differences have grown ideas, a fuller cultural life, and a more interesting and stimulating America. Our national outlook is broader; our character stiffer.

Rather than question in any way those who feel deep emotional ties to other countries—whether it be Israel or Ireland or Italy or Africa—we should salute this as a manifestation of the genius of our Nation. This is part of what we call Americanism. It is one of the things that make both Israel and America unique in the world. The beauty of Joseph's coat was that it was of many colors.

It is perfectly possible for Americans to hold on proudly to the best elements of their different national heritages—and yet be united in common love for our country. And let me add here that no single group of Americans has been more steadfast in standing up for our country than our Jewish citizens.

Finally, ladies and gentlemen, let me mention one more basic American quality, perhaps the finest of all—the willingness to sacrifice to help your fellow man.

It's an old concept, one of the finest embodied in the Judeo-Christian tradition, the concept of charity. And perhaps no group in America has more distinguished itself for its generosity and its philanthropy than the American Jewish community. The Greek root of the term "philanthropy" means love of mankind. And I know of no people who better personify this love than those who give to the United Jewish Appeal.

You can take profound pride in your record. Since 1938, UJA funds have saved over 3 million lives and have helped make possible the transformation of Israel into a dynamic and progressive land.

As you all know, the recent fighting in the Middle East took a tragic toll. In fact, given population ratios, the number of Israelis who died each day during the recent fighting was equivalent to approximately 7,000 American deaths per day. Thus your efforts to help Israel "bind up the wounds of war" seem especially appropriate at this moment in history.

At the same time, other needs also press in Israel. For example, immigration to Israel continues and spending on immigration alone was over $1 billion before the hostilities broke out.

This is a time of testing, and the road ahead will not be an easy one. But for the first time in decades, the road does seem passable with some of the roadblocks removed. This Administration has spent five years in attempting to clear away international obstructions to peace by building bridges to those nations with whom we once had no dialogue.

And the indications are that now such bridge building may be possible between Tel Aviv, Cairo, and Damascus. Perhaps finally the way may be clear. Richard Tucker has given us an inspirational rendition of the Israeli national anthem here tonight, and it is in the closing lines of that anthem that we find the hope of the future expressed so clearly:

"The hope of two thousand years,
To be a free people in our land,
In the land of Zion . . ."

Ladies and gentlemen, I believe we will make that hope a reality.

And so I salute you—salute you for your support of a worthwhile cause—and salute you, my fellow Americans, because you have unselfishly helped pave the road to self-reliance for the people of Israel. With pride you can say you have played a major role in Israel's progress. With your head high, you know you have personally shared in an enterprise of historic significance for the survival of the Jewish people and of the spirit of human freedom and dignity to which it is dedicated. Shalom.

DEAR FRIEND PASSES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. McDADE) is recognized for 5 minutes.

Mr. McDADE. Mr. Speaker, I have lost one of the dearest friends and finest men I have ever known, through the death of J. Lloyd Loushay of Athens, Pa.

He was a man not easily described. He was, I believe, a friend above all else that he was—not only to me, but to thousands of people who came to see him briefly and who left knowing they would be friends all the days of their lives. He had a capacity for compassion and friendship that was immeasurable. It was as though he could not tolerate the thought of having a mere acquaintance. Whatever man, or woman, or child he met, he wanted them for his friend, and they became his friends for life.

He was a public servant, but more than a public servant. He had a profound understanding of the fact that a career in public service meant serving each and every one who needed help, with no thought to time, nor to place, nor to distance involved. If help were needed, then whatever help could possibly be offered would be given. From him, I learned this very early in my own career in public service. He taught me that my work was to do all in my power to help the people who elected me find their life's hopes, aspirations, and dreams insofar as it was in my power to do so.

And his own public successes in implementing this credo was ample and vibrant proof of its validity. When he ran for public office in Bradford County, where he served as a county official for 20 years, he won by pluralities that seemed unachievable. It was a very simple proposition: If you know Lloyd Loushay, there was no way you could possibly vote against him, and he knew just about everybody.

He was that proverbial man of whom it is said: "If you want something done well and done immediately, give it to the busy man." While serving in public office, he founded, with Dr. Joseph B. Cady of Athens, the Bradford County Heart Association. He served on the Commonwealth's municipal employees retirement board under Gov. James H. Duff, and was reappointed to the board by Gov. John S. Fine.

He was very active in the Masonic order. He was a 52 year member of the Evergreen Blue Lodge in Monroeton; Amity Chapter No. 293, Royal Arch Masons and Northern Council No. 24, Royal and Select Masters of Athens; Northern Commandery, No. 16, Knights Templar, of Towanda; and Irem Temple Shrine.

He was an active elder of the Athens Presbyterian Church for 22 years; and also worked with the Boy Scout movement, having served as a local committeeman and on the General Sullivan Council Executive Committee for 35 years.

He found time to take part in numerous valley community activities. He served for 25 years on the board of directors of the Farmers National Bank of Athens, of which he was elected president in 1970.

He was a Rotarian, where he served as president; he served as president of the Valley Federation of Men's Bible Classes.

He was a man whose career was almost legendary; whose life was full every moment, yet into that life he was always pouring more work to do; who served his God with devotion, and who served his fellow man under the light of the eye of God.

It is, perhaps, the most rewarding part of a life of public service to meet and to come to know well so many extraordinary, so many remarkable people. In my lifetime, I have come to know many; but among those many, there is a special light in the name of Lloyd Loushay that I could never forget, that will never cease to shine.

To his beloved widow, to his son, to his grandchildren, to his half-brother, I offer my deepest condolences, and the condolences of a whole community that will miss him so greatly. He was a man most rare, who will be missed by all of us.

GASOLINE RATIONING AND SURTAXES: WHO GETS HURT THE MOST? THE CONSUMER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. KEMP) is recognized for 30 minutes.

Mr. KEMP. Mr. Speaker, as the shortage of retail gasoline intensifies, so too does the debate over the most effective means of allocating our available supplies.

We hear talk of proposed new Federal taxes on gasoline—surtaxes—intended to reduce usage by raising the price and intended to produce more revenue for Uncle Sam by making that additional price all in the form of new taxes. We hear talk of a multitude of mandatory rationing schemes being considered by the Executive, by many within the Congress, even by some within the industry. Where, amidst the millions of words printed and aired on how to meet the gasoline crunch, is the voice calling for economics to be put ahead of politics, for the interest of the consumer—the backbone of a free market system—to be put ahead of Government? And, rest assured, that unless reason prevails over politics, and unless the consumer prevails over those with undisclosed motives within Government, that the consumer is going to draw the short straw. This must not be allowed to happen.

Where amidst all of this debate is the most appropriate call of all—a call for increased production of supplies? Increased production is the answer, not trying to live with inadequate supplies. Government—both the Executive and the Congress—is wandering over alternative after alternative, trying to allocate scarce resources, trying to make inadequate supplies more adequate—which somehow they feel they can do through Government regulation. Regulation cannot make an inadequate resource more adequate. There is no multiplying of fishes and loaves to be had here. Government regulation can produce no miracles here. If we are to resolve this energy shortage, we must do it through increasing supplies. And, we can best do that through recreating incentives to investors . . . from mammoth corporations to the little guy investing his hard-earned savings . . . to develop adequate resources and to develop alternative energy sources.

Government *regulatory* schemes—imposed through taxes or imposed through rationing—has always hurt the consumer the hardest. He pays not only a higher dollar-and-cents price for the commodities he buys, but he also pays another kind of higher price: The loss of economic freedom—the unfettered ability to buy and sell as one pleases, in what one perceives to be best common interest of the community and the best enlightened economic self-interest—which forms the foundation for political freedom. Dollars-and-cents and economic freedom are both at stake in this crunch and the debate intended to relieve it.

As the Washington Post editorialized:

Independence is worth 15 cents a gallon. Let us let the marketplace—and not Government—determine the price of that which we—not they—use.

What are my concerns?

THE PERMANENCY OF GOVERNMENT'S TEMPORARY PROGRAMS

Mr. Speaker, it has been observed: Nothing is more permanent than a "'temporary' Federal program."

One does not have to search far for an example of such an observation. When the President imposed wage and price controls in August 1971, he promised the people that they would be temporary. They are still with us—stringing up the economy with countless regulations and pricing schemes, sapping the vitality of both business and labor—the big man and the little man, consuming countless tax dollars in bureaucracy, paperwork, and manhours. It is a lesson to be carefully studied.

One who cherishes the economic freedom essential to the dignity of individuals—and collectively of a society—can never prefer the imposition of taxes and regulations to the marketplace—a marketplace which allows supply and demand to find their respective levels, with prices adjusting accordingly.

Three basic alternatives for meeting the gasoline shortage are emerging: The free market, taxes, and rationing. I prefer the free market over any other approach, and I prefer a rationing scheme least of all. I state these alternatives as preferences, for I am cognizant that, as the shortages intensify we—as a nation—may have to go with less than a wholly preferable approach. I hope not, but I must recognize reality.

WHY IS THE FREE MARKET APPROACH PREFERABLE?

Writing in Newsweek magazine, Dr. Milton Friedman, professor of economics at the University of Chicago and former president of the prestigous American Economics Association, has proposed the deployment of a simple, apparently-flawless plan, through which the price of fuel will rise until the marketplace determines exactly where supply meets demands. No new Federal tax—some have proposed up to 30 cents per gallon—would be imposed. No vast bureaucracy created. No rationing scheme—inviting a myriad of abuses, many criminal—would even be necessary.

Arguing that we should not impose compulsion and waste on 95 percent of the people to avoid special measures for 5 percent, Dr. Friedman argues his case:

THE INEQUITY OF GAS RATIONING

(By Milton Friedman)

There is wide agreement that the most efficient solution for the energy-and-oil crisis is to let the free market reign—to let prices rise to whatever level is necessary to equate the amount people want to buy with the amount available. Higher prices would give each of us a private incentive to conserve energy, would give producers an incentive to add to the supply, and would assure that energy was used for purposes valued most highly by purchasers.

The one argument against this traditional free-market solution is that it is "inequitable." Any solution requires that we use less energy than we would like to use at present prices—that is precisely why we have a crisis. Any solution will therefore "hurt" all of us. But it is maintained that the free market imposes the burden disproportionately on the poor, that government rationing would avoid this "inequity" and hence should be adopted, despite all its defects—waste, bureaucracy, black markets and corruption.

The argument has a strong emotional appeal. But it has no rational basis.

THE ARITHMETIC OF RATIONING

Consider one scheme for rationing gasoline that has been proposed: give each family coupons entitling it to purchase a specified number of gallons a week at present prices, but then permit it to purchase additional gasoline at free-market prices. Since my concern is with equity, let me waive all questions about the feasibility of assuring that coupons would be honored and about the effects on production incentive.

Suppose the allotment per family is 15 gallons per week, that every family uses its allotment, that the fixed price is 45 cents a gallon and that the free-market price, in the absence of rationing, would be 75 cents a gallon *for the same total amount of gasoline* (I shall discuss below the reason for this condition). The scheme is then precisely equivalent to sending each family in the United States a check for $4.50 a week (30 cents times 15 gallons), financing the payment by a tax on the oil industry, and letting the free market distribute the gasoline. Is there anyone who would favor such a national dividend, distributed regardless of need? If there be such a person, would even he favor having its size determined solely by the price of gasoline? If the scheme is bad when stated in its naked form, how can concealing it in ration coupons make it good?

Or consider another variant: distribute coupons covering all gasoline that will be available (say 20 gallons per week), fix the price at 45 cents a gallon, but permit the coupons to be sold in a "white" market. Assuming the same facts as in the preceding paragraph, the price of the coupons would be 30 cents a gallon. The scheme would be precisely equivalent to imposing a tax of 30 cents per gallon on gasoline and using the proceeds to send each family in the United States a check for $6 a week (30 cents times 20 gallons). Again, stated nakedly in that way, does the scheme really have any appeal?

Note that I have considered the least inequitable schemes. Alternatives that would prohibit the sale of coupons or that would allocate coupons on the basis of number of cars or normal mileage driven rather than equally to all families are equivalent to sending *larger* checks to high-income than low-income families.

THE ECONOMICS OF THE MARKET

Because of my emphasis on "equity," I have omitted a major defect of these rationing schemes—the defect that required me to assume *the same amount of gasoline*. Both schemes would reduce the incentive of producers to add to the supply and would therefore mean *less* gasoline than under the free market.

The effect on production is important both in the current emergency and in the longer run. Suppose that shortages in any commodity or service are always met by taxes designed to absorb the increase in price. What incentive would that give private enterprise to provide excess capacity to meet such a possibility? As it is, the prospect of occasional bonanzas makes it profitable for enterprises to maintain greater productive capacity and larger inventories than are required under normal circumstances. With that prospect eliminated, the government would itself have to provide such reserves—a task it has hardly demonstrated the competence to perform.

The free-market solution is not only more efficient, it is also more equitable. True "equity" calls for making provision for special hardship cases. It does not call for raining government checks on all and sundry.

What are the merits of such an approach?

No interventionist or regulatory policies of Government need be enacted.

The laws of supply and demand—always the quickest to respond adequately and accurately to shortages or excesses—would be allowed to function unfettered, resulting in a price truly reflective of supply and demand.

The profits made by the oil companies would give to them the capital with which to build new refinery capacities, develop new fuel sources, and step up costly exploration.

The level of profits attained would permit the Congress to repeal the controversial oil depletion allowance, while not thereby eliminating industry's capacity to explore and develop sources.

Because of the rate of corporate taxation, part of the profits accruing to the companies would go to the Treasury in the form of corporate income taxes, giving to the Congress—without any increase in the level of taxation, without any imposition of a surtax—additional funds from which to fund research and demonstration projects in other areas of energy needs, or to pay for mass transit systems, or to assist the railroads, and so forth.

It is the most truly equitable of all systems.

And, it preserves a large measure of economic and political freedom.

TAXES AND SURTAXES

Many within the Government, who remember the mess and abuses of even wartime gasoline rationing, prefer a new Federal tax—a surtax—to drive up the price of fuel and thereby cut its demand.

The problems involved with this approach are myriad.

First, nobody knows exactly what the surtax should be. If it is too small, it will not do the job. If it is too big, it would not only incite general inflation, but also disrupt general patterns of commerce beyond real needs.

The figure of 30 cents per gallon is being bantered about. Such a surtax would yield something less than $30 billion in 1 year. The Government could not possibly take that much money out of the economy without sending it into a tailspin. And to take out less may diminish its effectiveness.

Second, to use the new-found Government revenues as means of financing other means of transportation is to invite favoritism or, minimally, additional dependency upon Government larges.

Third, increasing the tax on gasoline would work the greatest hardship on those least able to afford it. Not only low- or middle-income commuters, but also small businessmen, contractors, salesmen, and all those who must use their cars and trucks for necessity would also be hurt. Public transportation would be hurt as well, as the price of fuel would have to be passed on to the users, and the users of urban mass transportation tend to be those in the lower income brackets. Many, or some, of these repurcussions would also come from allowing the free market level to be reached, but such a level would not be arbitrary, could come down easily without waiting for

Government regulations to change, and would not involve a mass bureaucracy which itself would consume other tax dollars.

RATIONING

Rationing has to be the least preferred of all three major schemes. It invites the most abuses, principally in the form of subterfuge of the system, the inviting of a black market in gasoline into which the criminal element could quickly move, and it interferes most disastrously with supply and demand and pricing.

Writing in the Washington Post of November 28, 1973, J. W. Anderson cited the many possibilities of unfairness and inequitability in any rationing program, no matter how well conceived:

HOW FAIR IS RATIONING?

(By J. W. Anderson)

Since the issue is fairness, a lot depends on the way a rationing system would actually work. The dilemmas are clear enough. The more closely you look at the structure of a rationing scheme, the less obvious it becomes that a rationing is necessarily and absolutely fairer than even a stiff surtax.

The first question is whether to give ration books to cars, or to drivers—or, perhaps, to everybody. Suppose that three households, side by side in the same block, have roughly the same commuting pattern. The first is a bachelor with a car. The second is a couple with three children, all over 16, with three cars. The third is also a couple with three children over 16, but they have only one car. How do you distribute the ration books?

If families get a book for each car, that gives the second family three times as much gas as the third family. That's fairness? It only encourages people to buy cars (including as in World War II, wrecked cars) to get the books. But if you give a ration book to each driver, then both of the families with children have five times as much gas as the bachelor. But they don't have five times as many errands or five times as much shopping to do. That doesn't seem fair, either. And then what about the people, of whom there are thousands in every big city, who have driver's licenses but no cars? Many of them occasionally rent cars. Are they going to be cut in, or cut out?

Before you make up your mind on those choices, consider the next one, which is even worse. Should the ration coupons be transferable? In other words, should it be legal to sell them? A legal market—call it a "white market"—eliminates the otherwise inevitable black market. More important, it rescues the government from the necessity of entangling itself, as it did in World War II, in literally hundreds of categories and sub-categories of users, with hair-splitting distinctions among degrees of need and hardship. With a white market, everybody would get a basic weekly ration. People who use less could sell coupons. People who need more can buy them at the going price.

But hold on a minute. If the coupons are saleable, then they are in fact money. By mailing out the ration books, the government is distributing a subsidy that can be used to buy gas or, through the white market, to buy anything else. (Let's try to avoid frivolous suggestions about using gas coupons to solve the energy shortage and reform the welfare system simultaneously.)

If the government is going to start handing out cash subsidies in the form of gasoline ration coupons, how can it possibly justify limiting them to drivers? If our purpose is fairness, then surely people who do not drive have the same right to this subsidy as the drivers. That takes us back to the first question. Perhaps we have to give ration books to all citizens over 16 years old. But the more people who get books, the less gasoline each book is going to be worth and the more coupons will have to be bought and sold on the market.

The Wall Street Journal of November 15 editorialized, as follows:

We certainly hope it doesn't come to that. Rationing is absolutely the worst way to deal with fuel shortages. Any system that can be devised by Washington bureaucrats would have to be based on equal treatment for Americans, within broad priority pigeonholes. And while Americans may be born equal, we doubt there are any two of them with precisely the same legitimate energy requirements. Rationing would impose the grossest kinds of inequities on people and the crudest kinds of inefficiencies on the economy * * * the government could not make rationing work unless it conducted a national energy audit. Each of several million enterprises would have to come before Mr. Love and his people with several volumes of documents to justify their respective hard-luck stories and win an extra dollop of fuel from the czar.

Rationing worked after a fashion during World War II, but produced no economic distortions to speak of; the economy was wholly geared to the war effort.

Peacetime rationing is quite another matter, and if we're to have it, we had best import several battalions of Soviet bureaucrats who have 56 years experience in allocating material and only foul up half the time. While rationing seems the fair and equitable thing to the cherubs in Washington who have shown their stuff on wage and price controls, in practice we foresee a monumental snafu.

Treasury Secretary Shultz, at least, says rationing will be a "last resort." The first resort, which we recommended begin as of last week if at all possible is for the government to permit energy suppliers to raise prices until demand meets supply.

Rationing does not make a scarce resource more plentiful. Instead of one type of user going without, rationing makes all types of users go without—just on a more equitable basis. But who is to determine such equitability? If the lessons of history give us any direction—as I believe they do—certainly, no bureaucracy can devise a system more equitable than the fair play embodied in the free market system of supply and demand.

Look at the outright subjective judgments that the Federal agencies will be making, as spelled out by the Wall Street Journal of November 30:

Allocators have to make their decisions, of course. Presumably they decided it is more important for the people who ride transit systems to get to their jobs than for people who ride airplanes to get to where they are going. The theory, we suppose, is that folks who ride airplanes often are business types who might be able to handle what they do by mail or phone. On the other hand, conceivably what the airplane riders do is in fact more important to keeping the overall economy going than are the jobs of a good many folks who ride subways and buses.

The point is that in any kind of arbitrary allocation system some people are going to feel justifiably unhappy. More seriously, they are likely to feel that the government has treated them unfairly, in fact discriminated against them. A social contract with the government has been abridged by the government, such a victim tells himself, in effect. So why should he be a nice guy? If this sort of thing happens on a large enough scale, the effect is social and political unrest and demoralization. What started out as a spirit of cooperation in the face of a common need turns sour.

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Under rationing, the government volunteers to take the blame for every mistake and misallocation in a system that is inherently arbitrary. Even more important to national morale, the decisions of this system, unlike those of a free market, are completely beyond the control of the average citizen.

* * * * *

If the market is allowed to make allocations there is far less likelihood of tensions between citizens and government and no question of abridging the social contract. We previously have cited here some of the other advantages. If market demands means higher prices that in turn stimulates new investment and research to expand production of the scarce commodity. The arbitrary decisions of an allocation bureaucracy only act as a dead hand on progress—not because bureaucrats are somehow evil but because no small group of men can make the decisions made every day by a vast and sensitive market system.

In trying to supplant the free market, the politicians are volunteering for a task at which they cannot succeed. It allows them the image of "doing something" now, but it will not be long before their inevitable failures present them with even more difficult problems, and increase the feelings of impotence, frustration and failed expectation that already pose so severe a strain on this society.

And, in a highly perceptive and blunt editorial comment of today, the Wall Street Journal added:

The administration's energy policy has floundered during the current emergency, but only as a result of its preoccupation with political rather than economic solutions. Too many of the President's advisers, including Mr. Love have addressed the problem in terms of what they consider to be politically feasible. This boils down to striking from consideration all those measures they believe would be frowned upon on Capitol Hill and winding up with rationing, the best political solution and the worst economic one.

It is transparent why so many voices in Congress are clamoring for rationing.

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Herbert Stein, the President's chief economic adviser, is absolutely correct when he says that rationing is "politically the easiest course, especially if you are a Congressman and won't be responsible for the administration of the rationing."

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Mr. Stein and Treasury Secretary Shultz, that dynamic duo, seem finally to be asserting themselves in putting forth the best economic solution to the problem. While they are slow starters, they are at last arguing publicly that fuel prices be permitted to rise until supply meets demand.

What terrifies the John Loves and Melvin Lairds in the Nixon administration is that the public will not only be furious at the higher and higher prices but will also be outraged if this classic market solution causes profits to soar. As a factor in this debate, the oil companies themselves are rather impotent. Embarrassed by their third-quarter profits, many have lined up in support of rationing. They also fear public displeasure that could lead to a government break-up of some oil companies. At least with rationing, the government gets the blame.

Dr. Shultz and Dr. Stein are not horrified at oil-company profits, nor are we. In fact, if you look at profits not as a means to reward virtue but as a means to make the system work, they are just what the doctors ordered. No other measure short of sending the Marines to the Persian Gulf could increase the

energy supply to meet the short-term problem. And only sharply higher oil-industry profits can provide the incentives over the longer term that could make the United States virtually self-sufficient in energy. As Secretary Shultz observed on "Meet the Press" Sunday, "it is the opportunity for a good rate of return that induces people to come into a line of business and work energetically at it." Similarly, nothing could better stimulate development of alternate energy sources than higher prices for oil.

The Federal Trade Commission, certainly no friend of the oil tycoons, itself reported that after-tax oil profits in ratio to stockholders' equity was 10.7% in the second quarter as compared to 14.0% for all manufacturing. If it is more profitable for business to get into widgets. electric toothbrushes or tennis racquets than to develop shale oil or explore for new sources, by 1980 the United States will be self sufficient in widgets, electric toothbrushes and tennis racquets.

Nor would higher profits leave the oil companies fat, happy and secure. They would not only be forced to race each other to protect their lucrative market shares come 1980. They would also inevitably have to contend with those industries that are now grinding out widgets and suddenly see a potential for energy profits that induces them to diversify into the field.

Mr. Speaker, I strongly suggest that the Government would be better advised to put its mind to developing adequate supplies of a presently inadequate resource—not trying to devise scheme after scheme to allocate an inadequate resource.

If the market solution is indeed to be the one pursued, I believe, if the prices do produce marked increases in oil company profits, that we should eliminate the oil depletion allowance, for it will then be unnecessary. The oil industry must realize that it, like everyone else, cannot have its cake and eat it too; if profits rise sufficiently to produce capital to develop adequate resources, the depletion allowance must go.

Rationing would be, in a manner not dissimilar to wage and price control, another abdication to the executive. George F. Will, in an editorial entitled "Creature Comforts or Liberty?" in the Washington Post of November 27, made this point clearly, when he stated:

Many Americans are prepared to accept—indeed, to demand—gasoline rationing, with all that must mean by way of expanded government power. Such as expansion would not just mean what all such expansion means—new excisions from the sphere of individual freedom of choice. It also would mean that the expansion would come in the form of the most pernicious form of government power, executive discretion.

For more than 27 months—since August 15, 1971—we have been in a position to learn a lesson about wage and price controls, a lesson that is relevant to choosing an energy policy.

