SENATE—*Thursday, December 6, 1973*

The Senate met at 10:30 a.m. and was called to order by the President pro tempore (Mr. EASTLAND).

PRAYER

Dr. C. Ralston Smith, special assistant to the Reverend Billy Graham, offered the following prayer:

Our gracious Lord, of whom the whole family in heaven and Earth is named, we approach Thee in this joyous season with a sense of deep gratitude. Our lines have indeed fallen unto us in pleasant places; and good fortune has marked the steps of this Nation. We bring our intercessions in behalf of our leaders, particularly the Members of this Senate. We thank you especially for the recovery of our Chaplain and friend, Dr. Elson.

Give now to this body wisdom in deliberation and guidance in decision. May their work be so done that the angelic song will be more than an occasional carol. Yes, may the glory be given gladly to our God in the highest, and may the sweet tokens of peace issue from this place to the benefit of our fellow men.

Attend then with Thy spirit men of peace everywhere. Give them a sense of being instruments in Thy hands for the glad accomplishment of Thy eternal purposes.

We pray in the name of Jesus, the Prince of Peace. Amen.

MESSAGE FROM THE HOUSE—ENROLLED BILL SIGNED

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the Speaker had affixed his signature to the enrolled bill (S. 1443) to amend the Foreign Assistance Act of 1961, and for other purposes.

The PRESIDENT pro tempore subsequently signed the enrolled bill.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Wednesday, December 5, 1973, be dispensed with.

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

COMMITTEE TO ESCORT THE VICE PRESIDENT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President pro tempore be authorized to appoint a committee to join a committee of the House of Representatives to escort the Vice President into the House Chamber.

The PRESIDENT pro tempore. Without objection, it is so ordered, and, pursuant to the order, the Chair appoints the following Senators to join Members of the House as a committee to escort the Vice President into the House Chamber: Senators MANSFIELD, HUGH SCOTT, ROBERT C. BYRD, GRIFFIN, CANNON, and COOK.

COMMITTEE MEETINGS DURING SENATE SESSION

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

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

U.S. FORCES IN EUROPE

Mr. MANSFIELD. Mr. President, in this morning's New York Times there is an essay by William Safire, who used to be one of the assistants to the President, I believe, and who is now a commentator for the New York Times. The title of the essay is "For Cause, Not Cost," and it applies to the question of the retention of the sizable segment of U.S. forces which we have in Europe at the present time and indicates that the question of cost should not be the deciding factor, but, rather, it should be cause, and for "cause" I would substitute the word "principle."

I ask unanimous consent that the essay be incorporated at this point in the RECORD.

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

FOR CAUSE, NOT COST

(By William Safire)

LONDON.—The hottest theater ticket in London these days is to "Saturday, Sunday, Monday," the Old Vic production starring an aging Sir Laurence Olivier, about a family that nearly comes apart because its members took each other's love for granted.

That is what has been happening in the family of nations that make up the Western alliance. Until the Mideast war shattered some shibboleths, Americans thought Europeans would "go along" on major East-West confrontations, and Europeans took for granted the permanent presence of a major American armed force on the Continent to hold off the Soviets.

Last week, the Defense Department sent a signal to Western Europe, hinting that some of our bases there would be closed. With 310,000 men committed to NATO, and a quarter million American dependents along, this sort of signaling and fencing might well be reinforced with some hard looks at the reasons why the United States has troops in Europe in the first place.

1. *The tripwire:* This fairly discredited theory holds that if enough Americans are killed in a Soviet attack on Europe, we will be in the conflict without delay, and the knowledge of that automatic United States involvement would deter the Russians. On the basis of that argument, we might as well bring the troops back and leave the dependents there.

2. *Sphere of influence:* America's national interest is served, we are told, with Europe under our sphere of influence, which is assured by the presence of our troops; without that stiffening presence, the fearful Europeans might soon become Soviet vassals.

Certainly Europe is influenced by a display of power. The Arab oil embargo proved that. But with U.S. policy rigidly committed to a land army along the Iron Curtain, there is no need for European nations to woo us. Because we have given away our leverage, we are taken for granted.

3. *Mutual and balanced force reduction:* This has a logical ring: Instead of pulling out by ourselves, and getting nothing for it from the Soviets in return, why don't we put off "unilateral" reduction until we see how the talks with the Russians go?

Answer: Any agreement we ultimately make with the Soviets on the pace of reduction locks us in; we could not pull out more rapidly, and so we would lose what little leverage we have with our allies—at least now nobody disputes our NATO treaty right to decide for ourselves what our military contribution should be.

Another answer: It has taken eighteen months to get the mutual reduction talks started; in about two years, if all goes well, we may get a reduction of 10 or 15 per cent. Big deal.

4. Flexible response: That's military jargon for not having to reply to a conventional attack with a nuclear counterattack. The idea is to field an army strong enough to force the Soviets to spend at least a week taking over Europe, giving Henry Kissinger time to fly to Mr. Brezhnev's dacha and work everything out on the basis of the cease-fire lines in the Franco-Prussian War.

It makes good sense to have an army in Western Europe that would make the Soviets think twice before moving in. But Europeans do not want an all-European army because they are afraid to see Germans with guns in their hands again.

Good reason for them, but let's not befog that issue with "flexible response" rhetoric: Most military strategists say that United States troops in Europe are stationed in South Germany and would not be able to help stop an attack across the North German plain to Bonn, Brussels, Amsterdam and Paris.

Here in London, the men of many nationalities who make up the independent International Institute for Strategic Studies are realistically preparing papers on "defense with fewer men"—not exactly Charlie Wilson's classic "more bang for the buck" but close enough. They recognize the likelihood of America's acting in its national interest.

America's national interest is to begin reducing our military commitment to NATO now. The way we do it is important: not in a fit of pique but in close "consultation" with allies; not all at once but on a timetable that would let allies take up the slack.

We should take this step for the big reason—to induce Europe's self-defense—not for any demeaning reason. We recently passed a law, the Jackson-Nunn amendment, that automatically reduces our troop level when a host country does not offset the money we spend.

"That's backing out the cheap way," one of the NATO ambassadors told me in Brussels. "The United States is a superpower. You should act with dignity. If you are going to reduce your forces, do it for a strategic reason, not because you can't afford it."

REDUCED U.S. IMPORTS OF CANADIAN OIL IMPORTS

Mr. MANSFIELD. Mr. President, in the Great Falls, Mont., Tribune of December 2, 1973, and also in the Missulian and other Montana papers, the following story appears:

UNITED STATES TRIMS OIL BUYING IN CANADA

CALGARY, ALBERTA.—The Saskatchewan government has ordered oil companies to reduce their production in the province because the United States is cutting back on its purchases of Saskatchewan crude, the Saskatchewan mineral resources department says.

A spokesman for the department said in a telephone interview that the government has

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

sent letters to oil companies ordering a 16 per cent cutback in production in southeast Saskatchewan (9,300 barrels per day) and a 40 per cent reduction in southwest Saskatchewan (26,200 barrels) for December.

Saskatchewan crude production normally averages 200,000 barrels daily.

The demand for crude exports to the northern United States will fall short of the province's production capacity next month, and because the province does not have adequate storage facilities, the government has decided to reduce production, he said.

The spokesman said U.S. buyers have created the situation by deciding to reduce crude imports from Saskatchewan. He did not say why U.S. buyers wanted to reduce their imports of Saskatchewan crude.

Yesterday I sent the following telegram to Mr. William E. Simon, the new Administrator of the Federal Energy Agency:

DECEMBER 5, 1973.

WILLIAM E. SIMON,
Administrator, Federal Energy Agency,
Treasury Building,
Washington, D.C.:

News story out of Calgary, Alberta, Canada, states that the Saskatchewan government has ordered oil companies to reduce production in that province because the United States has cut back on its purchase of Saskatchewan crude oil. According to story, letters have been sent to all companies ordering a 16% cutback in southeast Saskatchewan and 40% cutback in southwest Saskatchewan for December. The spokesman for the Saskatchewan government states that "United States buyers have created situation by deciding to reduce imports."

Would you please advise me if this is correct and if so why have we ordered cutbacks?

Thanking you.

Regards,

MIKE MANSFIELD,
Majority Leader, U.S. Senate.

AMTRAK PASSENGER SERVICE IN THE NORTHWEST

Mr. MANSFIELD. Mr. President, several days ago I again expressed my concern about the need for upgrading Amtrak passenger train service in the Northwest. I do not know whether it is the energy crisis or the approaching holiday season, but the demand is reaching the crisis point. There, unfortunately, seems to be little response by the officials here in Washington. While there have been some improvements, not enough is being done, and perhaps too many of their policies are being guided by those associated with the railroad industry at the time their policy was to discourage and abandon passenger trains throughout the Nation.

I have received information indicating that, as of November 30, in the State of Montana alone over 1,000 persons have been unable to obtain confirmed reservations during the period December 15, 1973, to January 4, 1974.

The inability of many travelers to obtain reservations was the subject of a recent editorial published in the Billings Gazette of Sunday, December 2. The article also points out that during this holiday period Amtrak is planning a reduction in equipment. It is very difficult to understand their reasoning.

I think, furthermore, that not only should more trains be on the track to provide more passenger service, but also that we should give the most serious consideration to transporting by rail, once again, the mail which has now been shifted to the airlines an dthe trucking industry. If that is done, it would compensate for the loss that Amtrak has been undergoing.

The time has come for Amtrak to make a sincere and realistic effort to provide passenger train service throughout the Nation. The American public will travel by train if given the opportunity and served by courteous personnel on adequate and upgraded equipment.

Mr. President, I ask unanimous consent that an article, two editorials, and the text of a letter from a Montana constituent outlining his own personal experiences with Amtrak be printed at this point in the RECORD.

There being no objection, the article, two editorials, and letter were ordered to be printed in the RECORD, as follows:

AMTRAK MAY BE UNABLE TO PROVIDE SERVICE FOR ALL WHO WANT TO RIDE

(By John MacKay)

"I'll be home for Christmas, if only in my dreams."

So went the sentimental song that GIs sang during World War II.

Now in Energy Crisis-1973, it would seem that the refrain should be modified: "I'll be home for Christmas—if I can get a ticket on jet plane, Amtrak or piggy-back."

Amtrak doesn't look too promising. E. L. Gronbeck, head of Intercity Rail Passenger Service in Billings, reports his office has 150 holiday season reservations unfilled and on standby.

His counterpart in Havre, C. W. Carbone, said he hasn't counted reservation requests yet, but noted that his office has "quite a stack" of requests for reservations.

Gronbeck said that "on account of the energy crisis we have had double the number of requests for Amtrak reservations. People don't dare go more than 100 miles out of town in their automobiles." He said the requests average 2½ persons on each reservation.

Both Gronbeck and Carbone are hoping that Amtrak will be able to provide more facilities to take care of the holiday crunch.

But they note these restricting factors: Amtrak has a total of 1,900 cars—coaches, pullman and lounge facilities. There are at any one time about 400 cars in shops being repaired.

Thus, they say, there are an average of 1,500 cars at any given time to take care of the railroad passenger service in the United States.

Another unfavorable factor for additional Montana service is that Amtrak gives preferential treatment to areas that have 80 per cent or more ridership throughout the year.

Montana's southern rail route Amtrak runs each way three times per week. Eastbounds leave Billings at 5:25 p.m. on Tuesdays, Thursday and Saturdays. Westbounds leave Billings at 11:15 a.m. Tuesday, Thursdays and Sundays.

Gronbeck said that each train leaving Billings now consists of eight cars, usually three coaches, two sleepers, a baggage car, a lounge car and a diner.

He pointed out that if additional cars, say two or three, should become available 10 days before Christmas, this still would not take care of the passenger load.

Montana's northern rail route now has one run each way daily. The eastbound leaves Havre at 11.18 a.m. and the westbound leaves at 3:35 p.m.

Equipment assigned by Amtrak includes two nonreserved seat coaches, two reserved seat coaches, two sleeping cars, a lounge (big dome), a diner, a baggage car and two mail-storage cars.

Carbone said that Amtrak's previous policy has been to add additional cars for the Christmas holiday season, but that so far he has received no word on plans for this season.

In the meantime Carbone is operating on a day-to-day basis. So far he has been able to accommodate passengers on the northern route. He indicated that soon, as the season's passenger load increases, he probably won't be.

The demise of passenger service as operated by the non-government railway companies with two eastbound and two westbound trains daily on both northern and southern routes was generally greeted with little resistance 2.5 years ago.

But now that the family Betsy seems to be running short on gasoline, the conductor's "All Aboard," might be followed with "As long as there is room."

A BIG, FAT FLUB

(By Duane W. Blowler)

It's time to raise hell and plenty of it with Amtrak.

The holiday season is coming up and what does this Amtrak outfit do but whack its service.

Right now there are three coaches and two sleepers, plus a dining car, lounge-dorm car and a baggage car on the passenger train that goes through here three times a week each way.

From midmonth until January that eight-car train is going to be cut to six cars. One sleeper and one coach are coming off for reasons known only to Amtrak.

Here we are faced with a period when traffic is likely to be the heaviest and Amtrak lops off a coach that will hold 44 passengers and a sleeper.

Not only is it almost impossible to get a reservation in these parts but those who made them up to four and five months ago are going to find no space available because of the reduced train size.

This time of year, especially with the energy crunch and its ramifications, Amtrak should be adding to the services it offers, not reducing them.

The reservations' system has been silly enough as it is without adding further insult by a reduction in train size when an increasing number of people are seeking the service.

And if you don't think the system has been (and still is somewhat) silly, talk to some of the people who know.

The system created a condition under which people in between Chicago and Seattle who wanted to make reservations couldn't be sure until a few days before their intended departure if they were going to have a place to put their body.

Railroaders claimed that in practice a seat sold from Chicago to say Fargo was reported

filled all the way to Seattle. Amtrak records showed the space unavailable when in fact it was open from Fargo on to any point west.

Railroad men swear this to be the case even though Amtrak has a multi-million dollar computer at its services.

Reservations now are limited to trips of 500 miles or more, one way, which means you probably could get one from Glendive to Missoula but not from Miles City.

This leaves, as a rule, a great many unfilled spaces somewhere in the computer's wasteland. If the gismo prevailed that would result in lots of empty seats much of the way.

The trains haven't been running empty much of the way because of human, not mechanical, ingenuity.

Railroad men outsmart the computer by filling those empty seats with overflow from the unreserved coach.

They knew in practice, if not in computer talk, that the seats would be available. They could sell 150 tickets for the 44-seat unreserved car without any feelings of guilt on reservations.

And now what happens. Whammy. Amtrak is going to take away two of the cars when they are needed the most and assured of being filled to capacity.

It doesn't make sense and it certainly isn't any way to run a railroad, at least not a passenger service.

Amtrak was founded, authorized by Congress, financed and highly touted as the way to save the passenger train through service.

Cutting off cars when they will be needed the most isn't exactly the recommended way to serve the public.

If its officials are trying to put on a squeeze play to convince Congress they need more money or some other ploy, don't bother.

The inbetween points, those not served by the airlines, are in much more need of service than the continental traveler.

If Amtrak wants to serve its purpose, develop an efficient, useful public transportation system, it had better mend its ways.

IMPROVE TRAIN SERVICE

The jets are not flying out of Billings as often. And car travel may soon be severely restricted by a gas tax or rationing system. It is time to get the trains running.

Sen. Mike Mansfield made that point last week when he urged an immediate expansion of Amtrak services to all areas of the country. More specifically, he asked, as has been his position for some time, that passenger service on Amtrak's southern route through Montana be expanded and that trains should run from Butte to Salt Lake City.

What Mansfield was trying to tell the federal bureaucracy is simply that Montana is a big state. And if we can not drive cars or fly as often we are going to need some way to cover the hundreds of miles from say Miles City to Missoula. More frequent train service would help provide that transportation alternative.

Mansfield's urgings, however may be falling on deaf ears. Thus far, all that has been heard from Amtrak are tales of woe from people who have had to wait weeks to get reservations only to find that cars have been removed from the trains making even less room available.

We are behind you Mike. Keep shouting if you must and perhaps Amtrak officials can be alerted to the fact that we do want train service in Montana. In an energy crisis it makes sense to expand public transportation, especially when there is proven demand.

EDITORIAL BY DOC BOWLER

I know that what he says is true. On November 23, 1973, I called Amtrak for a reservation to leave here to go to Butte on December 23 and return on December 27. The ticket agent took my reservation and said he would call me to confirm it when and if space was available.

Last Friday, November 30, I called again to ask if there was a reservation for me and I was told that as yet there was no reservation. I had asked for either a coach seat or a roomette and on last Friday, November 30, I was told that as yet there was no reservation and it didn't appear that there would be one unless Amtrak put on some extra cars. I did not know until Friday, November 30, that there were not enough cars and that Amtrak was undecided about whether it would put on some more cars. Now I find out from Doc Bowler's editorial that Amtrak has actually taken a couple of cars from its train.

The reason I asked for a train reservation is because frequently the weather is bad at that time and planes do not land in Butte or take off from Butte, and the roads could be covered with snow and/or ice so that it would be tough to drive.

I am certain that there are many more people who are in the same position that I am in. I think Doc Bowler's editorial confirms this. If Amtrak doesn't want to run a passenger train service, I wish the officials would say so. I am certain they could make money, especially now with the energy crisis. At times, I wish the Government would nationalize the railroads and maybe the Government will have to do so some time in the future.

It appears to me that nationalization of the railroads certainly couldn't make the situation any worse than turning the Post Office over to private industry.

I don't know whether other people have written to you about this situation, but I surely think somebody ought to question Amtrak or the Interstate Commerce Commission about this situation. I thought this ought to be brought to your attention, and I hope you can do something about it. I feel certain that Amtrak has a lot of cars, and it would be a simple matter to put on additional cars to take care of the peoples' needs.

Mr. HUGH SCOTT. Mr. President, I agree that we are much in need of improvement in passenger service on the rails. But I am inclined to believe that Amtrak is using all available equipment. I think the catch is in the word "available." I know that, in Erie, Pa., and elsewhere, rail equipment for Amtrak and other rail lines is being manufactured as rapidly as possible.

But it has long been true—and I suspect it still is true—that the operators of the railroads have not adequately encouraged rail passenger traffic. They had better get on the ball because, in my judgment, this is one of the solutions to the energy crisis. It is a solution to the people-moving problem. It is a solution to the glut and congestion of traffic.

If we do not have solutions and if we do not pass the bill coming to us shortly for the combination of some of the railroad lines in the Northeast and the Middle West, our problems will multiply.

I think we ought to consider a study with respect to the building and reorganization of the national rail systems in order that we might consider proposing one or two publicly owned rail lines. I do not say that I am committed to that, but I am certainly committed to the review and study of it, rather than to have, ultimately, the nationalization of the railroads. If we do not get better passenger service, the people of the country are more likely to demand nationalized railroads, assuming that we do not move in time to get them a better substitute.

One of the alternatives might well be publicly owned rail systems across the country. I can address myself to the freight problem at some other time. However, I do think that we have not had the kind of leadership for the railroad industry and the improvement of passenger service.

Mr. President, I yield the remainder of my time to the distinguished majority leader.

The PRESIDENT pro tempore. The Senator from Montana is recognized.

Mr. MANSFIELD. Mr. President, I want to express my agreement with the distinguished Republican leader. And while I do not look forward with any degree of anticipation to public ownership or the nationalization of the railroads, I am afraid that if something is not done, those matters will be given the most serious consideration in the very near future.

Unfortunately, in my own State of Montana we have a 3-day-a-week service in the southern part of Montana on the Burlington, the old Northern Pacific. And in the northern part we have daily service.

I am delighted that we have daily service in that part of the State. However, we should have it in the southern part as well. People should not be held up because of the lack of reservations. Cars should not be taken off passenger trains, as the Amtrak is doing in the southern part of Montana at the present time. And it is about time that people be given the consideration which is their due.

I believe in lieu of the savings which could be made through the augmentation of railroad service and through the shifting of the mail delivery to the rails, I think it will be a step in the right direction if the administration were to stop talking only about carpools and the like. Let us get railroad pools and let us put the cars where the people need the service.

ALTERNATIVE SOLUTIONS TO THE ENERGY CRISIS

Mr. MANSFIELD. Mr. President, in the past year Western coal resources, in the estimation of some people, have become the answer to the Nation's energy crisis. As I have repeatedly stated, this is not the simple solution as so many believe. Coal in the West can be utilized to help in meeting the crisis but it is not the only solution. We must think in terms of other alternatives. There is too much at stake in the future of the Western States.

The Federal Government owns minerals on 113.03 million acres of land in the United States. Thirty-eight percent of these minerals lie beneath privately owned surfaces. Data is incomplete insofar as coal deposits on Federal lands are concerned. Estimates from the Bureau of Land Management indicate that the Federal Government has title to 56.4 billion tons of coal which are considered available for surface mining; 14.16 billion tons of this total lie under nonfed-

erally owned surfaces. This means that little more than one-fourth of the Federal deposits is directly affected by my amendment to S. 425 which would prohibit coal strip mining or open pit mining when the Federal Government owns the minerals and the surface is held by private individuals or corporations.

The Bureau of Land Management reports that a total of 2.32 billion tons of Federal coal have already been committed on long-term contracts to supply electric generating stations or coal gasification plants over the next 30 years. This is a relatively small percentage of the total Federal resource.

Mr. President, the Senate passed S. 425, the Surface Mining Reclamation Act that included my amendment which would, admittedly, create a checkerboard pattern and might cause some inconvenience for development of properties where the Federal Government is the complete owner or where the minerals and surface are held by private concerns. This amendment is not intended to stop active and existing coal surface mining regardless of land mineral arrangements.

There is a lot of coal in the eight Western States which provides the basis for the statistics just cited—Colorado, Montana, the Dakotas, Oklahoma, Utah, Wyoming, and New Mexico. The theme that I have attempted to project is that the resource planners should not stop planning just because they assume they can dig up the West and forget about alternative and more efficient and environmentally favorable processes for generating energy.

What we face in the West is a sudden change from what is largely an agricultural economy to a dependency upon a coal economy. The rugged individualist of the West has always been an important element in our Nation's history. Extensive coal strip mining, coal gasification plants, and unscrupulous brokers are the greatest threat to this heritage that has ever occurred.

In an effort to continue to inform my colleagues in the Congress, as well as the Nation, on the potential difficulties that might arise from a crash program on coal development as the most immediate answer to the energy crisis, I would like to ask unanimous consent to have several items printed at the conclusion of my remarks.

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

(See exhibit 1.)

Mr. MANSFIELD. Mr. President, first of all, one of the most eloquent presentations of the problems we face in Montana was made by K. Ross Toole, a professor at the University of Montana, at a public forum entitled "Political Power in State Government" which was sponsored by the Montana Committee for the Humanities. Dr. Toole raises a question which has been paramount in my own mind for sometime, "Must we trade short-range advantages as we have so consistently done, for long-range devastation?"

This is an important question. Montana, in my opinion, has been milked and mined too much of its resources for the purpose of serving the interests of the United States. I do not want to see the same thing happen in the development of the coal areas at Powder River and the Fort Union bases in eastern Montana.

Second, the President of the United Mine Workers, Arnold Miller, has made an excellent plea in behalf of the coal mining industry and, most especially, deep mining, with new technology and consideration for the miner. The article appears in the November–December 1973 issue of the Center Magazine, and I ask unanimous consent that this article be printed in the RECORD at the conclusion of my remarks.

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

(See exhibit 2.)

Mr. MANSFIELD. In addition, Mr. President, I ask unanimous consent to have two news stories from the issue of the Missoulian which discusses the current debate offering comments on both sides of the issue.

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

(See exhibit 3.)

EXHIBIT 1

THE HISTORY OF POLITICAL POWER IN STATE GOVERNMENT

(By K. Ross Toole)

In certain very essential respects, political power in Montana (or the lack of it) has differed from that power in other states not merely in degree but in kind.

Nothing I have to say will be new to any of you who have made a study of this state's history.

The difference I have referred to (i.e., the difference in kind) arises from some root causes. Sometimes we overlook these utterly basic considerations and tend to believe that we have been solely the victims of political control by venal outside interests and unscrupulous exploiters. Indeed, we have been exploited and there has been venality in it. Economic power exerted by peoples and corporations far from our borders has been translated far too often, and for far too long into political control. And the result has been an essential subversion of our political processes and machinery. We have not been a sovereign people—not since the turn of the century. And only very recently have we begun to emerge from this rather remarkable kind of political serfdom.

We are still very inexperienced in self government—precisely because we have been at it for so short a time.

What were these root causes to which I referred earlier? Firstly, this is a large state (147,000 square miles huge). And even today there are only 4.7 persons per square mile rattling around in that hugeness.

Secondly, we were endowed with enormous riches, forests, rivers, the richest native grass in Western America, and mineral wealth of almost incomprehensible value.

No wonder that in the 1870's and 1880's and 1890's the most hopeful, ebullient and optimistic people in America were perhaps Montanans. All contemporary accounts—newspapers, letters to the states, diaries, the published reports of visitors (both American and foreign) clearly reveal this extraordinary sanguinity.

But there was a problem—and it lay in the very nature of that wealth itself and it also lay in its location.

Montana was a formidably distant place—distant from the channels of trade; distant from the east-west axis of that trade; distant from the great population centers; distant, therefore, from markets.

And the wealth itself was locked onto the land or deep beneath its surface. And so, the conversion of that raw wealth into utilizable materials and hence into wealth in a money sense was no simple process. Indeed, it was enormously complex. At the heart of the complexity lay capital.