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Congress is about to respond in the same way to the energy problem.

Congress cannot exercise close control over the rationing it seems to favor because it is well nigh impossible to capture in the web of legislation all the nuances and exceptions that rationing must involve if it is to be even barely tolerable. Laws state general rules. Inevitably, economic controls are a quality of ameliorating exceptions to capricious decrees.

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There is an iron law governing the governing of modern societies. Whenever government power supplants market forces in shaping private choices, the supplementing involves the eclipse of the legislature and the expansion of executive discretion.

The rise in beef prices and the decline in oil supplies is irrelevant to U.S. greatness. What is not irrelevant is the willingness of Americans to equate our greatness with material abundance and to pay for cheap gasoline in the coin of expanded government power and diminished liberty.

Few things could be worse than a congressional abdication in this crucially important area—an abdication on the scale of Congress giving to the Executive virtually full power over wage and price controls. As outlined by my distinguished colleague from Connecticut (Mr. McKINNEY): The deal is this—with the Nation in crisis, the legislative branch of Government is about to agree to turn over its power to the Executive and, in return, the Executive will allow the legislative branch to wring its collective hands in exasperation after enactment.

The Congress must not abdicate its responsibility here—or in any other place. No matter how difficult, no matter how politically tough, no matter how hard we must bite the proverbial bullet, the Congress must stiffen its courage and do the job.

Mr. Speaker, two things are clear: We are going to have less gas available, and that which is available is going to cost more. Beyond that, we are in a befuddled mess. The administration and the Congress have not yet, and sometimes seem incapable, of making specific long-range decisions. More the reason to allow the marketplace to develop the answers, and this brings me to my last point.

American business—known for its ingenuity and creativeness, known for its ability to meet challenges—may be making a near-fatal mistake—it may be waiting to follow Government's lead. It could do few things of more disservice to the Nation and to the consumers. The vast energy industry came about because business, not waiting for Government's lead, seized the initiative to overcome then existing shortages. Few recall that the search for petroleum arose from a shortage of whale oil at the turn of this century. The real crisis is, then, on Wall Street. It is a crisis of confidence in its own abilities and judgment. When industry, in its great tradition, rises to meet that challenge, we will have made the most major step of all in overcoming this crisis.

GOV. RONALD REAGAN'S PROPOSITION NO. 1 SHOWS WAY TO CONTROL GOVERNMENTAL SPENDING

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. ARCHER) is recognized for 5 minutes.

Mr. ARCHER. Mr. Speaker, one of the most crucial issues we face as a Nation is the control of Government spending. A proposal to control government spending on the State level by limiting State revenue collections was recently submitted in a referendum to the voters of California. Unfortunately, this measure was defeated. However, the defeat of this measure certainly did not mean the voters of California desired higher taxes. In fact, it appears that due to the campaign against proposition No. 1, some voters appeared to believe that if there was a limit imposed on the collection of State revenue that their local taxes would go up. The California idea to limit revenue collections is a new idea and, I believe, a valid proposal to consider as a means to halt the rising costs of government. There has been some speculation that such an approach could be applied on the Federal level. An excellent analysis of this proposition, the reasons for its defeat, and the future significance of the idea appeared in a recent issue of National Review. I would like to enter into the RECORD an article by Gov. Ronald Reagan entitled "Reflections on the Failure of Proposition No. 1," which appeared in the December 7, 1973, issue of National Review.

The article follows:

REFLECTIONS ON THE FAILURE OF PROPOSITION NO. 1

(By Ronald Reagan)

The November election results demonstrate once again that the people of America are firmly opposed to the philosophy of bigger and bigger government and higher and higher taxes. In Washington state, an unpopular legislative salary increase was overwhelmingly rescinded along with a proposed state income tax. New York rejected a $3.5 billion transportation bond issue by a 3 to 2 margin. Texas and Rhode Island turned down legislative salary issues, and Kentucky rejected a proposal for annual legislative sessions.

The widespread taxpayers' revolt also was evident in California where almost every local school and salary issue was soundly defeated. One county even voted to reduce the salaries of county supervisors by $2,000. These types of fiscal issues provide the only opportunity citizens have directly to influence government's fiscal policy, to protest their staggering tax burden. They made the most of the opportunity.

The only statewide issue on the ballot in California was Proposition #1, an initiative to reduce state income taxes by 7.5 per cent in 1974. It also offered an historic opportunity permanently to reduce taxes at the state level by placing a constitutional limit on the percentage of the people's income the state could take in taxes. Almost two million people voted for Proposition #1. Yet it failed by 54 per cent to 46 per cent in an election in which about 45 per cent of the state's eligible voters participated.

Why?

Why did a majority of those voting turn down a chance to vote themselves lower taxes and how, in view of the result, can I or anyone include California among those states where the people believe the total structure of government has grown too big and too costly?

The answer to this apparent contradiction can be found in the election returns and in the campaign of distortion and falsehood waged against Proposition #1 by a well-financed, well-organized opposition which desperately avoided debating the central issue: whether taxes are too high now and whether the tax burden should be reduced.

The almost two million citizens who voted Yes on Proposition #1 knew they were voting against higher taxes. Ironically, a majority of those who voted No also believed they were voting against higher taxes. The last major public opinion survey on Proposition #1 (the Field poll) revealed that a majority was leaning toward a No vote. But it also disclosed that 69 per cent of those inclined to oppose Proposition #1 did so because they thought it would increase their tax burden.

Even though the measure was specifically designed to reduce state and local taxes and hold them down permanently, many voters were confused by the TV blitz and newspaper advertising campaign staged by the opposition.

In a way, the campaign strategy of the opposition paid the sincerest form of compliment to the goal of Proposition #1: lower taxes.

After repeatedly telling the people that the measure would limit government's ability to spend, that it would force government to hold down future budgets, after appealing to the fear of every possible special interest group, opponents finally keyed their campaign to the false claim that it would increase, not reduce, taxes. They dared not campaign against what they knew would be the ultimate impact of Proposition #1: a realistic and workable limit on the growth of government to keep taxes from going up faster than the incomes of the people who pay them.

The defeat of Proposition #1 can't be translated into a victory for advocates of higher taxes and unlimited government growth. It was a victory for political demagoguery, a triumph for the unsubstantiated charge that sounds convincing in a thirty-second television commercial but which does more to confuse than inform.

It is an axiom of politics that when people are confused about an issue, many will vote No. They'll opt for the status quo, or not vote at all. On November 6, a sufficient number of California voters were confused enough about the impact of Proposition #1 to turn back possibly the most significant effort made in this century to bring government under some reasonable degree of financial restraint. Some of them voted No; others simply stayed home.

In California, this kind of cynicism could be justified. Too often in the past, the people have been promised tax relief or more efficient government, but only on condition that a particular measure be adopted or that government be given some new power or authority to change a previous budgetary restriction. Somehow the promises never materialize; the tax relief the people are told will be theirs is an illusion. Somehow, after the election, a great emergency is discovered, an unforeseen "need" that required more revenue and more government, not less.

SINCE 1967

When I took office in 1967, we discovered that the promise of "no tax increases" could not be carried out. California was virtually insolvent, the previous administration having changed that state's system of budgetary bookkeeping in a way that allowed the spending of 15 months' revenue in twelve months' time, thus avoiding a major tax increase in election year 1966. The state government was spending $1 million a day more than it was collecting.

California, unlike the Federal Government, cannot print more money or pile up deficits. The governor is required to submit a balanced budget, and if any additional taxes are needed to balance revenues with spending, the constitution requires the governor to propose higher taxes.

So our first major lesson in government was painful: for the taxpayers and for us. We had to increase taxes by some $800 million to balance the unbalanced budget we inherited. At the time, I said we hoped this would be temporary, that when we had had time to institute reforms, to curb excessive spending, we would work to reduce the tax burden.

I believed that government could be run more economically using the same sound rules and principles that apply to the running of a business or even a household budget. The phrase "cut, squeeze, and trim" became the watchword of our administration and the result has confirmed my belief that the cost of government can be brought under control.

A task force of businessmen surveyed the state government and recommended almost two thousand steps to streamline it. Every reform, every challenge to the bureaucratic status quo brought screams of outrage, protests, and demonstrations. But contrary to the claims of the protesting groups, these economies did not curtail the state's ability to finance those programs which are properly government's responsibility. It made possible greater state support along with lower taxes.

In seven years we've managed to increase state support for public schools by 92 per cent, although enrollment this year is less than 6 per cent greater than it was in 1967. The state scholarship fund, which helps eligible young people attend college, totals more than $36 million this year, almost eight times higher than when we started.

California has pioneered the concept of treating the mentally ill with an expanded system of community mental health programs. When we started, the budget for community treatment was $18 million. This year it is more than $140 million and California's shift from the "warehousing of the mentally ill" in large state mental institutions has become a model for the nation.

No one objected to increased state support in these areas. But the economies that made them possible were vehemently opposed. When we sought to rebate budget surpluses, there were hysterical charges that fiscal chaos would result.

Before 1967, California homeowners were protesting an excessive property tax burden. But there could be no relief until economy and efficiency in government made relief possible. In 1968, we adopted a $750 homeowners' property tax exemption and this was raised to $1,750 last year (after a four year struggle), along with a revised school formula that rolled back local school tax rates and gave the schools the greatest single-year increase of state support in history. For most taxpayers, this has meant a saving of between $150 and $200 in their annual property tax bill.

We've tried to spread the benefit of more efficient government to all taxpayers. There have been tax credits for tenants (in lieu of property tax reductions); we've cut the business inventory tax in half and reduced bridge tolls eleven times.

Possibly our greatest success was in welfare reform. When I proposed this in 1971 the Democratic majority wouldn't even let me present the plan to a joint session. We were told there would be a $700 million budget deficit. There were dire predictions of fiscal chaos, charges that the state was simply shifting the burden to local government, and massive protests by welfare-rights groups that claimed the elimination of abuses and fraud in welfare would deprive the truly needy of help they should receive.

WELFARE REFORM

None of these things happened. When we started, California's welfare rolls were growing by forty thousand a month and costs were increasing three times as fast as the normal growth of state revenues (without increased taxes). At last count, there were 386,835 fewer people on welfare than when we began. We've managed to increase benefits for the truly needy by almost 30 per cent and provide cost of living adjustments for senior citizens and the disabled. Now the cost of welfare is between $1 and $2 billion less than the opponents of reform said it would be. These welfare reforms have since been adopted by a number of other states, and several of those capable and dedicated officials who helped achieve them have been recruited by the Nixon Administration to help reform welfare on a national basis.

There was no tax shift to local government. In the year after welfare reform, 42 of California's 58 counties reduced their basic tax rates. This year, 45 reduced their tax rates, most of them for the second year in a row. Instead of a $700 million budget deficit, we had an $800 million surplus this year. As opposed to 1967, we were collecting $1.5 million a day more than we needed and we wanted to return this to the people.

More than a year ago, while we were pushing property tax reform, I organized a task force to survey the entire structure of government, to discover how, without curtailing essential services, the tax burden could be permanently reduced. This task force included some of the nation's most distinguished economists, men like Milton Friedman of the University of Chicago, Peter Drucker of Claremont College, C. Lowell Harriss of Columbia University and the Tax Foundation, Roger Freeman of the Hoover Institution, and James Buchanan of Virginia Polytechnic Institute. Along with members of my own cabinet and staff, this task force worked for more than seven months. They discovered that taxes are the one exception to Newton's law of gravity. They always go up, in good times and bad, in periods of prosperity or recession.

In 1930, the total cost of government (federal, state, and local) was about 15 per cent of the personal income of the United States. This year, in California, the total cost is 44.7 per cent and a fraction less in the rest of the country. Of this total, the state was taking about 8.75 per cent. Along with a return of the $800 million surplus, we asked the task force to devise a way permanently to reduce this percentage, to provide lasting tax relief to the people of California. The result of their work was the tax initiative we offered November 6.

Because of inflation and population growth, we know government revenues must be permitted to expand to meet essential needs. Yet we were convinced that this could be done while gradually reducing the total tax burden. In the past twenty years in California, the cost of state government has been growing 10 per cent a year but the total income of the people has been going up only 7.7 per cent. The result has been periodic tax increases and a steady upward growth in the percentage of the people's income going for taxes.

PROPOSITION NO. 1 GOALS

Proposition No. 1 was designed to bring government spending into balance with the growth of revenues. The key features were:

An immediate 7.5 per cent state income tax reduction in 1974 income,

The total and permanent elimination of the state income tax for all families earning $8,000 a year or less, and, most important,

Adoption of a tax limit by imposing a ceiling on the growth of state revenues, which would slowly reduce the 8.75 per cent of personal income the state takes to a level of around 7 per cent over a period of 15 years.

Unless something is done to check government's unlimited power to tax, California's state budget will grow from this year's $9.3 billion to a staggering $47 billion by 1989.

Still opponents of our proposal charged we sought to impose a fiscal straitjacket on state government that would force massive cuts for education, for mental health, for almost every item in the budget—even though the budget could have doubled in ten years and tripled in 15 under Proposition No. 1, and funds for education, mental health, and all other essential programs could have grown at the same rate.

At the same time, California could have planned tax reduction on an orderly basis as a part of our budgeting process. In five years, we could have cut income taxes another 25 per cent or trimmed a penny from

the sales tax; in ten years the income tax reduction could have been 60 per cent, or we could have cut two cents off the sales tax.

The legislature would have retained its full authority to revise the tax structure, to raise or lower specific taxes, to do anything it does now with one important exception: Any future tax increases above the limit would have to be ratified by the people. This provision, more than any other, generated the greatest alarm in the bureaucracy which knew full well that if the people ever get veto power on excessive spending, the days of spendthrift government are over.

One legislator complained to me that returning the $800 million surplus would be "an unnecessary expenditure of public funds." Another said Proposition #1 would restrict government's ability to redistribute the income of the people through taxes. That was one of the few completely accurate statements the opposition made during the campaign, but they didn't make it outside the legislative chambers.

Almost every group which derives status, income, and power from bigger government joined the ranks of the opposition, including the state teachers association, the state employees association, welfare groups. Opponents said our tax reduction plan would favor the rich. The truth is: State income taxes would have been permanently eliminated for every family earning less than $8,000 a year. They said it contained no guaranteed tax reduction. Yet the constitutional amendment specifically said that every year for 15 years, the percentage of the people's income that state government could take in taxes must be reduced either through a rebate or reduced taxes. They said it would increase local taxes. The truth is: Proposition #1 would have written into the constitution the same tax limits on local government contained in our 1972 property tax reform. This protection would be guaranteed, not simply by a law, but by constitutional language that only the people could change.

One of the most blatant falsehoods of the campaign was a statement that Proposition #1 would have authorized the legislature to permit the levying of local income taxes by any governmental unit "from counties to mosquito abatement districts." The truth is: The legislature has that authority now and can do so by a simple majority vote. Proposition #1 would have made it harder; it would have required a two-thirds vote for any local income tax (something we haven't presently in California).

But truth is a fragile weapon in a heated campaign. It can be ignored or twisted and distorted until the average citizen, unfamiliar with government finance, finds himself totally confused When we proposed the California revenue control and tax reduction program in February, we offered it along with a plan to return our $800 million surplus through another 20 per cent income tax rebate in 1973 and a six months' suspension of one penny of the state sales tax.

The legislative majority, controlled by those who would later lead the fight against Proposition #1, blocked the plan. It didn't get past the first committee, even though constitutional amendments are routinely offered each year and just as routinely put on the ballot. The legislators who fought proposition #1 could not find time last spring to hold extensive public hearings on the measure. But in the final weeks of the campaign to put the initiative on the ballot, almost every major legislative committee held special hearings to generate publicity for attacks against it.

Because the legislature refused to vote on it, we were forced to gather more than half a million signatures to place it on the ballot. This consumed a great deal of time and part of the financial support we were able to muster in support of the plan.

Yet this part of the campaign made the whole effort worth while. Before the initiative qualified, the Democratic majority had refused to consider returning the $800 million surplus to the taxpayers. But once the people put it on the ballot, our opponents, anxious to make it as financially unattractive as possible, offered a compromise which would return the surplus by a one-time 20 to 35 per cent income tax rebate and suspension of a penny on the sales tax for six months.

Was it politically unwise to accept this? Should we have let the surplus pile up in the treasury and thus enhance the prospects of passing Proposition #1? We considered those arguments and rejected them because our purpose has always been to reduce taxes, not to play political games. The sales tax has gone down one cent for six months, the income tax is eliminated entirely for 1973 for those families earning $8,000 a year or less, and everyone else will receive a 1973 rebate of 20 to 35 per cent.

Qualifying Proposition #1 for the ballot accomplished part of our purpose by forcing the legislature to return the surplus. But the longer-term, permanent tax reduction remains an elusive goal. Naturally, I am disappointed.

It was and is a daring idea and I do not regret the exercise. It served a positive purpose. As a result of the battle waged in California, people all over America have been alerted to the staggering burden which taxes impose on our economy and on every family in this country.

The people did not reject the idea of reducing taxes or limiting the size and cost of government to a reasonable level. They endorsed lower taxes in elections throughout the country, including the confused vote on Proposition No. 1.

Perhaps we could and should have done more to draw the basic philosophical issues more clearly, to expose the distracting, irrelevant, and confusing play on human fears that was so effectively exploited by the opponents. We've learned again how powerful an array of forces that is at work in America to expand government, to maintain government's unlimited power to tax the people. These forces have seldom been defeated in the past forty years. Because they have prevailed, taxes now cost the typical family more than it spends for food, shelter, and clothing combined. A free economy cannot survive that kind of tax burden indefinitely.

More than a century ago, the French philosopher Frédéric Bastiat wrote: "The state, too, is subject to the Malthusian Law. It tends to expand in proportion to its means of existence and to live beyond its means, and these are, in the last analysis, nothing but the substance of the people. Woe to the people that cannot limit the sphere of action of the state: Freedom, private enterprise, wealth, happiness, independence, personal dignity, all vanish."

That is what will inevitably happen in America unless we act to curb the excessive spending of government. This cannot be done simply by changing the law. The national debt limit was supposed to check deficit financing. But it has been temporarily or permanently increased by changing the law two dozen times in the past twelve years alone.

Only the people, through a constitutional amendment, or some other fail-safe method, can limit government's excesses. That's what we tried unsuccessfully to do with Proposition No. 1 at the state level.

The basic issue remains unchanged. The idea of lower taxes did not fail. There will be other elections, other days. We have suffered a setback. We have lost a battle, but this struggle will go on.

The people will find a way to bring big government under control, to put a reasonable limit on how much of their income government may take in taxes. This idea will become a reality. It must prevail because if it does not, the free society we have known for two hundred years, the ideal of a government by consent of the governed, will simply cease to exist.

WHO IS IN CHARGE?

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Connecticut (Mr. COTTER) is recognized for 5 minutes.

Mr. COTTER. Mr. Speaker, yesterday, Gov. John Love resigned as the President's chief energy adviser when it became clear he would be replaced.

I was not among Governor Love's admirers; indeed, I was severely critical of his performance on numerous occasions.

Now that Governor Love has left, I am very concerned to hear him say in a report to the Denver Post:

> It has been difficult to try to do anything meaningful and even to get the attention of the President.

Governor Love also cited the President's inability to grasp the seriousness of the energy crisis. Governor Love said:

> The President went down to the U.S. Seafarers Union and said it is going to be all over within a year.

I hope that Bill Simon can move more effectively in the energy crisis; but if Governor Love's unfortunate experience is any indication, the question of "Who is in charge?" will remain crucial.

The President is disturbed and, at times appears distraught, by continuing Watergate crises. Without tough decisions by the President, we could face economic disaster.

I know Bill Simon. If there is no Presidential leadership, I hope he will not wait until his resignation to square with the American people. Congress has demonstrated its willingness to work together with the President, but the executive branch must administer programs. To date, only a list of vague options is the President's program for meeting this crisis.

ARAB OIL EMBARGO

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia (Mr. STUCKEY) is recognized for 5 minutes.

Mr. STUCKEY. Mr. Speaker, today I am introducing a bill to provide the President with the authority to curtail U.S. exports and foreign assistance to any country that has restricted oil and oil products to the United States as a punitive reaction to our support of Israel. The action contemplated by this bill is very serious. Imposing trade sanctions against countries with whom we trade is far from the normal way this country conducts its international relations. However, this is in response to a belligerent display by the Arab oil-producing nations. The Arab's oil embargo, export restrictions, and production reductions are crippling the livelihood of the rest of the world.

The action taken by the Arab oil-producing countries is particularly hostile when it is considered in the context of our relations with them. It is true that our relations have not been exemplary,

nevertheless we have not conducted our affairs with these countries in a hostile manner.

First, I should like to point out that oil embargo was imposed at a time when the United States had taken no hostile action against any one of the Arab oil-producing states. These governments may object to our foreign policy toward Israel, just as the Israelis objected to the military assistance we have provided to many Arab countries, but neither of these actions are violent ones.

Second, the oil embargo was imposed when President Nixon had already directed the Secretary of State to offer United States good offices in mediating the current Middle East conflict. Moreover the Arabs have maintained their oil embargo despite Mr. Kissinger's intricate involvement in the on-going Mideast negotiations, and they are maintaining their embargo despite the improvement of relations between our country and Egypt. The United States is committed to resolving the longstanding confrontation between the Israelis and their Arab neighbors in a fair and effective manner, yet the Arab oil-producing states persist in slowly strangling the rest of the world.

Third, the hostility displayed by the Arabs is not just regrettable in light of the efforts by the Secretary of State to work diligently toward an equitable resolution of the Mideast conflict. It is also regrettable given the economic and military assistance this country has extended to those very same countries. Since 1962, the United States has extended $700 million to the oil-producing Arab States in the form of economic and military assistance. In the same 10-year period, we extended another $700 million to just Egypt alone. To the other countries in the area, we extended a total of nearly $2 billion between 1962 and 1972. This represents a fair amount of American good will during the past decade.

Fourth, the restriction of oil exports is further reprehensible when we consider that the United States sells goods to these countries as well as purchases oil from them. In exchange for their crude oil, the United States sells to the Arabs everything from food and live animals, tobacco, and animal and vegetable oils to manufactured commodities and transportation equipment. We are not the sole suppliers of these and other goods to the Arabs, but make no mistake, the flow of goods between these countries and ourselves is two-way. Despite this pattern of trade and assistance, the Arabs have acted irresponsibly, and without regard for the welfare of others.

After taking these four points into consideration, it seemed clear to me that this country cannot sit back idly. Expeditious passage of this bill would show the Arabs, our allies, and our own citizens that Congress means business. We can afford to do no less.

This bill would authorize the President to take four forceful steps against those countries which have restricted the flow of oil because of our long-standing policy of supporting both sides in the Middle East conflict. First, he could curtail any or all U.S. exports to these countries. Second, he could terminate foreign economic and military assistance. Passage of the bill would direct the President to monitor U.S. exports and foreign aid which goes to third countries who then act as conduits for these goods to those countries which have embargoed oil. The President could then prohibit such exports and assistance. Exercising these three sanctions would result in an "air-tight" boycott. Finally, the bill authorizes the President to expropriate any investments these respective countries may have in the United States if their governments nationalize or expropriate U.S. holdings in their countries without adequate compensation.

These are harsh measures, and it is my hope that none of them would have to be implemented. However, if the Arab oil-producing states persist in seriously endangering the well-being of most of the world by their callous and, in many ways, cruel manipulation of oil supplies, how can we justify trading with them, supplying their military needs, or contributing to their economic development? It is not my intent to act in an unfriendly manner toward the Arabs nor to those countries who sell either U.S.-produced goods or products. Nevertheless, the President of the United States must be equipped in order to deal forcefully with the oil embargo, and we must place him in a strong position from which he can bargain effectively.

EMERGENCY AID FOR ISRAEL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. ADDABBO) is recognized for 15 minutes.

Mr. ADDABBO. Mr. Speaker, today in the House Appropriations Committee I supported an amendment to provide the full $2.2 billion emergency aid for Israel.

I would like to speak to the House in some detail on the pressing matter of the Middle East conflict, its importance to the United States internationally and its impact on this Nation insofar as domestic affairs are concerned.

I, as have other Members of this body, have recently returned from Israel where the horror and stench of war still fills each waking moment of all who live there. There is little that can be learned in Israel that can be of comfort. The threat of renewed fighting is with them always, despite the intense efforts of many to achieve a workable peace agreement.

But in this Chamber, we must go beyond the individual tragedies of war. We must try not only to find an end to the senseless killing in the Middle East, we must seek to insure that the conflict does not spread into a wider war. We must look to our own position as a world power for we have huge stakes on the line in the Middle East. It is not beyond reason to state that the very future of the world could well be determined in the eventual outcome of the conflict that rages in those desolate miles of desert.