We did not have it here. Even when, in the 1880's the richest of Montanans pooled their wealth (which they did) it was hopelessly inadequate.

And so, starting in the 1870's, the cry for outside capital began. In the 1880's it was almost a crescendo.

Why? Because all around them these Montanans saw, indeed, literally lived in, and above, and were surrounded by, wealth. And they couldn't get at it, couldn't use it. Not without the help of capital from elsewhere, and capital in large quantities.

That capital came. For the cattle industry it came from Scotland, England, France and the Atlantic seaboard.

For timber, it came from San Francisco and New York.

For gold, silver and copper it came from San Francisco, Boston, New York, the House of Rothchilds in London; the House of Bleichroader in Germany; and the two largest banks in France, the Bank of Paris and the Comptoir des Compt.

For sheep and wool it came from Boston.

By the turn of the century Montana was in the midst of an unprecedented boom. Montanans were much too busy, much too optimistic and, too far, perhaps, from the center of things to note that the nature and source of the incoming capital had changed. This is perhaps the nub of its matter. All western states and territories needed outside capital.

Instead of flowing from many sources, east, west and European, massive financial battles, far, far from where the raw wealth lay were being fought for control over the inflowing capital. For if that could be controlled, the prize was enormous.

If Montanans had been carefully reading such esoteric publications as the American Journal of Economics, the London Economist, The Engineering and Mining Journal, The Commercial and Financial Chronicle and the Boston Beacon, they would have had cause for alarm. But there is no hint of alarm here however diligently one searches the contemporary local sources.

These battles for control of Montana's wealth were fought between 1884 and 1900—fourteen years. The battles involved great cartels, great banks and great corporations in America and Europe. The battles were great because the prize was great. The prize was our wealth. The object was an end to competition among outside sources of capital.

It would take a thick volume to chronicle those battles. It will have to suffice here for me to say that the war was at last won by Standard Oil Company of the United States. And the date of the war's end was April 27, 1899 when the Standard Oil Company bought the Anaconda Copper Mining Company and then began very quickly and voraciously to devour all competitors, not merely on the Butte Hill, but in the forests of the west and in many other places in many other ways.

Idaho, too, was a rich country. Politically it developed very differently from Montana, however. The key to that difference lies in the fact that the capital for the development of Idaho's riches remained diversified. Let that, too, be said of other rich western territories and states—such as California.

As long as competition existed among those seeking out the wealth of the earth, the political process could work, because it could pit one power against the other. It may not, indeed, have worked as effectively and as freely as it should—but it could still work. In Montana it could not—and it did not.

From 1900 to 1915 what happened in Mon-

tana was inherently conditioned by the near total monopoly of all capitalization by one company with huge resources and—a company of great efficiency and great ruthlessness. In 1915 Standard Oil had to divest itself of the Anaconda Company for violation of Federal anti-trust acts. But by then the pattern of political control rooted in economic control was far too firmly set to be broken. Also, by then, Anaconda itself was no longer merely a finger on the long arm and hand of Standard Oil. It had been magnificently managed and now, in its own right, it was one of America's biggest corporations.

Montanans had not, however, been entirely asleep at the switch. And when the first political pressures were felt, they fought back. We use the phrase "the War of the Copper Kings" to describe this period, but that is not really accurate. Only the last scrimmage in the War of the Copper Kings actually involved opposition to Standard Oil. I will not chronicle that battle but will only characterize it. And with this preface. It was not wrong or bad then. It was the nature of control over that exportation that mattered.

Anaconda (or Standard Oil) won that battle with two enormously potent weapons. On a massive basis it went into the newspaper business. It bought out all the principal daily papers in the state save one and it essentially controlled many of the weekly newspapers. Montana from 1903 to 1958 had no free press. That is a situation without parallel in the history of any state in the Union—and any and all political machinery designed to serve the people of any region, will and must wither without a free press. Ours withered.

Secondly, to control a legislature, grown very fractious in the three years between 1900 and 1903, the Company announced that unless the legislature met in special session to pass a bill which would in effect, destroy the last resistance to its hegemony, it would close *all* its enterprises in Montana.

And it did precisely that. On October 22, 1903, it ceased all operations in Montana. The Boston Beacon described the results. Noting that 20,000 men had been precipitously thrown out of work, the Beacon remarked: "The effect of this act is to bring home to the body of the people their utter dependence on the good will of the trust."

Indeed, it was so. Roughly ¾ of the wage earners of the state, directly and indirectly were dependent on Anaconda.

This closure meant, in other words, the total, complete and catatonic economic paralysis of the sovereign state of Montana.

The governer had no choice. He called the special session, it passed the bill demanded by the Company—and Montanans were permitted to go back to work.

Well, you may say that happened a long time ago. So what? So this: When things legislative did not suit the Company—periodically throughout the years the Company threatened again to do what it had once done—and to do what it so clearly had the power to do again.

If the press was now captive, so was the legislature. And it was not until the late 1940's that the legislature began to assert, slowly, its independence. That captivity, like the captivity of the press, has never happened in any other state in the Union. The Company's slow decline in power meant Montana's slow rejuvenation.

So, political power in Montana has, historically, been unique—because if one defines political power in terms of a people expressing their will through a popularly elected legislative body, Montanans have simply had no political power until very recently. Again, it was not that we were a raw materials producing area and hence an exporting area that constituted our problem.

Unfortunately, it is not merely in regard to mining and lumbering that we have suffered an eclipse. The eastern part of the state has also seen in its own hot crucible.

The story is too complex even to review very briefly here. But let me try to get at the essence of it nevertheless.

The wealth in grass, cattle and sheep in eastern and central Montana was, indeed, very great. But it is and was fragile wealth upon a fragile land. The great trauma for that region lay in the impaction of that land by too many people, too fast and with too little knowledge of the land, its cyclical weather patterns, and its fragility.

Between 1909 and 1917 roughly 80,000 people came into eastern and central Montana because a great national campaign was conducted by the railroads, Chambers of Commerce and by state government itself.

They came to engage in dry land farming. They came to plow deep and sow wheat. And from 1909 to 1917, they did well. The wet period was upon land. A war was raging in Europe and the price of wheat was high. So they plowed up millions of acres. They built dozens of new towns. They formed 23 new counties and then, as it inevitably must, as it has, periodically, for thousands of years, the drought came. And between 1917 and 1925, 60,000 of the 80,000 people who had come, left the land and the state. Eleven thousand farms vanished, farm mortgage indebtedness reached $175,000,000; 214 banks failed—more banks than we have in Montana today.

What has this to do with politics and political power? Consider the continuing cost of maintaining 23 new counties created in the expectation that the population of eastern Montana would sky-rocket. Between 1914 and 1922 the cost of county administration rose 149 percent—overall governmental expenses increased 587 percent. Taxes per acre rose 140 percent. The value of farm land decreased by $320,000,000. And soil conservation studies in some of the homestead areas, studies done in 1965, demonstrate that the land is still 75 percent depleted.

The philosopher George Santayana once said, "A people who ignore their history are doomed to repeat it." Maybe we should keep that in mind as we prepare to strip mine our coal under hundreds of thousands of fragile acres.

For if, indeed, current statements that this land can be reclaimed are backed by scientific evidence, history seriously questions that evidence. We seem to have short memories. Maybe we should look at the history of eastern and central Montana more closely. The alarms are ringing. The question is as Montanans, are we listening?

I have not been very cheerful about all this—but there are some cheerful things to be said.

We no longer have a captive press; we no longer have a captive legislature. We have severe problems. But with rapidity which is startling to me, we are coming out of a long sleep—and the morning looks very fresh. It is a cliché, but let it stand. Today is the first day of the rest of our lives.

We are recapturing some control over the destiny of our own state. We can increase it if we understand how we once lost it. We can lose it again—unless we are very vigilant and unless we understand that we cannot buy tomorrow by spending everything we have today.

Must we trade short range advantages as we have so consistently done, for long range devastation?

I, for one, ardently hope that we need not, should not and must not. But that decision still remains to be made. I pray that we make it on the basis of thorough investigation and not in panic, and not just for ourselves.

One fact towers over all others. Yet we so often fail to understand that one utterly basic circumstance. It is this: We really owe no debt to the past and no debt to the present. Those debts are academic; they are the stuff of polemics, momentary political advantage or the self-indulgence of revenge or guilt.

The real debt we owe is to our progeny. The abiding obligation is to leave them a livable world, a livable state.

Our real obligation is not to give our children nirvana; it is to give them all the ingredients of rational hope. It is to leave them a place and a time in which they can in fact, and not in theory, become better people than we are—building better structures than we have built.

The great sin would be for us to borrow what we cannot repay. Which is to say, quite simply, we must buy *our* present with their future.

EXHIBIT 2

THE ENERGY CRISIS AS A COAL MINER SEES IT

(By Arnold Miller, president of the United Mine Workers of America)

"You can't talk about energy without talking about oil. You can't talk about oil without talking about politics. You can't talk about politics without talking about corruption."

I was born in the mountains of West Virginia, and my views are the views of a coal miner. Coal mining is hard, dirty work, and when you have time to think on the job, you mainly think about your survival. I have spent most of my life just trying to survive, and what free time I had left over I spent on trying to reform the union I belonged to. That is hard work, too. So my views are generally geared to getting from one day to the next.

When I first began thinking about what I wanted to discuss at the Center, a number of possibilities struck me. I could concentrate on what it is like to try to run a union in the process of reforming itself. Or I could discuss coal miners and the energy crisis. Then I began thinking about your name—The Center for the Study of Democratic Institutions—and it occurred to me that coal miners don't have much opportunity to study democratic institutions, because there are so few such institutions where we live. Our union is only now getting serious about democracy. The industry we work for is totally undemocratic. The state legislatures that it controls pay lip service to democracy, but that is as far as they are willing to go. There are a few congressmen and senators from coal states who are a credit to democracy, but most of them are not interested in it unless the price is right. Then there is the White House. The people there are supposed to know about democracy and they also have a great deal to do with policies affecting coal miners. But based on what I have seen and heard from there, especially since Watergate, the idea of "democratic institutions" doesn't impress *them* much. So I come down to the idea that I would like to talk about democratic institutions if only because it is such an unfamiliar subject to me.

Of course it is too big a subject for anyone to handle. I know I ought to narrow it down. However when I was still working underground, long before I knew any people who called themselves environmentalists, I ran across what the founder of the Sierra Club, John Muir, said: "When we try to pick out anything by itself, we find it hitched to everything else in the universe." I think that is about as true as any idea I ever heard. You can't talk about coal without talking about energy. You can't talk about energy without talking about oil. You can't talk about oil without talking about politics. You can't talk about politics without talking about corruption. You can't talk about corruption without talking about companies that are so big that they can give half a million dollars to a politician without its even showing up on their books. You can't talk about companies like that without talking about energy, because they supply it. And you can't talk

about energy without talking about coal. So I will talk about all of these things, and if I wander around, you can blame it on the Sierra Club. That is what the coal industry does.

I still run into people who think that the coal industry died when railroads converted from steam locomotives to diesel. They are very surprised when I point out to them that their electrical appliances burn coal. They don't see it because it is delivered by wire. The steel that goes into their cars could not have been produced without coal. That is true even if they are driving a Japanese car, because it is exported American coal that the Japanese steel industry uses—and then sends back to us, at a comfortable profit. I am sure, though, that you all know enough about our economy to realize that coal is the basis of it. If we stopped digging coal in September, the country would shut down in October, after the stockpiles ran out. It is that simple.

We are producing, at this point, about 590 million tons of coal a year from twenty-four states. West Virginia and Kentucky are the leading producers. They account for about forty per cent of last year's total between them. In the east, the other principal coal-producing states are Pennsylvania, Ohio, Illinois, Indiana, Maryland, Virginia, Tennessee, and Alabama. Moving westward, there is production in Oklahoma, Arkansas, Iowa, Kansas, and Missouri. The big reserves are in the Rocky Mountains and the Northern Plains.

All this coal is being mined by an estimated 150,000 men, which makes coal one of the most productive industries in the country. About 125,000 of those men belong to the United Mine Workers (our total membership, including retired miners, is about two hundred thousand). You can get some sense of how the coal industry has changed through mechanization by realizing that thirty years ago we were producing roughly the same amount of coal every year, but then it required a work force of about six hundred thousand to do it. Today the coal industry is about ninety-eight per cent mechanized.

More than half of the coal we produce goes to electric utilities. We deliver about ninety million tons to the steel industry. We export about fifty-seven million tons. We deliver the rest to a wide variety of other industries, particularly those producing chemicals, which rely heavily on coal and coal by-products.

Mainly because of mechanization and the high productivity that results from it, the price of coal traditionally has stayed low. That is the price to the consumer. The hidden cost of coal is the one we pay—the people who mine it. It is a high price. We get killed. Since the Bureau of Mines started keeping records of such things back in 1910, about eighty thousand of us have been killed. No other industry comes close to that. And we get black lung, from exposure to fine coal dust in the mine air. That problem has been with us through the history of the industry, but the companies and the company doctors have denied it even existed. They were still denying it in 1969 when the Public Health Service finally got around to releasing a study it had been sitting on for sixteen years that showed that one hundred thousand or more miners and retired miners were afflicted. And "afflicted" isn't a strong enough word. Dying of cancer is no worse. This old disease has become worse with mechanization because the high-speed mining machines stir the coal dust up much more intensely than in the old pick-and-shovel days. We have had our technological progress in coal, just as in other industries, but we are still being smothered to death.

There are other hidden costs in coal. Underground mining produces acid wastes and gob piles. Strip mining destroys mountains and poisons watersheds. It also poisons people's lives. There is probably nothing worse than knowing those big shovels are coming to take your land and the house you grew up in. If you are poor, you don't have too many ways to fight back, and it is tempting to take whatever they offer you. That brings me back to John Muir's idea about everything's being hitched together to everything else. You are poor in the first place because of the coal industry—if you live in an Appalachian coal camp. They make you poor and then they come and take advantage of it. That is a hidden cost. Anybody who has had to fight the coal industry knows what it is like to pay it.

We have learned from bitter experience that when you fight the coal industry, there are terrible odds against you. The concentration in the industry is extreme. Of course, the industry says this is ridiculous. The industry spokesmen are always pointing out that there are five thousand mines and 1,200 mining companies. And then they ask how any industry with that many companies in it could possibly be concentrated. They get away with this question because few people know anything about the industry. But the simple fact is that fifteen companies produced 301,208,359 tons last year, which was fifty-one per cent of the total. The top fifty companies combined produced 400,000,000 tons—two-thirds of the total. I am not an economist, but you don't have to be to know that any industry which has half of its production controlled by fifteen companies is concentrated. It is more concentrated, in fact, than those figures indicate. And what is really important is to understand where the concentration goes—where the puppet strings lead to, to put it another way.

First, let me list the top fifteen companies by their coal industry names, and you can see how many you recognize. Peabody Consolidation, Island Creek, Clinchfield, Ayrshire, U.S. Steel, Bethlehem, Eastern Associated, North American, Old Ben, Freeman & United Electric, Westmoreland, Pittsburg & Midway, Utah International; and, in fifteenth place, a group: Central Ohio Coal, Central Appalachian Coal, Windsor Power House Coal, Central Coal, and Southern Ohio Coal.

If you have ever heard more than five of those names, you must have grown up in Appalachia, or you have been studying the industry. But the next question is harder. Who owns those fifteen companies? How many of them speak for themselves?

Peabody Coal is a wholly-owned subsidiary of Kennecott Copper. Consolidation Coal is a wholly-owned subsidiary of Continental Oil. Island Creek is a wholly-owned subsidiary of Occidental Oil. Clinchfield is a wholly-owned subsidiary of the Pittston Company, which operates oil refineries and owns the Brink's armored car company so that it won't have to pay someone to carry its cash around. Ayrshire Coal is a wholly-owned subsidiary of American Metal Climax (Amax). U.S. Steel and Bethlehem own their own coal-mining operations. Eastern Associated is a division of Eastern Gas & Fuel. North American Coal is independent. (You have to get down to number nine on the list to find an independent coal company.) Old Ben is a wholly-owned subsidiary of Standard Oil of Ohio. Freeman Coal and United Electric are wholly-owned subsidiaries of General Dynamics. Westmoreland Coal is independent. Pittsburg & Midway is a wholly-owned subsidiary of Gulf Oil. Utah International is independent, but not strictly a coal company. It has worldwide operations in copper, iron ore, and other minerals. And that last group—Central Ohio Coal, Central Appalachian Coal, Windsor Power House, Central Coal, and Southern Ohio Coal—is a division of American Electric Power, the biggest private utility company in the world.

You realize very quickly that the coal industry is not what it seems to be at first glance. You have oil companies controlling two of the top three. Kennecott Copper controls the biggest of them all—a company which produced nearly seventy-two million tons last year and plans to double that by 1980. This one company, which gets about eighty per cent of its coal from strip mining, produces about twelve per cent of the industry total. In fact, Peabody alone outproduces the combined effort of the seven companies at the bottom of the top-fifteen list.

In the coal industry a very small number of very large companies not only sets the pace for the rest but also has the power to swamp them financially. What other industry has this same pattern? Everybody knows: oil. But not everybody knows that the oil industry effectively controls the coal industry. It shares that control to some degree with other industries—with Kennecott, with the steel people, and with utilities. I don't deny that they have their differences of opinion from time to time, and maybe even a little competition. But not very much competition, and less of it every day.

We are all slowly learning that the oil industry is more than that now. It has wide-ranging interests: coal, natural gas, uranium. It is an energy industry, though that is too polite a name. The Federal Trade Commission recently observed that "the industry operates much like a cartel" and filed suit to try to break it up. Exxon, Texaco, Gulf, Shell, Standard Oil of California, Atlantic-Richfield, Standard Oil of Indiana, and Mobil between them control fifty-one per cent of crude oil production, sixty-four per cent of crude oil reserves, fifty-eight per cent of all refining, fifty-nine per cent of refined gasoline, and fifty-five per cent of gasoline marketing. "A nation that runs on oil can't afford to run short," they say in their advertising. In the long run, it may be much more true that a nation that runs on energy can't afford to fall into the hands of a cartel. We already have some firsthand experience with shortages. But today's are nothing compared to tomorrow's. I think shortages are directly connected with concentration. The experience of the coal industry here is likely to be educational.

It should be admitted right off that concentration in the coal industry has had some notable advantages, even though we have not all been allowed to benefit from them. In the earlier part of this century the coal industry was about as mixed up as a pig's breakfast. Many thousands of companies competed with each other. You could get into the business without much money. If you could get a railroad to put some tracks near your mine and send you a few empty cars every now and then, you could fill them up and send them away and make a profit. The lower you kept the wages of your miners, the more money you made. But there was chronic overproduction, and after 1920, when oil and natural gas began creeping into coal's heating markets, the overproduction got worse with every year. It was a logical thing for the bigger producers to work at getting still bigger and combining their assets through mergers so that they could carve out a secure place for themselves. They did that. They did it with increased speed after World War II, when John L. Lewis forced mechanization into the mines by driving wages up to the point where it was cheaper to put machinery into the mines than it was to pay pick-and-shovel men.

Full-scale mechanization was something only big companies could afford. They paid for it out of working capital or with long-term loans at relatively favorable interest rates. The smaller companies couldn't keep

up, even if they were relatively well managed. The record of the industry was too unstable to attract capital to small operations. An investor or a bank with a choice between a company with thirty-five mines and long-term contracts for its coal or a company with one or two mines that could be bankrupted by a strike at either of them—and that had only spot contracts—which do you think it would choose? But the trouble with this trend was that there was no stopping it. And now we have an industry in which the smaller independent operators have no leverage at all. But the irony is that the smaller companies are answerable to somebody. They are local, or nearly local. You can get at them. What is true of all the giants is that ordinary citizens can't get at them. They are not accountable to us.

They should be, because there are some important questions they should be forced to answer—and not just with the usual symphony of public relations they pump out whenever they are being criticized. First of all, they should be forced to explain how they are going to deal with the future energy needs of this country. Lately we have had truckloads of studies indicating one thing: by 1985, the United States will be running out of domestic oil and domestic gas, and relying even more heavily than we already are on supplies imported from the Middle East. Most of the studies also give some passing mention to coal. Some of them point out that we will need to produce about 1.5 billion tons of it a year in order to keep our lights burning. That is more than double the six hundred million tons per year we produce now. In effect, it means building a whole new industry on top of the one we already have.

That might be possible if the coal industry were expanding production steadily, about ten per cent each year. But total production last year was less than in 1947. The National Coal Association forecast for 1973 shows little or no increase over 1972. At this point even that forecast seems to be off the mark; production is now running five to ten per cent behind last year, and it is likely to stay that way for some time. At this rate, there is no way that the coal industry will be producing 1.5 billion tons a year by 1985—or for that matter, at any time after that.

Part of the reason is concentration. It is just not possible for independent coal companies to expand in competition with the giants. And some of the legislation that has been passed in recent years has not made it any easier for them. The 1969 Coal Mine Health and Safety Act has probably brought about the closing of numerous smaller mines which simply couldn't afford the investment in new equipment required by the very strict standards of the act. I don't think the act should have been less strict—if anything it could have been even tougher—but I wonder whether provisions should not have been made to provide some sort of relief to the smaller companies. I do not mean tax relief, which is equivalent to an outright subsidy; I can't see any value in rewarding a company for having had a consistent record of failing to provide a safe work place, as too many smaller companies did. But I think it might have been a good idea to establish something like a Small Mines Safety Bank that could have provided low-interest loans to be used for safety equipment and training. It may not be too late to do that, and it might have the effect of subsidizing competition.

The bigger companies, with effective control of their market, have no incentive to expand except when they are absolutely certain in advance of selling every ton of coal at acceptable prices. Their goal is to remove every last bit of risk from the business (except in the area of safety, where they are still willing to take all kinds of risks).

This was true even before they started being devoured by the oil industry; it is twice as true now. The oil industry knows that you don't refine more gasoline than you think the country will need, because if you do, the price will go down. In the days of competition you had less chance of manipulating the total production. These days, when competition in the oil industry is a joke, you can manipulate whatever you feel like manipulating, starting with the White House and the Interior Department and going on from there. The biggest oil-coal combines are sitting on vast reserves of readily recoverable coal. But that coal will come out of the ground only when the men who own it can be sure of the price they will get for it.

That is a simple objective, but it immediately becomes complicated. Coal, oil, and gas are largely interchangeable as far as electric utilities are concerned. They all produce Btu's. Many generating plants have been designed to take any or all three. If coal were still one hundred per cent competitive, there would be an incentive to mine more of it, sell it to the utilities at the lowest possible prices, and undercut oil and gas, which are increasingly difficult to find and bring to market, especially if you have to go overseas to do it. But coal is not one hundred per cent competitive. It has problems of environmental damage and it is hard to transport efficiently. More importantly, however, it is being kept in the back room by the oil industry. When the other commodities are gone from the shelves, the industry will bring out coal. And it will sell for what the industry wants it to sell for.

Not long ago I was reading the testimony of John O'Leary, the director of licensing with the Atomic Energy Commission, before the Senate Interior Committee during its June hearings on energy problems. Mr. O'Leary is an economist by training. He was also director of the Bureau of Mines until someone in the White House decided that he was doing too good a job and got rid of him. He knows a great deal about oil companies and their interests in coal and other fuel sources. I was impressed by the clarity of something he said:

"Oil companies today have two overwhelming interests. The first is to increase the value of their domestic reserves, thereby enhancing their book value. The second is to liquidate as rapidly as possible their foreign holdings, thus maximizing current income from these holdings should these holdings for one reason or another be denied in the future.

"These strong and practical motivating forces run absolutely counter to the current public interest in energy research and development, which calls for rapid development of alternatives to conventional fuels. For the oil industry as a whole . . . a world without alternatives to conventional oil and gas is a better world than one which had available the sorts of alternatives that can be developed through research and development."

Not only is this a valuable summary of a dangerous situation, but it happens that the very day after Mr. O'Leary made these remarks, the A.E.C. put out a huffy statement to the effect that these were O'Leary's personal views and had nothing to do with those of the A.E.C. The oil people must have been on the phone to all the right places the moment he finished testifying. They rarely have to listen to that kind of truth from anyone within the government these days.

I like Mr. O'Leary's language because he steers clear of any talk of conspiracy. Words like that still tend to put people off. Instead, he describes in matter-of-fact language a situation in which the oil industry is on a collision course with the rest of us, and he uses the word "practical" to describe the industry's motivation. I think he is right. What is practical for eight or ten companies may be disastrous for two hundred million people. In that situation, the industry obviously must yield. But when was the last time we saw the oil industry yielding?

For coal miners, this isn't just a little spare-time exercise in industry-baiting. The idea of an unrestrained oil-coal-gas-uranium cartel is terrifying to us. We already know what it is to work for people who think of themselves as above the law. The coal industry has always been that way. If you don't believe it, look at what is left of the company towns they built—and then sold to us when they no longer needed them. Look at the schools in eastern Kentucky. Look at the roads all over Appalachia. Look at the men who were battered and broken in the mines, and then forgotten. Look at the stripped hills and the rivers running red with acid. Look at all that, and look at the coal companies' tax returns, and then tell me the coal industry isn't above the law.

The coal industry has its own "practical" reasons for being the way it is. If we have any warning to pass on to the rest of the country, it is to watch out for large industries with practical motivations. Mr. O'Leary could not have put it better.

Going back to what he was talking about, let us look at a few aspects of the current energy situation. We are already using twenty-four trillion cubic feet of natural gas per year, and finding less than half that much in our reserves. Demand has increased about seven per cent per year since World War II. There is no leveling off in sight. The Federal Power Commission says we have a sixty-five-year supply of natural gas, but that figure is based on a demand increase of 1.4 per cent a year, which is ridiculously out of date. Mr. O'Leary sees us running out of domestic gas reserves by 1986. With luck, assuming there are more undiscovered reserves than we think, we might make it to 1995.

We are not quite as badly off in oil reserves, but the forecast is no more encouraging. We were using 14.7 million barrels a day in 1970. We were producing 11.6 million barrels a day from domestic wells. That gave us a deficit of 3.1 million barrels a day. We made it up with imports. Looking ahead, even the most conservative estimates for 1985 show domestic demand running at 30.2 million barrels a day, more than twice the consumption of 1970. With luck, domestic wells will be producing fifteen million barrels.

There is a deficit of 15.2 million barrels a day to be accounted for. It has to come from the Middle East, for the most part. In the back of my mind right now is the question: What are we going to be doing with all those B–52 bombers now that they are not bombing Cambodia any more? I don't think it is wrong to start worrying about what the Pentagon is up to—or will be up to. When we have too much dependence on foreign supply, as we now do, the temptation to go in there on some flimsy pretense and clean out all those sheiks will be strong. If the B–52's are too clumsy, we will do it with subversion and the C.I.A.

We don't have to do that, of course. We could be pouring money into research that would speed the day when we can convert coal to pipeline gas and synthetic gasoline. Very few people have come to grips with one vitally important fact. That fact is that we could run this country on coal, if we wanted to. Not tomorrow, no. But, with a sufficient commitment, we could be doing it before 1985.

Some time in the future, we will be running this country with fast-breeder nuclear reactors, though I won't live to see it. When my children are my age the first of these reactors will be making an impact. Beyond that, we will get the sun's energy harnessed. My children won't live to see that—at least not on a nationwide commercial scale. Meanwhile, we ought to be concentrating on fig-

uring out how to use our conventional fuels. We have just about run out of gas. We are low on oil. What about coal?

We sit squarely on top of the largest readily available supply of coal on earth—about 1.3 trillion tons in all, with about 390 billion tons considered to be readily recoverable. That is a six-hundred year supply, at current consumption levels. Even when you double or triple our consumption, the supply will outlast any conceivable period of demand.

Coal overpowers gas and oil in terms of available reserves. The U.S. Geological Survey figures that coal accounts for 87.1 per cent of everything we have left. Oil is 3.5 per cent. Gas is 4.6 per cent. Sheer common sense should tell us to put all our efforts into developing coal.

Unfortunately, common sense has almost nothing to do with the way we consume energy in America. Not only do we consume more of it than we should—it is a widely quoted statistic that we add up to six per cent of the world's people and burn up about forty per cent of the world's energy—but we consume more of it all the time. Population increased fourteen per cent from 1961 to 1973; per-capita consumption of energy went up forty per cent. And while we are busily consuming more every day, we are burning up the wrong things. Oil and natural gas account for 77.9 per cent of our current total energy consumption—almost a direct inversion of the figure for available reserves. Coal accounts for 17.5 per cent. Hydroelectric and nuclear sources provide the remaining 4.6 per cent. It is not just because I am a coal miner that I consider this a ridiculous situation. It is also because I am a citizen. My interests as a citizen are not being served by this kind of arrangement.

There are various reasons why coal is low on the list of fuels currently supplying our energy requirements. The biggest reason has to do with simple expediency. Aside from the fact that coal is difficult to transport and requires large storage facilities, it also comes out of the ground mixed with various impurities. The most serious is sulphur. The burning of coal produces other impurities—fly ash, particulates—but electrostatic precipitators and redesigned boilers have largely brought those under control. But sulphur is not under control, and that is a very serious problem, since a high percentage of the coal we mine in the East is high-sulphur.

A few months ago I was in a meeting with some coal barons who were wringing their hands about the sulphur problem and how it was affecting their sales. I couldn't argue that it was having that effect, but I could still ask them a question: "Gentlemen, when did you first discover there was sulphur in coal?" I knew the answer as well as they did. The discovery goes back hundreds of years. The next question was: "Gentlemen, how much money has each of your companies spent researching ways to handle the sulphur problem?" They changed the subject.

I can understand that they would, because research is not something the coal industry has been comfortable with. Some coal companies will tell you that they have a research department, and in the annual report you will find a picture of a man in a white coat squinting at a piece of coal; but when you go to their headquarters and ask to see the research department, either they have nothing at all or their "research" consists of a technician working out of a converted broom closet fixed up with a Bunsen burner and two or three beakers. All he does by way of research is to analyze random samples coming out of the company's mines.

Having said that, in fairness I should point out that the coal industry's trade association has a research wing, Bituminous Coal Research, Inc., which carries out research for the entire industry. But B.C.R. did not get serious about sulphur problems until the mid-nineteen-sixties. Even then, its involvement was slight.

Further, the industry does not pay its own way in research. It siphons money, through contracts, from the federal Office of Coal Research, which is part of the Department of the Interior. Electric utilities have been criticized because they spend less than a fourth of one per cent of revenues on research. That puts them one-fourth of one per cent ahead of the typical coal company. The coal industry waits for Department of Interior to do it.

Unfortunately, Interior does not do it. The Office of Coal Research, which was lobbied into existence in 1960, is a storefront operation which hands out contracts but does little or no basic research itself. Compare it with the Atomic Energy Commission, which is pushing coal's principal competition after gas and oil reserves run out, and you can see the absurdity of our situation. During the current fiscal year, A.E.C. is operating on a budget of $2.2 billion dollars. O.C.R. has a budget of fifty-eight million dollars. A.E.C. employs 5,800 people; O.C.R. thirty-seven.

About fifteen years ago, the utilities companies on the East Coast began moving away from coal. Gas was the ideal fuel—clean and cheap, and nobody said anything about running out of it. Oil was almost as good, especially since removing sulphur from oil is easier than removing it from coal—if you use low-sulphur residual fuel oil, you do not have to deal with the sulphur problem at all. The coal industry responded to the threat like the two men sitting at the table with their feet up telling each other, "Next week we've got to get organized."

The industry wanted the government to do more research but it would rather disappear than let the government exercise any control over the results. For the past fifteen years various people have been proposing a national fuels policy to replace the mess we have now. The coal industry said that would be fine, as long as the people administering such a policy had no actual influence. The coal industry's thinking on free enterprise is stubborn and basic—and, as far as I am concerned, about as enlightened as the robber barons who got the whole thing started a hundred years ago.

While the industry was fending off socialism (or what it thought would become socialism, given half a chance), it was losing its market. One by one the East Coast utilities switched—particularly to gas and residual fuel oil. The trend moved inland as well. Coal had sixty-seven per cent of the the utilties as recently as 1965. By 1972, that figure had dropped to fifty-four per cent.

It is still dropping, despite the coming shortages of other fuels. Meanwhile, residual fuel imports during the first three months of this year amounted to 192 million barrels, representing an 11.4 per cent increase over the same period in 1972. That increase alone, translated into terms of coal, would come to 4.7 million tons. That is more that eight hundred mining jobs.

Now the utilities are beginning to hesitate. It may be that fewer of them will convert—not because they don't want to, but because they can't be sure of future supplies of oil and gas. In at least one state—New York—the Public Service Commission has ordered utilities not to convert unless they retain the capability of switching back to coal. Naturally the coal industry is pleased with this development, though it did nothing to bring it about.

But this development needs to be looked at in context. And the context is that the key coal reserves being held for future use belong either to the oil industry or to corporations based in the western part of the United States. Western coal is generally of lower heat value than Eastern coal and it is still more remote from its markets, even though the country's growth continues moving westward. But Western coal is generally low-sulphur. And it sits there in gigantic quantities.

The Fort Union coal formation, which underlies eastern Montana and part of North Dakota, is the largest single block of coal in the world. Other coal formations underlying Wyoming, Colorado, New Mexico, and Arizona are enormous. Getting at them is easy, because they lie under less than three hundred feet of "overburden," as the strip-mining industry calls it. You have none of the engineering requirements of a major underground mine, and you need a fraction of the lead time to get started. Your biggest problem is waiting for delivery of a dragline, which will cost you around twenty million dollars to buy. It's worth it. One man operates it, and the bucket picks up anywhere from fifteen to two hundred tons at a swoop (depending on the size of the machine). Even with a small dragline you can load two thousand tons an hour. That is more than a medium-sized Appalachian underground mine can load in a whole shift.

Obviously, Western mining has another attraction. Almost no workers. In the East, the general rule of thumb is that you need about two hundred men to get out a million tons a year. In fact that is the minimum work force needed. In the West, you can clear the same tonnage with ten men. If I were a coal baron, I'd be heading west. And they are. They are gloating about it, too. Ed Phelps, president of Peabody Coal, told his colleagues about it at the National Coal Association convention a few weeks ago: "Talking about Western coal reminds me of that old fisherman's prayer which you sometimes see printed on wooden plaques for sale in sporting goods stores. It goes, 'O Lord, let me catch a fish so big that when I tell about it later. I won't even have to lie.' Western coal reserves are like that fish." That is true, and Ed Phelps's company has already leased an estimated 8.7 billion tons of Western coal. That would last 125 years if he shifted all his equipment west and maintained his current level of production. But his company is looking for more. Meanwhile, he is getting a good start by digging up the Navajo reservation at Black Mesa.

Ed Phelps's prize black fish isn't the biggest catch in the West. Burlington Northern has more than eleven billion tons, and Union Pacific has ten billion. Continental Oil has 8.1 billion. Amax has four billion; Westmoreland Coal, 1.2 billion; Northern American Coal, 2.6 billion; Montana Power, a billion. And there are numerous others we haven't begun to identify, because they buy up coal under assumed names and we do not have the manpower to track through all the records.

So the West sits there, waiting to be developed. There are huge mines in operation there now, of course. But they do not represent a fraction of what is coming if the energy cartel is allowed to pursue its own timetable. The ranchers and environmentalists who are fighting against strip mining in the Northern Plains haven't seen anything yet. Look at the tonnages I've just mentioned, and compare them against Montana's total production last year, which was about eight million tons. There are more than thirty billion tons of coal under Montana, and eight million tons is only two-tenths of one per cent of that. We have a long way to go, and if there is any ranchland left in Montana when Ed Phelps is finished, I will be very surprised.

I know all about what they promise: reclamation. "Land as good as it ever was." I know about the "reclamation" in Appalachia because I have to live with it. The reclamation in Appalachia—to borrow a phrase from a former officer of our union—is the small end of nothing, shaved down to a point.

This kind of talk usually gets me into trouble. Several thousand members of our union are stripmine employees and they don't like to hear their president talking like an environmentalist. What is more, the U.M.W.A. has launched an organizing drive in the West, on the theory that wherever there are men digging coal they should be members of the United Mine Workers. Whenever I say anything critical of the industry I find that it is reproduced and distributed with blinding speed among the men we are trying to organize. Strategically it would be much better to stay silent. But there is a tradition of speaking out in my union, and the westward trend of coal mining creates an issue we have to confront. In West Virginia and Kentucky, all over Appalachia, we found out, as our fathers found out before us, that when the companies no longer need you or want you, all you have left are your scars and the dust in your lungs. And in our hills, what we have left are the scars and the mud slides and the streams choked up with silt where we used to fish.

Sometimes it is much worse than that. Sometimes gas explodes underground and we lose as many as seventy-eight men at a time, as we did in West Virginia in 1968 at one of Consolidation Coal's mines. Or a dam made out of coal wastes lets go in the early morning, and 125 people are carried away and drowned or suffocated under millions of tons of mud. That was Buffalo Creek in February, 1972. That was the Pittston Company's operation, and the industry showed its remorse this year by electing the president of Pittston to the presidency of the National Coal Association.

The moral is simple: beware of industrialists bearing gifts. Fifty years ago they promised to develop Appalachia, and they left it in wreckage. Now they promise to develop the Northern Plains. They will leave it in ruins. A dragline operator working seven days a week can make more than twenty-five thousand dollars a year. I can understand his enthusiasm for the industry he serves; but somewhere we have to find the common ground between miners and "eagle freaks."

"Eagle freaks" are what coal men call the ranchers who liked Montana and Wyoming the way they were before the draglines moved in. Recently I read a magazine report about the Northern Plains problem, and about a rancher named Boyd Charter, who decided he did not want to sell to Consolidated Coal. "Some people can't understand that money is not everything," Mr. Charter said, "I told that man that I knew he represented one of the biggest coal companies and that he was backed by one of the richest industries in the world, but no matter how much money they came up with, they would always be $4.60 short of the price of my ranch." It doesn't matter that he is a rancher and I am a miner. I know what he means. If I owned my hills of West Virginia I would have kept the price $4.60 higher than the industry could pay to strip them. But they had the price and now we have the mud.

The man from Consolidation Coal did not think much of Mr. Charter. "You can be as hard-boiled about this as you want. But we'll get you in the end." That's how he put it. I know that kind of language. I've heard it all my life.

Government, of course, ought to be protecting Mr. Charter's ranch just as it ought to be protecting my fishing, just as it ought to be protecting my safety. But that is not the kind of government we have in Washington. What we have in Washington now is a very well-oiled job-shuttle system. You start out in industry and shuttle over to government for a while and shuttle back into industry again. Let me just briefly cite some examples that come to mind:

Carl Bagge starts out as a lawyer for the Santa Fe Railroad, then is appointed to the Federal Power Commission. He leaves the F.P.C. to become the president of the National Coal Association.

Lawrence O'Connor starts out as director of the Independent Petroleum Association, leaves to join the Federal Power Commission, then leaves the F.P.C. to become vice-president and chief Washington lobbyist for Standard Oil of Ohio (SOHIO).

Albert Gore is defeated for re-election as a populist senator from Tennessee, leaves a lifetime of good works and becomes chairman of Island Creek Coal, Occidental Petroleum's wholly-owned subsidiary.

Hollis Dole, Assistant Secretary of Interior for Mineral Resources, leaves government to become president of TOSCO, an oil-shale development consortium in which the principal company is Atlantic-Richfield, run by Robert O. Anderson, a major Republican fund-raiser and G.O.P. national committeeman from New Mexico. Dole is then appointed vice-president of the National Petroleum Council, the half-government, half-industry group that "advises" Interior on energy policy. In his new capacity he returns to Washington to speak for industry. All within a matter of weeks.

Edward G. Failor, a lobbyist and Republican campaign strategist, is put in charge of safety enforcement at the Bureau of Mines. He leaves in June, 1972, to go to work for Charles Colson of the White House, "monitoring" Democrats in Miami Beach.

John B. Rigg leaves the Colorado Mining Association to become Interior Deputy Assistant Secretary for Mineral Programs.

Henry Moffett serves the American Mining Congress as its chief Washington lobbyist for thirty-one years. Then he joins Interior as Deputy Assistant Secretary for Minerals and Energy Policy.

Stephen Wakefield becomes Assistant Secretary of Interior after serving the oil industry as an attorney at Baker & Botts, the Houston law firm, where he represented Pennzoil, the firm which had a hand in "laundering" the Watergate money. At Interior, Mr. Wakefield dismisses any talk of antitrust action against the oil cartel. "A large number of people grasp at the most simplistic solutions," he says. "They must find a culprit. Industry, especially the largest companies, are obvious candidates."

You bet they are.

I would not claim that industry and government are one and the same, because my experience with the federal bureaucracy is that it is a world all to itself. But I do believe that industry and government are much closer together and much less distinguishable than they have a right to be. And I believe that when we talk about developing an intelligent energy policy in this country—a policy designed to serve us all, not just a corporate few—we'd better know that the odds are bad, and the size of the job is almost overwhelming.

As far as coal is concerned, I define the job this way: we must greatly expand total production, on a crash basis, and aim at a goal of domestic energy self-sufficiency as quickly as possible.

We must not rush into development of the West at the expense of the East. A headlong commitment to super-scale Western mining means that over the next five years between twenty-five thousand and forty thousand mining jobs will be lost in the East. Of course, that concerns us as a union of miners. It concerns us also because we have lived through an unending depression in Appalachia, and we simply cannot sit silently and watch another one come rolling in on us. Finally it concerns us because you cannot turn underground coal production on and off like a light switch. If we arrive at a rational fuels policy five or six or seven years from now, and decide to strengthen our emphasis on Eastern mining, the mines will not be there, and neither will the miners.

We must not rush into development of the West at the expense of the East. Our western members need jobs, and we believe they should have them. But that does not mean that we want to see eastern Montana wiped out.

We owe it to ourselves and our children to develop a National Energy Policy that means something more than giveaway. To do that, we will have to make some very tough decisions that nobody is going to be entirely happy about. What I mean by that is that there must be some form of authority empowered to say no to the most powerful corporations in the United States. At the moment there is no such authority anywhere, and there will be none during this Administration.

I know that sounds pessimistic. I am not a pessimist but I would prefer to try to be realistic now than to be taken by surprise later.

I am optimistic about some things. I am optimistic about our union, the United Mine Workers of America.

We came into being in 1890. We survived a terrible time when ten-year-old children worked fourteen-hour days as "breaker boys," and when the coal barons ran their mines without interference from anybody—and we were killed in wholesale lots. Under John L. Lewis, we became "the shock troops of American labor." The Steelworkers, the Auto Workers, the whole C.I.O. grew out of the mine workers' union. We slid back into a dark time, and when Jock Yablonski tried to lead us out of it he and his wife and daughter were shot to death. Reform did not come to the U.M.W.A. without a price. But it came. Last December when all the votes were counted we had the sense of turning a corner.

We have had numerous difficulties since then, and the job has been even harder than we thought it would be. We are in the process of restoring autonomy to our districts, some of which have been under "trusteeship" for nearly half a century. Being under trusteeship, of course, meant that union officers in Washington appointed the district officials. There was a time when such a policy may have served a valid purpose—when the U.M.W.A. was in grave danger of going under, and John L. Lewis necessarily took drastic steps to pull it together. But those days are long gone. Without district autonomy, we would have no accountability to the rank-and-file members of the union. With it, we run the risk of constant brushfire wars as various factions jockey for influence. This is a problem, and it consumes much more of our time than I like to admit. But you don't clean house without stirring up dust. In time, it settles.

We are still heavily involved in housecleaning, and will be for some months to come; the last of our district elections are still being scheduled. Until this process has been completed, we are unavoidably tied down with the basic business of getting ourselves back on the right track. I say this by way of answering various friends of ours who expected the new administration of the U.M.W.A. to begin making great waves immediately after we took office. They have been waiting, sometimes impatiently, ever since. There is probably more waiting to be done.

On the other hand, some small waves that we have been generating are of considerable importance to our members, even though they go unnoticed elsewhere. We cut our salaries, which has not been the prevailing pattern in organized labor (or anywhere else). We served notice during our campaign that coal would be mined safely or not at all. It was not an empty threat. We could not stand by and let the death toll go on and on. Since December, we have spent countless hours meeting with mine operators, monitoring the mine inspection program of the Bureau of Mines, holding seminars for our

members, developing our own Safety Division. We have launched the first major organizing drive in the U.M.W.A. in a generation. We have begun to explore various ways in which we can assist our members beyond the immediate range of collective bargaining; one small wave has been the setting up of a credit union that, over time, will put a wall of protection between our members and the cutthroat banks and loan agencies that fester in Appalachia.

This December, we will convene the U.M.W.A.'s forty-sixth convention. Out of it will come constitutional changes and a raft of rank-and-file resolutions—a grass roots voice in U.M.W.A. policy for the first time in anyone's memory. The convention is being held in Pittsburgh, in the heart of the coalfields—nothing notable about that, except that the last two conventions were held in Florida and Denver, where coal miners are few and far between.

Finally, I think it may be important that the three chief officers of the U.M.W.A. still think of themselves as coal miners. We work in Washington in the union's ornate headquarters but we are not at home there. We think as miners, we react as miners. We see the world through coal miners' eyes. You learn to get by without much light in a mine. You develop good instincts—if you don't, you do not survive. We survived long enough—and by "we" I don't mean just Mike Trbovich, Harry Patrick, and myself, but a whole army of miners who never stopped believing in the U.M.W.A. We survived long enough to grapple with the people who thought our union was something that belonged to them personally, and we got it away from them. Now, if we don't lose our way of looking at things, and our instincts, and our eyes, I think we may see a day again, not too far off, when people think of coal miners as "the shock troops of American labor."

EXHIBIT 3

[From the Missoulian, Nov. 27, 1973]

STRIPPING CAUSES BALANCING ACT

(By John Hamer)

Strip mining is at the heart of one of America's most nagging and difficult domestic dilemmas: How to balance urgent energy needs with vital environmental protection.

Stripping, as the controversial surface mining method is often called, has inflicted severe damage on the land in Appalachia and the Midwest, and is now moving into the Northern Great Plains and the Southwest.

The nation is hungry for power, and coal—America's most abundant energy resource—can be extracted quickly, easily and cheaply by strip mining. As the Arab oil embargo puts a squeeze on U.S. heating fuel and gasoline supplies, "King Coal" is being called upon to ease the imminent energy shortages.

Coal is not likely to help much during the coming winter, however. There is not enough available now to meet emergency demands, and other key shortages will deter a rapid increase in supply. Diesel fuel for power shovels, coal trucks and barges is in short supply and under fuel allocation controls. Railroad cars have been plagued by shortages, along with ammonium nitrate—a strip mining explosive—and roof bolts used in underground mines to hold up tunnel ceilings.

But coal's future seems bright because there is so much of it. "We can take heart in the fact that we in the United States have half of the world's known coal reserves," President Nixon said in his Nov. 7 broadcast to the American people on the coming energy crunch.

The Interior Department estimates that there are 3.2 trillion tons of coal underground in this country, or 90 per cent of all domestic fossil fuel resources, yet coal today supplies less than 20 per cent of all U.S. energy. Gasification and liquefaction—processes which convert coal into synthetic oil and gas—have assumed new importance and will receive increased funding.

Many citizens are concerned that strip mining may destroy much of the country in order to save it. Environmentalists contend that the nation's needs could be met by a return to deep mining. Indeed, the Bureau of Mines estimates that only 45 billion tons of coal are "economically strippable," while some 355 billion tons could be readily recovered by underground mining.

Russell E. Train, administrator of the Environmental Protection Agency, has said: "The sooner we can make underground (mining) more economically attractive, more technologically feasible and more socially acceptable as a way of life, way of employment, the better off we're going to be."

Coal industry spokesmen argue that underground mining is costlier and more hazardous. But environmentalists claim that a ban on stripping would raise the cost of electricity to consumers by less than $1 per person per year, and they contend that strict enforcement of the Coal Mine Health and Safety Act would solve safety problems.

Most arguments against strip mining concern the environment rather than economics or safety. The Soil Conservation Service last year estimated that an area of land the size of New Jersey, about 7,820 square miles, had been disturbed by stripping operations.

That would constitute a barren swath more than two miles wide from New York to San Francisco. If all remaining strippable reserves were mined, the area would increase to 71,000 square miles—larger than Missouri—and the hypothetical swath would grow to more than 20 miles wide.

Stripping proponents insist that reclamation is the key word in the lexicon of the industry today. But the word means different things to different people. Rep. Ken Hechler, D-Va., says reclamation "is like putting lipstick on a corpse."

On the other hand, National Coal Association President Carl E. Bagge says that "mined land can and will be reclaimed." John B. Rigg, deputy assistant secretary of interior for energy and minerals, states: "There is no excuse for not doing reclamation work; the technology is available."

But reclamation is a tricky and expensive business. In flat or rolling terrain some efforts have been successful, but in hilly or mountainous areas it seldom works. Great Britain and West Germany reclaim strip mined land completely, but only under strict government controls. The difference is "meticulously detailed planning," says Peter Borelli of the Sierra Club. "There is no American control comparable to the European systems."

Although many of the nation's coal-producing states have passed some laws to control stripping, most are hampered by weak regulations and poor enforcement. As for federal legislation, Congress has experienced extended delays. Control measures were introduced as early as 1940 and in every Congress since the 86th (1959–60).

Last year the House passed a bill but the Senate failed to act. Last month the Senate passed a bill, but the House postponed floor action until January, at the earliest.

Many environmentalists accused the coal industry of deliberately delaying action in the hope that a cold winter replete with fuel shortages will destroy the chances of enacting a tough control bill.

Coal no doubt will play an important role in years to come, but how it is mined and how it is used are questions that clearly need public policy debate.

[From the Missoulian, Nov. 27, 1973]

CAN COAL BAIL US OUT?

(By Bruce Ingersoll)

Interior Secretary Rogers C. B. Morton has been calling the 1 trillion, 581 billion tons of coal beneath the U.S. surface "our ace in the hole" for the energy-tight years to come.

Environmental leaders, however, fear that much of the antipollution progress made in the last five years will be erased in the process of tearing that "ace" out of the ground and burning it in power-generating stations and industrial plants.

The Sierra Club's Brock Evans, for one, is bracing for an all-out "assault on the Clean Air Act."

And should the coal industry's demands for a more lenient policy on mine safety and the prevention of black lung disease prevail in Washington, officials of the United Mine Workers foresee a run of bad luck for the miners—more fatal cave-ins, more underground explosions, more black-lung cases.

President Nixon is looking to the coal industry to lead the nation toward energy self-sufficiency by 1980. Coal executives in the Midwest say their mines are running at, or very close to, full capacity, and are pessimistic about stepping up production in the next several years.

Carl Bagge, president of the National Coal Association, explained the pessimism at a recent White House meeting with the President and his energy aides.