There is a misconception in this Nation that the United States supports Israel so strongly because of humanitarian reasons only. Certainly there is that, as it should be.

But another underlying cause for U.S. support of Israel is far more self-serving—international diplomacy is rarely, if ever, based only on humanitarian issues—This Nation supports Israel because that nation would provide the United States with one of its only Southern Mediterranean land bases in the event of world conflict.

One must look at a map of Europe, Africa and the Middle East to fully understand the desperate need of this Nation to insure Israel's continued existence. Should Israel fall, there would be no land base for U.S. planes, ships or other fighting units along the southern shore of that vital sea.

The fall of Israel could render the U.S. military might virtually useless in the defense of Southern Europe. That would provide the Soviet Union complete dominance over the important Middle East oil fields, all of Europe and Africa. What the Soviet Union has to gain by the defeat of Israel is virtual control of the world without having to fire a shot in anger itself.

That, of course, could have prompted the President's strong response when Russia served notice it planned to introduce troops into the Middle East. It is the reason that the United States is willing to spend billions of dollars to provide Israel with the weapons to defend itself. That is why every U.S. President since the creation of the State of Israel has supported that nation's cause, and why every succeeding President shall be equally as strong willed in that regard.

But it is one thing to understand international power moves and quite another to walk through that sandy desert vale of the Sinai Desert now known as the Valley of Death.

The shattered ruins of tanks and men still remain where that nose-to-nose battle erupted. Listening to the Israeli commanders describe solemnly how they were so nearly overwhelmed in this latest outbreak of fighting, you have to seriously question what effect a renewed outbreak of fighting would have on this tiny, out-manned, out-gunned nation which has already suffered so many great losses.

We additionally were shown captured Soviet equipment which is highly sophisticated—greatly so, I fear—and which was provided to the Arab States before and after this latest fighting in unprecedented amounts.

The quality and quantity of this superb Russian war equipment must be taken into serious consideration by the United States. In some cases, the Russian materiel was far better than comparable war materiel made here in the United States. It was made at a far cheaper cost per item than U.S. manufacturers can provide our military, and it in many ways demonstrated advances our defense industry has not yet adopted.

I came back from Israel convinced that if the United States is to remain a

viable world power, we must re-examine our methods of arming the military. If our armies are to remain on a par with those of potential enemies, we no longer can afford to indulge ourselves in expensive programs of dubious value, nor can we accept huge cost overruns or large corporate profits from defense contracts. To be trite—but seriously so—we must trim the fat from our defense spending because it is getting deeply dangerous to our civilization not to do so.

It is ironic that the fighting in the Middle East coincided with our domestic energy shortages. It is plausible to argue that the Arab oil boycott of the United States dramatized the matter for all of us. But to argue that the oil boycott has caused our problems is too shallow a viewpoint.

We were headed in that direction before the fighting. In fact, this House through a committee on which I serve has for 3 years running issued dire calls to the administration that unless action were taken, we would suffer a severe shortage of energy. Unhappily, we were right despite a massive indifference on the part of the administration or the public to our warnings.

I do not think it unfair to charge that the administration has seized on the Middle East fighting as a way of turning aside public attention to its own lack of planning to meet the energy shortage. But it is also futile to dwell on that now: the crisis is here and we must deal with it, as we shall.

What is important for the American people to understand however is that the international options open to the U.S. Government are indeed restricted. I have been deluged by those who would have the United States either impose economic sanctions on the Arab States or gather our armies and invade the Arab oil-producing nations. Either course would breed eventual disaster.

If we end our attempts to help negotiate a permanent peace in the Middle East, we bring ourselves ever closer to global war, and one in which the United States would fight from a position of weakness.

If we impose economic sanctions on the Arab States, they will simply buy food and other necessities from other nations. We will have then driven them closer to the Russians and seriously weakened our negotiators. But we cannot bow to any blackmail for no nation can consider itself free if its foreign policy is determined by others through economic or other sanctions.

What we must do is develop patience. The Russians are fully aware of our need to protect Israel. We shall face shortages when the boycott is eventually ended just as we do today.

We must extend all diplomatic efforts to achieve a peace in the Middle East that is just and is workable. The United Nations peacekeeping force in the Middle East today is hopelessly dwarfed by the enormity of the problem. We must buttress that force with all possible speed.

And while the international diplomacy continues, we must look inward to our need to develop alternate sources of energy so that our need of outside oil sources is not as great as it presently is. And we must reexamine our own military posture so that we can cope with the advances being made daily by other nations.

There is little that is encouraging in the Middle East today, and what can be seen from the carnage of the recent fighting shows distinct and dangerous flaws in our own military capacity. But if we take this time and use it to our best advantage, home and abroad, we may yet see the day in the Middle East of a time of normalcy and of peaceful coexistence. Time, if we use it wisely, is on our side. I would urge all of us in this Chamber to demand time be used to our advantage.

CPA AT DOC

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, in an effort to avoid the confusion in relation to the scope of authority of the proposed Consumer Protection Agency, I have written several agencies asking how the proposed agency would affect them. I have been inserting their replies in the RECORD as received.

There are three CPA bills now pending before a Government Operations subcommittee on which I serve. They are H.R. 14, introduced by Congressman ROSENTHAL, H.R. 21, introduced by Congressmen HOLIFIELD and HORTON, and H.R. 564, introduced by Congressman BROWN of Ohio and myself.

The major difference among the bills is that under both H.R. 14 and H.R. 21, the CPA would be granted the right to appeal to the courts the final decisions of their agencies. Under the Fuqua-Brown bill, H.R. 564, the CPA would not be granted this extraordinary power, but would be authorized to participate in the administrative proceedings to represent the interests of consumers.

I have previously inserted a portion of the reply of the Department of Commerce in the RECORD. Space precluded insertion of the entire reply because seven constituent elements of the Department would be affected and they individually responded.

Mr. Speaker, I now include in the RECORD the replies of the four remaining constituent agencies of the Department of Commerce.

PATENT OFFICE

Question 1. What regulations, rules, rates or policy interpretations subject to 5 USC 553 (the Administrative Procedure Act (APA) notice and comment rulemaking provisions) were proposed by your agency during calendar year 1972?

Answer 1. The following regulations and rules, subject to 5 USC 553, were proposed in 1972 by the U.S. Patent Office and published in the Federal Register.

1. Proposed amendment of title 37 CFR, Sections 1.141, 1.142, 1.144, 1.145, and 1.146, to change the restriction practice in patent cases when two or more inventions are claimed in a single claim.

2. Proposed amendment of title 37 CFR to revise sections 1.52 and 1.75 and add a new section 1.58 dealing with formula and table format and their representation in patent applications.

3. Proposed amendment of title 37 CFR, section 2.68, to enable an attorney or other person representing the applicant to abandon or withdraw a trademark application.

4. Proposed amendment of title 37 CFR to revise sections 1.225, 1.231, 1.251, 1.253, 1.272, 1.277, 1.281 and revoke section 5.3 to clarify practice before the Board of Patent Interferences and correct inconsistencies.

5. Proposed amendment of title 37 CFR, sections 1.345(b) and 2.14(b), to permit agents and attorneys who practice before the Patent Office to place dignified announcements in legal journals.

6. Proposed amendment of title 37 CFR to add a new section 1.69 designed to prevent omission of facts, data, or other evidence presented in connection with patentability or priority of an invention.

7. Proposed amendment of title 37 CFR, section 6.1, to establish an International Classification of "Goods and Services to which Trademarks are Applied."

8. Proposed amendment of title 37 CFR, section 1.55, to implement PL 92-358 which accords rights of priority based on earlier filed applications for inventor's certificates.

Question 2. What regulations, rules, rates, or policy interpretations subject to 5 USC 556 and 557 (that is, APA rulemaking on the record) were proposed or initiated by your agency during calendar year 1972?

Answer 2. None.

Patent Office regulations, rules, fees, and policy interpretations are not required by statute to be made on the record after opportunity for an agency hearing.

Question 3. Excluding proceedings in which your agency sought primarily to impose directly (without court action) a fine, penalty or forfeiture, what administrative adjudications (including licensing proceedings) subject to 5 USC 556 and 557 were proposed or initiated by your agency during calendar year 1972?

Answer 3. None. Patent Office adjudications, excluding fines, penalties and forfeitures, are not within the purview of 5 USC 554, and therefore are not subject to 5 USC 556 and 557.

Question 4. What adjudications under any provision of 5 USC chapter 5 seeking primarily to impose directly (without court action) a fine, penalty or forfeiture were proposed or initiated by your agency during calendar year 1972?

Answer 4. None. Adjudications pursuant to 35 USC 32 for the suspension or exclusion of a registered patent attorney or agent to practice before the Patent Office would fall within the scope of the question. However, no such adjudication was proposed or initiated in 1972.

Question 5. Excluding proceedings subject to 5 USC 554, 556 and 557, what proceedings on the record after an opportunity for hearing did your agency propose or initiate during calendar year 1972?

Answer 5. None.

Question 6. Will you please furnish me with a list of representative public and nonpublic activities proposed or initiated by your agency during calendar year 1972?

Answer 6.

1. Examination of patent applications and applications for registration of trademarks.

2. Weekly publication of the Official Gazette which primarily lists and describes the patents issued and trademarks registered on each Tuesday.

3. Filling requests for copies of issued patents.

4. Defending appeals to the Court of Customs and Patent Appeals from adverse decisions of the Patent Office Board of Appeals and Trademark Trial and Appeal Board.

5. Defending the Commissioner of Patents in civil actions instituted by patent and trademark applicants from adverse decisions of the Board of Appeals and Trademark Trial and Appeal Board.

6. Proposing legislation to revise existing patent and trademark law.

7. Developing budget requirements for the Patent Office to present to the Department of Commerce, Office of Management and Budget and the Congress.

8. Representing the U.S. in international meetings on patents and trademarks.

9. Answering letters of inquiry on a wide variety of subjects relating to patents and trademarks.

10. Preparing requests for procurement of goods and services for the Patent Office.

11. Deciding petitions addressed to the Commissioner to exercise his supervisory authority.

Question 7. Excluding actions designed primarily to impose a fine, penalty or forfeiture, what final actions taken by your agency in calendar year 1972 *could* have been appealed to the courts for review by anyone under a statutory provision or judicial interpretation?

Answer 7. The following final actions taken by the Patent Office in 1972 could have been appealed to the courts for review.

1. Decisions of the Patent Office Board of Appeals and Trademark Trial and Appeal Board which were adverse to the patent or trademark applicant in ex parte cases.

2. Decisions of the Patent Office Board of Patent Interferences.

3. Decisions of the Trademark Trial and Appeal Board in trademark opposition, cancellation, and interference proceedings.

4. Final decisions of the Commissioner of Patents, or the official or employee authorized to act for him. Such decisions would, for example, include the following:

(a) Final refusal of the Commissioner of Patents to register a patent attorney or agent for practice before the Patent Office.

(b) Final decision of a Group Director withdrawing patent application claims from further consideration in the case.

(c) Final refusal of a retroactive license to file a patent application abroad.

(d) Final refusal to accept a late payment of a patent issue fee.

(e) Final refusal to accept a patent application under 35 USC 116 or 118.

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

Subject.—NOAA Response to Request from Congressman Fuque Regarding Operations within the Advocacy Jurisdiction of an Independent Consumer Protection Agency

The following material is in response to the request for information concerning this agency's activities under Chapter 5 of Title 5 of the United States Code.

Answer to Question No. 1:

(a) Proposed fees and charge, inspection and certification of fishery products—50 CFR 260, 70 and 71. Proposed April 11, 1972; finalized Sept. 9, 1972.

(b) Statement of policy and intent on proposed quality control system—50 CFR 260. Proposed May 9, 1972; finalized Aug. 18, 1972.

(c) Amendments to standards for grade of frozen fried fish sticks and portions—50 CFR 261 and 275. Finalized May 24, 1972.

(d) Proposed amendment to standards for grade of raw breaded shrimp—50 CFR 262. Proposed Aug. 24, 1972.

(e) Standards for grades of selected fishery products made from mechanically separated fish flesh—50 CFR 261, 263, 266. Finalized Aug. 19, 1972.

(f) Label designation for selected fishery products—50 CFR 26.200 and 201. Proposed Dec. 21, 1972.

(g) Law Enforcement and Marine Mammal Protection—50 CFR—

(1) Part 280—yellowfin tuna:

Feb. 2, 37 FR 2532—Resolution of Inter-American Tropical Tuna Commission.

Feb. 2, 37 FR 2516—Proposed rulemaking to implement 1972 annual quota.

Feb. 9, 37 FR 2890—Notice of change of hearing.

March 1, 37 FR 4299—Notice of procedural change.

March 2, 37 FR 4375—Notice of change in catch limit.

March 3, 37 FR 4460—Notice of season closure.

March 4, 37 FR 4715—Publication of final yellowfin tuna regulation for 1972.

June 24, 37 FR 12513—Notice of change in catch rate.

Oct. 21, 37 FR 22757—Notice of change in catch rate.

(2) Part 240—Regulated commercial fisheries:

Jan. 19, 37 FR 786—Amendment to regulations.

March 4, 37 FR 4714—Amendment to regulations.

March 4, 37 FR 4730—Notice of season closure.

May 10, 37 FR 9408—Notice of season closure.

May 10, 37 FR 9399—Notice of change in catch quota.

Aug. 19, 37 FR 16805—Proposed rulemaking to implement herring regulations.

Aug. 22, 37 FR 16895—Notice of season closure.

Sept. 16, 37 FR 18916—Publication of final herring regulations.

Oct. 21, 37 FR 22757—Notice of season closure of Georges Bank.

Oct. 21, 37 FR 22757—Notice of season closure Nova Scotia.

(3) Capital Construction Fund:

June 15, 1972, 37 FR 11877—Proposed Capital Construction Fund.

July 28, 1972, 37 FR 15170—Extension of time for filing comments on proposed Capital Construction Fund.

Aug. 31, 1972, 37 FR 17763—Proposed Capital Construction Fund extension of time for comments

Nov. 25, 1972, 37 FR 25024—Capital Construction Fund joint tax regulations.

Nov. 10, 1972, 37 FR 23917—Capital Construction Fund deposits.

Dec. 30, 1972, 37 FR 28898—Capital Construction Fund deposits.

(4) Other:

May 10, 1972, 37 FR 9400—Fisheries Loan Fund procedures—change of interest rate—50 CFR, Part 250.

July 4, 1972, 37 FR 13179—Provisions for fees—Fishermen's Protective Act—50 CFR 258.

Dec. 2, 1972, 37 FR 25731—Regulations governing the taking and importing of marine mammals under the Marine Mammal Protection Act of 1972, 16 U.S.C. 1361 to 1407—50 CFR, Part 216.

Dec. 21, 1972, 37 FR 28177—Proposed rulemaking to implement interim regulations under the Marine Mammal Protection Act.

Answer to Question No. 2:

Dec. 21, 1972, 37 FR 28177—Notice of proposed rulemaking, Marine Mammal Act of 1972, 16 USC 1361 to 1407; also Dec. 2, 1972, 37 FR 25731.

Answer to Question No. 3: None.

Answer to Question No. 4: None.

Answer to Question No. 5: None.

Answer to question No. 6:

It would appear that the activities detailed under Question No. 1 constitute a list of representative activities.

Answer to Question No. 7

The following are specific areas where final action could have resulted in judicial review:

(a) Fishing Vessel Construction Subsidies (U.S. Fishing Fleet Improvement Act (46 USC 1401–1413).

(b) Administration of the Fishermen's loan fund (Fish and Wildlife Act of 1956, 16 USC 742(c)).

(c) Implementation of Tuna Convention Act of 1950 (16 USC 951–961).

(d) Setting fees for indemnification fund under the Fishermen's Protection Act of 1967 (22 USC 1971–1977).

(e) Mortgage insurance obligation guarantee program under Federal Ship Financing Act of 1972, 46 USC 1271–1280.

(f) Administration of the Pribilof Island Fur Seal Act of 1966, 16 USC 1161–1168.

(g) Supervision of Fisherman's Cooperative Association activities, 15 USC 521 and 522.

THE OFFICE OF FOREIGN DIRECT INVESTMENTS

The following responses correspond to the numbered questions.

1. The following are statements of the general nature of changes made during 1972 in the Foreign Direct Investment Regulations, 15 C.F.R. Part 1000, after Federal Register publication of notice and request for comments:

(a) Provision for a liquid foreign balance exemption for available proceeds.

(b) Revocation of the prohibition against positive net transfer of capital when holding available proceeds in the form of foreign property at year end.

(c) Changes in the definition of affiliated foreign national.

(d) Revocation of the mandatory deduction for expenditure of available proceeds.

(e) Provision for allocation of available proceeds or proceeds borrowings during the first two months of 1973 to 1972 postive direct investment.

(f) Provision for including affiliated foreign nationals' debt repayments occurring during the first two months of 1973 in the calculation of 1972 transfers of capital.

(g) Inclusion of overseas borrowing repayments within the meaning of the term "transfers of capital."

(h) Provision for interchanging borrowings by a direct investor and proceeds borrowings from its overseas finance subsidiaries.

(i) Provision for assumption by a direct investor of its overseas finance subsidiaries' overseas borrowings.

2. None.

3. None.

4. None.

5. None.

6. A list of representative activities during 1972 would include those set forth in the part (c) of the question.

7. None.

MARITIME ADMINISTRATION'S ANSWERS TO CONGRESSMAN DON FUQUA'S QUESTIONS

Question 1: What regulations, rules, rates or policy interpretations subject to 5 U.S.C. 553 (the Administrative Procedure Act (APA) notice and comment rulemaking provisions) were proposed by your agency during calendar year 1972?

None of the activities of Maritime Administration are subject to the requirements of 5 U.S.C. 553. Nevertheless, the Secretary does publish regulations relating to these activities in proposed form making them available for public comment. Such regulations published in calendar year 1972 were:

a. Regulations governing capital construction funds authorized by section 607 of the Merchant Marine Act, 1936, as amended, for the United States Merchant Marine.

b. Regulations governing the granting and administration of construction-differential subsidy under Title V of the Merchant Ma-

rine Act, 1936, as amended, for the United States Merchant Marine.

c. Regulations written jointly by the Internal Revenue Service and the Maritime Administration, which provide rules for determining the income tax liability of any person a party to an agreement establishing a capital construction fund.

d. Regulations establishing a uniform procedure for chartering vessels to carry Government generated cargoes subject to the Cargo Preference Act of 1954.

e. Regulations governing the extent to which U.S.-flag liquid and dry bulk cargo vessels on which a construction-differential subsidy has been paid may engage in trading between ports.

Question 2: What regulations, rules, rates or policy interpretations subject to 5 U.S.C. 566 and 577 (that is, APA rulemaking on the record) were proposed or initiated by your agency during calendar year 1972?

None.

Question 3: Excluding proceedings in which your agency sought primarily to impose directly (without court action) a fine, penalty of forfeiture, what administrative adjudication (including, licensing initiated by your agency during calendar year 1972)?

During calendar year 1972, the Maritime Administration proposed or initiated administrative adjudications in the following areas:

a. Determination of the adequacy of U.S.-flag service on essential routes for purposes of awarding operating-differential subsidy, and the effect of such subsidy on other competing U.S.-flag carriers. (Section 605(c) of the Merchant Marine Act, 1936, as amended, the "Act").

b. Hearings under Section 805(a) of the Act in which a subsidized operator or an applicant for subsidy requests written permission to operate in the domestic trades.

The Maritime Administration is also required by statute to initiate administrative hearings to determine if operating-differential subsidy is necessary to meet competition of foreign-flag ships (Section 602 of the Act) and to determine if a readjustment in future subsidy payments is necessary (Section 606 (1) of the Act). In calendar year 1972 no hearings under these latter two sections were held.

Question 4: What adjudications under any provision of 5 U.S.C. Chapter 5 seeking primarily to impose directly (without court action) a fine, penalty or forfeiture were proposed or initiated by your agency during calendar year 1972?

None.

Question 5: Excluding proceedings subject to 5 U.S.C. 554, 556 and 557, what proceedings on the record after an opportunity for hearing did your agency propose or initiate during calendar year 1972?

During 1972, the Maritime Administration proposed or initiated proceedings on the record in the following areas:

a. Appeals under contracts from final decisions of contracting officers in disputes between shipowners, shipyards, or vessel operations and the Maritime Administration or the Maritime Subsidy Board.

b. Equal employment opportunity complaint against a shipyard.

Question 6: Will you please furnish me with a list of representative public and non-public activities proposed or initiated by your agency during calendar year 1972?

Attached is the annual report of the Maritime Administration entitled, "A New Wave in Merchant Shipping", which contains a thorough review of activities of the agency during Fiscal Year 1972. Activities during calendar 1972 were substantially the same.

Question 7: Excluding actions designed primarily to impose a fine, penalty or forfeiture, what final actions taken by your agency in calendar year 1972 could have been appealed to the courts for review by anyone under a statutory provision or judicial interpretation?

All actions taken under the answer to questions 3 and 5. Other actions include personnel actions as well as certain determinations made by the Maritime Administration as to the eligibility of certain corporations to engage in the capital construction fund program.

RODINO TAKES ACTION ON NATIONAL CRISES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. RODINO) is recognized for 5 minutes.

Mr. RODINO. Mr. Speaker, as I reflect back on the session of Congress that is drawing to a close, I can recall no other time in my 25 years in the House of Representatives that this Nation and this Congress have faced the grave issues that confront us as we move into the final days of 1973.

Our system of government is being sorely and strongly tested as it has in no time since the Civil War. But the crises we face are not only at high levels of government. Every individual American daily faces a personal crisis, as prices push higher, as our cities continue to be plagued with problems and our fuel becomes scarcer.

As chairman of the House Judiciary Committee, I have found myself in the awesome position of dealing with two of the most momentous tasks ever to come before our Congress. For the first time in U.S. history, a Vice President has resigned on charges of criminal wrongdoing. Acting under the never-before-used 25th amendment, my committee staff undertook a thorough and fair investigation of the nominee to fill that vacancy, my colleague GERALD FORD. After lengthy and probing consideration of Mr. FORD's nomination—including review of 1,700 pages of FBI reports—the committee voted last week for confirmation.

Now, with that consideration complete, the Judiciary Committee must move ahead with deliberate speed to another historic task—the conduct of an inquiry to determine whether there are grounds for the impeachment charges that have been brought against the President.

I must say that the consideration of resolutions to the process of impeachment of the President is a task I had hoped would not be necessary. I believe that any responsible American must view this prospect with a deep sense of sadness and abiding concern for the future of our democratic system of government. The constitutional issues we face now, and how we handle them, will affect the future direction of this Nation and the kind of government we continue to build for ourselves.

But while we fight the constitutional battles to keep that democracy, we cannot overlook perhaps our greatest goal—that of assuring life's necessities for every American. While I have been called on to direct these momentous national tasks, Mr. Speaker, I have not forgotten the people who sent me here—the people of the 10th District in New Jersey.

These people must have a strong and vigilant advocate here in Congress. For it has been said that the problems that will face our Nation's cities in the future, confront the Newark area now. I am only too acutely aware of that fact. I have tried, therefore, to be a leader in developing the kind of legislation that will permit our cities to thrive and allow each city resident to live free from hardship and free from want.

RISING PRICES

Rising prices still are the greatest daily hardship for each household, and perhaps nowhere do we feel the pinch of high prices more than in our food purchases.

My Judiciary Subcommittee on Monopolies has concluded a study of the effect of industry's monopolistic practices on food prices. The results are shocking. As much as $20 billion or more of the Nation's yearly $120 billion food bill may result from anticompetitive practices. Milk—so important to the American diet—has been a special victim of industry efforts to push up prices. With this study as a guide, I plan to develop much-needed legislation to control inflationary practices.

No group of Americans feels the pressure of rising prices more than our senior citizens. To make life a little easier for them I sponsored a bill in early September to provide a 5.9-percent immediate increase in benefits. When this seemed unattainable I introduced legislation to provide a 7-percent increase to be effective January 1. I was disappointed that we were unable to obtain an increase now, for I fully realize the desperate need of our retired people for a raise to compensate for soaring inflation and the high cost of the necessities of life. I also joined in sponsoring a bill to authorize reduced air fares for people 65 years and older. It is impossible for these people to afford the constantly escalating costs of air travel.

ENERGY

But the dollar is not the only thing that is shrinking. Supplies of our essential resources are drying up. And the most crucial shortage is, of course, fuel. The people of the Newark area—as well as the rest of the country—face the prospect of lower temperatures in their homes and offices, and less gasoline to fill their gas tanks.