"I pledged the industry's support for Mr. Nixon's Project Independence by 1980," recounted Bagge. "But I also said, 'You fellows have got to understand the nature of the coal-mining industry. It is based on long-term contracts between the mines and the utilities.

" 'We can't get the capital to expand our mines unless we can bank on long-term exemptions (from air-pollution regulations),' I told them."

Nixon has asked Congress to empower the Environmental Protection Agency to exempt power plants and other big fuel consumers from state and federal pollution restrictions. These exemptions will be for naught, said a vice president of Peabody Coal Co., the nation's largest, if they last only one year.

"I'm talking about a minimum of 15 years—more like 25 years," said Peabody's William G. Stockton. "We cannot amortize our investment (in new mines) over any shorter period."

In the haste to replace lost Mideast oil supplies with coal, many conservationists expect the Clean Air Act will be so gutted that air pollution will become as bad as ever before.

Richard Kates, chairman of the Clean Air Coordinating Committee, said he doesn't believe it is necessary to forfeit clean air for energy. Federal and Illinois environmental officials agree with him. They maintain the power industry has the technology to curtail sulphur fumes from coal burning, notwithstanding the contentions of utilities to the contrary.

Bagge, the vice chairman of the Federal Power Commission before he became the coal industry's chief lobbyist, estimates $8 billion will have to be raised in the next eight years to "bring coal center-stage, to make it the primary fuel for power generation and heavy industry."

But that kind of money won't be raised, he said, if the strip mine reclamation bill passed by the U.S. Senate becomes law. Bagge claimed it would "prohibit strip mining," as would another bill pending in the House.

Peter Flanigan, a top federal energy policymaker, shares his concern. "We think the Senate bill would inhibit the coal industry unduly."

Yet, Sen. Richard Schweiker, R-Pa., points out that his state's coal output has increased since a nearly identical mine-reclamation law was passed nine years ago.

As the demand for coal grows, the price is bound to rise. And few conservationists and union officials would begrudge the mining companies a price increase, particularly if the additional revenues were used for restoring strip-mined areas to their original

contours and for making underground mines safer and healthier for the miners.

Bagge, however, contends that even the existing strip mine controls are too stringent and that "overzealous" mine inspectors are interfering with productivity.

For these assertions, Thomas Bethell, research director for the United Mine Workers, has a sharp retort. "The mining industry has never had any problem in finding someone to blame for its problems. Outsiders are always to blame. This is an industry which has always deeply resented anybody telling it how to conduct its operations."

Coal executives claim productivity has fallen anywhere from 12 to 30 per cent since the Coal Mine Health and Safety Act of 1969 went into effect. The requirements for dust-discharge ducts hamper mining "significantly," said a spokesman for Freeman Coal Mining Corp., a subsidiary of General Dynamics.

"I won't argue with that," Bethell said. "But do you want to bring coal workers' pneumoconiosis under control or do you want another 45,000 miners to get black lung?"

The Freeman Coal spokesman also complained about having to scoop loose coal from mine floors in order to keep dust levels down. "It's like having your wife on a non-stop vacuuming marathon right in the middle of a dinner party."

"That's ridiculous," Bethell said. "You stir up dust when you walk on loose coal. If there's methane around, the combination of the two can cause an explosion.

"You can get the equivalent of a Hiroshima underground. Eighty thousand men have been killed in these kinds of disaster That's enough."

Going soft on mine-safety enforcement, he said, would mean sacrificing a work force in the name of more energy.

ORDER OF BUSINESS

The PRESIDENT pro tempore. Under the previous order, the Senator from Massachusetts (Mr. KENNEDY) is recognized for not to exceed 15 minutes.

ENERGY IN FOREIGN POLICY—SUBMISSION OF A RESOLUTION

Mr. KENNEDY. Mr. President, twice in the past month, on November 7 and again on November 15, President Nixon has spoken to the Nation on the growing emergency that the United States faces over the supply of energy. He has stressed both the short-term problems facing us in the next few months, and the long-term problems in insuring that sufficient supplies of energy will be available to fuel our industries, heat our homes, provide our transportation, and serve as the lifeblood of our economy in the years to come.

The Senate has now passed emergency legislation containing a number of proposals advanced by the President, and other measures supported or initiated by Congress. I commend the distinguished Senator from Washington, Senator JACKSON, for his leadership in this effort. And I strongly support effective efforts now, both to meet the immediate domestic energy emergency and to plan for the future.

But there is one area of the energy issue that has so far received too little attention. And that is the foreign policy role which the United States should be playing in a variety of areas to encourage international cooperation to ease the crisis and to develop new long-term relations among all nations in matters relating to energy.

During the past few weeks, we have had dramatic evidence that the foreign policy dimensions of energy are critical to our future. First, there was the embargo of oil shipments to this country from Arab States, and the overall curtailment of oil production. Second, there was the onset of one of the worst diplomatic crises in the history of the Atlantic Alliance, brought on by Europe's great dependence on Arab oil.

I regard the foreign policy dimensions of the energy crisis as equal in severity to the domestic dimensions of the crisis. My purpose in speaking today is to suggest some specific steps that the United States should take, both now and in the future, to deal with this dimension of the crisis. These steps are designed to insure that the United States plays its proper role in the world energy economy and to promote cooperation rather than conflict among nations in this vital area.

The present crisis may have exploded upon us in recent weeks, but it was hardly unforeseen. The United States was facing a domestic energy emergency this winter, long before the Arab oil embargo was imposed. And long after the embargo is lifted, we will continue to reap the harvest of the administration's past failures to act to alleviate the worsening domestic fuel shortage before it became an emergency.

For at least 3 years, for example, from February 1970 until April 1973, the recommendation of the President's own Cabinet task force for increased oil imports was allowed to gather dust. At the time, foreign oil was cheap and readily available and domestic oil could and should have been stockpiled against the present emergency.

Instead, we continue a policy of artificially boosting domestic oil prices, simultaneously expending as many barrels of domestic oil as we could pump from the ground. Now, we are paying for our shortsightedness and belatedly recognizing our failure to conserve domestic reserves and our failure to preserve emergency stockpiles of oil.

Now, President Nixon has suggested that the United States undertake "Project Independence," to enable us to become independent of foreign sources of energy by 1980. This is a significant and ambitious proposal that implies major changes in the way we live our lives, in the way that we do business in America, and in the way we conduct our foreign policy. Before we embark on a proposal of such enormous magnitude, we must consider very carefully what it will mean. We must define our objectives in energy, and assess the alternatives that exist and the price of the Nation is willing to pay to achieve its goals in energy. And in those calculations, the international role of energy must be carefully assessed.

There are five main issues to be considered in this respect: first, the facts of foreign energy dependence; second, oil as a political weapon; third, the economics of dependence on Arab oil; fourth, the role of Europe and Japan; and fifth, worldwide cooperation in energy.

THE FACTS OF FOREIGN ENERGY DEPENDENCE

In the past, the United States has traditionally relied upon its own supplies of energy. But increasingly in recent years, we have had to turn to the outside world to meet our need. From a net exporter of energy in the 1940's, we have now become a net importer. The change has been dramatic. In 1970, we imported a full 25 percent of our oil, mostly from Canada and the Caribbean. Earlier this year, our dependence on the outside world for oil reached 33 percent of our total consumption. Before the current crisis, we expected by 1980 to import 50 percent or more of our oil consumption.

At the same time, the share of our total imports from the Middle East and North Africa has risen. For many years, it averaged about 10 percent. Before the current embargo this year, it was running about 33 percent. And this share of our imports had been expected to rise to about 60 percent by the end of the decade.

As long as we import large and growing quantities of oil, our increasing dependence on the Middle East and North Africa is virtually inevitable. For many reasons, oil resources in Canada, Latin America, Nigeria, Indonesia and elsewhere outside the Middle East and North Africa will simply not be available in sufficient quantities to offset our growing dependence on that region.

If we decide to reduce our dependence on the Middle East, therefore, we must either increase our own domestic supplies of energy or reduce our domestic demand. As a nation, we are now considering appropriate courses that will in time increase our domestic supplies. A major and urgent effort is clearly needed to end this winter's emergency in fuel oil. And an equally substantial effort is needed to develop the technology that can increase production of clean fuel for the future, whether or not we seek to be totally self-sufficient in energy.

But it will be many years before these new supplies are available in substantial quantities. Even if we are prepared to reduce significantly the controls on the pollution of our environment and to change our way of life, it will be very difficult for us during this decade to produce enough energy to meet our domestic demands entirely from sources outside the Middle East and north Africa, much less to become totally self-sufficient.

And at current and projected rates of U.S. demand for energy, becoming truly self-sufficient in the 1980's would impose high costs in investment and in damage to our environment that might well be regarded as unacceptable by large segments of the American people.

As a result of these facts, we have finally begun to focus more attention on limiting our demand for energy. This winter's oil emergency requires it. And so does the Arab embargo, whose impact means the loss of more than 2 million barrels of oil a day, or more than 10 percent of our daily consumption.

It is unfortunate that the administration refused to recognize the impending

shortage when it was first apparent nearly a year ago, and opposed early steps such as mandatory allocation legislation designed to alleviate that shortage. Certainly, a wiser policy when the danger signs were clear so many months ago could have spared the Nation the worst effects of the current emergency precipitated by the Arab oil embargo, and might well also have spared the Nation the unwanted ordeal of rationing that now appears to be the only realistic way out of the immediate crisis.

Beyond our current difficulties, however, we must also consider carefully whether it will be necessary to launch a program of long-term fuel rationing, as a more or less permanent part of our National policy, in order to become fully self-sufficient in energy.

Because the estimates and forecasts are so unclear, the degree to which the crisis can be met by less drastic long-term steps is by no means certain. By changing our most wasteful habits of energy use, including an end to the manufacture of large and inefficient automobiles, we can do much to solve the problem.

What is certain is that the era of gigantic American energy waste is over. By now, there is virtually unanimous recognition that we can no longer accept a situation in which the United States, with 6 percent of the world's people, uses nearly one-third of the world's energy, at a per capita rate more than twice that of the next leading user, except for Canada.

But limiting consumption of energy too much could also mean an end to America's economic growth. Already, we face the danger that the current short-run energy emergency may bring on a recession in 1974, with its threat to jobs, to profits, and to our standard of living.

Beyond the short-run emergency, however, we also face the much more dismal prospect of a prolonged economic depression, comparable to the period of the early 1930's, with all the profound consequences that such a result would entail for America and the world. Each year, the controls might have to become tighter, as demand increases, until, sometime in the late 1970's or early 1980's, new sources of energy hopefully will become available in quantities large enough to ease the crisis and restore the Nation to an even keel on energy.

Because the domestic path we may be obliged to follow poses such drastic and possibly unacceptable consequences, it is all the more important for us to explore every possible avenue of international cooperation in order to achieve the most appropriate blend of policies.

In essence, there are two tiers of the problem of Arab oil and its solution. First, there is the use of oil as a weapon in the Arab-Israel conflict, with the impact this threat has on the security of the world's energy supply. Second, there is the economic dimension of energy supply, and the readiness of oil-exporting States to fulfill the energy demands of the oil importing States.

OIL AS A POLITICAL WEAPON

There is now a concerted effort by the Arab producer states to change our policy during the Middle East crisis, by withholding oil from us and by restricting the supplies available to our allies. This challenge is more serious than it was in 1967, when we imported far less oil from the Arab States. And, in the future, increasing imports of oil from the Arab world could make the challenge even more serious.

Regardless of the strength of the oil weapon, however, our course as a nation is clear: we must never give in to this kind of pressure. This would be against our interests; against the faith placed in American commitments; against our principles as a nation; and against our concern for action in the pursuit of peace.

During the current embargo, therefore, we must be prepared to do without Arab oil, as we have been doing in recent weeks. And we must be prepared in the future to sustain any embargo of oil shipments undertaken by any nation as a political weapon. To resist such pressure, we can adopt a number of specific policies:

We must be prepared to ration fuel on short notice, and to allocate fuel for priority users;

Whenever possible, we must build up our stockpiles of fuel in the United States;

We must begin long-range efforts to limit consumption of energy;

We must try to work out energy-sharing arrangements with other oil-importing countries; and

We must undertake a long-range effort to seek new sources and increased quantities of energy from areas outside the Arab world, and maintain controls on the growth of our imports of this oil.

Yet, for any major industrial nation today, maintaining "energy independence" does not mean withdrawing completely from the outside world. Even if this were possible, it would not be necessary in order to gain protection against external threats like the oil embargo. For we must remember, the economic interdependence of nations is a two-way street. Every nation that exports goods must also find markets for them. Every nation that wishes to benefit from the stability and growth of international trade must be bound by the same rules of international behavior that bind every other trading nation. No nation can defy the rules of international commerce without provoking strong reaction that will cause it damage in return.

The United States is not a "pitiful, helpless giant," either in the Middle East or elsewhere. We remain the world's foremost economic power, and retain significant ability to shape events beyond our shores.

Nor is this lesson lost on the Arab States. They, too, must decide how far they can proceed in the use of their oil weapon, without incurring unacceptable consequences, related primarily to the future role they will be able to play in the international economic world. Already, the current embargo is provoking a reaction in the United States that is helping us to overcome current difficulties, and that will make us better able to meet such challenges in the future.

This statement of policy is not unique in international commerce. It applies wherever there is a danger of too much dependence. In the give and take of trading relations, those nations gain benefits and avoid losses by having the wisdom to act within the limits of their power, mindful both of the power of other nations and of their mutual economic dependence.

There is another factor to be considered. It remains in the interests of the United States, and of all nations, to see an end to the conflict between Israel and its Arab neighbors. Once that conflict is finally, fully, and forever over, we shall be able to put behind us our concern that Arab oil will be used as a political weapon against Israel or ourselves as an exacerbating element in that troubled area.

The loss to all nations of continued conflict in the Middle East has now been amply demonstrated. We must hope that this lesson has now been learned by the nations involved most directly and indirectly in that conflict. A solution can and must be found. And we in the Senate should pledge our support for every effort to bring this conflict from the battlefield to the conference table, and to move from there in the direction of a just and lasting peace.

THE ECONOMICS OF DEPENDENCE ON ARAB OIL

The second tier to the problem of depending on oil from the Middle East and North Africa, and the second tier of the policies we should adopt, is the economic dimension.

Even if the Arab-Israeli conflict is settled—even if the threat of oil as a political weapon in the conflict is removed—there will still be no guarantee that oil from the Middle East will flow in the quantities that importing countries will require for their economies. To be sure, rapidly developing nations like Iran may pump as much oil as possible to finance their own mushrooming economic development. But three of the largest producers—Saudi Arabia, Kuwait, and Abu Dhabi—have so much oil and so few people that they have little incentive to increase production. In fact, recent price increases will permit their income to go up, while oil production actually goes down.

This economic glut also helps support the current embargo on Arab oil shipments to the United States and the overall reductions in oil output. Without it, oil would be far less appealing as a political weapon for any state dependent upon income from oil to run its economy.

If these conditions continue, oil production will not increase, and the world will face the risk of a mad rush for limited oil supplies by all importing nations. Prices will continue to rise; the United States, Western Europe, and Japan may come into serious economic rivalry with one another; and, the world's developing nations may bear the heaviest burden.

In time, of course, rising prices will also reduce demand and make other sources of energy more economical; but it will also take time to make these sources available. For the quantities of energy needed, that means the 1980's.

It is, therefore, important once the

present Arab boycott has ended, once the current Middle East crisis has been resolved, and once we are looking forward to an era of more stable relationships in the Middle East, for all oil-importing nations to help increase the economic and financial incentives for the Arab world to increase its oil production. This means action by the industrial states in several areas, such as:

Providing technical assistance for rapid economic development in the producing states themselves;

Lending support for diversification of their economies;

Encouraging a generalized expansion of trade between the oil producers and the United States and other industrialized nations;

Helping the producers to find attractive ways to invest their oil revenues in the industrialized nations, whether in energy industries or elsewhere; and

Encouraging the producers to lend large amounts of funds for economic development, both in other Middle East nations and in the developing world as a whole. The need for such funds is manifest. And for the oil producing states to make it available—either directly or through subscriptions to the World Bank—would be an immense contribution to the future of the developing countries and a political credit to the producers themselves.

Yet these economic steps—and others like them—may not alone be enough to encourage significant increases in production by the wealthy, but sparsely-populated oil-producing states. In the long run the oil-importing states must also begin to recognize that the new wealth and economic power of the producer nations require a more prominent role for them in the international economy. Once the current bitter confrontation eases, it may well be desirable that the producer states be given not only economic incentives to produce their oil, but political incentives as well—a sense of involvement in, and a shared responsibility for, the structure and the workings of the world economy as a whole.

Eventually, as accommodation replaces confrontation, the United States and other oil-importing nations are likely to provide a substantially greater role to the oil-producing states in negotiations on international trade and monetary reform. There will be an increase in high level exchanges of visits by the leaders of both exporting and importing states. And as greater harmony and cooperation develops, the oil-importing nations will begin to treat the oil-exporting states with the attention and respect in economic matters that their economic power now demands and deserves.

It is in our interest, through steps like these, to promote responsible and cooperative attitudes among the oil-producing states. As has been true in the East and West since the Second World War, such attitudes can help reduce conflict in international economic, political, and even military relations. They can increase a sense of mutual interdependence. And they can help reduce incentives to use economic power as a political weapon, where such use will cause reduced confidence in stable and productive economic relations.

The two-tiered approach that I have presented here today with regard to the flow of Arab oil is no panacea for the foreign policy problems that the United States now faces. But this two-tiered approach—firm resolve and a vigorous search for peace in matters of politics; and accommodation and cooperation in matters of economics—can make the problems for us less difficult and the choices we face less burdensome. It may well enable us to maintain our essential energy independence, without resort to the extreme of total self-sufficiency that would be required if we must give up all imports of oil from the Arab world and elsewhere.

THE ROLE OF EUROPE AND JAPAN

So far, I have discussed energy from the standpoint of the United States. Yet, it is clear that the problems are not ours alone. They face all oil-importing nations. Europe and Japan are several times more dependent than the United States on oil imports, especially imports from the Arab world, and consequently their current energy crisis is several times more serious.

Unlike us, Europe and Japan do not have sufficient reserves of coal or untapped oil to adopt their own "Project Independence," even if they decided to accept the cost of a policy of total national self-sufficiency in matters relating to energy. Inevitably, like it or not, the other major nations of the world will seek new international alternatives to solve their own energy crises, and the United States cannot afford to ignore their efforts or abdicate its responsibility to participate in the search for such alternatives.

The world's developing countries are also hard hit by the energy crisis. For example, because of recent price rises in oil, India faces an annual increase in its foreign exchange costs of several hundred million dollars—money that India simply does not have. The difficulties for Europe and Japan may be severe; for India and other developing countries, they could be catastrophic. That is why I have proposed that we encourage the producer states to make capital available to the rest of the developing world.

Recently, we have been deeply concerned with the serious breach in relations between the United States and our allies in Western Europe. None of us here could welcome the general lack of European backing for America's efforts to support Israel, to limit the involvement of the Soviet Union, and to bring an end to fighting in the Middle East. But whether we like it or not, we must understand that the abrasive factors that led our principal allies to act as they did will cause continuing problems for all of us in the Atlantic Alliance, until the underlying difficulties in energy relations are solved.

There will be similar difficulties in our relations—and those of Europe—with Japan, which has also been putting its concern for oil first during the current crisis. Japan now fears for the future growth of its economy because of oil production limits. She predicts a 50-percent rise in her imports bill for energy next year, because of price rises that have already taken place.

Because competition for oil from the Middle East and North Africa will grow, even after the oil embargo ends, it is now imperative for the United States, Western Europe, and Japan to begin real cooperation in energy matters. We are all in this together; and together we will either meet the energy challenge, or watch it drive us apart in a vicious scramble for scarce energy supplies.

For many years, there have been half-hearted attempts to cooperate on energy matters in the Organization for Economic Cooperation and Development—OECD. But despite the claims of President Nixon in two energy messages to Congress this year, these efforts have failed. The states of the European community have not been able to agree among themselves. The Japanese have so far elected to go it alone. And our own vital interest in cooperation has not received the high-level commitment in the administration that is needed to stimulate an adequate response from our allies.

The draft of the new Atlantic Charter, offered by the United States on September 29, contains only passing reference to these critical energy problems. And more than 2 months after the confirmation of Dr. Kissinger as Secretary of State, he has still not honored his pledge to fill all our ambassadorial vacancies within that time—including the year-old vacancy at the OECD. These attitudes and practices demonstrate the inadequacy of our commitment to real cooperation. They also show a continuing failure to grasp the urgency of the situation now facing all oil-importing states.

Energy cooperation between the United States, Canada, Europe, and Japan can take several forms. I propose today a six-part effort:

First, joint research and development, both in new forms of energy and in new uses of fossil fuels like coal, which the United States possesses in abundant supply;

Second, joint commitment to increased investment in sources of energy outside the Middle East;

Third, joint planning on stockpiling, limiting consumption, and standby rationing. Here, the United States has a special responsibility and a special opportunity to reduce pressure on world energy markets by reducing its inflated rate of energy consumption;

Fourth, joint, open and thorough investigation of the role played by the international oil companies, in order to settle the controversy over their power once and for all;

Fifth, arrangements to share energy resources in time of scarcity on an equitable basis, to insure that no nation suffers too drastically from the crisis. Only in this way can the United States, Europe, and Japan avoid the cutthroat competition that will inevitably materialize in the race to obtain scarce oil supplies. Only in this way can they hope to prevent relations among themselves—as well as relations within the European community—from being seriously damaged by brutal competition over energy.

Such damage could not be limited to energy relations, but would extend to trade and monetary relations as well. And if any one of the three areas is damaged, all would suffer; and

Sixth, most important of all, there must be a political commitment by all three great industrial areas to seek answers to energy problems in common, and not separately. None of us can afford to make unilateral decisions about energy without taking into account the needs and interests of the others. As we have found in so many other areas affecting our security and the international economy, serving the interests of all nations is the only way to serve the interests of any one of them.

And so, I urge President Nixon today to commit the United States, seriously and forthrightly, to cooperation with the European Community and Japan on energy issues. I urge him to appoint an ambassador to the OECD now. And I urge him to use his best offices to encourage the European Community and Japan to act in concert and to join us in a common effort.

This is no time for generalities. It is a time for specific negotiations and concrete acts that together can create an "International Charter of Energy" that will be written in the daily successes of growing cooperation among the major nations of the world.

WORLDWIDE COOPERATION IN ENERGY

Even this effort, however, will not be enough. Energy cooperation must not shut out other industrial states, or the oil-producing nations, or the developing countries of the world. Our interest in promoting new institutions of economic relations on energy demands that all oil-importing and oil-producing states be vitally involved in cooperation with one another. Our concern to see a world that is increasingly just demands that we not turn our backs in this area on the have-not nations of the world.

Thus, there is a further effort needed to deal with energy problems in an orderly and coordinated way. This involves the role to be played in world energy markets by the oil-exporting states, themselves.

If our initial efforts to increase other supplies of energy and to limit consumption begin to succeed, the nature of the world energy economy can begin to change. When these efforts begin to moderate the rising pressure of demand for oil from the Middle East and North Africa, there will be a rising self-interest in these producer countries for stability in world energy markets. Even in the near future, it is possible that concern for stability, for economic development, for productive investments, and for the future of the international economy will create areas of common interests between producers and consumers of oil. This could happen now, despite today's strong bargaining position of the producers and the current political motivations of the Arab states.

It is time, therefore, to consider the energy problems of both exporting and importing countries together. It is time to search for areas of common agreement. And it is time to begin looking systematically at the worldwide dimensions of energy affairs.

I believe that there should be an international effort to explore all dimensions of energy in the international economy—wherever the energy comes from, wherever it goes, whatever form it takes.

There are obvious precedents for such an effort in the great institutions of the world economy. There is GATT, the General Agreement on Tariffs and Trade, which provides the framework for the orderly growth of trade and for trade negotiations. There is IMF, the International Monetary Fund, which provides greater certainty in monetary relations and a focus for monetary reform. And there is the World Bank, which plays such an important role in promoting economic development in many areas of the world.

But there is no institution—no body of agreed rules and procedures—to provide a framework for energy relations or a forum for reconciling divergent energy interests.

I propose, therefore, that the United States take the lead in working for the creation of a World Energy Commission, a worldwide institution on energy, with a set of agreed rules and principles governing international energy research, production, and trade. Today, I am submitting a resolution for the consideration of the Senate, urging the President to propose the convening by the United Nations General Assembly of a World Energy Conference, to include all nations. The U.N. has convened similar conferences in the past in other areas where there are shared interests among nations but no effective way to cope with shared problems, and the U.N. should do so now on energy.

The World Energy Conference should be designed to find areas of long-term common economic agreement among energy-exporting and importing states, to focus on specific areas of energy research, and to lay the groundwork for permanent international institutions and arrangements on energy matters.

This World Energy Conference could become a "Bretton Woods" on energy, like the conference in 1944 that produced the IMF and the World Bank. Thanks to the foresight of the leaders who gathered at Bretton Woods, 30 years ago, we mapped a plan that guided us out of the shattering consequences of World War II and set the course of international economic affairs for a generation. The time has come to do the same for energy, and Bretton Woods can be our model.

In sum, the United States cannot afford to ignore the international dimensions of the energy crisis. Just as we are now vigorously debating and developing programs to meet our domestic need, so we must also respond to the international need that so clearly exists.

The efforts I have proposed—technological, economic and political—will help the United States to cope with current problems and master future difficulties. These efforts can help us resolve the dilemmas that otherwise will face us—and that also will face Europe and Japan—as we seek to escape from our present crisis.

They can help us avoid ever having to choose between oil and Israel—or any other country. They can help us to reconcile our interests in secure energy supplies with adequate protection for our environment. They can begin stimulating cooperation with other oil-importing nations. And they can begin to shape a larger international framework for considering energy problems, a framework that will benefit all countries.

There is no magic answer to energy problems; but there is hope in careful thought and timely action. The overall lesson is clear: the United States is now deeply involved in the world economy, and will become increasingly involved as years go by. In addition, the line between foreign and domestic policy is no longer a clear one. What we do at home in energy will vitally affect our foreign policy, and our foreign policy in energy will vitally affect the way we live at home.

We do not need to fear these developments, or react in panic, anger, or misunderstanding. Nor do we need to cut ourselves off from the international community in our struggle to solve the crisis. We can no more become a fortress America on energy than we could do so militarily a generation ago.

Rather we must make our increasing interdependence with other nations work to our advantage, and to the mutual advantage of all countries willing to share with us the common benefits and responsibilities of international economic relations. Our attitudes are critical. We can lose the moment, and pay a heavy price in the future. Or we can seize it, and help to shape the world energy economy in ways that will benefit all people everywhere.

Mr. President, I send the resolution to the desk for appropriate reference, and ask that it be printed in the RECORD.

The PRESIDING OFFICER (Mr. ABOUREZK). The resolution will be received and appropriately referred; and, without objection, the resolution will be printed in the RECORD.

The text of the resolution is as follows:

S. RES. 211

Resolution expressing the sense of the Senate with respect to the establishment of a World Energy Commission and convening of a World Energy Conference

Whereas, international trade in energy vitally affects all nations;

Whereas, it is becoming increasingly clear that the future growth and stability of world energy markets will depend on international cooperation;

Whereas, there are common interests linking all countries involved in energy trade, whether they are net exporters or net importers; and

Whereas, international cooperation in other economic areas, through formal institutions, has proved to be critical for the functioning of the world economy and for the benefit of all member nations: Therefore, be it

Resolved by the Senate That it is the sense of the Senate that the President of the United States—

(1) should propose the establishment of a World Energy Commission, following the precedent set in institutions like the General Agreement on Tariffs and Trade, the Inter-

national Monetary Fund, and the International Bank for Reconstruction and Development;

(2) should propose to the United Nations General Assembly the convening of a World Energy Conference, to include all nations; and

(3) should propose that this conference, following detailed preparations by the United Nations, should seek areas of long-term common economic agreement among energy exporting and importing states and consider ways of creating a World Energy Commission.

SEC. 2. The Secretary of the Senate shall transmit a copy of this resolution to the President of the United States.

TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there be a brief period for the conduct of morning business, with statements therein limited to 3 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

PROPOSED SUPPLEMENTAL APPROPRIATIONS, FISCAL YEAR 1974, EXECUTIVE OFFICE OF THE PRESIDENT (S. DOC. NO. 93–47)

A communication from the President of the United States, transmitting proposed supplemental appropriations for the fiscal year 1974, in the amount of $9,360,000, for the Executive Office of the President (with accompanying papers). Referred to the Committee on Appropriations and ordered to be printed.

PROPOSED SUPPLEMENTAL APPROPRIATIONS, FISCAL YEAR 1974, PAYMENT OF CLAIMS AND JUDGMENTS (S. DOC. NO. 93–49)

A communication from the President of the United States transmitting proposed supplemental appropriations for fiscal year 1974, in the amount of $10,341,133, for the payment of claims and judgments rendered against the United States (with accompanying papers). Referred to the Committee on Appropriations and ordered to be printed.

PROPOSED SUPPLEMENTAL APPROPRIATIONS, FISCAL YEAR 1974, DEPARTMENT OF JUSTICE (S. DOC. NO. 93–48)

A communication from the President of the United States transmitting proposed supplemental appropriations for fiscal year 1974, in the amount of $500,000, for the Department of Justice (with accompanying papers). Referred to the Committee on Appropriations and ordered to be printed.

REPORT ON FINAL DETERMINATION OF CLAIM OF CERTAIN INDIANS

A letter from the Chairman, Indian Claims Commission, reporting, pursuant to law, on the final determination of docket No. 278–B. The Tlingit and Haida Indians of Alaska, in its own right and as the representative of, or successor to, the Angoon Tribe and each of the clans and groups of the Angoon Tribe; and the Angoon Tribe, in its own right and as the representative of, or successor to, the clans and groups thereof, plaintiffs, versus the United States of America, defendant (with accompanying papers). Referred to the Committee on Appropriations.

STUDY RELATING TO THE STATUS OF NORTH PACIFIC FUR SEALS

A letter from the Secretary of Commerce, transmitting, pursuant to law, a study made by that Department with regard to the status of North Pacific fur seals (with accompanying papers). Referred to the Committee on Commerce.

REPORT OF COMPTROLLER GENERAL

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Reemployment Assistance for Engineers, Scientists, and Technicians Unemployed Because of Aerospace and Defense Cutbacks," Department of Labor, dated December 5, 1973 (with an accompanying report). Referred to the Committee on Government Operations.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. CLARK, from the Committee on Public Works, with an amendment:

S.J. Res. 169. Joint resolution to provide for a feasibility study and to accept a gift from the U.S. Capitol Historical Society (Rept. No. 93–602).

By Mr. BARTLETT, from the Committee on Interior and Insular Affairs, without amendment:

H.R. 5089. An act to determine the rights and interests of the Choctaw Nation, the Chickasaw Nation, and the Cherokee Nation in and to the bed of the Arkansas River below the Canadian Fork and to the eastern boundary of Oklahoma (Rept. No. 93–603).

By Mr. NELSON, from the Committee on Interior and Insular Affairs, with amendments:

H.R. 10717. An act to repeal the act terminating Federal supervision over the property and members of the Menominee Indian Tribe of Wisconsin as a federally recognized, sovereign Indian tribe; and to restore to the Menominee Tribe of Wisconsin those Federal services furnished to American Indians, because of their status as American Indians; and for other purposes (Rept. 93–604).

By Mr. BIBLE, from the Committee on Interior and Insular Affairs, with amendments.

S. 262. A bill to provide for the establishment of the Tuskegee Institute National Historical Park, and for other purposes (Rept. 93–600).

RAIL SERVICES IN THE MIDWEST AND NORTHEAST REGION OF THE UNITED STATES—REPORT OF A COMMITTEE (S. REPT. NO. 93–601)

Under authority of the order of the Senate of December 3, 1973, Mr. ROBERT C. BYRD (for Mr. HARTKE), from the Committee on Commerce, submitted a report on the 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.

REPORT FILED ON S. 2611, TO ESTABLISH A COURT-APPOINTED SPECIAL PROSECUTOR

Mr. KENNEDY. Mr. President, on Monday I had the privilege of filing a report (S. Rept. 93–595) on S. 2611, to establish an independent, court-appointed Special Prosecutor to continue the investigation and prosecution of Watergate and related offenses. This report, although not representing formally the views of a majority of the members of the Judiciary Committee, explains the background, provisions, and constitutionality of the bill, which was ordered reported by the committee along with an alternative measure calling for the appointment of the Special Prosecutor by the Attorney General.

In October and November the Judiciary Committee held 11 days of hearings on the firing of Archibald Cox and on various proposals to provide by statute for the appointment of the Special Prosecutor. This testimony, along with submissions of many legal scholars, including 49 deans of many of the most prestigious law schools in the Nation, assuring us that S. 2611 was constitutionally permissible, has convinced me, Senator HART, Senator BAYH, and our many colleagues that only through appointment of a fully independent Special Prosecutor can we be assured that there will be public confidence in the thoroughness, vigor, and full independence of the Watergate investigation.

We are certainly mindful that some of our respected colleagues disagree with this approach and have instead advocated statutory creation of a Special Prosecutor within the executive branch, subject to Senate confirmation. To the extent that this alternative is based upon the view that it represents the constitutional limit to our action in this field, I believe that the overwhelming evidence is to the contrary. To the extent that the proposal rests upon confidence that an executive branch Special Prosecutor will really be given independence—that this time the President means what he says—I believe that past events culminating in the dismissal of Archibald Cox and the forced resignations of Elliot Richardson and William Ruckelshaus provide little basis for that confidence.

I urge my colleagues to read not only the summary explanation of the purposes and workings of S. 2611, but also the detailed background on the events giving rise to this legislation and the comprehensive discussion of constitutional issues. I think that it will remain clear why 55 Members of this body initially supported the bill, why the House is proceeding on course to passage of a similar measure, and why the Senate must act promptly and favorably on it.

I thus ask unanimous consent that excerpts of this report be printed in the RECORD.

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

INDEPENDENT SPECIAL PROSECUTOR ACT OF 1973

AMENDMENT

The committee has made the following amendment in the nature of a substitute to S. 2611 as originally introduced:

Strike out all after the enacting clause, and insert in lieu thereof the following:

SEC. 1. That this Act may be cited as the "Independent Special Prosecutor Act of 1973."

SEC. 2. The Congress finds and declares that—

(a) Serious allegations of illegal acts of high officials of the executive branch of Government cannot under present extraordinary circumstances be fully and properly investigated by the executive branch itself.

(b) Public confidence in the integrity of the Nation's criminal justice system cannot be maintained if the investigation of such allegations and prosecution of illegal acts by high officials of the executive branch of Government are carried out under the authority of the executive branch itself.

(c) The establishment of a Special Prosecutor independent of the executive branch of Government is "necessary and proper" under

article I, section 8 of the Constitution of the United States to insure the enforcement of the criminal laws and the due administration of justice through a complete investigation of such allegations and a vigorous and uncompromised prosecution of accused offenders.

(d) A Special Prosecutor independent of the executive branch of Government should properly be appointed by the judicial branch of Government, and article II, section 2 of the Constitution of the United States provides authority for Congress to vest such appointment "in the courts of law".

(e) The establishment of an independent Special Prosecutor is an appropriate exercise of the power under article I, section 8 of the Constitution of the United States to "exercise exclusive legislation in all cases whatsoever" over the District of Columbia, in that many such activities are alleged to have occurred in the District.

"Appointment

"SEC. 3. (a)(1) The United States District Court for the District of Columbia is authorized and directed to appoint, in the following manner, a Special Prosecutor who shall have the duties and powers prescribed in this Act. The district court, sitting en banc, shall designate a panel of three of its members (hereinafter referred to as the 'panel'). The panel shall promptly appoint a Special Prosecutor with the experience, abilities, and reputation necessary to perform the responsibilities of the office.

"Vacancies

"(2) The panel shall fill promptly any vacancy which may occur thereafter in the position of Special Prosecutor. Any vacancy in the panel, itself, shall be filled in the same manner as the original designation of the panel.

"Disqualification

"(3) No member of the district court who has supervised any grand jury or presided at any criminal trial pertaining to matters within the jurisdiction of the Special Prosecutor shall be eligible to be a member of the panel. Participation in the designation of the panel shall not disqualify a judge in a proceeding in which the Special Prosecutor or his staff is involved. However, any judge who serves on the panel is disqualified from participating in any proceeding in which the Special Prosecutor or his staff is involved in this official capacity.".

(b) The Special Prosecutor is authorized and directed and shall have exclusive jurisdiction, to investigate, as he deems appropriate, and prosecute against and in the name of the United States:

(1) offenses arising out of the unauthorized entry into Democratic National Committee headquarters at the Watergate;

(2) other offenses arising out of the 1972 Presidential election;

(3) offenses alleged to have been committed by the President, Presidential appointees, or members of the White House staff;

(4) all other matters heretofore referred to the former Special Prosecutor pursuant to regulations of the Attorney General (28 C.F.R. 0.37, rescinded October 24, 1973); and

(5) offenses relating to or arising out of any such matters.

SEC. 4. The Special Prosecutor shall have full power and authority with respect to the matters set forth in section 3 of this Act:

(1) to conduct proceedings before grand juries and other investigations he deems necessary;

(2) to review all documentary evidence available from any source;

(3) to determine whether or not to contest the assertion of Executive Privilege or any other testimonial privilege;

(4) to receive appropriate national security clearance and review all evidence sought to be withheld on grounds of national security and if necessary contest in court, including where appropriate through participation in camera proceedings, any claim of privilege or attempt to withhold evidence on grounds of national security;

(5) to make application to any Federal court for a grant of immunity to any witness, consistent with applicable statutory requirements, or for warrants, subpenas, or other court orders;

(6) to initiate and conduct prosecutions in any court of competent jurisdiction, frame and sign indictments, file informations, and handle all aspects of any cases over which he has jurisdiction under this Act, in the name of the United States, and

(7) notwithstanding any other provision of law, to exercise all other powers as to the conduct or criminal investigations and prosecutions within his jurisdiction which would otherwise be vested in the Attorney General and the United States attorney under the provisions of chapters 31 and 35 of title 28, United States Code, and the provisions of section 301.6103(a)-1(q) title 26, Code of Federal Regulations, and act as the attorney for the Government in such investigations and prosecutions under the Federal Rules of Criminal Procedure.

SEC. 5. (a) All materials, tapes, documents, files, work in process, information, and all other property of whatever kind and description relevant to the duties enumerated in section 3 hereof, tangible or intangible, collected by, developed by, or in the possession of the former Special Prosecutor or his staff established pursuant to regulation by the Attorney General (28 C.F.R. 0.37, rescinded October 24, 1973), shall be delivered into the possession of the Special Prosecutor appointed under this Act.

(b) All investigations, prosecutions, cases, litigation, and grand jury or other proceedings initiated by the former Special Prosecutor pursuant to regulations of the Attorney General (28 C.F.R. 0.37, rescinded October 24, 1973), shall be continued, as the Special Prosecutor deems appropriate, by him, and he shall become successor counsel for the United States in all such proceedings, notwithstanding any substitution of counsel made after October 20, 1973.

SEC. 6. The Special Prosecutor shall have power to appoint, fix the compensation, and assign the duties of such employees as he deems necessary, including but not limited to investigators, attorneys, and part-time consultants, without regard to the provision of title 5, United States Code, governing appointments in the competitive civil service, and without regard to chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, but at rates not in excess of the maximum rate for GS-18 of the General Schedule under section 5332 of such title. The Special Prosecutor is authorized to request any officer of the Department of Justice, or any other department or agency of the Federal or District of Columbia government, to provide on a reimbursable basis such assistance as he deems necessary, and any such officer shall comply with such request. Assistance by the Department of Justice shall include but not be limited to, affording to the Special Prosecutor full access to any records, files, or other materials relevant to matters within his jurisdiction and use by the Special Prosecutor of the investigative and other services, on a priority basis, of the Federal Bureau of Investigation.

SEC. 7. The Administrator of General Services shall furnish the Special Prosecutor with such offices, equipment, supplies, and services as are authorized to be furnished to any other agency or instrumentality of the United States.

SEC. 8. Notwithstanding any other provisions of law, the Special Prosecutor shall submit to the Congress directly requests for such funds, facilities, and legislation as he shall consider necessary to carry out his responsibilities under this Act, and such requests shall receive priority consideration by the Congress.

SEC. 9. The Special Prosecutor shall carry out his duties under this Act within two years, except as necessary to complete trial or appellate action on indictments then pending.

"SEC. 10. The panel has the sole and exclusive power to dismiss the Special Prosecutor. The only grounds for removal are gross impropriety, gross dereliction of duty, or physical or mental disability preventing discharge of his responsibilities under the Act."

SEC. 11. The Special Prosecutor solely shall exercise the powers and perform the duties specified herein. Neither the Chief Judge or the President of the United States, nor any other officer in the United States shall have any authority to direct, countermand, or interfere with any action taken by the Special Prosecutor pursuant to this Act. Neither the President of the United States, nor any other officer of the United States, shall have any authority to remove the Special Prosecutor from office.

SEC. 12. The Special Prosecutor is authorized from time to time to make public such statements or reports as he deems appropriate and is authorized and directed upon completion of his duties to submit a final such statement or report to the Congress and the President.

SEC. 13. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

"Expedited review procedure

"SEC. 14. (a)(1) Any objection by a person who is the subject of an indictment or information to the authority of the Special Prosecutor under the Constitution to frame and sign indictments or informations and to prosecute offenses in the name of the United States shall be raised by motion to dismiss the indictment or information. Such motion shall be made within twenty days of notice of the indictment or information, or before entry of a plea. The making of such a motion shall not preclude the making of motions on other grounds as permitted by the Federal Rules of Criminal Procedure. Persons who are the subjects of an indictment or information on the date this Act becomes effective shall raise such objection within twenty days of notice that the Act has become effective.

"(2) The district court shall immediately certify any motion made under subsection (a)(1) to the United States court of appeals for that circuit, which shall hear the motion sitting en banc.

"(3) Notwithstanding any other provision of law or rule, any decision on the motion shall be reviewable by appeal directly to the Supreme Court of the United States. Such appeal must be brought within ten days from the ruling on the motion.

"(4) It shall be the duty of the court of appeals and of the United States Supreme Court to advance on the docket and to expedite to the greatest possible extent the disposition of any motion filed pursuant to subsection (a)(1).

"(5) Except as provided in this subsection, no court shall have jurisdiction to consider any objection to the validity of an indictment or information or a conviction based on the lack of authority under the Constitution of the Special Prosecutor to frame and to sign indictments and informations and to prosecute offenses in the name of the United States.

"(6) The Special Prosecutor and anyone acting on his behalf shall be deemed a person authorized to be present during sessions of a grand jury, notwithstanding any later judicial determinations regarding his au-

thority to frame and to sign indictments and informations and to prosecute offenses in the name of the United States.

"(b)(1) A person aggrieved by any act of the Special Prosecutor may bring an action or file an appropriate motion challenging his constitutional authority under this Act and for appropriate relief. Such an action or motion shall be filed within twenty days of notice of the act to which objection is had. The district court shall immediately certify all questions of constitutionality of this Act to the United States court of appeals for that circuit, which shall hear the matter sitting en banc.

"(2) Notwithstanding any other provision of law or rule any decision on a matter certified under subsection (b)(1) shall be reviewable by appeal directly to the Supreme Court of the United States. Such appeal must be brought within ten days of the court of appeals decision.

"(3) It shall be the duty of the court of appeals and of the Supreme Court of the United States to advance on the docket and to expedite to the greatest possible extent the disposition of any question certified under subsection (b)(1).

"(c) In addition to any other civil or criminal relief against interference with the performance of his duties to which the Special Prosecutor appointed under this Act may be entitled, he may bring an action for injunctive relief against any interference, or threatened interference, with the performance of his duties or with his exclusive jurisdiction under this Act, or against failure to cooperate with him as required by this Act, by any officer of the executive department of the United States. Any defense to such action which challenges the authority of the Special Prosecutor under the Constitution, or otherwise calls into question the constitutionality of this Act shall be interposed within twenty days of the filing of the complaint.

"(2) An action pursuant to subsection (c)(1) shall be brought in the United States Court of Appeals for the District of Columbia Circuit which shall hear the matter, sitting en banc. Notwithstanding any other provision of law or rule any decision on the matter shall be reviewable by appeal directly to the Supreme Court of the United States. Such appeal must be brought within ten days of the decision of the court of appeals.

"(3) It shall be the duty of the court of appeals and of the Supreme Court of the United States to advance on the docket and to expedite to the greatest possible extent the disposition of any action brought pursuant to section (c)(1).

"(d) The expedited review procedures of this section shall not apply to any challenge to the constitutionality of the provisions of this Act insofar as any question presented shall have been determined by the Supreme Court of the United States, notwithstanding that the previous determination occurred in litigation involving other parties.".

SUMMARY

I. A COURT-APPOINTED SPECIAL PROSECUTOR IS NECESSARY

We face a drastic loss of public trust in the integrity of the Government and its system of justice. This disillusionment is not hard to understand. For more than a year, an endless series of disclosures, deceptions, and admissions—some shocking, some tragic, some bizzarre—have marched across the headlines.

The Watergate break-in, ITT, the Milk Fund, illegal wiretaps, the Ellsberg psychiatrist burglary, the Hoffa clemency, the Hughes gift, San Clemente, the Enemies List, perjury, document destruction, defiance of the courts, "the Saturday Night Massacre," missing tapes, and now the "tape gap": These are the sources of distrust and the legacy of "Watergate"—a word that now stands for a whole array of alleged offenses, corrosion of law enforcement, and abuse of the public trust.

We must ensure that the guilty are prosecuted and the innocent are cleared. We must take steps to safeguard against future abuses. But neither task is the most urgent or difficult challenge. That challenge is somehow to restore public trust in government and in the administration of justice.

The first requirement is the absolute necessity of public confidence that the Watergate investigation will proceed with complete independence and full vigor. We are convinced that the central point emphasized by numerous congressional leaders, The American Bar Association, 49 law school deans, the Nation's leading legal scholars, and many media and public interest spokesmen is a point intuitively clear to every American: *If the President or his subordinates select the Special Prosecutor, or have any opportunity to restrict or influence him, it will cast a cloud over the credibility of the investigation—no matter what the Prosecutor's personal reputation and no matter what the purported safeguards.*

Thus executive branch involvement, Administration involvement, can have only three results: If the Special Prosecutor is fired in violation of the safeguards, the nation would undergo another traumatic blow from which the public's faith in government would not soon recover. If the investigation produces charges against the President, many will suspect the Special Prosecutor was excessively zealous or unfair in order to demonstrate his independence.

But most dangerous is the third possible outcome of such an investigation: If a presidentially appointed Prosecutor is *not* dismissed, if he is able to "work out" disputes with the White House, and if after another year or more the Prosecutor presents no charges against the President, there will be far too little public confidence in the result. Many crucial prosecution decisions are not made public. The nation will always wonder which leads were not followed; what compromises were reached about documents that might have been sought; what evidence of wrongdoing was deemed outside his jurisdiction by the man whom the White House has selected.

The proceedings in the months ahead will inevitably be too trying—and the final stakes too great—for us to risk inconclusive results which remain under a cloud of suspicion. We must do everything possible to avoid such a disastrous outcome.

We must remove the Special Prosecutor from the possibility of White House influence, in appearance and in fact, as far as is constitutionally permissible. We are convinced that Congress can constitutionally establish a Special Prosecutor wholly outside the exective branch and completely removed from the shadow of the Oval Office. Accordingly, S. 2611 provides for the establishment of a court-appointed Special Prosecutor, removable only by the court and completely independent from the executive offices he is to investigate. That measure is now sponsored by 55 senators.

After Special Prosecutor Archibald Cox was fired, and Attorney General Elliot Richardson and Deputy Attorney General William Ruckelshaus resigned, the Committee on the Judiciary held 11 days of hearings on the circumstances of Cox's dismissal and on proposals for a statutory Special Prosecutor. The Committee heard Cox, Richardson and Acting Attorney General Robert Bork testify regarding the background and circumstances of the dismissal and resignations. Senators Stevenson and Chiles testified on behalf of their individual proposals for a court-appointed prosecutor (they are also sponsors of S. 2611). Senators Taft and Percy testified in favor of their respective proposals for a Special Prosecutor within the executive branch appointed by the President or his subordinate and subject to dismissal in accordance with specified procedures.

In addition, an American Bar Association representative testified in support of legislation for a court-appointed prosecutor outside the executive branch. Several of the nation's preeminent constitutional scholars testified that such an approach was free of serious doubt as to its constitutionality—a view shared by a group of equally eminent scholars who had already testified before the House Committee on the Judiciary.

These hearings reviewed the history of the Watergate controversy and related investigations and disclosures, the short-lived appointment of Cox, and the White House efforts to resist and curtail his investigation. On the basis of the entire record, it seems clear that some legislation is required. However, the Committee was unable to resolve an even division of its members as to which bill should be reported. Accordingly, the Committee reported, without recommendation, two measures: S. 2611, our proposal; and S. 2642, Senator Taft's, which provides for a Special Prosecutor appointed by the Administration through the Attorney General.

We believe that a review of the events leading up to our present dilemma, and of the testimony at the hearing on these bills, clearly indicates why a court-appointed prosecutor is preferable.

Last spring, the revelation of a massive Watergate coverup and the resignation of H. R. Haldeman and John Ehrlichman from the White House staff were followed by a growing list of disclosures about campaign contributions, wiretapping, and the break-in at Daniel Ellsberg's psychiatrist's office. Public demands for an independent Watergate prosecutor, echoed in Congress and the American bar, were resolved, for the time being, in the course of the confirmation hearings on Elliot Richardson's nomination to be Attorney General.

Richardson was confirmed, and legislation establishing a Special Prosecutor outside the executive branch was deferred, only upon the explicit condition of Cox's independence—endorsed by the White House—and upon the express expectation that Cox's charter would be adequate to restore public confidence in the integrity of the investigation.

Now the President's commitment to the independence of the Special Prosecutor has proven inadequate. And the charter arrangement for a Special Prosecutor within the executive branch is no longer capable of stilling public doubts about improper White House hindrance of or influence upon the investigation. The Judiciary Committee hearings revealed presidential exploration of Cox's dismissal as early as last July and cast the gravest doubt on the official reasons given for his actual firing in October.

The testimony of Cox and Richardson revealed a steady stream of White House efforts to delay, detour and even derail Cox's investigation into areas the President or his staff considered sensitive. Requests for important documentary evidence were rejected or frustrated. Complaints were constantly made about the subjects which Cox felt it was his duty to probe. As recent events indicate, these efforts have continued.

This history does not suggest a White House desire to facilitate and expedite investigation of all the charges, but rather a continuing reluctance to cooperate. The public is aware of this track record. The prospect of a credibly independent investigation by a Special Prosecutor within the executive branch has been permanently tarnished.