The current energy crisis comes as no surprise. Last January, when there was still some chance of preventing this crisis—but before the administration would even concede that we face severe shortages—I introduced legislation to assure an adequate and continuing supply of oil by ending State production controls and by repealing oil import quotas.

From the very first days of 1973, I have supported legislative efforts to conserve oil and develop a coherent national policy on energy resources—mandatory fuel allocation, recycling of waste oil, tax deductions for use of carpools, programs to develop solar energy use, and year-round daylight savings.

My Subcommittee on Monopolies has been studying competition and pricing among giant petroleum companies to insure that the Nation's antitrust laws are better promoted. This investigation be-

came especially crucial when it was learned that a Deputy Secretary of the Treasury had attempted to interfere with an antitrust action against major oil companies by the Federal Trade Commission.

CRIME

While inflation and fuel shortages plague us, the ever-present fear of crime continues to haunt our Nation's city dwellers.

In this session of Congress we were successful in extending the Law Enforcement Assistance Administration legislation to provide further funding to support anticrime programs. Previous funding under the original legislation has been supplemented by a new grant to the North Ward Educational and Cultural Center for a high impact anticrime program to reduce crime and delinquency through an outreach and referral program, remedial education counseling, and other activities. Grants made previously—primarily to the city of Newark—have supported programs such as a residential treatment center for crime delinquents, patrolmen for public housing areas, and installation of high-intensity street lamps.

I introduced the Victims of Crime Act of 1973 to assure that innocent victims of violent crimes will be compensated for related expenses by the Federal Government.

Drug abuse has been a prime factor in encouraging criminal activity. I have introduced a measure to aid in the treatment of drug addiction. Legislation I developed to cut off foreign aid to countries that do not cooperate with the United States in curbing international hard drug traffic has begun to have an impact.

Mr. Speaker, the needs of this country at this critical moment in history are massive. Our people are being asked to accept challenges to our democratic way of government and to our way of life. But our needs are not overwhelming. The actions I have taken indicate the direction I think this country can move in. Much more remains to be done, particularly in our cities. But I am committed to assuring that this Nation will not only survive through its current difficulties, but will emerge stronger and better able to provide for full and productive lives for all our people.

THE 1969 GSA MEMO QUESTIONS CUSTODY OF NIXON PAPERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Iowa (Mr. MEZVINSKY) is recognized for 5 minutes.

Mr. MEZVINSKY. Mr. Speaker, on Friday, November 30, I told my colleagues about a question-filled letter I sent to the General Services Administration concerning the circumstances surrounding President Nixon's gift of pre-Presidential papers to the National Archives. As further illustration of how crucial it is that these questions be answered, I call your attention to an article that appeared in today's Des Moines Register written by George Anthan.

1969 GSA MEMO QUESTIONS CUSTODY OF NIXON PAPERS

(By George Anthan)

WASHINGTON, D.C.—A General Services Administration (GSA) internal memorandum dated in May, 1969, indicates the agency did not have legal custody of the papers President Richard Nixon said he gave to the American public in March, 1969.

The memorandum was written on May 27, 1969, by a former Postal Service employe, Sherrod East, who had been hired as a consultant by the National Archives to assist in sorting and filing the more than 500 crates of Nixon vice-presidential papers.

DEED DELIVERED IN 1970

President Nixon has said he donated the papers to the National Archives, which is administered by GSA, on Mar. 27, 1969. However, a deed bearing that date was not delivered to the GSA until more than a year later—in April, 1970. That deed was not signed by a representative of the GSA.

The GSA handbook on presidential papers and libraries states that a deed transferring ownership of papers to the public should be signed at the time the papers are delivered "or shortly thereafter."

The ——— also states, "——— should not be allowed to remain in the physician ——— of the library, —— transmitting agency, ——— a signed deed of gift."

The ——— of the deed, and whether —— be considered a legal judgment transferring ownership of the papers, is highly important, officials contend. If the papers were not legally transferred by Mr. Nixon to the public before July 25, 1969, he would not be eligible for a $570,000 tax deduction he has claimed, they say.

Mr. Nixon has acknowledged the $570,000 deduction for his vice-presidential papers is a major reason he paid "nominal" federal income taxes in 1970 and 1971. White House documents now being prepared for release show Mr. Nixon paid $789 in federal taxes in 1970, $878 in 1971 and $4,298 in 1972. In all three years he would have been able to deduct part of the $570,000 value of his 1969 gift of papers from his taxable income.

1969 LAW

Congress passed a law making such gifts after July 25, 1969, ineligible for a tax break. Thus, if it is found that Mr. Nixon's gift actually did not become legal until April, 1970, or even later, he would have received a tax deduction to which he is not entitled, according to officials of Tax Analysts and Advocates, a public interest law firm that has requested an independent audit of the Internal Revenue Service (IRS) decision to grant the tax deduction.

The GSA consultant's memorandum is another indication that the agency itself did not regard the papers to have been the property of the United States, even after, the date Mr. Nixon contends he donated the papers.

East, the consultant, addressed the memorandum to the assistant archivist of the U.S. reporting on the progress he had made sorting and cataloging the Nixon papers.

East noted that a relatively small number of papers had been —— to the U.S. by Mr. Nixon —— 30, 1968, before he took ——.

But, ——— in late May, 1969, to the bulk of the papers, he wrote —— since the papers for the ——— are not yet deeded to the United States, no appraisal of the papers for permanent —— edition or elimination of duplicated —— extraneous material has been attempted."

SUGGESTED STUDY

In another reference to the "main body of Nixon papers," East noted they were "not yet deeded. . . ."

In concluding his memorandum, East states: "As heretofore indicated, further work should await some further clarification of White House wishes and intentions and perhaps a careful study by selected professional staff yet to be designated who will have responsibility for planning and administering the holding of a future Richard M. Nixon Library."

The deed dated March 27, 1969, is signed by Edward L. Morgan, a deputy counsel to the President. Mr. Nixon's name is typed in above, but there is no signature. The deed is accompanied by a notarized statement by Frank de Marco, Jr., a Los Angeles, Calif., tax lawyer, who states that Morgan had stated to de Marco that he was authorized to sign in behalf of the President. De Marco has said the deed was given to the GSA more than a year after the papers were delivered because he kept the document secret.

De Marco has acknowledged that he did not keep rotary records of the transaction, as required by California law. De Marco is a partner in the firm of Kalmvach, de Marco, Knapp and Shillingworth, and he is a commissioned notary public. He notarized two documents relating to the 1969 gift of Nixon papers.

The Dec. 30, 1968, gift of Nixon papers was handled differently.

CHATTEL DEED

The chattel deed turning ownership of those papers over to the public was delivered along with the papers. The deed is signed by Mr. Nixon and by a representative of the GSA.

Under general practices followed both by the IRS and by the courts, a gift qualifies for a tax deduction if it is clear that the giver has legally transferred ownership and that the recipient accepts the gift.

A BREAKTHROUGH IN DIABETES RESEARCH

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. PATMAN) is recognized for 5 minutes.

Mr. PATMAN. Mr. Speaker, diabetes is a major health problem affecting nearly 5 million Americans of all ages. It has doubled in the past 10 years and is now the seventh leading cause of death from disease and the third most common cause of blindness in the United States. It accounts directly for 35,000 deaths annually and is a contributing factor in at least that many more deaths each year. Diabetes is responsible for an estimated 38.8 million days of restricted activity annually, including 19.9 million days that are spent in bed.

Today, the life expectancy of a diabetic is greater than it was 50 years ago, but is still only two-thirds that of the general population. The discovery of insulin in the 1920's improved prospects for diabetes victims enormously, and gave young diabetics a chance to lead a nearly normal life. Now, doctors and scientists have reached another plateau in their search for a cure for this dread disease. Recent developments in diabetes research could lead to complete control within the next 10 years.

Mr. Speaker, I would like to take this opportunity to enumerate some of the more promising leads recently announced by the American Diabetes Association. In laboratory experiments, diabetic rats have been cured by implanting in their bodies beta cells taken from nondiabetic

rats. Researchers predict this procedure can be used on humans within the next 5 years. Another breakthrough is the development of an artificial pancreas to be implanted under the skin to provide diabetes control without injections. Some of the components for this apparatus have already been perfected and it may be in use by mid-1976. In addition, a new surgical approach to pancreatic transplants has provided a great deal of encouragement. Two patients who have received such transplants, one over 22 months ago and another over 16 months ago, are in excellent medical condition.

All of this is good news, but much work still remains. In April of this year, I introduced in this Chamber, H.R. 7068, the National Diabetes Act of 1973 to help in the effort to find a cure for diabetes. My bill would strengthen the National Institute of Arthritis, Metabolism, and Digestive Diseases; it would provide for the coordination of Federal, State, local and private efforts in diabetes prevention and control; and it would establish 15 national diabetes research and treatment centers throughout the United States. As with other health programs, I feel this measure deserves priority consideration.

Mr. Speaker, I would like to conclude with the thought that I view these recent developments in diabetes research as further support of my strong belief that, with the assistance of the Almighty, the people of this Nation will eventually conquer even the most dread diseases that afflict mankind.

BEVILL SUPPORTS BUDGET AND IMPOUNDMENT CONTROL ACT OF 1973

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Alabama (Mr. BEVILL) is recognized for 10 minutes.

Mr. BEVILL. Mr. Speaker, I rise in support of H.R. 7130, a proposal to set up a comprehensive congressional budget process to deal with overall budget policy and priorities.

As you know, this bill establishes a new framework in which congressional budget decisions are made, and in my opinion, strengthens the appropriations process.

Since becoming a Member of Congress, I have been a strong advocate of legislation designed to solve the runaway Federal budgets this country faces year after year. If the Nation's economy is to function for the benefit of all, I believe it is absolutely essential that the Federal Government adopt and operate on sound fiscal principles. Passage of this bill would be a good beginning toward reaching this goal.

The purpose of this legislation is to improve congressional control of the budget by: First, establishing a legislative budget process for determining national policies and priorities, and second, providing for congressional review of any impoundment of funds by the executive branch. Title I would establish budget committees of the House and Senate.

To assist these committees there would be set up, within the legislative branch of the Government, a Legislative Budget Office, headed by a Legislative Budget Director. The Legislative Budget Office would develop for the Committee on the Budget of the House and Senate, and for other committees of the House and Senate upon their request, information with respect to existing and proposed legislation which would form the basis of estimating the effect on budget outlays of such legislation not only on the current fiscal year but also for the next 4 fiscal years.

In short, Mr. Speaker, H.R. 7130 would insure that the power of appropriation assigned to Congress by the Constitution is responsibly and effectively exercised.

In our fight against inflation, I believe the time has come for Congress to realize the seriousness of the problems created by huge budget deficits. Much of the problem of deficit spending has stemmed from the fact that Congress has never effectively reviewed the Federal budget and established ceilings on Federal spending. It has examined each appropriation independently, without making comparisons of programs.

While I do not agree with every provision of this bill, Mr. Speaker, I do believe that it is a major step in the right direction and I urge my colleagues to support it.

I feel that H.R. 7130 would help hold the total appropriations within the total anticipated revenues. And until this is done, inflation, including the continuous increase in the cost of living will continue.

The time has come for Congress to reassert its vital constitutional role in deciding spending priorities. Passage of this bill would be a good beginning toward reaching this goal.

JOHN HUNT—STATESMAN

(Mr. DEVINE asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. DEVINE. Mr. Speaker, in the magazine section of the Philadelphia Sunday Bulletin of November 18, 1973, appears a most enlightening, deserved, and interesting article on our esteemed colleague from New Jersey (JOHN E. HUNT).

Known affectionately as "ROCKY" among his many friends in and out of Congress, JOHN HUNT is recognized for his integrity, courage, and willingness to stand up for what he believes to be in the best interest of his country. The article follows:

HE'S "JOHNNY" TO THE CHICKEN SHACK GANG

(By Rem Rieder)

The affable, solidly-built ex-middleweight with the steel-gray crewcut was reminiscing about his days in the ring.

He was thinking back to the night when he fought at 6:30 in the Iron Rock Hotel in South Bethlehem and two hours later at McCardle's Saloon.

"I won both, and got paid a total of $4.50," he said. "In those days that was a lot of money."

The ex-middleweight began boxing at the age of 14. He finally quit seven years later because his grandmother didn't want him to go on.

He fought in the hard coal and steel country of upstate Pennsylvania, in towns with names like Carbondale. He used his meager prize-money to buy meal tickets at a diner, so he could enjoy some rice pudding and milk after school.

Later he represented the Pennsylvania Railroad for five years. Three times he made it to the finals of a national tournament, only to lose to a clever boxer.

A converted southpaw, the ex-middleweight said he could hit with either hand. "If I could get you, I'd stop you," he said.

It was an unlikely place to talk about boxing; in Washington, D.C. in the ornate speaker's lounge just off the floor of the House of Representatives, all chandeliers and mirrors and gaudy decoration.

But then the ex-middleweight has an improbable biography: boxing ring and sandlot, apprenticeship as a boilermaker, highly-decorated World War II veteran, three decades on the New Jersey State Police, Gloucester county sheriff, New Jersey state senate and, finally, the U.S. House of Representatives.

His name is John E. Hunt, better known as Johnny to his friends in Pitman, N.J. and in the Chicken Shack Gang, and also known as one of the most conservative members of the entire House.

With his down-to-earth manner, Hunt reminds you more of the cop he once was than the Congressman he now is. Nearing his 65th birthday, he looks 10 or 15 years younger. He sets a brisk pace on walks from his office to the Capitol, and he looks like he could still go a few rounds.

"He's the epitome of a hard-line right-winger," says an acquaintance from Hunt's days in the Jersey senate. "He looks exactly like what he is. He is probably the most classic right-winger I've ever met."

"To a degree he's a caricature," says a not-overly-sympathetic House colleague. "He's blustery, red-blooded, you know, 'we served once and what's the matter with these kids, my country right or wrong . . .'"

The numbers tell the story. In 1972 Hunt was rated at 89 percent by the conservative Americans for Constitutional Action, at 0 by the liberal Americans for Democratic Action. He has a perfect score with the hard-line American Security Council.

While his colleagues differ sharply on the subject of John Hunt, no one would dispute this assessment by his close friend and fellow conservative Rep. George A. Goodling, (R-Pa.), "He's either on one side or another, he's never a straddler. He's a fighter all the way through."

Hunt always lets you know where he stands. His four terms in Congress have been replete with forthright if somewhat overheated rhetoric, as well as a tendency toward malapropism.

In 1968, in a time of great turmoil in this country, John Hunt summed up his credo.

"It is time for a moratorium on mass demonstrations," he said. "It is time for the courts to stop catering to criminals. It is time for praying preachers and fewer political parsons. It is time to stop exploiting the fears and prejudices of minorities. It is time for politicians to stop over-promising. It is time for civil rights leaders to be civil. It is time for workers to work. It is time to reflect upon our past and to think about those principles that have made us the greatest of nations—those embodied in the Constitution."

In an interview not long ago, Hunt turned his fire on the Senate Watergate Committee.

"A three-ring circus," he fumed. "The greatest show on earth. Barnum and Bailey was a piker."

Despite the hard line, Hunt is an extremely easy-going person, an incurably gregarious man who enjoys the camaraderie with his fellow Congressmen.

He is proud that he knows all 434 colleagues. In the speaker's lounge he has a hello or a needle or a slap on the back for everyone. As he walks from his office in the Longworth Building to the Capitol, he calls every one of the Capitol policemen by name.

One House liberal calls Hunt's personality his redeeming trait."

"Usually right-wingers and left-wingers have no sense of humor," this Congressman said. "But John's amusing; he's a pleasant sort of fellow."

Hunt likes to mention his high regard for Congressmen of all persuasions. "We have in the House a bondship which never meets the public eye," he says. "A lot of liberals I know are first-class citizens." But his closest pals are a group of fellow conservatives.

Hunt is an integral part of the Chicken Shack Gang, about 20 right-wing Republicans who eat dinner every Wednesday at a fried chicken joint in Maryland.

While the group is social, it also plays a significant political role in the House. Many other conservative Republicans coordinate strategy with the hard-core Chicken Shackers, and the group maintains ties with conservative and southern Democrats.

The nucleus of the group, which includes Pennsylvania Republicans Goodling and John H. Ware and Ohio GOP members Samuel L. Devine and Donald D. Clancy, meets for dinner almost every night. About a dozen gather for a breakfast planning session every Wednesday morning, and many see each other the next day at the House Prayer Breakfast.

John Hunt is a very up front person and his office, like his appearance, tells a lot about him. You are greeted by a placard reading, "Welcome Home POWs." There is a poster of the American flag, with the inscription, "This is our flag. Be proud of it." There are pictures of President Nixon and Gerald Ford and Ronald Reagan. Ford's picture replaced one of Spiro Agnew about two weeks after Agnew resigned as vice president.

There is never any doubt about where Hunt fits into the political spectrum.

One wall of his private office is covered with plaques, plaques from perhaps every organization in Gloucester county: Deptford Township Spartan Marching Band, Pitman Post 6169 V.F.W., a button reading "I like Gloucester City."

This lets you know that Hunt is very much a locally-oriented Congressman, very big on constituent services and staying in touch. He says he has driven back and forth to his South Jersey district 917 times, not counting about 140 plane and train trips.

Hunt generally drives alone in his 1973 Cadillac, munching apples to stay awake, and will often return to Washington immediately after appearing at a local meeting.

Not long ago he turned down an invitation to a White House Prayer service in order to keep a date at a Pulaski Day parade back home.

But there is little to remind you that, in addition to the suburbs and towns and farms of Gloucester county, Hunt also represents that apotheosis of urban blight called Camden. (The first district includes all of Gloucester county and most of Camden county, although some parts of the latter, like Cherry Hill, are in the sixth.)

Hunt is not exactly your typical urban Congressman. He wants to dismantle many of the Johnson administration social programs, not preserve them. He is more concerned with balancing the budget than getting money for the cities. He refers to black people as "colored."

But occasionally Hunt breaks with his allies and votes with the big city types. A case in point was his recent vote in favor of operating subsidies for mass transit systems. With the Lindenwold high speed line running through the district, he simply had no choice, he explained.

Then there are the elephants, all kinds of elephants, orange and yellow elephants and the fighting elephants from Thailand.

There are even more elephants, about 50, at his Pitman home.

The elephant replicas have absolutely no political significance, Hunt explains. They stem back to his law enforcement days, when he was known affectionately as "old elephant head."

To honor his "retentive memory," some of his colleagues presented him with an elephant back in 1957. The collection has steadily grown. "I have no two elephants in the same posture," he says.

There are also seals of each of the armed services, reminders of Hunt's interest in military affairs and his commitment to a strong defense.

Hunt is a member of the Armed Services Committee, where he is known for his strong support of the Pentagon.

Despite his crusade to reduce government spending, Hunt has no time for those who want to reduce the defense budget.

Rep. F. Edward Hébert (D.-La.), chairman of the armed services committee has nothing but praise for Hunt.

"He's a very dynamic person," says Hébert. "He's one of the top defense people we got on the committee. I wish I could count on everyone as solidly as I can on John Hunt."

Hébert and Hunt are old friends. They met many years ago, when Hébert was a newspaper reporter in New Orleans and Hunt was a bachelor in town for Mardi Gras.

"I was working the Bourbon Street beat, and John was beatin' Bourbon Street," Hébert recalls.

But another Congressman who has served on armed services has another view of Hunt.

"I don't think I or the others on the committee looked on him as a significant force," said this legislator, who asked to remain anonymous.

"I don't think he's reflective of the serious hard-core conservatives, of a savvy guy like Charlie Gubser (R.-Calif.) I don't think he knows any of the complex arguments for or against a choice of weapons systems. If it's marketed to him as being for national security, he's going to buy it."

Says another committee member, "His style is very frequently counter-productively abrasive. He does go off the deep end, there's no doubt about that."

One Congressman says Hunt is not taken very seriously. But another Congressional source warns against underestimating Hunt. He says Hunt is important because of his prominent role in the Chicken Shack Gang.

"You can laugh at him if you want to because he's rough around the edges, but I think it's a mistake" this source said. "He's important because of his leadership role in the Sam Devine group. He's not a weighty intellect. But he can help swing 20 or 30 or 50 votes."

Not surprisingly, Hunt is an admirer of President Nixon. During the first eight months of this year he backed the President's position 68 percent of the time. He does occasionally break with the White House on key votes, as he did when he voted to override the veto of the emergency medical services bill.

"I'm no stranger to Richard Nixon," Hunt says. "I campaigned for Richard Nixon in 1960. In fact, I like Mr. Nixon. I have faith in him."

Nevertheless, like many conservatives, Hunt is somewhat disappointed by some of the President's policies. While reluctant to criticize the "commander-in-chief," Hunt has some reservations about key Nixon postures.

On relations with Russia and China: "I look at the cooling of the so-called cold war, shunting it aside, with a little bit of reservation. I'm not convinced the Commies are going to change their stripes . . . I think the wheat deal with Russia was a bad mistake . . . I feel badly about Taiwan . . . How can you now say we should throw our arms around these people (the Russians and Chinese)?"

On economic controls: "I'm not in favor of any freezes or phases. Phase IV is a monstrosity. It's a bucketful of mercury or a can of worms. It's better to rely on the free market. I don't know who talked him into it."

On relations between the President and Congress: "I'd like to see the President communicating on a ground-level basis with Congress . . . There could be better relations between the House and Mr. Nixon if we had a little ordinary breakfast (together) now and then."

But despite such differences and the Watergate-related disclosures, Hunt says he has not lost faith in the President, only in his advisors.

Besides Congress, his family and sports, Hunt has few outside interests. He does enjoy hunting and fishing, and not long ago he was looking forward to the beginning of the bird hunting season in South Jersey. Hunt also likes to play golf and enjoys the horse races, never missing a Kentucky Derby.

"Intellectually, he's not a great reader, he doesn't go to plays," says Carl Glines, Hunt's press secretary for six years until Hunt fired him early this year. "He'll sit in front of the boob tube and watch a football game or the fights. He's big on prayer breakfasts, but as far as getting another view of life, forget it. He'd rather go and shoot ducks."

During the week Hunt is a Washington bachelor, living in an efficiency several blocks from his office. He gave up drinking after the war and stopped smoking more recently, and he spends most week nights going to dinner with his Chicken Shack cronies.

Hunt spends weekends in Pitman with his wife Doris, whom he describes as "the greatest gal in the country." Mrs. Hunt is a lecturer for Christian women's clubs. And, says, Hunt, "she knows how to handle me." Hunt says his wife helped him curb his explosive tempter.

The Hunts have one daughter, Deborah, now Mrs. Trent Jeffery Brown, and one grand-daughter, Hillary.

Both the Almanac of American Politics and the Ralph Nader study of Hunt allude to one of the South Jersey legislator's more dubious claims to fame: he threw antiwar students out of his office at the time of the Cambodian invasion.

Hunt recalls the incident. "This group came into my office without an appointment, and they announced that they wouldn't leave. They looked like Coxie's ragged army, they were dirty and nondescript. They weren't from my district. I told them. 'You know my views (in favor of the war), and I want you to leave.' They all left but one. I told him to get out before I threw him out, and he did."

But Hunt insists this incident was an exception, "I talked to about 200, and of the others, there was not one obnoxious person."

ESEA TITLE I GRANTS

(Mr. SMITH of Iowa asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SMITH of Iowa. Mr. Speaker, when we considered the HEW appropriations conference report in the House about 3 weeks ago, it was recommitted to the committee on the conference. It was obvious that many Members disagreed as

to the consequences of that vote and especially as it related to funds for disadvantaged children distributed through title I of the Elementary and Secondary Education Act. The formula in the authorizing legislation for distribution of those funds is unjust and unfair and simply does not distribute the money equitably to the school districts where the disadvantaged children reside.

For that reason it was necessary to try to improve upon the formula in the appropriations bill. Under the House rules, it was not possible to produce a completely fair formula. About all we could do was to limit the application of the worst parts of a bad formula and while the limitations placed within the bill did not produce a fully satisfactory formula it did make it much less unfair. I said at that time and I still think that recommitting the bill was sure to work to result in a situation much less satisfactory.