II. THE PROVISIONS OF S. 2611

Under the provisions of S. 2611, as amended in Committee, the power to appoint a Special Prosecutor is vested in the entire United

States District Court for the District of Columbia, rather than in the Chief Judge. The power would be exercised through a three-judge panel designated by the full court, and no member of that three-judge panel could sit on matters involving the Special Prosecutor.

S. 2611 provides a statutory guarantee that the Special Prosecutor will have the same jurisdiction given to Cox under his charter and to his successor under the reissued guidelines.

Similarly, the powers granted the Special Prosecutor under this act are those conferred upon Cox and his successor to conduct all aspects of grand jury proceedings, other investigations, and subsequent prosecutions and appeals. His authority to supersede the Attorney General or appropriate United States Attorneys with regard to powers vested by statute in them which are necessary for the performance of his duty is spelled out in more detail than was true in the original Cox guidelines. So is his power to contest claims of privilege on grounds of national security.

The Special Prosecutor appointed under this act would receive all the files and other information of his predecessors and would be substituted as counsel in all pending proceedings.

As amended, the bill provides for the Special Prosecutor's removal by the three-judge selection panel for gross impropriety, dereliction of duty or incapacity. In addition, of course, he could be impeached or Congress could abolish the Office of Special Prosecutor entirely should the need arise.

Within these limits on clear abuse, however, the Special Prosecutor would be free from interference or control by either the judiciary, *which has no "prosecutorial duties" under this act,* or by any member of the executive branch.

While we are convinced the entire bill would be upheld as a legitimate exercise of congressional power under the Constitution, S. 2611 provides several channels for a rapid test of its constitutionality. In particular, the risk of any convictions being voided has been eliminated. Defendants would have to challenge the act promptly upon their indictment with an expedited appeal to the Supreme Court. In addition, the Special Prosecutor could seek to enjoin interference from any other prosecutor already on the job. There would be no overlap.

III. CONSTITUTIONALITY OF S. 2611

The power to enact S. 2611 rests squarely on the express authority of Congress, under Article II, Section 2, to vest the appointment of any inferior officer it deems appropriate in the courts. It does not require any loose construction of the Constitution. "Inferior officer" in this constitutional sense means any official other than those specifically enumerated in Article II, Section 2.

Opponents of S. 2611 have urged that a prosecutor could not be court-appointed because his duties are supposed to be inherently and exclusively functions of the executive branch. But the controlling Supreme Court decision under this provision, *Exparte Siebold,* holds that such appointment may be vested in the judiciary *even if the duties of the office are wholly executive in nature,* as long as judicial appointment is not "incongruous," given the nature of the office. Not only is there an obvious relationship between the judiciary and the conduct of criminal prosecutions, but in these extraordinary circumstances it does seem "incongruous" to let the President or his subordinates appoint the person charged with investigating the White House itself.

Vesting the appointment power in the courts does not undermine the doctrine of separation of powers. First, it does not confer executive duties on the courts. We do not say the President *performs judicial duties* merely because he *appoints* Federal judges; Congress does not do so if it *removes* judges by impeachment. And when courts *appoint* defense attorneys for indigents, they do not thereby *perform the duties* of trial counsel.

Second, the fact that the Special Prosecutor would be independent of the executive's control does violate the separation of powers doctrine. Under our Constitution, power is dispersed among the three separate branches of government so that each might check and balance the others—not to insulate the President from effective control. To invoke the separation of powers doctrine to prevent independent investigation of criminal conduct in the executive branch is to stand the doctrine on its head.

Finally, the expert testimony establishes that there is no problem in denying the President power to remove the Special Prosecutor. The basic constitutional rule is that the removal power follows the power to appoint. If the court can be given the power of appointment, it may also hold the exclusive power of removal. The landmark *Myers* case reaffirmed this rule, holding that where the President appoints an officer within the executive branch, Congress may not restrict the President's removal power. Subsequently, the Supreme Court indicated that *Myers* does not apply to offices such as regulatory commissioners which are specifically designed to ensure independence from the White House. The Special Prosecutor comes within this exception. Unlike other offices for which Congress has vested the appointment power in the courts, *the whole purpose in creating the office is to insulate the Special Prosecutor from the control, influence, or the appearance of influence by the Chief Executive.*

In summary, S. 2611 relies upon an explicit constitutional provision which authorizes its procedure. While emergency is no basis for circumventing constitutional limits, the Constitution was admirably designed to be adaptable to unforeseen national crises. The present situation is a clear example, and Article II, Section 2 permits Congress to act.

DISCUSSION AND ANALYSIS

I. OFFICE OF SPECIAL PROSECUTOR

a. Introduction

October 19 and 20, 1973, were two of the most extraordinary days in American history and presented this nation with one of the most traumatic crises of recent times. On October 19, the President of the United States announced that he would neither comply with a decision of the United States Court of Appeals nor appeal its ruling to the Supreme Court. Instead, he would seek to impose what he termed a "compromise" upon a number of participants in what has become known as the Watergate investigation. Failing to gain their full agreement, however, the President on October 20 ordered the dismissal of the Watergate Special Prosecutor and forced the resignations of the Attorney General and Deputy Attorney General of the United States.

The events leading up to this bizarre sequence contain significant lessons for the Congress and the American people. And, viewed in the context of constant assurances by the President of a full, thorough, and independent Watergate investigation, they led inexorably to the conclusion that the reins on the investigation must be completely and permanently removed from the offices of the executive branch and placed within the hands of a fully independent, court-appointed Special Prosecutor. It is the purpose of S. 2611 to create that independent Special Prosecutor and to establish guidelines for the successful culmination of the Watergate and related investigations.

b. Initial proposals

During the winter of 1973 it became clear that there had been an attempt to cover up events surrounding the 1972 break-in at the Democratic Committee National Headquarters in the Watergate Complex. Officials of the executive branch, according to news stories, had not been telling the public all they knew about the Watergate break-in or its aftermath and had been involved in diverting or obstructing the Justice Department's investigation. The Department's own investigations of the ITT affair and campaign "dirty tricks" had been minimal and incomplete. Thus, the public demanded that the prosecution of Watergate and similar politically sensitive offenses allegedly committed by executive branch officials be transferred from the normal operating structure of the Justice Department and vested in an independent Special Prosecutor.

A striking precedent was found in the 1924 Senate Joint Resolution, which authorized the appointment of a "special counsel" to investigate and prosecute charges arising out of the Teapot Dome scandal. Inspired by the Teapot Dome approach, various resolutions were introduced in both houses of Congress calling for the appointment of an independent special prosecutor. (E.g., S. Res. 105; S. Res. 106; S. Res. 109; H. Res. 367; H. Res. 368; H. Res. 369). On May 1, the Senate passed a resolution calling upon the President to designate a special prosecutor. (119 Cong. Rec. S. 8022, May 1, 1973, daily ed.)

Calls for the appointment of an independent Special Prosecutor also came from former Supreme Court Justice Arthur Goldberg, consumer advocate Ralph Nader, and ABA President Robert Meserve. By May 4, 74 percent of those interviewed in a special Gallup Poll stated that they thought someone outside the Nixon administration should be appointed to conduct the Watergate investigation.

c. Independence of the Prosecutor

1. The President's Commitment

In the wake of the resignations of top White House aides H. R. Haldeman and John Ehrlichman and of Attorney General Richard Kleindienst, even the President appeared to recognize and accede to the public demand for a Special Prosecutor. He also placed the full weight of his office behind the concept of full independence for the Special Prosecutor. In his April 30 statement announcing the nomination of Elliot L. Richardson to be Attorney General the President stated:

I have given him absolute authority to make all decisions bearing upon the prosecution of the Watergate case and related matters. I have instructed him that if he should consider it appropriate, he has the authority to name a special supervising prosecutor for matters arising out of the case.

Whatever may appear to have been the case before, whatever improper activities may yet be discovered in connection with this whole sordid affair, I want the American people, I want you to know beyond the shadow of a doubt that during my terms as President, justice will be pursued fairly, fully, and impartially, no matter who is involved. . . . (9 Presidential Documents 434–435.)

The following morning, Presidential press secretary Ronald Ziegler confirmed the President's commitments and said that Richardson had been given "total authority and total flexibility," and that Richardson had been told that the President "ruled nothing out." (See New York Times, May 3, 1973, "Some New Questions" by R. W. Apple Jr.) During Richardson's confirmation hearings, the Senate Judiciary Committee was constantly assured that the Watergate investigation would be fully independent. Said Richardson: "The President has told me that he does not want to be informed"; "The President has said that I am to have authority over these investigations and prosecutions, that I am

to press them to a conclusion no matter who is hurt." And again: "There would be no understanding or requirement or expectation on the part of the President that he would be informed or notified of any action, no matter who was involved." (Hearings Before the Committee on the Judiciary, United States Senate, 93d Cong., 1st Sess., on Nomination of Elliot L. Richardson to be Attorney General at 37, hereinafter cited as "Richardson Hearings".) Richardson repeated the following week: The President is "pledged to a full and thorough investigation. He is pledged to cooperate in assuring that all the facts emerge."

Now, in those circumstances, given the kinds of public interest at stake, for the President to intervene in the matter of the appointment or the way the special prosecutor does his job and so on, would be totally at variance with the whole approach he set forth. It just will not happen. (Richardson Hearings at 72–73.)

Further evidence of the President's commitment to the Special Prosecutor's independence were given the Judiciary Committee by the Senate Minority Leader. Speaking from the dais, Senator Scott stated:

Now, the President this morning made it clear to me that he will in no way intervene in the selection of the prosecutor nor in the conduct of his office, nor in his final report; that the investigation must proceed without fear or favor to the full and complete truth and toward the final fixing of responsibility through the judicial process . . . We start with the assurances that the President of the United States wishes a complete, total, absolute and utter investigation to the end, to the truth, and the ultimate consequences. (Richardson Hearings at 46–46.)

Finally, on May 22, following Richardson's last day of testimony before the Committee, the President addressed the nation. Of Cox's determination to obtain the full truth, Mr. Nixon stated, "In this effort, he has my full support." (9 Presidential Documents 697.)

2. The Confirmation of Richardson and the Compact With the Senate

The Senate had made it clear that not only Richardson's confirmation, but also the deferral of Special Prosecutor legislation was contingent upon the appointment of a sufficiently independent Special Prosecutor.

In Richardson's first few moments of testimony before the Committee on May 9, he stated:

I believe, Mr. Chairman and members of the Committee, that in the interest, first of all, of vesting the active direction of these investigations and prosecutions in the hands of the most capable possible person, and in the interest, also, of creating the maximum possible degree of public confidence in the integrity of the process, I should designate a highly qualified and experienced individual of high character and broad experience for the role of special prosecutor in the Watergate case and related matters. (Richardson Hearings at 4.)

On the matter of the special prosecutor's authority to challenge claims of executive privilege, Richardson stated somewhat prophetically that "there is an appropriate role for the courts in the adjudication of a claim of privilege." He continued:

[I]n a criminal prosecution, where the jurisdiction of a court attaches from the outset, it seem to me appropriate that the court should adjudicate an issue arising out of a claim of privilege by the executive branch or by or on behalf of the President on the one side and a prosecutor of criminal violations on the other.

It is therefore my understanding that for purposes of the Watergate investigation and all the other related matters, if such an issue should arise, the President will be represented by counsel on one side of that issue and that the Special Prosecutor would assert his claim to obtain the information or the evidence on the other, and that if that could not be resolved otherwise, then in my judgment, the issue would have to be resolved by a court. (Richardson Hearings at 159).

"The Prosecutor should, in my view," said Richardson, "if he believes the evidence is important, press to get it by all the legal means available to him." (Richardson Hearings at 57–58.) "I cannot conceive any basis on which I would intervene as a practical matter," he stated. "The assertion of the right or a claim to reach evidence should certainly be within the scope of the responsibilities of the Special Prosecutor." (Richardson Hearings at 52.)

The Special Prosecutor's independence and jurisdiction were to be guaranteed through written guidelines, a charter negotiated by the Attorney General-designate on behalf of the Administration and the Committee on behalf of the Senate. The final charter, presented for Committee approval, specified the duties, responsibilities, and independence of the Special Prosecutor.

In exercising this authority, the Special Prosecutor will have the greatest degree of independence that is consistent with the Attorney General's statutory accountability for all matters falling within the jurisdiction of the Department of Justice. The Attorney General will not countermand or interfere with the Special Prosecutor's decisions or actions. The Special Prosecutor will determine whether and to what extent he will inform or consult with the Attorney General about the conduct of his duties and responsibilities. The Special Prosecutor will not be removed from his duties except for extraordinary improprieties on his part. (Richardson Hearings at 145.)

The next day the nomination of Elliot Richardson to be Attorney General came to the floor of the Senate for a vote. Each Senator speaking on the nomination referred to the appointment of an independent Special Prosecutor as an integral part of Richardson's obtaining the full confidence of the Senate and the American public. The Senate approved the nomination by an overwhelming vote. (119 Cong. Rec. 9708–15, May 23, 1973 daily ed.) On May 25, Richardson took his oath of office. That same day, Archibald Cox was sworn in as Special Prosecutor. The charter under which Cox would operate was published as an Order of the Attorney General in the Federal Register, and became part of the regulations of the Department of Justice. (38 Fed. Reg. 14688.)

Two points emerge sharply from a review of the events leading to the confirmation of Richardson and the appointment of the Special Prosecutor. First, both the Congress of the United States and the American people thought they had a clear commitment from the President to abide by the charter governing the independence of the Special Prosecutor and the circumstances under which he could be removed. No amount of technical distinction between the Attorney General-designate's testimony and the President's own statements can rewrite that history. Second, it was clear that the appointment of an independent Special Prosecutor with a commitment of non-interference from the White House was not only an express condition of Richardson's confirmation by the Senate; it also inevitably was the basis on which various bills for the establishment of a Special Prosecutor totally outside the executive branch were not pressed by their supporters to enactment.

II. INTERFERENCE WITH THE SPECIAL PROSECUTOR'S INVESTIGATION

A. Introduction

As noted previously, the appointment of Richardson and Cox was accompanied by broad guarantees from the President and high Administration spokesmen that (1) the Special Prosecutor would receive full White House cooperation in his investigation, (2) he would be free to follow all leads fully and thoroughly, and (3) there would be no attempts to limit or interfere with this jurisdiction. The testimony elicited at the Committee's recent hearings, however, established that none of these commitments was met. Moreover, the record clearly suggests that the full independence so necessary to ensure a thorough and complete investigtation by a Special Prosecutor cannot institutionally be accorded any Special Prosecutor functioning within the control of the executive branch.

Shortly after Professor Cox took office, there developed a solid, persistent pattern of White House efforts to contain his investigation and to impede it by refusing to cooperate in providing necessary documents and other evidence.

Always, of course, these actions were couched in terms of either technical interpretation of Cox's jurisdiction under his charter, or an alleged fear that the vigor of the investigation was inspired by improper motives. This White House hostility to Cox's endeavors culminated in the "Saturday Night Massacre"—not only his dismissal and the resignations of the Attorney General and Deputy Attorney General, but also the abolition of the Office of Special Prosecutor, until its restoration was forced upon the Administration by public pressure.

Ostensibly, Mr. Cox was fired for his refusal to accept a proposed "compromise" on access to presidential tapes which the courts had ordered the White House to produce. However, the record of this hearing reveals for all but the most credulous that this was only the precipitating incident, if not a complete pretext. The dismissal was ultimately the result of the chronic White House unhappiness with the vigor and scope of the Special Prosecutor's investigation.

In order to provide an adequate reflection of the record as revealed at the hearings, it is necessary to review the testimony in some detail.

B. White House Attempts To Limit the Special Prosecutor's Investigation

Although Richardson testified that he initially felt that the Attorney General should not become involved in jurisdictional issues concerning Cox's investigation, he soon found himself acting as the intermediary between the White House and the Special Prosecutor. On a number of occasions, the White House contacted Richardson to express displeasure with the course and extent of the Cox investigation, and Richardson would frequently convey these concerns to the Special Prosecutor.

Cox himself felt "quite certain . . . that there were a number of occasions on which someone with offices in the Executive Office Building or the White House would come to believe, perhaps rightly, perhaps wrongly, that we were pursuing a certain line of investigation that he would then get after the Attorney General and the Attorney General would then call me." (Hearings before the Committee on the Judiciary, U.S. Senate, 93rd Cong., 2nd Sess., on the Special Prosecutor tr. 24–25; hereinafter referred to as "Prosecutor Hearings". [Note-references are to transcript, not printed volume.])

Cox testified, for example, that "almost any activity in the area of bugging or eavesdropping was likely to lead to the raising of jurisdictional questions." (Prosecutor Hearings tr. 26)

Cox's fears were confirmed by the former Attorney General when he testified that "Mr. Buzhardt from time to time communicated to me the sense of sort of chronic uneasiness generated by the scope of Mr. Cox's activities . . ." (Prosecutor Hearings p. 608.) In fact, Richardson stated that he had "no doubt" that "had someone acting on behalf

of the President been able in some way to do something about [the Cox role] maybe by way of getting things headed into the Criminal Division or otherwise that might have been done." (Prosecutor Hearings p. 848.)

The record is replete with specific instances of attempted White House interference. As early as June 19, only a few weeks after Cox started work, General Haig called Attorney General Richardson to complain of an "unlimited hunting license to Cox," and that the entire investigation was "blatantly partisan." (Prosecutor Hearings p. 812.) Mr. Richardson conceded that the next day he met with Mr. Cox to review some of these "jurisdictional" issues, although he could not be sure whether the meeting was arranged prior to the phone call from General Haig. (Prosecutor Hearings, p. 813.)

When an article appeared in the Los Angeles Times speculating that Cox was investigating the expenditures at the President's home in San Clemente, there was a call from the President himself to Richardson on July 3. (Prosecutor Hearings pp. 523, 815.) Although Cox already had, for the moment, put that controversy on the back burner, and therefore issued a denial, Richardson's relay of the White House's anger no doubt made clear its sensitivity to Cox's exploring this area.

A similar expression of White House concern regarding a possible indictment of Charles Colson apparently was communicated to Cox (Prosecutor Hearings p. 241), although testimony was in conflict on this point (Prosecutor Hearings pp. 592, 844). Although Cox was not in fact proceeding toward a Colson indictment, the inquiry typified the careful attention being paid by the White House to media reports—accurate or not—relating to the Special Prosecutor's activities.

Several "jurisdictional issues" were raised concerning Cox's activities with respect to the Secret Service. Mr. Cox described one of these incidents to the Committee as follows:

Some of the staff were looking into the matter of the use of Secret Service, and sometimes in conjunction with advance men or local police, to keep demonstrators, opponents from attending rallies in support of the President . . . The question was raised on two points: One, what business was this of ours, and two, the Department of Justice was defending some of the federal officers or employees involved, it was a problem in coordination. (Prosecutor Hearings pp. 245–346.)

When Cox's staff sent out an apparently broad questionnaire concerning wiretapping activities of the Secret Service, Richardson received a July 23 phone call from General Haig, stating that the President was "very uptight about Cox" and wanted a "tight line drawn around him" with "no further mistakes." If this couldn't be done, said Haig, then "we will get rid of Cox." (Prosecutor Hearings, p. 817.) Cox subsequently reduced the scope of his office's request.

Shortly thereafter, on July 27, White House counsel called Richardson to complain about a "couple of Secret Service agents who were being subpoenaed" and also to complain about an apparent Cox interest in the so-called Huston plan for surreptitious entry, electronic surveillance and the opening of private mail. The official document outlining this plan itself acknowledged that some of the contemplated activities were illegal. The scheme was allegedly dropped after a brief period because of J. Edgar Hoover's objection. The White House objection to Cox's interest in this subject was twofold: (1) the Administration claimed the plan itself acknowledged that some of the contemplated activities were illegal; and (2) the Administration argued that since the full plan had been withdrawn by the President after a very brief period, Cox could rest assured that no element of the proposal had ever been implemented.

Other White House complaints followed shortly thereafter, including a call from Buzhardt on September 11 concerning Cox's investigation of the break-in into the office of Daniel Ellsberg's psychiatrist and possible national security defenses to any prosecution arising from indictments. (Prosecutor Hearings p. 837.)

It should be acknowledged that these specific White House complaints did not directly result in substantial reductions in the scope of the Special Prosecutor's investigation. However, they undoubtedly created an atmosphere in which it was made clear to the Special Prosecutor that his examination of investigative leads was constantly being monitored at the highest levels of the White House and that there are constant efforts to delay, detour, or derail completely his activities in several critical areas. These efforts particularly took the form of an increasing White House reluctance to cooperate with the Cox investigation or provide relevant documents and materials.

C. White House refusal to cooperate

Quite early in the Special Prosecutor's investigation a substantial body of documents was requested, many concerning the activities of members of the White House staff, subjects clearly within the scope of the Special Prosecutor's charter. Cox testified that "for the most part, I must say it seemed to me that our efforts to obtain such documents were very unsuccessful." (Prosecutor Hearings.)

Cox testified that among the information requested but not received were:

"All records and logs reflecting meetings or telephone conversations of Young, Krogh, Colson, Ehrlichman, Hunt and Liddy, between, June 13, 1971, and December 31, 1971.

"Those dates embrace the various activities of the plumbers and particularly the break-in at Dr. Fielding's.

"Logs of meetings between the President and each of the meetings (sic) named in the above paragraph during the same period.

"Three, all records sent to or received by the individuals named above relating to the Pentagon Papers, Ellsberg, Fielding, Hunt, Liddy, Special Project Number One, Project Odessa or Project O.

"Fourth, telephone conversations in those dates.

"Fifth, all records relating to the subjects described above that were removed from Krogh's files at Department of Transportation and delivered to the White House or Executive Office Building between December 1, 1972 and May 31, 1973. This is one of the things that led me to remark that Presidential files had a way of expanding.

"Sixth, all records relating to the above subjects described in (D) above that were transmitted from Young to Ehrlichman between March 23 and March 27, 1973, and on April 30, 1973."

Next, "All records relating to subject described in (c) above that were deposited in Presidential files on behalf of Ehrlichman, Young, Krogh or Colson. The letter also asked for the dates of deposit and the individual.

And the final one of this particualr group, "All records relating to Wagner and Baroody, including all records relating to the discovery of five thousand dollars, and records of visits by Baroody to the White House or Executive Building."

On the 27th of August we requested all records relating to Joseph Kraft, electronic surveillance of Joseph Kraft, and then it goes on further, identification or specifics . . .

After about a month and a half of discussion on this subject, we identified nine specific items that were particularly urgent among them, but according to my records none of those were, have yet been produced. (Prosecutor Hearings p. 30–32.)

Despite the renewal of the request by the new Special Prosecutor, Leon Jaworski, the documents have yet to be provided by the White House.

Cox's attempts to secure material relating to the increase in milk price supports offer a prototype of the documents problem. Allegations had been made that the Administration's action in raising milk price supports were prompted by a major campaign contribution received from the dairy industry and that other federal actions favorable to the dairy industry had been prompted by promises of more to come. Cox's summary of what happens follows:

I was with the Attorney General one day and I said, "Look, the file of papers on the milk producers is in the possession of the lawyers of the Civil Division, and I have been trying to get it from the President's counsel. If the Civil Division can see it, I don't see why I can't see it." The Attorney General said, "Well, I agree with you. I don't see why you can't see it. I will tell them to turn it over to you, just—" He stopped and he said, "I'd better tell the President's counsel that I'm doing this before I do it," and when he did tell him he was forbidden to turn it over. (Prosecutor Hearings. 32)

Cox was also frustrated in his efforts to secure Internal Revenue Service records relevant to his examination whether IRS audits and other activities were being directed toward individuals listed on a White House "enemies" list. (Prosecutor Hearings 841.) The White House also apparently adopted procedures specifically designed to insulate papers of government officials by shifting them into the category of "presidential papers," thereby attempting to avoid their release to Cox. (Prosecutor Hearings tr. 31, 159.) It does not appear that there has been any substantial change in the White House attitude toward the release of documents to the Special Prosecutor. The only definitive and unqualified presidential statement thus far made on the subject is definitively and categorically negative: "We will not provide presidential documents to a special prosecutor." (October 26 news conference 9 Presidential Documents 1290.)

Supposedly it was Cox's refusal to cease and desist in his attempts to secure White House documents which caused the final confrontation over access and ostensibly led to his dismissal on October 20, 1973. However, the record reveals that, long before the question of presidential tapes and documents ever arose, the White House was contemplating the dismissal of Cox.

D. The dismissal of the Special Prosecutor

On October 20, 1973, Archibald Cox was dismissed as special prosecutor, ostensibly for his refusal to accept a "compromise" position supported by the White House on the question of his access to tapes of presidential conversations. Although the tapes controversy is now household knowledge, a brief review indicates the hollow nature of the official excuse for Cox's dismissal.

1. The Tapes Compromise

On July 16, 1973, former White House aide Alexander Butterfield testifying at the Senate Watergate hearings, revealed that virtually all conversations in the President's office since early 1971 had been tape recorded. This revelation was confirmed the same day by the White House. The following day, the Senate Select Committee on Presidential Campaign Activities formally requested the President to give it all "relevant" White House documents and tape recordings of presidential conversations after Mr. Nixon invoked executive privilege to stop the Committee's questioning of Secret Service agents about the tapes. One day later, Archibald

Cox requested that the White House turn over the tapes to the Special Prosecutor's office.[1]

On July 23, the President refused to turn over presidential tape recordings to either the Senate Watergate Committee or to the Special Prosecutor's office. Cox immediately served a subpena for the tapes on presidential counsel J. Fred Buzhardt; the Senate Committee followed suit, serving two subpenas on another presidential attorney, Leonard Garment. Responding to Cox's lawsuit on August 7, the White House claimed that the federal district court had no power to compel the production of the tape recordings if the President believed that their production would not be in the public interest. Two days later, the Watergate Committee, arguing that the President acted illegally in refusing to comply with its subpenas for the tapes, brought suit in federal district court to compel his compliance.