Although tables showing the aggregate of the local grant for each State under title I do not really tell the full story because school districts within each State may be affected differently, many Members seemed to be obsessed with looking at these State totals and at that time were being misled as to the effect of the motion to recommit on those State aggregates. The conference committee has concluded its work and is again ready to report to the House. So that those Members who want to see such State totals may have them available and so that Members may see the final result of the motion to recommit so far as title I is concerned, I am placing them in the RECORD and they are as follows:

ESTIMATED COMPARATIVE DISTRIBUTIONS FOR LOCAL EDUCATIONAL AGENCY GRANTS—PT. A OF TITLE I OF THE ELEMENTARY AND SECONDARY EDUCATION ACT

	Aggregate of local grants for each State under 1973 operating level	Aggregate of local grants for each State in H.R. 8877 before it was recommitted	Aggregate of local grants for each State in H.R. 8877 as amended after recommittal	Increase or decrease resulting from recommittal
Total funding level	$1,585,000,000	$1,810,0000,00	$1,719,500,000	−$90,500,000
Local share	1,316,037,468	1,465,435,600	1,396,200,000	−69,235,600
Alabama	34,549,166	36,231,420	34,549,166	−1,682,254
Alaska	2,415,064	2,757,142	2,898,078	+140,936
Arizona	8,134,242	9,354,378	8,222,691	−1,131,687
Arkansas	20,963,618	21,793,010	20,963,618	−829,392
California	111,618,375	128,631,131	121,364,100	−6,997,031
Colorado	10,237,378	11,680,683	10,931,405	−749,278
Connecticut	11,747,931	13,510,121	14,097,517	+587,396
Delaware	2,323,748	2,672,310	2,323,748	−348,562
District of Columbia	10,096,368	11,610,823	11,196,398	−414,425
Florida	24,111,072	27,433,768	25,295,587	−2,138,181
Georgia	40,573,812	42,841,265	40,573,812	−2,267,453
Hawaii	3,715,263	4,272,552	4,107,065	−165,487
Idaho	2,719,220	3,062,802	2,719,220	−343,582
Illinois	69,554,901	79,657,703	77,374,236	−2,283,467
Indiana	18,773,439	21,241,592	18,773,439	−2,468,153
Iowa	14,601,661	15,402,643	14,601,661	−800,982
Kansas	9,147,430	10,166,938	9,632,773	−534,165
Kentucky	32,212,788	53,817,801	32,212,788	−1,605,013
Louisiana	31,322,489	35,609,869	31,322,489	−4,287,380
Maine	5,633,673	6,478,724	5,641,865	−836,859
Maryland	19,387,669	22,257,234	22,691,090	+433,856
Massachusetts	24,893,505	28,627,537	28,110,264	−517,267
Michigan	51,768,916	59,517,077	58,920,765	−596,312
Minnesota	20,897,155	22,756,709	20,897,155	−1,841,554
Mississippi	$35,922,629	$37,866,737	$35,922,628	−$1,944,109
Missouri	23,367,302	25,209,867	23,367,302	−1,842,565
Montana	2,865,542	3,235,543	2,865,542	−370,001
Nebraska	7,187,530	7,797,808	7,187,530	−610,278
Nevada	923,899	1,040,322	1,018,679	+68,357
New Hampshire	2,017,413	2,308,525	2,274,208	−34,317
New Jersey	44,232,287	54,867,130	52,971,404	+2,044,274
New Mexico	7,393,185	8,502,163	7,393,185	−1,108,978
New York	196,835,764	226,356,413	218,053,725	−8,302,688
North Carolina	51,556,663	50,634,889	51,556,663	+921,774
North Dakota	4,101,267	4,360,156	4,101,267	−258,889
Ohio	42,248,122	48,337,485	45,285,416	−3,032,069
Oklahoma	16,649,246	18,435,642	16,649,246	−1,786,396
Oregon	8,421,321	9,684,519	8,710,600	−973,919
Pennsylvania	64,998,125	74,747,843	69,652,300	−5,094,543
Rhode Island	4,873,849	5,604,926	5,032,815	−572,111
South Carolina	29,853,231	30,881,808	29,853,231	−1,028,577
South Dakota	5,470,551	5,713,075	5,470,551	−242,624
Tennessee	31,273,191	32,659,555	31,273,191	−1,386,364
Texas	67,675,754	74,232,589	67,675,754	−6,556,835
Utah	3,894,921	4,447,225	4,462,760	+15,535
Vermont	2,093,957	2,398,856	2,093,957	−304,899
Virginia	31,522,692	33,229,975	31,522,692	−1,707,283
Washington	13,445,639	15,462,485	15,136,917	−325,568
West Virginia	17,319,813	19,241,834	17,319,813	−1,922,021
Wisconsin	17,340,875	19,761,936	18,711,212	−1,050,724
Wyoming	1,170,817	1,325,974	1,186,478	−139,496

REPRESENTATIVE SMITH OF IOWA REPORTS TO HIS CONSTITUENTS ON CONGRESSIONAL ACTIVITIES

(Mr. SMITH of Iowa asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SMITH of Iowa. Mr. Speaker, at the end of each session of the Congress, I summarize the activities of the Congress, reprint it from the CONGRESSIONAL RECORD at my expense, and distribute it to many of my constituents so that they may have a summary of the year's activities.

Although we have been in session all year, a vast number of bills are still proceeding through the legislative machinery and it appears that an unusual amount of important legislation will be acted upon early in the next session. In spite of the fact that a great deal of time has been consumed on investigations and one crisis after another, hundreds of bills have passed and it would be impossible to describe all of them in a reasonable amount of space, but I am including those which I believe to be of the most interest.

WATERGATE

Senate Resolution 60, approved by a vote of 77 to 0, established the Select Committee on Presidential Campaign Activities, also called the Ervin Committee, which has conducted extensive hearings into the Watergate affair. One of the main tasks of the committee, before it disbands in February, will be to file a report recommending new legislation.

House Resolution 702 provides funds to the House Judiciary Committee for an inquiry to determine what are grounds for impeachment within the meaning of the Constitution. They may also recommend to the full House either for or against further action.

The entire impeachment process involves action by both the House and Senate. If the House passes an impeachment bill—which requires a simple majority vote—the Senate then tries the case. A two-thirds vote will be needed for conviction and removal from office.

Public Law 93–172 extends for a year, if needed, the life of the so-called Watergate grand jury in the District of Columbia. The authority of the grand jury, which has heard a vast amount of testimony on the case, would have expired in early December without this law.

IMPOUNDMENT

One of the major issues left unresolved at the end of this session is whether the President has an unlimited authority under the Constitution to impound, or withhold from spending, money appropriated for a specific purpose by Congress.

As this year began, many were saying that this would develop into a constitutional crisis. President Nixon claimed that the Constitution gave him absolute authority to withhold funds appropriated by Congress, and he ordered the impoundment of amounts estimated as high as $12 billion.

In some instances, the President directed the impoundment of all funds appropriated for a specific program This had the effect of repealing that program, even though Congress had not enacted a law doing so. Legislation to curtail impoundment and reassert the congressional power of the purse is moving through Congress and may pass next session.

In the meantime, almost completely overshadowed by Watergate and the energy crisis, is a long string of Federal court decisions, totaling about 50, dealing with the impoundment issue.

In almost every instance, the courts held against the administration. In some cases, the courts have ordered appropriated funds released and the administration has complied. In other cases, the administration has appealed the decision to a higher court.

This issue may reach the Supreme Court, if it is not resolved by Congress sooner. It remains just as important as when it attracted so much attention earlier this year, because the Government's priorities can be altered to a very great extent by withholding funds for some programs.

AGRICULTURE

Public Law 93-86, the Agriculture and Consumer Protection Act, establishes a new "target price" concept for the farm program under which no payments will be made if the marketing price exceeds the target price, which for corn is $1.38. It also continues the food stamp program; and includes a provision authorizing the U.S. Department of Agriculture to obtain certain information from firms exporting agricultural commodities so as to avoid some of the problems which developed in connection with the Russian wheat deal of last year.

Public Law 93-32 amends the Rural Electrification Act. It establishes a revolving fund for financing, rather than direct appropriations by Congress. Earlier, the administration had "terminated" the low interest loans by decree and had sought to revise the REA program by administrative action.

Public Law 93-24 amends and specifically directs the Secretary of Agriculture to carry out the disaster loan program for rural areas. The administration earlier had "terminated" this program by impounding the funds appropriated for it.

LABOR

Public Law 93-58 amends the Railroad Retirement Act to permit disability benefits to children of retired railroad workers if their disability begins before age 22.

Public Law 93-69 permits retirement under the railroad retirement program at full benefits at age 60 after 30 years of service—instead of age 65—and establishes a labor-management committee to report to Congress by April 1974, on the restructuring of the railroad retirement system.

Public Law 93-53 includes a provision for continuation until January 1974, of unemployment benefits in States with an unemployment rate of more than 4.5 percent.

ENVIRONMENT

Public Law 93-119 tightens controls on oil discharges into oceans and includes restriction on oil-carrying tank vessels.

Public Law 93-55 continues through 1975 the authority of the Water Resources Council, established to assess the country's water supply needs and to coordinate river basis planning.

Public Law 93-15 extends the authorization for funds to enforce the Clean Air Act until June 1974.

Public Law 93-14 extends the Solid Waste Disposal Act until June 1974.

Public Law 93-6 extends the life of the Commission on Highway Beautification and increases the funding authorization.

Public Law 93-54 authorizes funds through 1976 to survey and acquire properties of historic or cultural interest.

WAR POWERS

Public Law 93-50 includes a provision banning bombing or other military activity by the United States in Indochina after August 15, 1973. The first version of this bill contained an immediate ban on military action, but it was vetoed. The President later accepted the second version with the August 15 deadline.

Public Law 93-148, which was passed into law over President Nixon's veto, provides that the President shall not engage U.S. Forces in hostilities for a period exceeding 90 days without congressional approval. During that period, the President is required by the law to keep Congress fully informed.

HEALTH AND WELFARE

Public Law 93-29 extends through June 1975, the Older Americans Act which provides Federal assistance for programs to help the elderly. The scope of this bill had to be trimmed back sharply to avoid a veto by the President.

Public Law 93-45 extends until June 1974, a wide variety of Federal health programs, including public health training, hospital construction, family planning and health research. President Nixon proposed that five health programs be terminated. This law provides Congress with the time needed to study the proposal, while keeping the programs in operation.

Public Law 93-13 contains provisions to assure that the full amount approved by Congress for the school lunch program for 1972-73 will be made available either in cash or commodities.

Public Law 93-112, the Rehabilitation Act, provides for Federal assistance to States for vocational rehabilitation programs, with special emphasis on helping the most severely handicapped. This law is a scaled-down version of a bill Congress passed earlier but which was vetoed by President Nixon mainly on grounds that it would cost too much money.

Public Law 93-150 increases Federal assistance under the school lunch and child nutrition programs.

Public Law 93-151 authorizes funds for the next 2 fiscal years to prevent health damage from lead-based paint.

Public Law 93-154 authorizes Federal assistance in developing local emergency health care services.

BUSINESS AND FINANCE

Public Law 93-46 extends through June 1974, the authority of the Economic Development Administration to make loans and grants to upgrade the economy of so-called distressed areas. President Nixon had originally proposed to end this program.

Public Law 93-100 extends until December 1974, the authority of the Federal Reserve Board and certain other Federal agencies to set ceilings on interest rates or dividends payable by insured banks on time and savings deposits.

ECONOMIC POLICY

Public Law 93-28 extends until April 30, 1974, the President's authority to impose wage and price controls. This is the law which the Cost of Living Council and other administration officials have used in attempting to control inflation.

Public Law 93-110 formally approves the 10 percent devaluation of the dollar announced earlier in 1973 and asserts that the President "shall take all appropriate action" to achieve realization of stable international monetary reform.

Public Law 93-17 extends until June 1974, the provisions of the Interest Equalization Act. The law is designed to keep the balance-of-payments problem under control.

CONSUMER PROTECTION

Public Law 93-153 includes provisions giving the Federal Trade Commission legal authority to protect consumers against unfair business practices.

LAW ENFORCEMENT

Public Law 93-83 extends for 3 years the program, established in 1968, for assistance to State and local governments in improving their anticrime efforts.

EDUCATION

Public Law 93-84 authorizes funding for the next 2 years for the Public Broadcasting Corp., established by Congress to finance educational television. The law also authorizes grants for construction and improvement of local educational broadcasting facilities.

Public Law 93-35 extends the life of the National Commission on the Financing of Postsecondary Education.

I serve on the Appropriations subcommittee which handles appropriations providing funds for educational programs. The administration sought to reduce funds for many programs where the funds go to local districts, but wanted increases in some others such a national institute. We finally resolved the matter by reducing funds for the national offices as Congress preferred and funding most local programs at slightly over last year's level. A detailed table will be furnished upon request.

Public Law 93-133 extends for 3 years the National Foundations for the Arts and Humanities.

TRANSPORTATION

Public Law 93-87, the Federal Aid Highway Act, continues through 1976 the Federal program of assistance for constructing and improving rural, urban and interstate highways. It also allows, starting in June 1974, cities to use some of their money for streets from the highway trust fund for mass transit purposes.

Public Law 93-44, the Airport Development Acceleration Act, includes various provisions for Federal aid in developing and constructing airports. Also, the law forbids State or local governments from collecting a so-called head tax at airports.

Public Law 93-146 authorizes $107 million for the National Railroad Passenger Corp.—Amtrak—during fiscal year 1974.

Public Law 93-90 authorizes funds for the Railroad Safety Act during the 1974 fiscal year and provides for controls on the transportation of hazardous materials.

FOREIGN AFFAIRS

Public Law 93-49 extends the authorization for the Peace Corps through June 1974.

Public Law 93-59 provides an authorization for funding of Radio Free Europe and Radio Liberty.

Public Law 93-129 establishes the Board for International Broadcasting to allocate funds appropriated by Congress to Radio Free Europe and Radio Liberty.

VETERANS AFFAIRS

Public Law 93-82 provides that the Veterans' Administration may furnish

outpatient care to any veteran eligible for VA hospital care where the service is needed to prevent hospitalization, and expands medical care to veterans in certain other areas.

Public Law 93-43 provides certain burial benefits for veterans and also authorizes burial, at an appropriate time, of an unknown soldier of the Vietnam war in the Arlington National Cemetery.

Hearings have been held on my bill and others to increase Vietnam veterans educational benefits. I believe such a bill will pass soon.

AN ADDRESS BY CONGRESSMAN THOMAS LUDLOW ASHLEY TO THE NATIONAL LEAGUE OF CITIES, DECEMBER 3, 1973

(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, few Members of either the House of Representatives or the Senate are as respected for their knowledge of legislation affecting Federal-State-local relationships as our distinguished colleague, the gentleman from Ohio, Congressman THOMAS LUDLOW ASHLEY.

For this reason, I believe that his colleagues will read with particular interest the text of an outstanding address delivered by Mr. ASHLEY on December 3, 1973, to the National League of Cities.

Mr. ASHLEY has given us a most perceptive analysis of the so-called new federalism.

I insert the text of the speech in the RECORD:

SPEECH OF THOMAS LUDLOW ASHLEY

For most of our 200 years, the role of government in meeting the needs of the nation has been essentially passive; only since the depression years of the 1930's, and World War II has there been the emergence of a strong Federal Establishment. The Great Society programs of the 1960's assumed a broader scope of Federal responsibility for the social needs of our society, principally through a proliferation of categorical grant programs, many of which were structured to bypass the States.

Debate on the future of the Federal-State-local system of American government is not a new invention; it can be traced to the Johnson Administration where the new concepts were talked about in terms of what was called "creative Federalism." Then as now, the debate centered on power and money. The power was the power to decide how to spend the money, to establish priorities for social action, and to determine the best methods of meeting social needs. The money was the billions of dollars in Federal tax revenues.

NEW FEDERALISM: DOGMA, NOT DEBATE

Today the phrase is "New Federalism" but this no longer connotes important debate among participating levels of government but rather the political dogma which the present Administration has declared and forcefully set in motion.

The consequences have been predictable, partisan and divisive.

THE CORNERSTONES: PRINCIPLES AND REALITIES

Taken at its best, much of the New Federalism is as American as apple pie. It is based upon an expanding economy, with the primary role for private enterprise, to be supplemented later on by the Family Assistance Plan or some other form of income maintenance and other cash assistance—housing allowances, for example—to generate effective demand among the less affluent which the private sector will then satisfy.

A second tenant of New Federalism is decentralization to reduce the Federal role in policy and decision making, and the devising of policy instruments to enhance the role of state and local community problem solving. These policy instruments include General Revenue Sharing and Special Revenue Sharing for education, health, transportation, community development, manpower, and so forth.

The third cornerstone of New Federalism is reorganization of the Executive Branch to better serve states and localities. The main thrust here would be the amalgamation of functionally related executive departments into four super departments and Office of Management and Budget consolidation and simplification of grant procedures.

Because the Administration's New Federalism represents such a major shift in Federal-State-local relationships, its premises and their implications must be viewed very carefully.

I would start by saying that the economic predicate of an expanding economy is solid enough but reliance upon income maintenance or transfer to meet the needs of low and moderate income Americans presents some real problems.

PROGRAM HIGHLIGHTED BY LACK OF COMMITMENT

First off, this approach most certainly would be more equitable and efficient than our present welfare systems plus the myriad of other public programs which support the poor at every level of government—but only if it has sufficient commitment from the President, Congress and the American people for it to be signed into law and become operational.

The recent history of welfare reform obviously raises serious doubts in this regard. It's a matter of record that the President went on prime television to make the case for income maintenance and that the House responded by passing H.R. 1 in record time.

It's also a matter of record that the President withdrew his support during Senate consideration and launched an all-out attack on McGovern's very similar welfare reform proposals throughout last year's Presidential campaign.

Under such circumstances, how long will it be before the American people are willing to accept the Family Assistance Plan as a necessary and legitimate tool of public policy and to support the billions of additional welfare dollars that it involves.

THE ADMINISTRATION ATTACKS WHILE IT PROPOSES

A collateral question arises as to the willingness of the country and Congress to accept an $8–11 billion housing allowance program in light of the Administration's slashing attack on public housing and other assisted housing programs (which, incidentally, have been costing less than $2 billion a year)?

There's also a problem with the notion that the private sector will satisfy supply once effective demand is established for needy American families. We're told, for example, that the problem of families living in substandard shelter is an income problem and not a housing problem per se. Translated, this says that if the poor are given enough money to participate in the private housing market, the market forces will respond and housing will become available to meet the shelter needs of all Americans.

INDUSTRY WILL NOT INVEST FOR SOCIAL PROFIT

Quite clearly, it seems to me, this overlooks the history of military housing allowances and the fact that private enterprise, left to its own devices, can be expected to invest on the basis of profit incentive rather than social needs. And whether we like it or not, there's more profit in housing affluent Americans than needy Americans.

NOT DECENTRALIZATION, BUT SELECTIVE REJECTION

Turning to decentralization, the second cornerstone of new Federalism, the Administration has seen fit to resort to overstatement and deliberate distortion in contrasting the policy and decision making deficiencies and failure at the Federal level with the competence and honesty to be found with the States and localities. When we cut through the rhetoric—which is no easy job—we find that the Administration is quite ready to acknowledge the need for a strong Federal role where problems are clearly critical and national in scope—such as economic stabilization, energy and welfare—or are popular with the middle class—for example, environmental programs, research and development, and the hidden subsidies associated with FHA market housing programs.

Put another way, it's in the areas of human and community services—education, health, manpower, community development, etc. (those that really determine our social fabric)—that the Administration would transfer Federal responsibility to the States and localities.

SMOKESCREEN FOR AN ATTACK ON CONGRESS

It should also be noted that the Administration's view of decentralization is not limited to reducing the Federal role in order to achieve a better balance with State and local levels, but involves aggrandizement of power in the White House at the expense of Congress—a trade off which many of us find unwise and dangerous to put it mildly.

NEW FEDERALISM OUR NEW FISCAL DILEMMA

I also think it's fair to say that the Administration's New Federalism has produced a fiscal dilemma. Its promise was a better way of doing things through new General Revenue Sharing funds and through a substitution of Special Revenue Sharing monies for the categorical grants, with no slippage in the process.

I think Governor Carter of Georgia—who doesn't exactly share the political philosophy of a Bella Abzug—describes the results to date as accurately as anyone. He recently said:

"We were given every assurance by the President himself and by his representatives, including the then Secretary of the Treasury, John Connolly, that no other existing categorical grant program would be robbed to finance revenue sharing grants. That has not been the case. In Georgia we are getting $36.6 million per year in revenue sharing. We have lost at least $174 million in the process . . . At the last minute, and without change in our tax structure, Georgia has had to come up with $12 million in state funds to make up $13 million snatched from us by the new federal budget. A major portion of our highway trust funds have been withheld from Georgia—now about $34 million. As a last resort we had to float a $60 million bond issue simply to pay the Federal share of the construction of the interstate highway system. And funds had already been collected from motorists and put in a trust fund, which I think has been misnamed."

ADMINISTRATION HASTE SUBSIDIZES FRAGMENTATION

Another questionable premise of New Federalism, offered with no supporting evidence, is that states, localities and regional entities are strong enough to immediately assume responsibilities that have been Federal for a generation or more. The question is not one of competence but of structure. The fiscal tools of new Federalism, General and Special Revenue Sharing, have been designed to strengthen very small units of government,

thus subsidizing fragmentation rather than using resources to improve local capability through consolidation of overlapping and duplicatory areas of jurisdiction.

Moon Landrieu in typical fashion put this point in perspective when he said "Most Mayors across the United States support Special Revenue Sharing, provided it's done on a fair and equitable basis, provided it isn't done just to satisfy a constituent that doesn't necessarily need the money, provided it's done on a formula basis that places the money where the need is, and provided the Federal Government does not abandon its role in establishing national policy. Otherwise, we will further fragment the national effort and dissipate the national resources of this country, letting each individual area do that which it feels it most important.

DON'T DISSIPATE NATIONAL ASSETS

You can diffuse the administration of programs and you can eliminate some of the detail and red tape at the national level, but the national government dare not relax its position in establishing policy in terms of land use and housing and poverty and education. To do that ultimately would fragment the entire structure and dissipate the national assets. It would just subsidize parochialism which is a policy too expensive for us to maintain."

NOT THE PRODUCT OF FREE DEBATE

My final observation is that Administration's New Federalism, seeking to redefine the present areas of responsibility among Federal, state and local government, is not the product of free political debate even among the levels of government involved whose cooperation is essential. It's a political plan conceived in the White House which is sought to be imposed unilaterally upon the participants—even in the face of a host of court contests and adverse decisions.

Professor Bickel of Yale raised a telling question when he asked whether government can act effectively if it does not have the consent of the people. He went on to point out that the theory of federalism is based on an assumption "that in order to do enduring good, you have to do it by consent, that it is better to wait . . . and educate the constituency and get it to consent to do something than it is to force the constituency to act, because forcing it won't work." To which I would only add that if Federalism is based upon consent rather than force, what can be said of a new Federalism which is sought to be imposed by fund impoundments, program moratoriums and other coercive administrative actions of doubtful legality.

The great irony, of course, is that most of us are in agreement with the basic concept of New Federalism, just as we were with creative Federalism. The great and continuing tragedy is that the Administration has gone about it all wrong.

A UNILATERAL STRATEGY

If each one of us were asked what the national goals are, there would be as many answers as there are people sitting in this room. The fundamental responsibility of a President in our changing society is to define the important aims that we must work toward in the myriad aspects of human life. This has not been done. Instead of defining national goals to which the New Federalism strategy can relate and orchestrating the different levels of government to most effectively achieve specific objectives, we're told to accept the strategy whatever the national purposes may be, if any.

This is all wrong. It's wrong because our national commitment must be to definable legitimate aspirations of the American people.

NIXON HAS LET STRATEGIES FORM GOALS

Strategies cannot be allowed to shape or circumscribe our goals; our goals must determine the policies and strategies necessary for achievement.

FOUR WAYS FOR GOVERNMENT TO REFLECT NEEDS

If our country is going anywhere in terms of its domestic problems in the immediate years ahead—the next three to be exact—at least four conditions must be met.

First, the President must define our domestic goals and they must be goals which are consistent with our fundamental egalitarian tradition.

Second, the sorting out of Federal, state and local responsibilities must be done with mutual respect, multilateral participation, absolute absence of secrecy and without preconceived bias, particularly with respect to the Federal role in terms of stated national objectives.

Third, there must be complete assurance that any new or reoriented intergovernmental system won't be at the expense of the disadvantaged people in our society that many of our Federal programs were designed to help.

And fourth, there must be a commitment to provide adequate resources both during and after the new structures are in place.

NATIONAL GOALS A JOINT RESPONSIBILITY

In this undertaking, the roles of the President and Congress must be understood. Responsibility for defining our national goals is a joint one but the role of the President is crucial. He alone occupies the White House and he alone is responsible for the operation of the entire Executive Branch of the Federal establishment. Congress is comprised of 535 people, at least two political parties, and representatives of a broad spectrum of social, economic and regional interests.

It's quite easy for the Executive to encroach upon the prerogatives of the Legislative Branch, as we've seen over several decades, but it's impossible—in practical terms—for the Congress to provide an effective alternative source of leadership when the Executive Branch waivers or stumbles. Congress can support or refuse to support, it can initiate and modify, but it cannot assume—because it isn't structured to assume—the leadership role which the Constitution places in the chief executive.