On August 13, Special Prosecutor Cox responded to the White House position by arguing in court that Mr. Nixon could not be a "proper judge" of whether the public interest requires release of the tapes.

In reply, on August 17, the President's lawyers contended that the executive branch, and not the courts or a grand jury, had the exclusive right to drop a criminal prosecution when "other governmental interests" outweighed its pursuit. On August 29, Judge Sirica ordered the President to produce the tapes for his examination, so that he could make a determination whether to transmit them to the grand jury. The White House announced that the President would not comply with the order. On August 30, the White House stated that "it has been decided that counsel will seek review [of the Sirica decision] in the Court of Appeals for the District of Columbia."

In an unusual move, the Court of Appeals on September 13 proposed that the parties seek an out-of-court settlement, urging the President to submit portions of the recordings to Cox and the chief White House attorney for their examination; the two lawyers would then decide what parts of the tapes could properly go to the grand jury. Cox announced almost immediately that he would be "more than glad to meet with the President or his delegate in a sincere effort to pursue the Court of Appeals suggestion to a mutually satisfactory conclusion." (New York Times, September 14, 1973, p. 1.) After several meetings between Cox and the White House lawyers, however, it was announced on September 20, that they had failed to reach a compromise on access to the tapes. (September 20 letters from Charles Alan Wright and Archibald Cox to U.S. Court of Appeals for the District of Columbia, New York Times, September 21, 1973, p. 18.) The Court of Appeals then returned to a consideration of the case on the merits and, on October 12, ordered the President to surrender the tapes for in camera inspection by the District Court. (Meanwhile on October 17, Judge Sirica ruled that the Federal District Court lacked jurisdiction to decide the Watergate Committee's request for access to the tapes and dismissed the suit.)

On October 19, the last day for appealing this decision to the Supreme Court, the President announced that he would neither turn over the tapes to the District Court nor appeal. Instead, he ordered Cox to drop his efforts to secure the tapes, and announced that he would edit a summary of the tapes, have it verified as accurate by Senator John C. Stennis, and then give the summary to the Watergate Committee and the grand jury. The President announced that Cox had rejected this plan, which he claimed had the approval of Attorney General Richardson. When, on October 20, Cox announced that he would not abandon his efforts to obtain the tapes, the President ordered Attorney General Richardson to dismiss him. Richardson refused and resigned. The President then ordered Deputy Attorney General Ruckelshaus to fire Cox. He, too, refused and resigned. Solicitor General Bork then assumed the position of Acting Attorney General and carried out Mr. Nixon's order to dismiss Cox.

Cox and Richardson both testified that, during the critical week leading up to the dismissal, Cox had made clear that he was leaving the door open to possible compromise (Prosecutor Hearings pp. 15–20, 529–532, 578–581), and that the major problems with the proposed compromise were (1) the potential inadmissibility of the tape summaries in criminal proceedings and (2) the additional limitation, proposed by the President without Richardson's approval, that Cox seek no additional Presidential tapes or documents by judicial process. Cox felt that the second limitation would cripple his investigation and compromise his independence; thus, the White House's continued pressure on Cox to accept the compromise with this limitation—"the rush to judgment on questions which I was still trying to discuss"—left him no choice but to withhold approval of the arrangement. (Prosecutor Hearings p. 20.) As Cox observed: It was my impression that I was being confronted with things that were drawn in such a way that I could not accept them." (Press Conference, Washington Star-News, Oct. 21, 1973, p. E–3.)

On October 23, the President's counsel announced that the President would make the actual tapes available to the district court for inspection and transmittal to the grand jury. This action came only four days after Cox was dismissed for insisting that the President do just that.

2. Legality of the Dismissal

According to the terms of the Special Prosecutor's charter, his dismissal could be effected only if he engaged in "extraordinary improprieties." It has been conceded by Acting Attorney General Bork that Cox did not engage in such conduct. (Bork October 24 press conference, transcript p. 28). Indeed, the United States District Court for the District of Columbia has held that Mr. Cox's dismissal violated the clear mandate of the applicable Justice Department Regulations (Nader 1. Bork. Civil Action No.,1954–73.' November 14, 1973). According to the court, "the firing of Archibald Cox in the absence of a finding of extraordinary impropriety was in clear violation of an existing Justice Department regulation having the force of law and was therefore illegal." (*Nader* v. *Bork*, p. 8)

3. Other Reasons for the Dismissal

Beyond the alleged reason for dismissing the Special Prosecutor, the record developed at the Committee's hearings clearly indicates that there was White House talk of dismissing Cox well before the tapes compromise was even proposed, much less "rejected" by Cox. The earliest such indication revealed thus far came during the July 23 phone call from General Haig to Elliot Richardson concerning electronic surveillance. According to Richardson, Haig stated that "the President wanted a tight line drawn, no further mistakes, if Cox doesn't agree, we will get rid of Cox." (Prosecutor Hearings p. 817.) Later in September or early October, but still before the tapes compromise was proposed, the President himself spoke to Richardson about firing Cox. Richardson testified that there was "one irritated remark about Cox's operations generally which he made one time in an offhand way in a meeting on something else . . . It had to do with the—with getting rid of Cox, some general reference." (Prosecutor Hearings p. 616.) It will be recalled that it was the President who had suggested to Richardson on July 3 that Cox issue a statement denying that San Clemente was under investigation. According to Richardson, Mr. Nixon was "pretty wrought up over that at the time." (Prosecutor Hearings p. 615.)

Moreover, there was yet another incident which clearly intensified the White House's inclination to fire Cox. Only four days before he was fired, Cox told Richardson about a phone call from the President to Attorney General Kleindienst, ordering Kleindienst not to proceed with an appeal in the ITT antitrust case. This fact appeared to contradict previous Administration statements that Mr. Nixon took no personal role in the ITT litigation. Cox mentioned it to Richardson in the context of his request that additional Presidential tapes be subpoenaed. Richardson testified that he "did mention this situation to President's counsel when I was trying to explain to them why I believed Cox was reasonable in refusing to renounce further right to obtain any tapes. This would have been on a later date in the week, probably Thursday . . . I remember making this specific reference to Mr. Buzhardt . . ." (Prosecutor Hearings p. 605.)

In summary, the full context of Cox's dismissal included: (1) his refusal to forego access to additional presidential documents needed as evidence; (2) the President's ultimate about-face and delivery of the Watergate tapes to the court; (3) White House displeasure with the scope of Cox's charter to investigate; and (4) several previous White House explorations of his dismissal, beginning as early as June.

Seen in this light, Cox's firing seems to have had little to do with the White House's announced concern about the principle of executive privilege and to have been far more closely related to the vigor and thoroughness with which Cox was pursuing the investigation.

4. Conclusion

The record clearly demonstrates a substantial degree of White House interference with the Special Prosecutor's investigation, a lack of cooperation in supplying relevant information, and an early desire to dismiss Cox because of the broad scope of his inquiry. Matters are not much better at the present time. Indeed, the new Special Prosecutor's charter has actually been weakened by the inclusion of a provision ostensibly strengthening the prosecutor's independence.

In testimony before the Committee, Acting Attorney General Bork conceded that the new charter permits the President and the Attorney General, in consultation with a few members of Congress, to limit or remove entire areas of the special prosecutor's investigation. The new charter first issued by Acting Attorney General Bork provided as follows:

"In accordance with assurances given by the President to the Attorney General that the President will not exercise his Constitutional powers to effect the discharge of the Special Prosecutor or to limit the independence that he is hereby given, the Special Prosecutor will not be removed from his duties except for extraordinary improprieties on his part and without the President's first consulting the majority and minority leaders and the Chairmen and ranking Minority Members of the Judiciary Committees of the Senate and House of Representatives and ascertaining that their consensus is in accord with his proposed action. (Order No. 554–73, November 2, 1973."

This new provision appeared on its face only to modify the original charter as to dismissal of the Prosecutor; he could not be dismissed, even for extraordinary improprieties,

[1] On July 20, the White House disclosed that Mr. Nixon had decided to end the taping of telephone calls and conversations in his offices. The historical value of the tapes had been outweighed by the "embarrassment" caused the Administration by their disclosure, according to one aide. (New York Times, July 21, 1973, p. 1).

without a consensus of agreement on the part of the congressional leadership. Considering the willingness of the White House to disregard the previous charter and dismiss Cox outside of its provisions, this might have added little additional protection. Yet, despite the clear language of the charter, which was interpreted this way by the media,[2] by the Federal District Court,[3] and even by the Justice Department lawyers,[4] the Acting Attorney General nevertheless took the position that the Special Prosecutor's jurisdiction could similarly be limited or eliminated by the same kind of consensus. (Prosecutor hearings, p. 1041–1042). Claiming that a "drafting error" was responsible for the confusion (Letter to Senator Edward M. Kennedy from Robert H. Bork, November 20, 1973), the Justice Department amended the charter to clearly provide that the consensus provision covered the limitation of the Special Prosecutor's jurisdiction (Amendment to Order 554–73, November 19, 1973). "the jurisdiction of the Special Prosecutor will not be limited without the President's first consulting with such Members of Congress and ascertaining that their consensus is in accord with his proposed action."

For the first time, then, the President's ability to interfere with or eliminate entirely whole areas of the Special Prosecutor's investigation has been sanctified by Justice Department regulation. Inclusion of this provision can only constitute further confirmation that the placement of the Special Prosecutor's office under the control of the executive branch cannot succeed in achieving public confidence that the investigation will be thorough and complete.

In recommending legislative creation of a fully independent Special Prosecutor's office, the American Bar Association emphasized four essential principles:

"First, the rule of law applies to all citizens without exception;

"Second, law enforcement investigations and prosecution procedures under that rule of law require complete severance and independence as between the subject of the investigation and the investigator;

"Third, independence means at the minimum that neither the appointment nor tenure of persons conducting the investigation nor the scope of the investigation, including the lines of evidence to be pursued, shall be controlled in any way by the subject under investigation;

"Fourth, should any controversy relating to the scope or propriety of a particular procedure or investigative objective arise between the law enforcement authorities and a subject of investigation the resolution of the issue is for the courts."

---

[2] New York Times, Nov. 2, 1973 at 22; Washington Post, Nov. 2, 1973 at A3: "Bork said that Jaworski will have the same charter Cox did with the additional commitment the President made regarding his power to dismiss him."

[3] *Nader* v. *Bork*, Civ. No. 1954–73 at 9, n. 13: "The two regulations are identical, except for a single addition to the new regulation which provides that the Special Prosecutor may not even be discharged for extraordinary improprieties unless the President determines that it is the 'consensus' of certain specified congressional leaders that discharge is appropriate."

[4] Government's Brief in Opposition to Plaintiff's Motion for Preliminary Injunction, *Nader* v. *Bork* at 3: "The Order * * * provides that the Special Prosecutor shall not be discharged except for extraordinary improprieties on his part and without the President's first consulting [several named congressional leaders of both political parties] and ascertaining that their consensus is in accord with his proposed action."

The events which led to the dismissal of Archibald Cox must inevitably place in an untenable position any successor Special Prosecutor within the executive branch. If he conducts his investigation too vigorously, he risks abolition of his protective charter and dismissal. Ironically, if he is permitted to continue, the executive branch Special Prosecutor will feel an obligation to bend over backwards and seek indictments where he may not feel them warranted, so as to avoid the impression that he is overly cautious about treading upon White House sensitivities. (Prosecutor Hearings p. 782). And if the Special Prosectuor concludes that, in a given instance, an indictment of an Administration official is not warranted according to Richardson, how can the public ever have the full confidence that his decision was not affected by the kind of White House influence liberally bestowed upon Mr. Cox?

The need to avoid this dilemma by creation of a fully independent Special Prosecutor was perhaps best stated by Cox in his testimony before the Committee:

"It is, I think it is, too much to ask of any man as Special Prosecutor or any man as Attorney General or of any President, for that matter, that the man the Special Prosecutor, both serve as part of an Administration and as part of the team and at the same time investigate individuals and their conduct who either are or have been part of the Administration. It just tears the institutions or the individual apart. (Prosecutor Hearings p. 22–23)"

IIII. EXPLANATION OF THE BILL

A. Appointment

S. 2611, as amended in committee, directs the United States District Court for the District of Columbia to appoint a Special Prosecutor independent of control, direction, or influence by the executive branch. As originally introduced, the bill had bested the appointment power in the Chief Judge of that court. The Chief Judge, however, having presided over and presently presiding over proceedings initiated by the Office of the Special Prosecutor, is already intimately involved in the Watergate proceedings. As a matter of general principle, moreover, concern has been expressed that whoever actually selects the Special Prosecutor should not thereafter hear cases in which his selection was a party.

Accordingly, S. 2611 was amended in Committee to provide that the power of appointment is vested in the entire District Court, paralleling the language of the constitutional provision for such appointment. The full court would designate a three-judge panel to make the actual selection, on its behalf, of a Special Prosecutor.

There would be both prospective and retrospective insulation of the selection panel from the Watergate proceedings to preserve fully both the fact and appearance of judicial impartiality in such proceedings. No judge who had already heard Watergate matters would be eligible for the panel selection, and no member of the panel would thereafter be eligible to hear any criminal matters within the Special Prosecutor's jurisdiction under this statute. Vacancies on the panel would be filled by the full court.

B. Jurisdiction

The Special Prosecutor is given jurisdiction to investigate and, where appropriate, to prosecute

"Offenses arising from the Watergate break-in and cover-up;

"Other offenses arising from the 1972 presidential election;

"Offenses alleged to have been committed by the President, presidential appointees, or members of the White House staff."

These are the three primary points of jurisdiction contained in the charter under which Special Prosecutor Archibald Cox was empowered and under which the present Special Prosecutor is now operating.

At the hearings, it was clearly shown that the last jurisdictional category had not been interpreted by the Special Prosecutor to cover every minor allegation against any and every presidential appointee. Many of such allegations could and should be handled by the appropriate U.S. Attorney's office or the Criminal Division of the Justice Department. For any serious allegation against appointees or White House staff members, however, the Special Prosecutor must determine whether it is appropriate to invoke his exclusive jurisdiction in order to serve adequately the purpose for which his office is established. This third category has been interpreted by the previous and the present executive-appointed prosecutors, and is intended in S. 2611, to provide a separate and independent basis of jurisdiction apart from the Watergate break-in and cover-up and the 1972 Presidential election. This third category includes but is not limited to the collection of activities popularly referred to as the "plumber operations," but covering illegal wiretapping, surreptitious entry, or other activity whether or not performed under the direction of the so-called "plumbers" unit in the White House. This third category would also include other serious allegations against White House aides or high presidential appointees, such as:

"Illegal campaign schemes during the 1970 congressional elections;

"Misuse of the Internal Revenue Service, executive clemency, or other agencies and procedures for political purposes;

"Elements of the ITT controversy, such as obstruction of justice, not covered under the second point of jurisdiction; and

"Questions regarding the income tax, real estate transactions or governmental expenditures of presidential properties and similar allegations involving the President, members of his staff or his appointees."

In addition, the Special Prosecutor would retain jurisdiction over matters which were referred to Cox by Attorney General Richardson, as provided for under the initial charter.

Finally, the Special Prosecutor is given jurisdiction over offenses arising out of these specific categories. This ancillary jurisdiction, for example, would permit prosecution of perjury or obstruction of justice offenses which occur in the course of investigating and prosecuting matters within the enumerated areas of his jurisdiction.

C. Powers of Special Prosecutor

The powers of the Special Prosecutor in the exercise of the above jurisdiction also track the powers granted Cox by the original charter and presently enjoyed by his successor, Leon Jaworski. These include the power to conduct grand jury and other investigations; to review all documentary evidence; to contest assertions of privileges; to seek warrants, subpenas or grants of immunity; to frame indictments and conduct prosecutions and appeals and to coordinate and direct Department of Justice personnel and United States Attorneys.

S. 2611 also makes explicit what was stated to be implicit in Cox's charter by Richardson at his confirmation hearings. The Special Prosecutor is authorized to receive necessary security clearances and to review any evidence sought to be withheld on grounds of national security. He is authorized, if necessary;

"[T]o contest in court, including where appropriate in camera proceedings, any claim of privilege or attempt to withhold evidence on grounds of national security.

As Richardson said at his confirmation hearings:

"[W]hen Professor Cox begins to take action on such a matter, he would first of all certainly have access to papers so that he could see what was supposed to be sensitive

or subject to classification and so he could reach an independent judgment about the relevance of the papers and whether or not any portion of them that was believed sensitive needed to be disclosed in open court or in some other way made public. And from that point forward, he would deal with the situation essentially as he would deal with a claim of executive privilege.

"In the end, this could conceivably be a genuine conflict of competing public interest, but I feel sure that with his participation and the involvement of the court, there would be a sound resolution of that kind of issue. (Richardson Hearings at 207.)"

At the hearings on the present legislation, Mr. Jaworski indicated that, as he understands it, he is presently operating with such an arrangement as this bill seeks to codify. The Office of the President has informed him he would be allowed to inspect any materials or listen to any recorded information for which a national security privilege was claimed. Nonetheless, we have continued concerns about the potential abuse of "national security" claims to withhold important evidence on matters within the Special Prosecutor's jurisdiction. It is desirable to make explicit his statutory power to look beneath the cloak of national security assertions, so that if the Special Prosecutor disagrees with the assertion or feels a balance of the competing interests must be worked out, he may proceed accordingly.

In addition, the bill would spell out the general authority of the Special Prosecutor to exercise all powers as to the conduct of criminal investigations and prosecutions within his jurisdiction which would otherwise be vested in the Attorney General and United States Attorneys. This residual transfer of authority is necessary to avoid unforeseen impediments to the conduct of his office arising from numerous statutory provisions which vest authority to perform certain acts in the Attorney General or a United States Attorney.

D. Succession to existing files and pending investigations or proceedings

All documentary materials, files, and other information or property in the possession of any existing or prior Special Prosecutor's Office is to be delivered into the possession of the Special Prosecutor appointed under this act.

In addition, he is empowered to continue all investigations, litigation, grand jury or other proceedings initiated by his predecessor as Special Prosecutor and shall become successor counsel in all such proceedings. Thus S. 2611 makes clear that there will be but one Special Prosecutor with the authority and jurisdiction set out in the act.

E. Duration

Under S. 2611, the Special Prosecutor's authority shall last for "two years, except as necessary to complete trial or appellate action on indictments then pending." This provides a reasonable time to conduct a thorough investigation of matters within his jurisdiction, without risking a truncation of his effort where indictments have issued, or the need to seek further extension legislation to conduct litigation in progress. The jurisdiction would extend beyond two years only for those matters under indictment on which trial and appellate action had not been completed.

F. Independence and removal for cause

Sections 10 and 11 provide for removal of the Special Prosecutor on specified grounds and for his independence from executive or judicial interference or control.

The interaction of these two provisions is important since there has been some confusion about the status and independence of the Special Prosecutor under S. 2611.

Two completely inconsistent and equally inaccurate charges have been leveled against the bill. On the one hand, it has been argued that the bill would put judges in the "prosecution business" by giving them prosecutorial duties in the supervision of the Special Prosecutor. On the other hand, the same critics suggest that the Special Prosecutor would have unprecedented, uncontrolled power, without check by anyone over his activity and capricious whim.

Aside from the fact that the Special Prosecutor can hardly be subject to improper supervision by the Judiciary and, at the same time, have unbounded, unreviewable authority, both charges misrepresent the actual operation of S. 2611. The Special Prosecutor would be subject to a whole series of checks against abuse. He would be removable for gross impropriety, gross dereliction of duty, or physical or mental incapacity. In addition, the Special Prosecutor's activities in areas outside his statutory jurisdiction would be subject to challenge by those aggrieved. Moreover, he would be subject to impeachment, as a civil officer of the government. Finally, of course, the Congress could always abolish the entire Office of Special Prosecutor's authority *in toto*.

With the exception of these outside limits and checks upon the Special Prosecutor's abuse of his authority, he is insulated from interference or removal by the executive or the judiciary. Specifically, apart from removal for special cause, the court has no duty to supervise the Special Prosecutor, and indeed is prohibited from interfering with his lawful exercise of independent discretion in the conduct of his office. Section 11 similarly prohibits interference or any attempts at removal by any member of the executive branch.

G. Test of constitutionality

There will be three separate opportunities for a rapid test of the constitutionality of the statute.

The most important will be a mandatory requirement that a defendant must raise by motion, within 20 days of notice of the indictment, any challenge to the indictment alleging that the Special Prosecutor has no constitutional authority to act. Other objections to the indictment or pre-trial motions need not be combined.

A motion challenging the constitutional authority of the Special Prosecutor under this act—severed from other motions if necessary—shall be certified by the District Court directly to the Court of Appeals for the Circuit in which the indictment occurs. Any ruling or decision on the motion by Court of Appeals shall be appealable by right, rather than by certiorari, to the Supreme Court, and appeal must be taken within 10 days. Both the Court of Appeals and the Supreme Court are directed to advance the cases on their docket and otherwise expedite them to the greatest extent possible.

No challenge to an indictment or information or prosecution thereunder, based on the alleged lack of constitutional authority of the prosecutor, may be brought in any other court or at a later time.

The second channel for a rapid test of constitutionality is a permissive, rather than a mandatory, one. "Any person aggrieved" may challenge any action by the Special Prosecutor, such as a grand jury summons or documentary subpoena, on the grounds that the Special Prosecutor lacks constitutional authority under the statute. That motion shall be heard in the same manner as a challenge to an indictment: certification to the Court of Appeals; filing within 20 days after the person aggrieved has notice of the act in question; direct appeal by right to the Supreme Court; and expeditious hearing by both courts.

A ruling on such a motion may not be definitive, since it might not go any farther than holding that the court may constitutionally appoint a prosecutor to assist the grand jury. This would leave open the question of constitutionality of a court-appointed special prosecutor's signing indictments and trying cases. Nevertheless, the rapid test in these circumstances is necessary to prevent a challenge to the Prosecutor's authority winding its way slowly through the courts and tieing up the investigation in the meanwhile.

The third alternative route for an early test would arise if a special prosecutor already on the job, or the Attorney General, failed to step aside or recognize the court-appointed Prosecutor's execlusive jurisdiction under the statute. The court-appointed Prosecutor is empowered to seek an injunction against any interference, threatened interference, or non-cooperation by an executive branch officer, including a Special Prosecutor already on the job. Such actions are to be brought directly in the Court of Appeals for the District of Columbia Circuit, sitting *en banc*. Any defense interposed to such injunctive action on the grounds that the court-appointed Prosecutor is without constitutional authority must be raised within 20 days. The other time limits and expediting provisions also apply in this case.

The bill also states that once any issue raised through any of these expediting provisions has been finally adjudicated, subsequent motions or defenses based on the same grounds would not call into play the expedited procedures, even if different parties are involved. Such unnecessarily repetitious use of the expedited procedure would unduly intrude on the docket of the courts involved.

These provisions are particularly important since opposition to the bill has focused on the contention that, after prolonged investigation, lengthy trial and appeal, convictions could be nullified by a subsequent challenge to the constitutionality of the Special Prosecutor's authority.

While we believe the measure is clearly constitutional, this fear is unjustified in any event. Several new indictments are expected shortly and some have already been handed down and are awaiting trial. The bill requires those already under indictment or subject to an information to raise any objection to prosecution by the court-appointed Special Prosecutor within the twenty-day time limit following enactment. Thus, one way or another, there would be an early, definitive court test of the act's constitutionality. The expert witnesses agreed this procedure itself is constitutional. It parallels present rules of criminal procedure in federal court which require that a challenge to the constitutional authority of the prosecutor be raised at a very early stage. Rule 12(b)(2) Fed. Rules Crim. Proc.; *United States* v. *Solomon*, 216 F. Supp. 835 (S. D.N.Y., 1963.)

Even if an indictment were voided by a decision that part of the bill was unconstitutional, a superseding indictment could issue. The bill provides that if the authority of the Prosecutor to sign indictments or prosecute is not upheld, he will still be deemed to have been a person lawfully in the grand jury room. Therefore, such a decision will not undo or invalidate the work of the grand jury.

Nor is there any danger that a claim of double jeopardy would arise. "Jeopardy" in the Constitutional sense does not attach until the jury is empaneled for the actual trial itself *United States* v. *Jorr*, 400 U.S. 470 (1971) and any challenge would have been disposed of before that point.

IV. CONSTITUTIONALITY OF S. 2611

S. 2611 stands on firm constitutional ground. However, there are those who have suggested that Congress does not have the authority to vest the appointment of a Special Prosecutor in the judicial branch.

Eminent legal scholars have testified that this argument is not well founded. Moreover, the Board of Governors of the American Bar Association and at least 48 deans of American law schools have agreed that S. 2611 is not only constitutional but is necessary to insure a truly independent Special Prosecutor.

The views of these experts, including a careful analysis of both the constitutional provisions and case authority, lead to the firm conclusion that a court-appointed Special Prosecutor is well within the framework of the Constitution.