What this means in terms of our discussion today is that the President—whoever it may be—must act like the President and the Congress must fulfill its legitimate function if new directions are to be charted which have any meaning in terms of our national life.

I take the responsibility of Congress seriously and so do most of your Representatives and Senators. The last thing I intend to accept on faith or even at face value is a mandate from the White House to accept its definition of a more orderly process of government. I want to know what it is we're trying to achieve and I want to have a voice in how we do the achieving. I have this right and so do the Governors and so do you.

If this is unacceptable to the President at this point in time, if we can't go about this undertaking cooperatively and constructively, then very little progress is in prospect.

THE AMERICAN PEOPLE MUST MAKE THEIR VOICES PERFECTLY CLEAR

Few would deny that we have reached a watershed in our efforts to improve American life. The great imperative today is for the American people—at every level of government—to make it clear—perfectly clear—that we're going to have a voice in shaping our own future and our own destiny.

NIXON'S ENERGY R. & D. EFFORT WON'T YIELD QUICK FIX

(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, I believe that Members of the House will read with great interest the following article "Nixon's Energy R. & D. Effort Won't Yield Quick Fix," by Philip M. Boffey.

The article, which was published in the December 1, 1973, issue of the journal, Science & Government Report, follows.

I should also like, Mr. Speaker, to insert another article from the same issue of Science & Government Report entitled "Energy Plan Lists Priorities, Boosts Fossil Fuel Research."

The articles follow:

NIXON'S ENERGY R. & D. EFFORT WON'T YIELD QUICK FIX

The major thrusts of President Nixon's $10 billion 5-year energy R&D program have begun to emerge and while the plans are subject to refinement and change, it is already clear that the program represents a significant increase in federal activity but no panacea for the energy crisis.

The rough outlines of the emerging plan were presented to a Nov. 14 meeting of the Energy R&D Advisory Council of the President's Energy Policy Office by Gorman Smith, a key assistant to Dixy Lee Ray, chairman of the Atomic Energy Commission, who has been charged with preparing recommendations for spending the $10 billion. Smith stressed that Ray had not given her final approval to the recommended funding levels, but he said she felt they were "near enough to within the ballpark" to be revealed for discussion.

Administration officials, wary of public distrust of official promises, emphasized that they are not manipulating the numbers to make it appear that they are making a major R&D effort when in fact there is none. As Smith put it, "it's not a shell game . . . it's a very major acceleration." Similarly, William T. McCormick, an alumnus of the former White House Office of Science and Technology who now serves as the key R&D staffer in the President's Energy Policy Office, told SGR "it's a very very ambitious program—we're doubling and tripling some programs."

The basis for those claims is that the President's $10 billion program represents a 51 per cent increase over the $6.6 billion that federal agencies had originally proposed spending for energy R&D in their long-range plans for the next five years. If the figures are accurate, that represents a substantial boost, though the President's critics are quick to point out that his ballyhooed "$10 billion" program really only contains about $3.4 billion in new money above the programs that were projected anyway.

The preliminary figures were developed by an armada of experts assembled by Dr. Ray. As a first step, some 15 technical panels were convened to recommend three levels of programs—a "minimum viable program," an "orderly" effort, and a "crash program." The panels caused considerable consternation by recommending a "crash program" that would cost $30 billion and an "orderly" program costing $18 billion. Even the "minimum" program totalled about $11.3 billion, more than the Nixon Administration's bold new effort had pledged to spend. That can be interpreted as evidence of the inadequacy of the Nixon effort or of the propensity of advisory committees to recommend the moon.

The panel recommendations were then pared down to $10 billion by an overview panel headed by Stephen Wakefield, assistant secretary of the interior for energy and minerals. It was the overview group's recommendations which were made public by Smith. The numbers may be modified by Dr. Ray before she delivers her final report to the White House on Dec. 3, and by the Office of Management and Budget and the White House energy office thereafter. But the gen-

eral thrust of the program is apt to remain the same.

Future spending plans tend to be little more than rough guidelines, however, so it is difficult to predict just what the Administration will allocate to energy R&D when it faces the task of preparing future annual budgets. McCormick said the White House does not regard $10 billion as a "magic figure . . . it could end up $9 billion or $11 billion." Moreover, the designated program will not necessarily include everything related to energy R&D. Smith told the Advisory Council that it is Dr. Ray's "current intention" to submit the $10 billion program with a suggestion that an additional $1 billion be spent for research on the environmental effects of energy and for basic research in areas that support the energy effort. He said the $10 billion figure already includes about $1.1 billion for "environmental control technology" and another $400 to $500 million that "might reasonably be called" basic research.

Whatever amount is spent, Administration officials acknowledge that the R&D program will contribute relatively little to achieving the President's announced goal of energy self-sufficiency by 1980. In his November 7 energy address over nationwide television, the President grandly christened his $10 billion R&D effort "Project Independence." Likening it to the Manhattan Project, which produced an atomic bomb, and the Apollo Project, which placed a man on the moon, the President asserted: "Let us pledge that by 1980, under Project Independence, we shall be able to meet America's energy needs from America's own energy resources."

But such rhetoric is causing consternation in the technical community, which fears a backlash when research fails to deliver the promised goods. When the proposed research program was outlined to the Advisory Council, Alvin Weinberg, director of the Oak Ridge National Laboratory, noted that the public was being given "high expectations" and questioned how much of the research would make any difference by 1985.

Smith replied that perhaps $4.5 billion of the $10 billion involved research that would produce an "initial effect" by 1985, but he acknowledge that "it's not going to do anything right now." To which Gordon J. F. MacDonald, director of the enviromental studies program at Dartmouth, amen-ed: "Theres no immediate technical fix."

One reason the federal program is unlikely to solve the immediate energy crisis is that it is simply a research program, not a production program: The analogy with the Manhattan and Apollo projects is thus not quite apt, since both those projects produced the device that was needed to solve the immediate problem. Another reason is that the federal effort is training its sights beyond 1980. In fact, the proposed federal program deliberately de-emphasizes short-run projects on the assumption that industry will make a major commitment of funds to research that will produce a prompt payoff. Smith estimated that private investment in energy-related R&D would total some $10 to $12 billion over the next five years, with almost all of the sum paying for short-term projects. Thus the Administration is counting on industry to launch a research effort that is as large or larger than the federal effort, and which will contribute more to reaching the avowed goal of self-sufficiency in seven years. This tack disturbed some members of the Advisory Council. Louis Roddis, vice chairman of Consolidated Edison in New York, suggested that "too many dollars" were being allocated to long-range projects and too few to more immediate possibilities.

So how, if the R&D program won't solve the current crisis, does the Administration hope to reach self-sufficiency. According to McCormick the chief hope is to conserve energy by dampening demand and increasing the efficiency of energy production and use. But that, of course, will require the political courage to force profound changes in our gluttonous, energy-wasting society. At this writing, there is no indication that the White House, beset with Watergate-related problems, is prepared to risk voter unhappiness by imposing anything more strict than a ban on Sunday gasoline sales.

ENERGY PLAN LISTS PRIORITIES, BOOSTS FOSSIL FUEL RESEARCH

The energy R&D program that is being put together by the Administration places highest priority on research areas that offer promise of a rapid move to energy self-sufficiency, secondary priority on research aimed at ensuring environmental quality, and lowest priority on research that might help cut the cost of energy.

John Sawhill, associate director of OMB, lamented that the President had hoped to receive options on how to balance the conflicting objectives of self-sufficiency, environmental protection, and low cost, but the numbers submitted to the White House will apparently already embody a preliminary decision on those choices.

The priority tasks for research in the emerging program include (1) conservation of energy by reducing demand and increasing the efficiency of production and distribution; (2) increased production of oil and gas by developing new recovery techniques and new sources, such as oil shale; and (3) substitution of coal for oil and gas. These first three tasks will help to secure a "fossil option" during the transition period while the nation seeks to validate the "nuclear option," Smith said. The remaining priorities include (4) guaranteeing the nuclear option by continuing research on safety, waste management, alternate reactor technologies, and the breeder; and (5) exploiting such long-range energy sources as fusion, geothermal, solar, and wind.

Perhaps the most significant new thrust is the increased emphasis on fossil fuel research. Federal agencies had originally planned to spend some $1 billion on research related to the fossil option over fiscal years 1975–79, but the new plan calls for 3½ times as much, or $3.7 billion. A major chunk of that will be devoted to coal. The fission program would receive only a slight boost, from an originally planned $4.09 billion to a recommended $4.39 billion, but it would continue to attract more funding than the fossil programs. (Several members of the Advisory Committee, including nuclear expert Alvin Weinberg, expressed fears that coal research will not be adequately supported.) As for programs aimed at a more distant payoff, fusion would get a slight boost, from $1.4 billion to $1.55 billion; solar would jump from $80 to $200 million, a substantial percentage increase; and geothermal would jump even more, from $20 to $185 million.

THE CITIZEN'S RIGHT TO KNOW IS ON THE LINE

(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, I believe that Members of Congress will read with interest the following summary, published in the Harvard Bulletin of July 1973, of a recent symposium conducted at Harvard University on the subject of "The Citizen's Right To Know."

The article follows:

THE CITIZEN'S RIGHT TO KNOW IS ON THE LINE

(A University Symposium)

The Watergate case brings Americans forcibly back to a basic issue of constitutional democracy: the citizen's right to know.

During Commencement week, four leading members of the communications industry discussed this issue in a University symposium. "Its timeliness and importance transcends today's headlines," said moderator Hartford Gunn '48, president of Public Broadcasting Service, Washington, D.C. "Sooner or later, it was bound to come out because of the nature of our times. The greater complexity of modern life, the worldwide interdependence of all of the peoples of this planet, the growing power of governments, destructive weaponry, communications technology—these play upon the individual, his society, and his government in a way that the remarkable fathers of this country could not have foreseen."

Besides Gunn, the members of the panel were:

John Jay Iselin '56, president of WNET-TV, New York educational television station.

J. Anthony Lewis '48, columnist and reporter of the New York Times.

Clark R. Mollenhoff, chief of the Washington Bureau of the Des Moines Register-Tribune, and former special counsel to President Nixon.

GUNN. We look today to our communications system to preserve and facilitate our need and our right to know. Yet we find that a wide range of questions and problems threatens to constrict our communication and distort the truths it must provide. For example, the proposed revision of the U.S. criminal code, making it a crime to offer or receive confidential government documents. The freedom-of-information law, and its possible abridgment by executive privilege. The use of subpoena power to command disclosure of confidential sources of information.

There are other factors, such as economic forces, that are not so visible. The increasing cost of communications, which leads to monopolies of the media, and reduction in time and space for news and public-affairs programming. Even the possible increase in postal rates may affect our access to essential information. Finally, there's the quality, enterprise, and courage of those who report for, edit, and control our mass media, which affects the flow of essential information.

Watching the Ervin Committee hearings, it seems to me that the public's knowledge has been advanced very significantly through access to these Senate hearings by television and raido. There are many similar opportunities with other hearings that are held in Washington. We could, and should, provide coverage of many of these other hearings, on a wide range of subjects.

But why stop with Congressional hearings? An important step in our right to know might be taken by Congress itself, if the floor debates of the House and Senate could be opened on a regular basis to television and radio. We face a serious problem—the continuing growth of the executive branch of the government, and the withering of the legislative branch. The effective use of the media by the President, and the lack of coverage of the legislative branch, could be a contributing factor to what may be a serious constitutional crisis before this or the next decade draws to a close.

If we were to make the public's business in Congress more accessible, we might raise the level of debate among our Representatives, engage the public in such debate, and provide a small weight on the side of the legislative branch. That might be a worthwhile gift to the people of the United States on the occasion of its two hundredth birth-

day in 1976, more rewarding than the presently planned pagents, parades, and firecrackers.

Clark Mollenhoff, what do you see as the major issues in this question of the public's right to know?

MOLLENHOFF. I think the core issue is executive privilege. This isn't something that Nixon invented. It was invented by President Eisenhower, although he claimed there were precedents going back to George Washington. Nixon simply solidified the idea, and misused and abused it in the ultimate way. It emerged, with the full danger that is apparent in the Watergate investigations, only in recent months. The American people have available now the full glory of what a dictatorship could be. We came very close to it with the landslide election, the "four more years," and the moves that Mr. Ehrlichman and Mr. Haldeman were engaged in last December, January, February, and in nominating Pat Gray as permanent director of the FBI. Had they succeeded in that, they would have locked in—as long as Nixon was in power—control over the FBI files, and much of the evidence that is flowing out today through the Ervin hearings.

One thing that has struck me over the years is the lack of press attention to much of the information that is available, that has been available, on all of the matters that are now coming before us dramatically in the Watergate. Obstruction of justice has taken place in essentially all of our agencies. The destruction of records, the condoning of perjury if it helps the in-group—this has taken place in Democratic and Republican administrations over the years. It's just worse today. Mr. Nixon, Haldeman, and Ehrlichman brought to perfection these insidious evils. That's really all that's happened, and it's come to the White House, where it shocks us.

I've been aware of this for years, and have even been praying for a Watergate, because it would dramatize to the American people the insidious doctrine of arbitrary secrecy bound up in executive privilege.

It doesn't make any difference what kind of freedom-of-information law you have on the books. If the executive reserves to himself the right to arbitrarily say that things will not be made public, witnesses will not be produced—then the maladministration of the freedom-of-information law is outside your purview.

You will always have misadministration of laws. What you have to have is the ability of Congress to move in and focus on these problems. This is why I feel the whole problem of government information is bound up with executive privilege.

I think the press has been soft on Richard Nixon. Soft because it opposed him ideologically, but did not oppose him on provable grounds of mismanagement and lack of due process in government—on misuse of executive privilege.

LEWIS. I think the press, on the whole has performed extremely badly over the last year. There's much too comfortable a relationship in Washington between the press and the government, at least at the top level. It makes it hard to say to those people that they are liars, that they are violating the law every day—which in fact they do, and have done.

I also think the public is much too accepting of secrecy, and of the notion that the President of the United States knows best. That is a wrong attitude to have toward any President . . . and a particularly wrong attitude to have toward *this* President.

There is a lack of understanding on the public's part of what is involved in freedom of the press. That it's risky, that it's uncomfortable, that it's often a nuisance, that mistakes are made; but that it's safer—as Jefferson said, if you had to choose between the government and the press, you'd rather have the press.

ISELIN. There has been a very public conspiracy, by all the governments in Washington during the Cold War, to defraud, deceive, and manipulate the American public. Under the guise of emergency powers, and the implied threat of marauding Communist powers from Asia to Eastern Europe, our governments have worked very hard at manipulating information.

This conspiracy has been elaborately participated in by the American press. Business is done in Washington through background briefings, unidentified sources. We have all been gulled into believing we knew a lot more than we actually did.

Until now, however, White House staff aides have tended to understand the outer limits of discretionary power. What we have seen lately is the lack of a sixth sense about discretionary power within the White House. In broadcasting, we have discovered a total lack of awareness that there should not be a concerted effort to specifically manipulate what is put out over a particular broadcasting system. We've also seen an effort to use FCC regulations to get commercial broadcasters to lay off doing virtually anything that would represent a critical view of people in the White House. This kind of attempt to manipulate and control information is really what has brought these guys down.

MOLLENHOFF. I accepted an appointment as special counsel under President Nixon, thinking of it as a chance to do something constructive. I did not realize that Haldeman and Ehrlichman had a control in the White House that was above and beyond anything that had taken place before. This was not observable from the outside. Had I written columns immediately after I returned to the outside, columns stating what the situation was relative to control over information that went to the President, control over what he read, who he saw—I would not have been believed. Only the Watergate has made that believable.

ISELIN. I think there's an important case to be made for the *President's* right to know. It will be interesting, one of these days, to see the way the daily log was prepared for the President. That log, of course, is all that the President claims to read. He doesn't have time for the newspapers and broadcasts that we see and hear. That log forms the definition of the universe that the President is thinking about.

LEWIS. If you have a President who is willing to have his reading selected for him. I don't think there's any law you can pass that will make him read something else. One cannot imagine John F. Kennedy reading only what Mr. Haldeman and Mr. Ehrlichman decided he should read.

GUNN. No one has mentioned, as an important issue, the use of subpoena power to get at reporters' notes and sources of information.

LEWIS. Clark Mollenhoff and I may be on the minority side in this one, but I know we are both opposed to proposals for statutory protection for journalists against subpoenas. We think those are things that have to be fought out by the individual journalist and by the discipline of the newspaper or broadcasting station. Any attempt to glorify the press with some privilege that other people don't have would be self-defeating.

MOLLENHOF. This would amount to an executive privilege for the newspaper profession. I do not feel that the newspaper profession is a better place than the White House to repose that kind of executive privilege—a right not to testify.

Question from the audience

Was special prosecutor Archibald Cox justified in asking that the Ervin Committee hearings be suspended?

LEWIS. The risk's involved in public examination of witnesses are very serious—not only in terms of poisoning the atmosphere of a criminal trial beforehand, but because laying out all the testimony of potential prosecution witnesses makes it so much easier for the potential defendants to arrange their lies and excuses.

On the other hand, I very strongly disagree with the notion of The Times of London, and Vice President Agnew, that the hearings should be stopped because they are injuring the constitutional rights of the people concerned. If in fact the hearings should prejudice their rights to an impartial jury, then they won't be able to be tried. What we're dealing with, however, is not only crime. There was here a political conspiracy an attempt at a coup, to change the form of government in the United States in secret. To change it by installing their own man in the FBI, sabotaging the opposition in the election, setting up a secret security plan that would entitle the President to have his own unknown apparatus to spy on every citizen.

If such a thing happened in Britain and became known, it would be debated in the House of Commons at once; it would be much nastier and noisier than anything that's happened in this country so far, and the Prime Minister would long since have been out of office.

MOLLENHOFF. I have faith in Archie Cox. That doesn't mean that I think Archie Cox, as an appointee of the executive branch of the government, should be able to shut off Congressional hearings, or shut off the press. Had the executive branch had the right to shut off the press, or the courts, we wouldn't have the revelations we're having today on the Watergate.

Question from the audience. Why can't the legislative branch assert itself, and force the executive branch to follow Congress?

MOLLENHOFF. I have always felt that Congress is the first branch of government, and must be supported in the exercise of its proper role in oversight over the executive branch.

LEWIS. Many of us, at other times, were too taken with the Presidency. We're coming around to see the dangers of that. I think the infatuation of universities and professors with the Presidency has been entirely excessive, and very bad.

Question from the audience. How can credibility be restored both to the Presidency and the press?

ISELIN. For all our inadequacies, there's an extraordinary strength in this society that has not been fully tapped or challenged. We have to do our damnedest to share important matters as fully and openly as we can with the public at large, and see what will come out of that.

MOLLENHOFF. I think the solution is an ombudsman, set up on a statutory basis so that he has absolute authority to anything and everything in the executive branch of the government. The job would have tenure, so that it would go beyond any administration or two administrations. It would have accountability. Its force would simply be in the reports that it writes, the facts that it brings to bear, the conclusions it draws, and the reasonableness of those conclusions. Had there been such a body, independent of the White House and accountable to Congress, it would have taken care of many of our problems.

LEWIS. The press is perhaps now in the

process of re-establishing its own standing. If it does serious work, and stops playing patsy to the executive branch, it will have done a great deal to establish its credibility.

The only way the Congress can do so is not to fall over for every claim by the executive branch that unless the Congress follows what the President says, the country's safety will be jeopardized. I can't think of a better way for Congress to re-establish its credibility than to stop the bombing of Cambodia, something that is utterly unauthorized by law.

Lastly, I have to say something rather tough. We don't yet know anywhere near all the facts about Watergate. But from what we do know—undisputed, confirmed by the White House itself—the President of the United States was engaged in the year 1970 in instituting a secret plan for internal security in this country, financed and carried on outside the law. In my view, our belief in the Presidency—our notion of what the Presidency ought to be—cannot be restored unless there is a different President in office.

GUNN. To sum up, then, there are probably no easy laws that can be passed to protect our right to know. Education, our institutions, the checks and balances of our government, the improvement of the press itself, are all involved.

We must all make our right to know an issue of our own personal concern. We can't leave it to the press, the government, or the courts. It is ultimately our problem, and we're going to have to press the issue home, every single time, or face the consequences.

AEC CHAIRMAN'S PROPOSAL FOR 5-YEAR ENERGY R. & D. PROGRAM

(Mr. PRICE of Illinois asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PRICE of Illinois. Mr. Speaker, the printed copy of the energy research and development proposal which was made by the Chairman of the AEC, Dr. Dixy Lee Ray, is being made available today. The President directed the preparation of these recommendations on June 29.

The recommendations are now being reviewed by executive agencies. The recommendations which are accepted by the administration will be included in the fiscal year 1975 authorization requests to the Congress early next year.

In light of the critical importance of energy matters I would like to include a number of summary schedules of the recommendations at the close of my remarks.

I want to make it clear that I neither endorse nor disapprove the recommendations at this time. I plan to study them in detail, as all of my colleagues I am sure will do also, before reaching any conclusions on what aspects of the recommendations should be accepted.

One thing is evident and that is that the proposed energy R. & D. program will not contribute significantly toward achieving the objective of U.S. energy "self-sufficiency" by 1980—or by 1985, or perhaps even by 1990. Apparently additional recommendations toward reaching the 1980 self-sufficiency goal will be made at a later time.

The report follows:

STATISTICAL SUPPLEMENT TO THE NATION'S ENERGY FUTURE

(A report to Richard M. Nixon, President of the United States, December 1, 1973. Submitted by Dr. Dixy Lee Ray, Chairman, United States Atomic Energy Commission)

SUMMARY SCHEDULE—FISCAL YEARS 1975–79

[In millions of dollars]

	President's message		Fiscal years 1975–79 energy R. & D. program						Agency 1975–79 program
	1973	1974	1975	1976	1977	1978	1979	1975–79	
RECOMMENDED ENERGY R. & D. PROGRAM									
Conservation:									
Reduced consumption	12.1	22.3	29.9	43.7	51.5	44.4	40.5	210.0	15.0
Increased efficiency	40.7	40.0	136.3	223.4	267.0	287.8	315.5	1,230.0	80.0
Total conservation	52.8	62.3	166.2	267.1	318.5	332.2	356.0	1,440.0	95.0
Increase production of oil and gas:									
Production	12.8	11.2	31.7	89.1	79.5	59.5	50.2	310.0	50.0
Resource assessment	7.2	8.3	20.0	23.0	29.5	37.5	40.0	150.0	40.0
Total, increase production of oil and gas	20.0	19.5	51.7	112.1	109.0	97.0	90.2	460.0	90.0
Substitute coal for oil and gas:									
Mining			45.0	57.0	64.0	77.0	82.0	325.0	
High combustion			30.0	35.0	40.0	44.0	51.0	200.0	
High Btu gasification			35.0	75.0	92.0	81.0	57.0	340.0	
Coal liquefaction			75.0	75.0	75.0	75.0	75.0	375.0	
Low Btu gasification			30.0	37.0	42.0	48.0	43.0	200.0	
Synthetic fuels—industry pioneering			100.0	100.0	55.0	50.0	50.0	355.0	
Environmental control technology			70.0	50.0	42.0	45.0	53.0	260.0	
Supporting R. & D.			20.0	22.0	24.0	27.0	27.0	120.0	
Total, substitute coal for oil and gas	88.8	167.2	405.0	451.0	434.0	447.0	438.0	2,175.0	842.0
Validate the nuclear option:									
Safety and other	42.7	51.7	90.6	125.6	143.0	170.5	189.5	719.2	609.9
Uranium enrichment	50.3	56.8	64.2	54.8	57.4	58.5	59.4	294.2	284.5
High temperature gas reactor	7.2	14.2	40.0	44.7	24.2	26.9	28.0	163.8	128.6
Light water self-sustaining reactor	29.5	29.0	21.4	17.7	9.8	9.8	9.8	68.5	68.5
Liquid metal fast breeder reactor	253.8	356.8	477.0	538.6	510.8	524.2	506.0	2,556.6	2,470.
Gas cooled fast breeder	1.0	1.0	17.0	23.0	29.0	33.0	38.0	140.0	27.0
Advanced technology	11.3	7.8	21.5	24.5	30.5	34.0	37.2	147.7	83.2
Total, validate the nuclear option	395.8	517.3	731.7	828.9	804.7	856.8	867.9	4,090.0	3,672.3
Exploit renewable energy resources:									
Fusion—confinement	39.7	55.8	135.0	230.0	261.0	338.0	376.0	1,340.0	1,132.0
Fusion—laser	35.1	42.9	10.0	20.0	25.0	25.0	30.0	110.0	
Solar	4.2	13.2	32.5	39.9	41.4	42.2	44.0	200.0	80.0
Geothermal	3.8	11.1	40.0	41.0	40.8	35.7	27.5	185.0	20.0
Total, exploit renewable energy resources	82.8	123.0	217.5	330.9	368.2	440.9	477.5	1,835.0	1,232.0
Total, energy R. & D. program	640.2	889.3	1,572.1	1,990.0	2,034.4	2,173.9	2,229.6	10,000.0	5,931.3
RECOMMENDED SUPPORTING PROGRAMS									
Supporting programs:									
Environmental research			105.9	121.9	128.5	147.4	146.3	650.0	
Basic research			43.0	58.0	66.0	67.0	66.0	300.0	
Manpower development			5.0	9.0	12.5	12.3	11.2	50.0	
Total, supporting programs			153.9	188.9	207.0	226.7	223.5	1,000.0	
RECOMMENDED ENERGY R. & D. PROGRAM—CONSERVATION									
Reduced consumption:									
End-use consumption	6.8	15.5	19.9	31.7	37.5	31.4	29.5	150.0	5.0
Improved management	5.3	6.8	10.0	12.0	14.0	13.0	11.0	60.0	10.0
Total, reduced consumption	12.1	22.3	29.9	43.7	51.5	44.4	40.5	210.0	15.0

SUMMARY SCHEDULE—FISCAL YEARS 1975–79—Continued

[In millions of dollars]

	President's message		Fiscal years 1975–79 energy R. & D. program						Agency 1975–79 program
	1973	1974	1975	1976	1977	1978	1979	1975–79	
RECOMMENDED ENERGY R. & D. PROGRAM—CONSERVATION—Continued									
Improved efficiency:									
High temperature gas turbine			18.3	66.8	79.3	76.8	73.8	315.0	
Advanced cycle, fuel cells, and other	15.1	10.8	18.0	31.6	52.3	50.4	57.7	210.0	
Advanced auto propulsion	19.8	22.7	53.0	59.0	59.0	71.0	58.0	300.0	
Rail, bus, ship, and air			20.0	32.5	36.5	44.8	71.2	205.0	
Energy and fuel, transportation and storage	5.8	6.5	27.0	33.5	39.9	44.8	54.8	200.0	
Total, improved efficiency	40.7	40.0	136.3	223.4	267.0	287.8	315.5	1,230.0	80.0
Total, conservation	52.8	62.3	166.2	267.1	318.5	332.2	356.0	1,440.0	95.0
RECOMMENDED ENERGY R. & D. PROGRAM—SUMMARY									
Operating expenses			1,062.1	1,311.0	1,451.4	1,519.3	1,618.8	6,962.6	
Equipment			160.7	233.4	211.3	242.4	250.3	1,098.1	
Construction			349.3	445.6	371.7	412.2	360.5	1,939.3	
Total			1,572.1	1,990.0	2,034.4	2,173.9	2,229.6	10,000.0	
RECOMMENDED ENERGY R. & D. PROGRAM									
Operating expenses:									
Conservation:									
Reduced consumption			26.6	34.3	38.2	36.6	35.2	170.9	
Increased efficiency			112.2	155.5	178.8	190.2	216.0	852.7	
Total, conservation			138.8	189.8	217.0	226.8	251.2	1,023.6	
Increase production of oil and gas:									
Production			26.0	70.2	67.6	51.6	45.9	261.3	
Resource assessment			14.8	19.8	24.7	31.5	33.7	124.5	
Total, increase production of oil and gas			40.8	90.0	92.3	83.1	79.6	385.8	
Substitute coal for oil and gas:									
Mining			28.5	34.5	36.0	41.5	45.5	186.0	
Direct combustion			12.8	18.4	10.9	12.4	13.3	67.8	
High BTU gasification			12.5	24.0	47.0	49.0	53.0	185.5	
Coal liquefaction			52.0	38.0	38.0	40.0	45.0	213.0	
Low BTU gasification			3.8	5.0	7.0	10.0	14.0	39.8	
Synthetic fuels—industry pioneering			46.0	45.5	50.0	44.5	44.0	230.0	
Environmental control technology			42.0	25.0	22.0	30.0	47.0	166.0	
Supporting R. & D.			18.0	20.0	21.5	24.0	24.0	107.5	
Total, substitute coal for oil and gas			215.6	210.4	232.4	251.4	285.8	1,195.6	
Validate the nuclear option:									
Safety and other	37.7	45.1	74.8	88.5	104.6	117.6	130.6	516.1	440.1
Uranium enrichment	25.2	31.1	44.1	47.0	48.0	49.0	50.0	238.1	165.2
High temperature gas reactor	7.1	13.8	20.8	21.3	22.8	25.3	26.3	116.5	87.0
Light water self-sustaining reactor	28.8	23.7	21.1	17.4	9.3	9.3	9.3	66.4	66.4
Liquid metal fast breeder reactor	205.4	240.5	303.6	361.3	380.4	390.6	382.3	1,818.2	1,913.9
Gas cooled fast breeder	1.0	1.0	13.0	21.4	26.8	30.2	34.6	126.0	24.0
Advanced technology	11.3	7.8	21.1	23.8	29.2	32.4	35.6	142.1	83.2
Total, validate the nuclear option	316.5	363.0	498.5	580.7	621.1	654.4	668.7	3,023.4	2,779.8
Exploit renewable energy resources:									
Fusion—confinement	37.0	51.8	112.0	170.0	125.0	235.0	265.0	997.0	731.0
Fusion—laser	24.5	32.5	8.0	17.0	22.0	22.0	27.0	96.0	205.0
Solar			21.2	22.4	21.5	19.3	19.9	104.3	
Geothermal			27.2	30.7	30.1	27.3	21.6	136.9	
Total, exploit renewable energy resources			168.4	240.1	288.6	303.6	333.5	1,334.2	
Total, energy R. & D. program			1,062.1	1,311.0	1,451.4	1,519.3	1,618.8	6,962.6	
Equipment obligations:									
Conservation:									
Reduced consumption			2.7	6.2	8.7	4.2	3.5	25.3	
Increased efficiency			20.5	41.2	49.0	46.2	47.2	204.1	
Total, conservation			23.2	47.4	57.7	50.4	50.7	229.4	
Increase production of oil and gas:									
Production			5.7	18.9	11.9	7.9	4.3	48.7	
Resource assessment			2.7	3.2	4.3	6.0	6.3	22.5	
Total, increase production of oil and gas			8.4	22.1	16.2	13.9	10.6	71.2	
Substitute coal for oil and gas:									
Mining			13.0	16.0	18.5	22.5	30.0	100.0	
Direct combustion			5.1	6.6	9.4	10.2	15.1	46.4	
High BTU gasification			1.5	1.0				2.5	
Coal liquefaction			5.0	7.0	5.0	6.0	10.0	33.0	
Low BTU gasification			1.0	1.7	2.0		1.0	5.7	
Synthetic fuels—industry pioneering			4.0	4.5	5.0	5.5	6.0	25.0	
Environmental control technology			10.0	5.0	4.0	4.0	5.0	28.0	
Supporting R. & D.			2.0	2.0	2.5	3.0	3.0	12.5	
Total, substitute coal for oil and gas			41.6	43.8	46.4	51.2	70.1	253.1	
Validate the nuclear option:									
Safety and other	2.7	2.3	13.8	7.1	8.4	8.9	8.9	47.1	26.5
Uranium enrichment	2.2	1.7	5.1	4.8	6.4	6.5	6.4	29.1	20.2
High temperature gas reactor	.1	.4	1.2	1.4	1.4	1.6	1.7	7.3	1.6
Light water self-sustaining reactor	.7	5.3	.3	.3	.5	.5	.5	2.1	2.1
Liquid metal fast breeder reactor	9.9	11.8	23.4	33.3	27.4	29.6	40.7	154.4	122.7
Gas cooled fast breeder			1.0	1.6	2.2	2.8	3.4	11.0	
Advanced technology			.4	.7	1.3	1.6	1.6	5.6	
Total, validate the nuclear option	15.6	21.5	45.2	49.2	47.6	51.4	63.2	256.6	173.1

	President's message		Fiscal years 1975–79 energy R. & D. program						Agency 1975–79 program
	1973	1974	1975	1976	1977	1978	1979	1975–79	
Exploit renewable energy resources:									
Fusion—confinement	2.5	3.8	23.0	49.0	24.0	58.0	35.0	189.0	133.5
Fusion—laser	2.0	3.4	2.0	3.0	3.0	3.0	3.0	14.0	23.6
Solar			8.3	11.6	11.0	10.1	14.6	55.6	
Geothermal			9.0	7.3	5.4	4.4	3.1	29.2	
Total, exploit renewable energy resources			42.3	70.9	43.4	75.5	55.7	287.8	157.1
Total, equipment obligations energy R. & D. program			160.7	233.4	211.3	242.4	250.3	1,098.1	
Construction obligations:									
Conservation:									
Reduced consumption			.6	3.2	4.6	3.6	1.8	13.8	
Increased efficiency			3.6	26.7	39.2	51.4	52.3	173.2	
Total, conservation			4.2	29.9	43.8	55.0	54.1	187.0	
Increase production of oil and gas:									
Production									
Resource assessment			2.5		.5			3.0	
Total, increase production of oil and gas			2.5		.5			3.0	
Substitute coal for oil and gas:									
Mining			3.5	6.5	9.5	13.0	6.5	39.0	
Direct combustion			12.1	10.0	19.7	21.4	22.6	85.8	
High Btu gasification			21.0	50.0	45.0	32.0	4.0	152.0	
Coal liquefaction			18.0	30.0	32.0	29.0	20.0	129.0	
Low Btu gasification			25.2	30.3	33.0	38.0	28.0	154.5	
Synthetic fuels—industry pioneering			50.0	50.0				100.0	
Environmental control technology			18.0	20.0	16.0	11.0	1.0	66.0	
Supporting R. & D.									
Total, substitute coal for oil and gas			147.8	196.8	155.2	144.4	82.1	726.3	
Validate the nuclear option:									
Safety and other	2.3	4.0	2.0	30.0	30.0	44.0	50.0	156.0	143.3
Uranium enrichment	22.9	24.0	15.0	3.0	3.0	3.0	3.0	27.0	99.1
High temperature gas reactor			18.0	22.0				40.0	40.0
Light water self-sustaining reactor									
Liquid metal fast breeder reactor	38.5	104.5	105.0	144.0	103.0	104.0	83.0	584.0	434.0
Gas cooled fast breeder			3.0					3.0	3.0
Advanced technology									
Total, validate the nuclear option	63.7	132.5	188.0	199.0	136.0	151.0	136.0	810.0	719.4
Exploit renewable energy resources:									
Fusion—confinement	.2	.2		11.0	22.0	45.0	76.0	154.0	267.5
Fusion—laser	9.1	7.0							100.8
Solar			3.0	5.9	8.9	12.8	9.5	40.1	
Geothermal			3.8	3.0	5.3	4.0	2.8	18.9	
Total, exploit renewable energy resources			6.8	19.9	36.2	61.8	88.3	213.0	
Total energy R. & D. program			349.3	445.6	371.7	412.2	360.5	1,939.3	
Operating expenses—Supporting programs:									
Environmental research			88.5	98.5	111.0	125.7	137.1	560.8	
Basic research			39.0	52.1	59.6	60.7	59.2	270.6	
Manpower development			5.0	9.0	12.5	12.3	11.2	50.0	
Total, operating expenses			132.5	159.6	183.1	198.7	207.5	881.4	
Equipment—Supporting programs:									
Environmental research			5.9	9.9	10.5	18.7	6.2	51.2	
Basic research			4.0	5.9	6.4	6.3	6.8	29.4	
Manpower development									
Total, equipment			9.9	15.8	16.9	25.0	13.0	80.6	
Construction—Supporting programs:									
Environmental research			11.5	13.5	7.0	3.0	3.0	38.0	
Basic research									
Manpower development									
Total, construction			11.5	13.5	7.0	3.0	3.0	38.0	
Total, supporting programs			153.9	188.9	207.0	226.7	223.5	1,000.0	

AVIATION FUEL SAVING

(Mr. MILFORD asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MILFORD. Mr. Speaker, on November 30, 1973, I wrote a letter to the Honorable Alexander P. Butterfield, Administrator of the Federal Aviation Administration; concerning conservation measures for saving fuel in the aviation industry. That letter was published in the CONGRESSIONAL RECORD the same day.

Mr. Butterfield has replied to my letter in a very forthright manner. As his letter will indicate, FAA is taking immediate steps to conserve energy.

I would like to commend Mr. Butterfield along with the men and women in the Federal Aviation Administration. Due to the tremendous growth of civil aviation, FAA has never had enough in the way of personnel and equipment to do what was expected of them. In spite of that handicap, that Agency is "pouring a little more water in the soup" to cope with our fuel shorage.

So that all Members may be appraised of the conservation measures being taken, I would like to include Mr. Butterfield's letter in the RECORD.

DEPARTMENT OF TRANSPORTATION,
FEDERAL AVIATION ADMINISTRATION,
Washington, D.C., December 4, 1973.

Hon. DALE MILFORD,
House of Representatives,
Washington, D.C.

DEAR DALE: In view of early pronouncements of proposed fuel allocations to aviation, I read your letter of November 30 with deep interest. Word that you and your colleagues are taking steps to see that language of the Emergency Energy Bill does not discriminate is gratifying.

As you surmised, the FAA has been deluged with mail from its constituency. Corporate aircraft owners, air taxi operators, private pilots, scheduled carriers and airline pilots, in large numbers, have made their views regarding various aspects of the fuel crisis known to us; many with complaints, others with suggestions for improving aircraft operations and air traffic control system management—"for the duration."

It is clear that the shortage of petroleum distillates for all of aviation's needs will be one of long duration. Until measures to stimulate domestic energy production (including nuclear) are taken, new sources are exploited, and currently less conventional energy forms are perfected, the energy crunch will

require considerable sacrifice by industry and consumer alike.

Meanwhile, if the best interests of the American people, their industry, and the economy are to be served, the very complex issues of energy conservation must be attended to with wisdom. This is especially true of the aviation community. While sacrifices by private and commercial segments of the aviation community must be made, and fuel consumption must be reduced, hopefully both may be accomplished without a disastrous economic impact. Neither, however, can be permitted to compromise aviation safety.

The foregoing has been this agency's philosophy as we have moved to meet the constraints of fuel and petroleum allocations now in effect and pending. Actions taken thus far, or which will shortly go into effect, for the most part provide solutions to pilot complaints cited in your letter in the following areas: (1) holding pattern times; (2) takeoff holding times; and (3) gate-starts followed by long taxi distances.

On November 20 I announced a seven-point program for increasing aircraft operational efficiency and designed to save up to 20,000 barrels (840,000 gallons) of jet fuel *per day*. The savings, incidentally, would amount to 2.7 percent of the total amount of jet fuel consumed daily in the United States and, moreover, would be accomplished without compromise to aviation safety. These actions include: revision of gate-hold procedures: the increased use of optimum aircraft cruising speeds; holding aircraft at higher altitudes to effect greater fuel savings: taxing aircraft with fewer engines; the increased use of simulators for training and check flights; and encouraging airport building sponsors to accelerate construction programs involving runway and taxiway improvements.

On November 21 air traffic controllers throughout the system were issued the following instructions:

1. Relax the requirements for preferential routings during periods when there is no valid operational need to regiment the traffic. Frequently, the published preferred route imposes fuel penalties. During periods of light traffic the need for strict regimentation is not required.

2. Assign the most economical altitude. Redouble your efforts to give the pilot the altitude he requests. When possible, assign the highest possible altitude to turbojets in holding patterns.

3. Approve direct routes when requested. Inconvenience to the ATC system should not be the sole reason for disapproving direct routes.

4. Discontinue the use of standard terminal arrival routes and standard instrument departure routings during periods when traffic does not require.

5. Honor requests for direct radar vectors to reduce time and distance flown. Also, volunteer this kind of service when the opportunity presents itself.

In further definition of my November 20 seven-point fuel conservation program, the objective of revising gate-hold procedures is to reduce the time aircraft spend at the end of a runway waiting to take off with engines running to five minutes or less. This means aircraft would be held at the loading gate when departure delays exceed five minutes. Present procedures allow departure delays to reach 15 minutes before instituting gate-hold procedures.

In revising flow control procedures, FAA will be trying to reduce the time aircraft spend aloft in holding patterns by matching airport capacity as closely as possible to traffic demand. One way of achieving this goal would be to keep aircraft at their departure airports when congested conditions exist at the destination airport. The key, of course, is the acceptance rate at destination airports. We are working with the airline industry in accelerated development of flow procedures. When finalized, our new procedures will be put to use at major terminals throughout the country following "shakedown" tests at Chicago O'Hare Airport in January.

Finally, air traffic control measures such as holding aircraft in terminal area patterns at high altitudes where they burn less fuel, and the assignment of en route altitudes that permit the greatest fuel conservation procedures and minimizing circuitous routings have assumed priority importance by air traffic controllers. Ideally, the FAA should, as the result, be able to preplan and coordinate arrival times of all instrument flight plan traffic in such a way as to avoid extended holding pattern delays. Indeed, with our computerized and largely automated air traffic control system, such an eventuality is technically possible.

As a practical matter, however, implementation of a priority airport landing system, IFR vis-a-vis VFR, as a means of conserving fuel does not appear to be warranted at this time. The first-come first-served policy is judiciously applied by controllers to ensure the most efficient use of airport and airspace considering the type of aircraft involved. Changing to a strict priority system could create additional problems within the air traffic control system without any real assurance of savings of fuel. In fact, rigid application of a priority system could result in higher fuel waste. Therefore, we intend to use the best of both concepts. The first-come first-served policy will remain in effect. However, a reminder has been issued to controllers that fuel consumption is to be taken into consideration in their maintenance of efficient use of airspace. The scope of existing policies allows this usage.

In summary, please be assured that the Federal Aviation Administration is vigorously investigating all phases of aircraft operations and procedures of the air traffic control system to achieve maximum aviation fuel conservation.

Sincerely,

ALEXANDER P. BUTTERFIELD,
Administrator.

MESSAGE FROM THE GRASSROOTS

(Mr. RANDALL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. RANDALL. Mr. Speaker, some of my colleagues tell me they have recently received some very plain and unvarnished letters on the fuels and energy crunch.

In a recent mail our office had a letter from one of our good friends in St. Clair County, Mo., Mayor Glen F. Toalson. Glen has served as mayor of his home city of Osceola, Mo., for several years. He happens to be an oil and gasoline jobber. He is known and respected as a civic minded citizen. He has long been an acknowledged leader in his community. For such reasons I usually pay close attention to the content of his letters. After I read a part of his most recent correspondence, I became convinced that many of the recitations contained in his letter were things that deserved to be shared with my colleagues, because in my opinion his letter expresses the present mood of America. In the contents of his letter is a message from the grassroots.

Some of my constituent's comments may seem a little harsh toward the environmental protection agency but after careful consideration I have concluded his logic is sound as he takes issue with one Erik Stork of EPA who would have us believe that present emission controls do not reduce the mileage of our late model cars. On this issue all the evidence I know of is on the side of the mayor of Osceola.

Someone has said it is never wise to agree with the president of General Motors. Notwithstanding, Edward N. Cole, the president of General Motors, may be correct when he says that if we can take emission controls off about 40 million late model cars we may thereby save 5 billion gallons of gasoline a year. If that is even close to being true then I am ready to listen to Mr. Cole as well as to the admonitions of my constituent Glen Toalson, the mayor of Osceola, Mo.

I hope no one jumps to the conclusion that there has to be some kind of destructive collision between emission controls and the energy crisis. What is proposed is that this country should be willing to accept or agree to a temporary trade-off in the form of a slowdown on automotive emission devices to enjoy the needed gasoline economy as a purely temporary measure to ease the shortages we will surely suffer from in the short term ahead.

Mr. Speaker, I ask my colleagues to note at the conclusion of Mayor Toalson's letter the 12 suggestions for action by Congress that could prevent strict rationing and mean enough saving of gasoline to allow for some more fuel to heat our homes in the winter we are now approaching.

I am privileged to read into the RECORD at this time the letter I have referred to above:

OSCEOLA, MO., *November 21, 1973.*

Hon. WILLIAM J. RANDALL,
House Office Building,
Washington, D.C.

DEAR MR. RANDALL: As you know I am an oil and gasoline jobber. Our energy crisis, naturally, is uppermost in my mind. Mrs. Toalson and I consider ourselves environmentally minded people. We know full well that our environment must be protected. However, we believe our problem must be approached in a methodical manner and not the collision course that we're now on.

The American people cannot and will not go along with some of the arbitrary and capricious decisions of bureaucrats to whom the tranquility of caribou, or the quality of air inhaled by coyotes and rattlesnakes, or water quality for the paddlefish is more important than oil for industry, schools, homes, etc. I'm sure Congress did not intend for the Environmental Protection Act of 1969 to be implemented by such persons.

Many dealers have been forced to close because of product shortage, and many more will close in the months ahead. Many jobbers are in financial peril and will go under if rationing is forced on this country. We have had the allocation program for over

a year in distillate fuel and for nearly a year in gasoline. Therefore, we already have rationing. We have had to buy over ¼ million gallons of gasoline from importers since June 1 in order to keep our three remaining stations open.

Rationing by coupon is ridiculous. The Administration has estimated a cost of 170 million dollars to administer coupon rationing for one year. In my opinion, they have underestimated 50 million dollars. Thousands of bureaucrats would have to be employed to administer the rationing program at all levels. In all likelihood they would have no more common sense than Dr. Dunlop and his present Cost of Living Council. In my opinion it would be better to pay the above-mentioned millions to the Canadian Government for their increased export tax and thus assure an increase of imports from Canada.

As for the suggested gasoline tax—a 30¢ tax would break every small jobber and dealer in business. His capital requirements would be more than doubled to maintain an inventory: capital requirement and accounts receivable would increase no less than 75%.

The high cost of money would shrink our margin to a point that with less product sales we could not survive.

As for the proposed 50 mile per hour speed limit, this is not realistic. For automobiles a 60 MPH limit would work. Today's cars are not built for 50 mile speeds. At this speed and slower, plugs will carbon up and thereby use more gas. There isn't one motorist in 10 that will have his engine checked and tuned at the required frequency necessitated by this slow speed.

Over the road trucks will use considerable more fuel at the slower speed because of gear ratios. A diesel engine is designed for high RPMs. A slow down will necessitate a much lower gear and thereby increase fuel consumption. I have discussed this with drivers and all have told me the same fact. In addition to increased fuel consumption, road time will be increased. This means freight deliveries would be slowed and motor freight rates would have to be increased. Truck engines would wear out faster and there would be other increased costs.

The EPA's meat axe approach to cleaning up the air with emission controls that increase the use of gasoline on late model cars should be suspended. Detroit and auto dealers should be authorized to make some modification on all cars since 1970 models. Certain minimum changes, according to Mr. Edward N. Cole, President of General Motors, would save 5 billion gallons of gas per year. This alone will give us nearly 120 million barrels of product for No. 2 fuel.

Two or three days prior to Mr. Cole's statement, I suggested to two representatives in Washington that this modification of pollution emission devices be considered. Most cars would get from three to five miles more per gallon which would reduce consumption by 35%. 75% of sales in our stations go into '70 to '74 model year cars. To date in this calendar year, our dealers have sold approximately 1 million gallons. Therefore, in our company alone in 11 months, our customers could have saved over 250,000 gallons of gas. I feel Mr. Cole's figures are on the conservative side since there are some 40 million cars of 1970–74 models in use.

It is a shame that a statement by a qualified individual, such as Mr. Cole, would be attacked by an ecological extremist, such as Mr. Eric Stork, Director of the EPA automobile antipollution program. Mr. Stork has described Mr. Cole's proposals as preposterous: he went on to say that the auto industry is just using the opportunity of the energy shortage as another attack on the Clean Air Act.

Mr. Stork went on to say that Mr. Cole's proposal would not save gas and might make fuel consumption worse. He added that Mr. Cole's proposal "is not practical and overlooks the real cause of high fuel consumption," to wit, "that emission controls have adversely affected only the fuel consumption of heavy cars of the type Mr. Cole builds." Mr. Stork also was quoted as saying "Our data shows that the emission controls on light cars, under 3500 pounds, actually improved fuel economy."

Mr. Stork and his associated "pseudo-do-gooders" have done an excellent job in brain washing many people into believing that motor car fuel consumption is increased because of air conditioning, auto-transmissions, power brakes, power steering and not from emission controls. His theory is an insult to your and my intelligence.

Since 1953 all of the cars I have owned have been equipped with air conditioning, power steering, brakes and auto-transmission—Fords, Pontiacs, Buicks and now 98 Oldsmobiles. Not until 1971 did I ever have a car that would give me less than 15 to 17 miles per gallon at 65 to 70 MPH. Now I get 12 miles per gallon on my '71 "98" and finally 10 miles per gallon on my '73 "98". Also, Mr. Stork's data on light cars is about as phony as a rubber crutch. My son owned a '69 Volkswagen—his mileage was 28–30 miles per gallon. Then he traded for a '72 model—his consumption of fuel then increased to the point that he now gets only 20–22 miles per gallon. According to my calculations, that is 28% less mileage. Mr. Stork in my judgment would have difficulty pouring water out of a boot with directions written on the heel.

In summation, let me urge that Congress:

1. Continue with allocations and not rationing as we had in WW II and let the market place determine the price—both wholesale and retail.

2. Don't allow any 10 to 30c Federal Gas Tax to be levied—the minute that happens every "do-gooder" in the land would be grabbing at it for some social or "whatever program," and the tax would never be cancelled. The American people and economy cannot stand this exorbitant tax.

3. Recognize that on fuel for emergency vehicles—there is no problem—all communities have jobbers who will see to it that these vehicles are ready to roll at all times.

4. Stop the exports of fuel even though the amount is only about 1% of our supply—it is a matter of public relations and principle.

5. Follow Mr. Cole's proposal and completely disregard Eric Stork's double talk.

6. Restore tax credits to oil companies.

7. Restore depletion allowances.

8. Limit the activities of the "environmentalists" from using our courts to make the energy crisis worse.

9. Suspend the Clean Air Act for the duration of the current energy crisis.

10. Enact legislation to expedite new sources of nuclear and solar energy.

11. Fund the Harry S. Truman Dam and all other public work projects that will produce pollution-free hydroelectric power.

Finally, we should all avoid casting blame on any one group or individual for the mess we are in. It is time to work together if we expect a quick recovery and to put America back where she belongs—the Number One Nation in the world.

Very Truly Yours,

GLEN F. TOALSON.

A NEW "ENERGY CZAR"

(Mr. UDALL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. UDALL. Mr. Speaker, once again, for the third or fourth time in the last few months, we have a new "energy czar."

His name is William Simon. He replaces John Love who only last June was Governor of Colorado, but now, along with his deputy, Charles DiBona, is one of the first Americans unemployed by the energy crisis.

But does the appointment of Simon—competent though he is—and the creation of still another superagency, the Federal Energy Administration, mean that President Nixon is finally doing something to solve the energy crisis?

No, it means he is still just shuffling bodies and job titles.

The latest switch is merely the most current example of the disorganization and confusion within this administration which has led to four different energy messages in the last 6 months, all underestimating the problem; three different reorganization plans, none of which have had the solid backing of the executive branch; and a succession of energy czars, each victimized by inner office power struggles.

The appointment of Mr. Simon apparently means that the Schultz faction is in power at the White House this week. But someone else may be in power next week and who knows who will be in charge of energy then.

And meanwhile, the grim prospect of empty gas tanks, unheated homes and schools, and thousands of Americans out of work looms closer.

In light of this situation, Congress should not act hastily on President Nixon's latest panicky reorganization plan.

The way to solve the energy problem is not to massacre existing institutions of Government.

The President and his energy advisers need to sit down with the broad leadership of Congress and work out a national energy program that will husband our resources and promote the kind of teamwork that will get the Nation through the rough days ahead.

So far, the President has not done much more than shuffle staff members and issue misleading statements to the public. The American people deserve far better than this.

MANAGING PARTNER OF DOLPHINS HONORED

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, on November 9, Mr. Joseph Robbie, managing partner of the Miami Dolphins—our football team of which we are so proud—was elected chairman of the Community Relations Board. Mr. Robbie's acceptance remarks at the annual luncheon upon his becoming chairman so warmly and so understandingly reflect the opportunity and the challenge of the Community Relations Board for immeasurable public service that I thought they would be

stimulating and inspiring to the Members of the Congress and to concerned citizens all over America who may read this RECORD.

Mr. Speaker, I include Mr. Robbie's remarks in the RECORD immediately following mine:

ADDRESS BY JOSEPH ROBBIE

I accept this challenge with the apprehension that whatever we accomplish can be only measured against the enormity of what remains to be done to improve human relationships and to wage the eternal war on poverty, disease, ignorance, indolence, apathy, and the frustration of the human spirit.

We will remain on as mediator to the community to reduce tensions which arise from prejudice, unequal opportunity, and uneven justice.

We will seek to avert crisis but to instantly respond to it if it occurs. We will continue to put out the brush fires to keep them from becoming conflagrations.

But in the decade ahead we must address ourselves to the higher goals of equal access to our schools, to employment and the professions, and to the voting booths.

When we have achieved equal educational, economic and political opportunity for everyone in our midst, the era of social and racial justice will be with us.

Then prejudice can recede and everyone will be truly equal in this land—as we already are in the eyes of God.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mrs. HANSEN of Washington (at the request of Mr. O'NEILL), for today, on account of illness.

Miss JORDAN, for December 4 through 7, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. TREEN) to revise and extend their remarks and include extraneous material:)

Mr. RAILSBACK, for 5 minutes, today.

Mr. DON H. CLAUSEN, for 10 minutes, today.

Mr. GROVER, for 15 minutes, today.

Mr. HOGAN, for 10 minutes, today.

Mr. SARASIN, for 5 minutes, today.

Mr. MCDADE, for 5 minutes, today.

Mr. KEMP, for 30 minutes, today.

Mr. ARCHER, for 5 minutes, today.

(The following Members (at the request of Mr. DAN DANIEL) to revise and extend their remarks and include extraneous material:)

Mr. COTTER, for 5 minutes, today.

Mr. STUCKEY, for 5 minutes, today.

Mr. ADDABBO, for 15 minutes, today.

Mr. GONZALEZ, for 5 minutes, today.

Mr. FUQUA, for 5 minutes, today.

Mr. RODINO, for 5 minutes, today.

Mr. MEZVINSKY, for 5 minutes, today.

Mr. PATMAN, for 5 minutes, today.

Mr. BEVILL, for 10 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. RANDALL in three instances.

Mr. SMITH of Iowa in two instances.

Mrs. GREEN of Oregon in five instances.

Mr. BRADEMAS in five instances.

Mr. GONZALEZ to revise and extend his remarks during debate on S. 1443, conference report.

Ms. ABZUG to revise and extend her remarks on S. 1443, conference report.

Mr. WIDNALL and to include extraneous matter, notwithstanding the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost $522.50.

Mr. PEPPER and to include extraneous matter on S. 1443, conference report.

Mr. MILFORD in five instances.

(The following Members (at the request of Mr. TREEN) and to include extraneous material:)

Mr. RHODES in five instances.

Mr. BELL.

Mr. VEYSEY in two instances.

Mr. WIDNALL.

Mr. RAILSBACK in two instances.

Mr. WYMAN in two instances.

Mr. ARCHER.

Mr. ASHBROOK in four instances.

Mr. WYDLER.

Mr. WHITEHURST.

Mr. BAUMAN in two instances.

Mr. HOSMER in two instances.

Mr. YOUNG of Illinois in two instances.

Mr. FROEHLICH.

Mr. FORSYTHE.

Mr. SHOUP in two instances.

Mr. DERWINSKI in two instances.

Mr. ARENDS.

Mr. WALSH.

Mr. GILMAN.

Mr. TAYLOR of Missouri in two instances.

Mr. YOUNG of Alaska.

Mr. QUIE in three instances.

Mr. CONTE.

Mr. MCKINNEY.

Mr. HILLIS.

Mr. KEMP in two instances.

(The following Members (at the request of Mr. DAN DANIEL) and to include extraneous material:)

Mr. MOSS.

Mr. LONG of Louisiana.

Mr. COTTER.

Mr. NICHOLS.

Mr. GONZALEZ in three instances.

Mr. RARICK in three instances.

Ms. HOLTZMAN in 10 instances.

Mr. ROONEY of New York in two instances.

Mr. DRINAN.

Mr. EVINS of Tennessee.

Mr. FRASER in five instances.

Mr. MCCORMACK.

Mr. EDWARDS of California.

Mr. BINGHAM in five instances.

Mr. FAUNTROY in five instances.

Mr. SARBANES in five instances.

Mr. DULSKI in six instances.

Mr. HARRINGTON in three instances.

Mrs. CHISHOLM in two instances.

Mr. MOLLOHAN.

Mr. DENHOLM.

Mr. BRINKLEY.

Mr. MACDONALD.

Mr. UDALL in three instances.

Mr. ADDABBO.

Mr. ANDREWS of North Carolina.

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. 974. An act designating the Texarkana Dam and Reservoir on the Sulphur River as the "Wright Patman Dam and Lake";

H.R. 1284. An act to amend title 5, United States Code, to improve the administration of the leave system for Federal employees;

H.R. 1694. An act for the relief of Ossie Emmons and others.

H.R. 3436. An act to provide for the conveyance of certain mineral rights in and under lands in Onslow County, N.C.;

H.R. 5379. An act for the relief of John B. Clayton;

H.R. 6007. An act for the relief of Swift-Train Co.;

H.R. 6768. An act to provide for participation by the United States in the United Nations environment program;

H.R. 7210. An act for the relief of George Downer and Victor L. Jones;

H.R. 8528. An act to provide for increasing the amount of interest paid on the permanent fund of the U.S. Soldiers' and Airmen's Home; and

H.R. 11104. An act to provide for a temporary increase of $10,700,000,000 in the public debt limit and to extend the period to which this temporary limit applies to June 30, 1974.

SENATE ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to enrolled bills and a joint resolution of the Senate of the following titles:

S. 1618. An act to name the headquarters building in the Geological Survey National Center under construction in Reston, Va., as the "John Wesley Powell Federal Building";

S. 2503. An act to name a Federal office building in Dallas, Tex., the "Earle Cabell Federal Building";

S. 2611. An act to confer jurisdiction upon the court of the United States of certain civil actions brought by the Senate Select Committee on Presidential Campaign Activities, and for other purposes; and

S.J. Res. 155. A joint resolution authorizing the securing of storage space for the U.S. Senate, the U.S. House of Representatives, and the Office of the Architect of the Capitol.

BILL PRESENTED TO THE PRESIDENT

Mr. HAYS, from the Committee on House Administration, reported that that committee did on December 3, 1973, present to the President, for his approval a bill of the House of the following title:

H.R. 11104. An act to provide for a temporary increase of $10,700,000,000 in the public debt limit and to extend the period to which this temporary limit applies to June 30, 1974.

ADJOURNMENT

Mr. DAN DANIEL. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 55 minutes p.m.), the House adjourned until tomorrow, Wednesday, December 5, 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:

1602. A letter from the Deputy Director, Office of Management and Budget, Executive Office of the President, transmitting a report that the appropriation to the Department of Agriculture for the food stamp program, Food and Nutrition Service for fiscal year 1974, has been apportioned on a basis which indicates the necessity for a supplemental estimate of appropriation, pursuant to 31 U.S.C. 665; to the Committee on Appropriations.

1603. A letter from the Director, Office of Management and Budget, Executive Office of the President, transmitting a draft of proposed legislation to provide for the effective and efficient management of the Nation's energy policies and programs; to the Committee on Government Operations.

1604. A letter from the Assistant Secretary of the Interior, transmitting copies of an order canceling certain reimbursable charges of the Government of the United States existing as debts against an Indian reservation, pursuant to 47 Stat. 564; to the Committee on Interior and Insular Affairs.

1605. A letter from the Secretary of Transportation, transmitting a report on hazardous materials control, pursuant to section 4 of the Federal Railroad Safety Authorization Act of 1973 (Public Law 93-90); to the Committee on Interstate and Foreign Commerce.

1606. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting reports concerning visa petitions approved according certain beneficiaries third and sixth preference classification, pursuant to section 204 (d) of the Immigration and Nationality Act, as amended [8 U.S.C. 1154(d)]; to the Committee on the Judiciary.

1607. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders entered in cases in which the authority contained in section 212(d)(3) of the Immigration and Nationality Act was exercised in behalf of certain aliens, together with a list of the persons involved, pursuant to section 212(d)(6) of the act [8 U.S.C. 1182(d)(6)]; to the Committee on the Judiciary.

1608. A letter from the Secretary of Transportation transmitting the third annual report on the special bridge replacement program under the Federal-Aid Highway Act of 1970, pursuant to 23 U.S.C. 144; to the Committee on Public Works.

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. SIKES: Committee of conference. Conference report on H.R. 11459 (Rept. No. 93-693). Ordered to be printed.

Mr. PASSMAN: Committee on appropriations. H.R. 11771. A bill making appropriations for Foreign Assistance and related programs for the fiscal year ending June 30, 1974, and for other purposes (Rept. No. 93-694). Referred to the Committee of the Whole House on the State of the Union.

Mr. RODINO: Committee on the Judiciary. House Resolution 735. Resolution confirming the nomination of Gerald R. Ford, of the State of Michigan, to be Vice President of the United States (Rept. No. 93-695). 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. ARENDS:

H.R. 11756. A bill to amend the National Labor Relations Act in six areas closely related to one another, all of which touch in varying degrees the kinds of collective bargaining units which should exist under the act; to the Committee on Education and Labor.

By Mr. BAKER:

H.R. 11757. A bill to amend the Internal Revenue Code of 1954 to provide a deduction for the use of a passenger automobile in a carpool; to the Committee on Ways and Means.

By Mr. DON H. CLAUSEN:

H.R. 11758. A bill to provide for the establishment of day-use public recreation facilities at Lake Berryessa on the Solano reclamation project in the State of California; to the Committee on Interior and Insular Affairs.

By Mr. COHEN (for himself, Mr. ANDERSON of Illinois, Mr. RAILSBACK, Mrs. HECKLER of Massachusetts, Mr. WALDIE, Mr. HOSMER, Mr. BOLAND, Mr. MOAKLEY, Mr. HEINZ, Mr. HECHLER of West Virginia, Mr. YATRON, Ms. ABZUG, Mr. PODELL, Ms. CHISHOLM, Mr. HARRINGTON, Mr. PEYSER, Mr. ST GERMAIN, Mrs. SCHROEDER, and Mr. EDWARDS of California):

H.R. 11759. A bill to amend the Social Security Act to direct the Secretary of Health, Education, and Welfare to develop standards relating to the rights of patients in certain medical facilities; to the Committee on Ways and Means.

By Mr. DU PONT:

H.R. 11760. A bill to require the labeling of electrical appliances with respect to their comparative efficiency in the use of electricity and to provide for the establishment of minimum standards of efficiency for such appliances; to the Committee on Interstate and Foreign Commerce.

By Mr. FRELINGHUYSEN:

H.R. 11761. 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. GILMAN:

H.R. 11762. A bill to further the conduct of research, development, and commercial demonstrations in geothermal energy technologies, to direct the National Science Foundation to fund basic and applied research relating to geothermal energy, and to direct the National Aeronautics and Space Administration to carry out a program of demonstrations in technologies for commercial utilization of geothermal resources including hot dry rock and geopressured fields; to the Committee on Science and Astronautics.

By Mr. GRAY:

H.R. 11763. A bill to amend the National Visitor Center Facilities Act of 1968, as amended, to facilitate the construction of an intercity bus terminal, and for other purposes; to the Committee on Public Works.

By Mr. KEMP:

H.R. 11764. A bill to provide that institutions of higher education which have withdrawn from the ROTC program are not disqualified, solely because of such withdrawal, from providing education and training to members of the Armed Forces and employees of the military department; to the Committee on Armed Services.

By Mr. McDADE:

H.R. 11765. A bill to amend title 38, United States Code, to provide for the payment of tuition, in addition to educational assistance allowances, on behalf of veterans pursuing certain programs of education under chapter 34 of such title; to the Committee on Veterans' Affairs.

By Mr. MOAKLEY:

H.R. 11766. A bill to provide financial assistance for research activities for the study of sudden infant death syndrome, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. PEPPER (for himself and Mr. RINALDO):

H.R. 11767. A bill to amend title VII of the Older Americans Act to the nutrition program for the elderly to provide authorization of appropriations, and for other purposes; to the Committee on Education and Labor.

By Mr. SARASIN:

H.R. 11768. A bill to amend the Economic Stabilization Act of 1970 to exempt stabilization of the price of petrochemicals from coverage under the act; to the Committee on Banking and Currency.

By Mr. STARK:

H.R. 11769. A bill to terminate the Airline Mutual Aid Agreement; to the Committee on Interstate and Foreign Commerce.

By Mr. STUCKEY:

H.R. 11770. A bill to permit the President to restrict U.S. exports to any country which he determines has restricted its exports of oil or any oil product to the United States as a punitive measure against the U.S. support of Israel, and for other purposes; to the Committee on Foreign Affairs.

By Mr. PASSMAN:

H.R. 11771. A bill making appropriations for foreign assistance and related programs for the fiscal year ending June 30, 1974, and for other purposes; to Union Calendar No. 308.

By Mr. COUGHLIN:

H.R. 11772. A bill to amend the National Traffic and Motor Vehicle Safety Act of 1966 to prohibit the Secretary of Transportation from imposing certain seatbelt standards, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. LITTON:

H.R. 11773. A bill to amend the National Emissions Standards Act in order to conserve fuel; to the Committee on Interstate and Foreign Commerce.

By Mr. MACDONALD:

H.R. 11774. A bill to provide for the effective and efficient management of the Nation's energy policies and programs; to the Committee on Government Operations.

By Mr. QUIE:

H.R. 11775. A bill to amend the Teacher Corps provisions of the Education Professions Development Act to provide for retraining of experienced teachers, and for other purposes; to the Committee on Education and Labor.

By Mr. SNYDER (for himself, Mr. HOWARD, Mr. BLATNIK, Mr. CLEVELAND, and Mr. TAYLOR of Missouri):

H.R. 11776. A bill to amend the Applachian Regional Development Act of 1965; to the Committee on Public Works.

By Mr. STUBBLEFIELD:

H.R. 11777. A bill to establish an Energy Management and Conservation Corporation, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. TALCOTT:

H.R. 11778. A bill to provide retirement annuities for certain widows of members of the Uniformed Services who died before the effective date of the Survivor Benefit Plan; to the Committee on Armed Services.

H.R. 11779. A bill to amend title 38 of the United States Code in order to increase the rates of veterans' educational assistance, to provide that automatic cost-of-living adjustments be made to such rates, and to otherwise improve the educational assistance program; to the Committee on Veterans' Affairs.

By Mr. VANIK (for himself and Mr. OBEY):

H.R. 11780. A bill to amend the Internal Revenue Code of 1954 to provide for a tax on every new automobile with respect to its fuel consumption rate, to provide for public disclosure of the fuel consumption rate of every automobile, to provide funding to develop more efficient automobile engines, and for other purposes; to the Committee on Ways and Means.

By Mr. VANIK (for himself, Mr. DONOHUE, Mr. DRINAN, Mr. EILBERG, Mr. GAYDOS, Mr. LEHMAN, Mr. MATSU-

NAGA, Mr. MITCHELL of Maryland, Mr. PODELL, Mr. RANGEL, Mr. REES, Mr. ROSENTHAL, Mr. SEIBERLING, and Mr. WRIGHT):

H.R. 11781. A bill to amend the Internal Revenue Code of 1954 to provide for an energy conservation tax and an increase in the tax on gasoline, to establish the Energy Department and Supply Trust Fund, and for other purposes; to the Committee on Ways and Means.

By Mr. MOAKLEY:

H.J. Res. 843. Joint resolution relating to sudden infant death syndrome; to the Committee on Interstate and Foreign Commerce.

By Mr. ECKHARDT:

H. Con. Res. 391. Concurrent resolution relative to U.S. military involvement in Southeast Asia; to the Committee on Foreign Affairs.

By Mr. FASCELL (for himself and Mr. BINGHAM):

H. Con. Res. 392. Concurrent resolution expressing the sense of the Congress that the President, acting through the United Nations or other appropriate international organization, should call for international conferences to consider the present world energy crisis; to the Committee on Foreign Affairs.

By Mr. BAKER (for himself, Mr. WON PAT, Mr. ERLENBORN, Mr. NICHOLS, Mr. KETCHUM, Mr. WHITEHURST, Mr. ROBISON of New York, Mr. DON H. CLAUSEN, and Mr. RINALDO):

H. Res 732. Resolution commending the President of the United States for his actions in the Middle East; to the Committee on Foreign Affairs.

By Mr. CULVER:

H. Res. 733. Resolution to provide for the printing of additional copies of the hearings before the subcommittee on Foreign Economic Policy entitled "Foreign Policy Implications of the Energy Crisis"; to the Committee on House Administration.

By Mr. RANGEL (for himself, Ms. ABZUG, Mr. CLAY, Mr. MITCHELL of Maryland, Mr. MOAKLEY, and Mr. STARK):

H. Res. 734. Resolution to request the resignation of the President of the United States; to the Committee on the Judiciary.

MEMORIALS

Under clause 4 of rule XXII,

327. The SPEAKER presented a memorial of the Legislature of the Territory of Guam, relative to the age limit for membership in the Guam Legislature; to the Committee on Interior and Insular Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. RANGEL introduced a bill (H.R. 11782) to authorize the burial of the remains of Matthew A. Henson in the Arlington National Cemetery, Va., which was referred to the Committee on Veterans' Affairs.

SENATE—*Tuesday, December 4, 1973*

The Senate met at 10 a.m. and was called to order by the Acting President pro tempore (Mr. METCALF).

PRAYER

Dr. Frank E. Gaebelein, head master emeritus, the Stony Brook School, Stony Brook, N.Y., offered the following prayer:

Our God and Father, Thou who art the giver of every good and perfect gift, help us to realize anew our dependence in all things upon Thee. Thy judgments are unsearchable and Thy ways past finding out. Give us that reverence for Thee, O Lord, that is the beginning of wisdom.

Amid the problems and uncertainties that face our Nation and the world, grant to each Member of this body the insight and the special measure of Thy grace needed for the duties of this day. Thou hast promised in the Scriptures to give wisdom to those who ask Thee for it and who ask without wavering. Help us, therefore, so to look to Thee in steadfast trust that we may understand Thy purpose for us. And in the manifold responsibilities of the day, do Thou be pleased, O God, to grant all who serve Thee here a sense of Thy joy which is our strength.

Through Jesus Christ our Lord. Amen.

ENROLLED BILL SIGNED—MESSAGE FROM THE HOUSE RECEIVED DURING ADJOURNMENT

Under authority of the order of the Senate of December 3, 1973, the Secretary of the Senate, on December 3, 1973, received the following message from the House of Representatives:

That the Speaker had affixed his signature to the enrolled bill (H.R. 11104) to provide for a temporary increase of $10,700,000,000 in the public debt limit and to extend the period to which this temporary limit applies to June 30, 1974.

Under authority of the order of the Senate of December 3, 1973, the Acting President pro tempore (Mr. METCALF) signed the enrolled bill.

REPORT OF COMMITTEE SUBMITTED DURING ADJOURNMENT

Under authority of the order of the Senate of December 3, 1973, Mr. HARTKE, from the Committee on Commerce, reported an original bill (S. 2767) to authorize and direct the maintenance of adequate and efficient rail services in the Midwest and Northeast region of the United States, and for other purposes.

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 following bills and joint resolution of the Senate:

S. 1618. An act to name the headquarters building in the Geological Survey National Center under construction in Reston, Va., as the "John Wesley Powell Federal Building";

S. 2503. An act to name a Federal office building in Dallas, Tex., the "Earle Cabell Federal Building";

S. 2611. An act to confer jurisdiction upon the district court of the United States of certain civil actions brought by the Senate Select Committee on Presidential Campaign Activities, and for other purposes; and

S.J. Res. 155. A joint resolution authorizing the securing of storage space for the U.S. Senate, the U.S. House of Representatives, and the Office of the Architect of the Capitol.

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 amendment of the Senate to the bill (H.R. 6768) to provide for participation by the United States in the United Nations environment program.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Marks, one of his secretaries, and he announced that November 29, 1973, the President had approved and signed the following acts:

S. 2408. An act to authorize certain construction at military installations, and for other purposes; and

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

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDING OFFICER (Mr. HATHAWAY) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(The nominations received today are printed at the end of Senate proceedings.)

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Monday, December 3, 1973, be dispensed with.

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

COMMITTEE MEETINGS DURING SENATE SESSION

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

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

LEAVE OF ABSENCE

Mr. CURTIS. Mr. President, I ask unanimous consent that I may be excused from attending the session of the Senate from 3:30 p.m. today until my return to the city on Thursday, in order that I may attend a meeting of the National Association of Sugar Beet Growers, which I find it necessary to attend on official business.