A. The Constitution affirmatively grants Congress the power to vest the appointment of a Special Prosecutor in the District Court

S. 2611 states three constitutional bases on which this power of appointment in the district court rests. First, the "necessary and proper clause" of article I section 8, which confers upon Congress the authority "To make all Laws which shall be necessary and proper for carrying into execution the foregoing powers, and all other powers by this Constitution in the Government of the United States, or in any Department or Officer thereof." Second article II, section 2, states, "Congress may by law vest the appointment of such inferior Officers, as they think proper, in the President alone, in the Courts of Law, or in the Heads of Departments." Third, the provision of article I, section 8, which grants power to Congress "To exercise exclusive Legislation in all cases whatever, over [the District of Columbia]."

These provisions, individually and taken together certainly afford all the constitutional warrant necessary.

By its terms, Article II, Section 2 authorizes Congress to place the power of appointment in the District Court for the District of Columbia. Constitutional history and case precedent confirm the validity of this process. It was early suggested that the power conferred under Article II, Section 2 was intended to be exercised by the department of the government to which the officer to be appointed most appropriately belonged. *Ex parte Hennen*, 38 U.S. (13 Pet.) 230 257–258 (1839). But the Supreme Court emphatically rejected this reasoning in the leading case of *Ex parte Siebold*, 100 U.S. 371 (1880). There, legislation had authorized the appointment by the federal courts of supervisors of elections to choose national officials. It had been argued that the Congress could not vest this appointment power in the courts because the function of the supervisors was "entirely executive" in nature. The Supreme Court's response was unequivocal:

"It is no doubt usual and proper to vest the appointment of inferior officers in the department of the government, executive or judicial, or in that particular executive department to which the duties of such officers appertain. But there is no absolute requirement to this effect in the Constitution; and, if there were, it would be difficult in many cases to determine to which department an office properly belonged.

"As the Constitution stands, *the selection of the appointing power* between the functionaries named, *is a matter resting in the discretion of Congress*. And, looking at the subject in a practical light, it is perhaps better that it should rest there, than that the country should be harassed by the endless controversies to which a more specific direction on this subject might have given rise.

"The duty to appoint inferior officers, when required thereto by law, is a constitutional duty of the courts; and *in the present case there is no such incongruity in the duty required as to excuse the courts from its performance, or to render their acts void.* (100 U.S. at 397–398 (emphasis supplied).)"

Ex parte Siebold has consistently been cited approvingly by the Supreme Court. Moreover, there is no case that has held unconstitutional the delegation of the appointment power to a court or the judges of a court. Conversely, the appointments that have been vested have uniformly been upheld, revealing a long established view of the extent to which the appointive power may be conferred upon the judiciary. In *Hobson* v. *Hansen*, 265 F. Supp. 902, 914 (D.D.C. 1967) the "incongruous test" as set down in *Siebold* was held to be the proper standard by which the courts pass upon congressional discretion. In that case, the question was whether the District Court for the District of Columbia could be assigned the task of appointing the members of the District of Columbia school board. The court answered affirmatively:

"In the present case, the policy decision has been made by Congress. The incongruity problem is solved for the District of Columbia in the present case by the express grant to Congress of power to invest even Article III courts with authority to appoint 'inferior officers.'"

There is nothing incongruous about allowing a court to appoint a Special Prosecutor. During the hearings, Professor Philip B. Kurland, a distinguished constitutional expert from the University of Chicago School of Law, was asked about the connection between the prosecutor and the judicial branch:

"I think that a prosecutor and a defense counsel, both are officers of the court, and through the very meaning of the term, they are responsible to the judicial process and the effectiveness of the judicial process is indeed dependent on the integrity and capacity of those who fill that role. So I do not think that the prosecutor is an adjunct of the Executive Branch any more than he is an adjunct of the Judicial Branch. (Prosecutor Hearings, Tr. 649.)"

The courts are entirely familiar with the qualities that make a good prosecutor and in fact frequently appoint lawyers to criminal proceedings. Nor does requiring a court to appoint a Special Prosecutor require the court to accept any continuing administrative duties that are arguably executive in function; once appointed, the prosecutor would function as independently as any other attorney in a court proceeding. For these reasons the power to appoint U.S. attorneys (when vacancies occur) has been given to the courts by Congress (28 U.S.C. § 546) and its exercise has been upheld as constitutional. *United States v. Solomon*, 216 F. Supp. 835 (S.D.N.Y 1963) It is clear therefore that Congress in exercising its discretion may appoint a Special Prosecutor whose duties and functions would not be incongruous with the judicial branch. Indeed, the *Siebold* test of "incongruity" cuts strongly in favor of judicial appointment power. It is plainly incongruous for the Executive to appoint a prosecutor charged with the duty of investigating the appointing authority.

One question which was raised at the hearings on this bill was whether the Special Prosecutor would come within the Article II, Section 2 term "inferior Officer." Professor Paul A. Freund, Carl M. Loeb University Professor at Harvard University and a foremost authority on the Constitution, testified thusly:

"Perhaps I should pause for a moment to address myself to the question of inferior officers, which it seems to me has presented a wholly illusory problem. The term 'inferior' is used again in Article III, dealing with the courts. It states:"

"The judicial power of the United States shall be vested in one Supreme Court and in such inferior courts as the Congress may from time to time ordain and establish."

Now the United States Courts of Appeal are not inferior courts in any colloquial sense. They are inferior in the constitutional sense in that they are inferior to the previously specifier court, namely, the Supreme Court. So in Article II, it seems to me clear that an office is an inferior office if it is inferior to those that have been enumerated; namely, Ambassadors, Public Ministers and Counsels and judges of the Supreme Court. All the rest may be appointed under a wide range of options and, indeed, if there is any problem of a Special Prosecutor being an inferior officer, the same problem would arise with respect to the Attorney General because he comes under the same catch-all: "The Congress may by law vest the appointment of such inferior Officers as they think proper in the President alone, in the courts of law or in the heads of departments."

Indeed, if the Special Prosecutor is appointed by the Attorney General, it is because he is an inferior officer within the meaning of Article II. Consequently, I don't see any heavy weather about "inferior Officers."

B. The separation of powers doctrine does not prohibit court appointment of a Special Prosecutor

It has been argued by some who oppose this legislation that the Separation of Powers doctrine limits the very specific powers given to Congress under Article II, Section 2. (See Prosecutor Hearings Tr. 690, Testimony of Dean Roger Cramton.) This doctrine is one that rests upon Article 2, Section 1, Clause 1, and upon Article 2, Section 2, Clause 4, which state that "the executive power" is vested in the President and that the President shall "take care that the laws be faithfully executed." Put conceptually, the claim is that prosecution is an inherently executive function and that the power to appoint an independent prosecutor, therefore, cannot be located outside the executive branch. It is difficult to see how one can jump from the premise that executive power is vested in the President to the conclusion that only the President (or his delegate) can appoint (and must be able to remove) a Special Prosecutor.

It is well established in case law that the separation of powers doctrine does not rigidly divide our government into three watertight compartments. *Humphrey's Executor v. United States*, 295 U.S. 602 (1935). The doctrine is not absolute, but essentially is a rule of thumb, indicating that as a general rule each of the three departments should have and should exercise those powers that are appropriate to its functions. Thus, despite Article III, which vests the judicial power of the United States in the courts (in language virtually identical to that of Article II), Congress has created a number of "legislative" courts; and the leading authorities on this subject confirm that Congress can place some judicial power in other than Article III courts when it has a valid legislative purpose for doing so. (See Bator, Shapiro, Mishkin, & Wechsler, *Hart and Wechsler's The Federal Courts and the Federal System* 396 (1973).) Nor need Congress vest *all* of the judicial power anywhere; to a considerable extent it can control or limit the courts' jurisdiction. (*Id.* at 309.)

Similarly, Justice Brandeis and Justice Holmes firmly maintained that Congress need not vest *all* the executive power in the President. Rather, Justice Brandeis pointed out, "The President performs his full constitutional duty, if, with the means and instruments provided by Congress and within the limitation prescribed by it, he enters his best endeavors to secure the faithful execution of the laws enacted." *Myers v. United States*, 272 U.S. 52, 291, 292 (1926) (dissenting opinion). Justice Holmes argued, "The duty of the President to see that the laws be executed is a duty that does not go beyond the laws or require him to achieve more than Congress sees fit to leave within his power." *Myers v. United States supra* at 177 (dissenting opinion).

In sum, the constitutional prohibition on Congress's authority to withhold, or to reallocate, judicial and executive functions is not an absolute prohibition requiring it to vest all the executive or judicial power in the President and in Article III courts respectively; rather, it is a flexible principle that would allow Congress to reallocate functions so long as it does not destroy the courts' essential role in the constitutional plan and so long as it does not make the President merely a "nominal chief executive." (See Bator, Shapiro, Mishkin, & Wechsler, *supra* at 330–60; Corwin. *The President: Office and Powers* 81 (4th Edition 1957).)

Notwithstanding the fact that the separation of powers doctrine gives little support, opponents of this bill argue that nevertheless, prosecution is an inherently executive function and that "the functions of prosecutor and judge are incompatible" citing *United States v. Cox*, 342 F.2d 167 (5th Cir.), *cert.* denied, 85 S. Ct. 1767 (1965) for their authority. (See also *United States v. Thompson* 251 U.S. 407, 412–413, 415 (1920); *Smith v. United States* 375 F.2d 243 (5th Cir. 1967); *Moses v. Kennedy*, 219 F. Supp. 762 (D.D.C. 1963); *Pugach v. Klein*, 193 F. Supp. 630 (S.D.N.Y. 1961).) Despite this language, neither the holdings nor the reasoning of these cases support the conclusion that Congress cannot constitutionally vest the power to appoint a Special Prosecutor in the courts. These cases, for the most part, concern attempts by grand juries, courts, or plaintiffs to compel an unwilling prosecutor to initiate or to stop a specific prosecution. The courts' essential concern was that the prosecutor maintain a degree of independence from the judge and grand jury for two reasons. First, the prosecutor's independence can help to check possible abuses of power by the judge and grand jury. Thus, a judge cannot force an unwilling prosecutor to sign an indictment. *United States v. Cox, supra.* Second, the prosecutor must weigh judicial and other policy considerations in determining whether to exercise prosecutorial discretion in a particular case. The weighing of a variety of legal and non-legal policy factors in order to reach a proper decision about whether, or how, to prosecute an individual is not, strictly speaking, a judicial function.

A statute that would vest in the district court the power to appoint a Special Prosecutor would satisfy both of these concerns. First, the statute would not allow the court to supervise, or to affect in any way, the bringing of particular prosecutions. The limited power of removal would assure that the prosecutor would be independent of both the executive and the judiciary. He would be able to prevent unjust prosecutions as well as initiate those which are just. His power to check possible abuses by the courts would not seem significantly less than if he were appointed by the executive. Second, under the circumstances present here, the exercising of prosecutorial discretion can best take place if the prosecutor is not subject to control by the executive. In the present circumstances where the executive is itself being investigated, it would be more difficult for the prosecutor to give appropriate weight to the variety of legal and non-legal factors that determine the proper exercise of prosecutorial discretion if the prosecutor were subject to appointment and dismissal by the executive, than if he could be appointed and removed only by a court. Only by vesting the power of appointment and removal in a court can the Congress ensure, in the present situation, that any prosecutor will not be controlled by those with personal interest in the outcome of his investigation, an interest that might lead to the overzealous prosecution of some defendants and an over-solicitous refusal to prosecute others.

In a statement presented to the Judiciary Committee, Professor Monrad G. Paulsen, John B. Minor Professor of Law and Dean of the University of Virginia Law School, addressed himself to the issue of prosecution being "inherently" executive:

"It should also be noted that arguments about 'inherent' powers often draw their strength from history. In our case the history generally includes a reference to the British experience. In Britain, as a general matter, historically and even today prosecution is a private matter. Any person, most especially the victim or someone close to the victim, may lay the grounds for criminal prosecution before the magistrate, who will make the decision whether the prosecution goes forward. There is in Britain no tradition of a public prosecutor serving the role of the executive function. The point is that our legal history does not support the notion that control of prosecution is an "inherently executive function.' "

C. Congress may constitutionally vest the power of removal in the district court

Not only does Congress have the power to vest the appointment of a Special Prosecutor in the district court, but it also has the authority to vest the power of removal in the same court.

An argument has been made that, notwithstanding the appointment by the court, the power of removal of a Special Prosecutor must be lodged in the President. This contention is said to rest on the holding in *Myers* v. *United States*, 272 U.S. 52 (1927). In that case, the Supreme Court was requested to rule on whether the President had the constitutional authority to remove a postmaster whom he had appointed by and with the consent of the Senate, when the statute creating the office and providing for presidential appointment require Senate acquiescence in such removal. In an opinion written by Chief Justice Taft, with Justices Brandeis, Holmes and McReynolds dissenting, the Court held that the President could constitutionally remove the official. Nevertheless, even the majority recognized the power of the Congress under Article II, Section 2, Clause 2, to vest by law "appointment of such inferior Officers as they think proper, in the President alone, in the courts of law, or in the heads of departments."

"These words, it has been held by the Court, give to Congress the power to limit and regulate removal of such inferior officers by heads of departments when it exercises its constitutional power to lodge the power of appointment with them." *United States* v. *Perkins*, 116 U.S. 483, 6 Ct. 449, 450 (272 U.S. at 127).

The majority, moreover, even recognized that with regard to those officers deemed to be superior, the President is subject to certain limitations:

"The duties of the heads of departments and bureaus in which the discretion of the President is exercised and which we have described are the most important in the whole field of executive action . . .

"Of course there may be duties so peculiarly and specifically committed to the discretion of a particular officer as to raise a question whether the President may overrule or revise the officer's interpretation of his statutory duty in a particular instance. Then there may be duties of a quasi-judicial character imposed on executive officers and members of executive tribunals whose decisions after hearing affect interests of individuals, the discharge of which the President cannot in a particular case properly influence or control. 272 U.S. at 134–135."

The Court did go on, however, to say that the President could remove the officer subsequent to the decision, on the grounds that the exercise of discretion entrusted to the official had not on the whole been intelligently or wisely exercised. (272 U.S. at 135.) But this observation was specifically rejected in the subsequent landmark case of *Humphrey's Executor* v. *United States* 295 U.S. 602 (1934):

"[T]he narrow point actually decided [in *Myers* v. *United States*] was only that the President had the power to remove a postmaster of the first class without the advice and consent of the Senate as required by act of Congress. In the course of the opinion of the court, expressions occur which tend to support the government's contention [that the President may at will remove Commissioners of the Federal Trade Commission], but these are beyond the point involved and, therefore, do not come within the rule of stare decisis. Insofar as they are out of harmony with the views here set forth these expressions are disapproved." 295 U.S. at 627."

The Court went on to point out the differences between a postmaster and a Federal Trade Commissioner. In doing so, the Court explained why the President may constitutionally be removed from participation in either the appointment or the removal of the Special Prosecutor:

"The office of a postmaster is so essentially unlike the office now involved that the decision in the Myers case cannot be accepted as controlling our decision here. A postmaster is an executive officer restricted to the performance of executive functions. He is charged with no duty at all related to either the legislative or judicial power. The actual decision in the *Myers* case finds support in the theory that such an officer is merely one of the units in the executive department and, hence, inherently subject to the exclusive and illimitable power of removal by the Chief Executive, whose subordinate and aide he is. Putting aside dicta, which may be followed if sufficiently persuasive but which are not controlling, the necessary reach of the decision goes far enough to include all purely executive officers. It goes no farther.

"The Federal Trade Commission is an administrative body created by Congress to carry into effect legislative policies embodied in the statute in accordance with the legislative standards therein prescribed, and to perform other specified duties as a legislative or as a judicial aid. Such a body cannot in any proper sense be characterized as an arm or an eye of the executive. Its duties are performed without executive leave and, in the contemplation of the statute, must be free from executive control. In administering the provisions of the statute in respect of 'unfair methods of competition'—that is to say in filling in and administering the details embodied by that general standard—the commission acts in part quasi-legislatively and quasi-judicially. In making investigations and reports thereon for the information of Congress under § 6, in aid of the legislative power, it acts as a legislative agency. Under § 7, which authorizes the commission to act as a master in chancery under rules prescribed by the court, it acts as an agency of the judiciary. To the extent that it exercises any executive functions—as distinguished from executive power in the constitutional sense—it does so in the discharge and effectuation of its quasi-legislative or quasi-judicial departments of the government.

"We think it plain . . . under the Constitution that illimitable power of removal is not possessed by the President in respect of officers of the character of those just named The authority of Congress, in creating quasi-legislative or quasi-judicial agencies, to require them to act in discharge of their duties, independently of executive control cannot well be doubted; and that authority includes, as an appropriate incident, power to fix the period during which they shall continue in office, and to forbid their removal except for cause in the meantime. For it is quite evident that one who holds his office only during the pleasure of another, cannot be depended upon to maintain an attitude of in-

dependence against the latter's will." (295 U.S. at 627–629.)

Subsequent to the *Humphrey's* case, the Supreme Court had occasion to review both *Myers* and *Humphrey's* in *Wiener* v. *United States* 357 U.S. 349 (1958). The Court there held that the President's power to remove War Board Commissioners was limited even though the statute was silent. In interpreting the meaning of *Myers* and *Humphrey's*, Justice Frankfurter stated:

"The assumption was short-lived that the *Myers* case recognized the President's inherent constitutional power to remove officials, no matter what the relation of the executive to the discharge of their duties and no matter what restrictions Congress may have imposed regarding the nature of their tenure. The versatility of circumstances often mocks a natural desire for definitiveness. Within less than ten years a unanimous Court, in *Humphrey's Executor* v. *United States*, narrowly confined the scope of the *Myers* decision to include only 'all purely executive officers.' The Court explicitly 'disapproved' the expressions in *Myers* supporting the President's inherent constitutional power to remove members of quasi-judicial bodies.

"Humphrey's case was a *cause celebre*—and not least in halls of Congress. And what is the essence of the decision in Humphrey's case? It drew a sharp line of cleavage between officials who were part of the Executive establishment and were thus removable by virtue of the President's constitutional powers and *those who are members of a body "to exercise its judgment without the leave or hindrance of any other official or any department of the government," as to whom a power of removal exists only if Congress may fairly be said to have conferred it.* This sharp differentiation derives from the difference in functions between those who are part of the Executive establishment and those whose tasks require absolute freedom from Executive interference. "For it is quite evident," again to quote *Humphrey's Executor, 'that one who holds his office only during the pleasure of another, cannot be depended upon to maintain an attitude of independence against the latter's will.'"* (357 U.S. at 352–353 (emphasis supplied).)

The difference among *Myers*, *Humphrey's* and *Wiener* derives from a functional analysis of the offices involved. Taken together, the three cases suggest that the test of the power of Congress to limit executive removal powers is whether the nature and function of the office require that it be reasonably secure from domination by the President. The purpose of S. 2611 is to provide a truly independent Special Prosecutor who would be free of that domination.

SECTION-BY-SECTION ANALYSIS

Section 1. Short Title.—The Independent Special Prosecutor Act.

Section 2. Findings and Declarations.—Congress finds and declares that the executive branch cannot adequately investigate or prosecute alleged offenses by high officials in the executive branch, nor could such self-investigation maintain public confidence in criminal justice. Establishment of a Special Prosecutor outside the executive branch is constitutionally "necessary and proper" for law enforcement and the administration of justice, and the appointment power may constitutionally be vested in "courts of law." Establishment of such a post is a constitutional exercise of Congressional power to legislate for all cases "involving the District of Columbia."

Section 3(a). Appointment.—Provides for appointment of a Special Prosecutor by the United States District Court for the District of Columbia, which would designate a three-judge selection panel and fill vacancies on it. The panel members would not sit on cases involving the Special Prosecutor.

(b) *Authority.*—Provides jurisdiction to investigate and prosecute offenses (1) arising out of the Watergate break-in; (2) arising out of the 1972 Presidential election; (3) alleged to have been committed by the President, Presidential appointee or members of the White House staff; (4) referred to former predecessor Special Prosecutors by the Attorney General; (5) ancillary to the other categories.

Section 4. Powers.—Provides authority to conduct grand jury and other investigations, review all evidence and contest claims of privilege, including claimed national security privilege; to seek warrants, subpoenas or grants of immunity; to frame indictments and conduct prosecutions or appeals; to coordinate and direct Justice Department personnel and United States Attorneys and to exercise supplemental necessary powers otherwise vested in the Attorney General or United States Attorneys.

Section 5. Existing Files and Pending Litigation.—Provides for files, materials and information possessed by his predecessor to be delivered to the Special Prosecutor and makes him successor counsel in all pending proceedings.

Section 6. Administration.—Provides the normal administrative powers necessary to staff and operate an office of this nature, including powers to fix compensation and to employ consultants with maximum pay limits; to request and be furnished assistance from the Department of Justice or other Government agencies and necessary access to their files.

Section 7. Supporting Services.—Provides for standard equipment and services to be supplied by the General Services Administration.

Section 8. Budget.—Provides for submission of budgetary requests directly to Congress without clearance by the Office of Management and Budget.

Section 9. Duration.—Provides for the Prosecutor's authority to last two years, except as necessary to complete pending trials or appeals.

Section 10. Removal.—Provides for removal only by the selection panel and solely for gross impropriety or dereliction or incapacity.

Section 11. Independence.—provides that, except for removal pursuant to Section 10, the Prosecutor is immune from removal, interference or control by the judiciary, or by the President or any other executive branch officer.

Section 12. Reports.—provides for interim reports and requires a final report to the President and Congress.

Section 13. Authorization.—authorizes such appropriations as may be necessary to implement the act.

Section 14. Expedited Test of Constitutionality.—provides that—

(a) persons indicated must raise any challenge to the Special Prosecutor's constitutional authority within 20 days, or waive it. The motion is to be heard by the appropriate United States Court of Appeals, *en banc*, with prompt appeal of right to the Supreme Court. Persons already under indictment must raise any such challenge within 20 days of enactment of this act.

(b) "Any person aggrieved" may challenge any action by the Prosecutor, such as grand jury summons or documentary subpoena, on the ground that the Prosecutor lacks constitutional authority. The motion is to be heard in the same manner as a challenge to indictments: certification to the Court of Appeals, *en banc;* filing within 20 days of notice of the act challenged; and prompt appeal of right to the Supreme Court.

(c) The Prosecutor may sue, in the United States Court of Appeals for the District of Columbia, to enjoin interference or failure to cooperate by an incumbent prosecutor or another executive officer. A defense to such an action which challenges the Prosecutor's constitutional authority is to be raised within 20 days, with a prompt appeal of right to the Supreme Court.

EXECUTIVE REPORTS OF COMMITTEES

Mr. THURMOND. Mr. President, from the Committee on Armed Services, I report favorably the nomination of Rear Adm. Eli T. Reich, U.S. Navy, retired, for appointment to grade of vice admiral on the retired list and Adm. Richard G. Colbert, U.S. Navy, for appointment to the grade of admiral, when retired; in the Marine Corps, Lieutenant General Dulacki for appointment to grade of lieutenant general on the retired list and Major General Jaskilka for appointment to grade of lieutenant general; and, in the Air Force Lt. Gen. Thomas K. McGehee to be placed on the retired list in that grade and Maj. Gen. Royal N. Baker to be lieutenant general. I ask that these six names be placed on the Executive Calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THURMOND. Mr. President, in addition, there are 56 in the Air National Guard of the Reserve of the Air Force for promotion to the grade of lieutenant colonel and 4,458 temporary and permanent promotions in the grade of lieutenant commander and below in the Navy. Also, Barbara A. Schroeter, U.S. Army, for appointment in the Regular Army in the grade of captain. Since these names have already appeared in the CONGRESSIONAL RECORD and to save the expense of printing on the Executive Calendar, I ask unanimous consent that they be ordered to lie on the Secretary's desk for the information of any Senator.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations, ordered to lie on the desk, are as follows:

Maj. James E. Aiken, and sundry other officers, for promotion in the Air National Guard of the United States; and

Thomas H. Abernathy, and sundry other officers, for promotion in the U.S. Navy.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. KENNEDY (for himself and Mr. HUGH SCOTT):

S. 2780. A bill to provide for the public financing of election campaigns for the Senate and House of Representatives, and for other purposes. Referred to the Committee on Rules and Administration.

By Mr. SPARKMAN (for himself and Mr. ALLEN):

S. 2781. A bill to provide for the conveyance of certain real property of the United States to the Ozark Public Building Authority, Ozark, Alabama. Referred to the Committee on Armed Services.

By Mr. NELSON (for himself and Mr. JACKSON):

S. 2782. A bill to establish a National Energy Information System, to authorize the Department of the Interior to undertake an inventory of United States energy resources on public lands and elsewhere, and for other

purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. HARTKE:

S. 2783. A bill to promote the foreign policy and best interests of the United States by authorizing the President to negotiate a commercial agreement including a provision for most-favored-nation status with Romania. Referred to the Committee on Foreign Relations.

By Mr. HARTKE (for himself, Mr. HANSEN, Mr. CRANSTON, Mr. TALMADGE, Mr. RANDOLPH, Mr. HUGHES, Mr. THURMOND, Mr. STAFFORD, Mr. MCCLURE, and Mr. HOLLINGS):

S. 2784. A bill to amend title 38, United States Code, to increase the vocational rehabilitation subsistence allowance, educational assistance allowances, and the special training allowances paid to eligible veterans and persons under chapters 31, 34, and 35 of such title; to improve and expand the special programs for educationally disadvantaged veterans and servicemen under chapter 34 of such title; to improve and expand the veteran-student services program; to establish a veterans education loan program for veterans eligible for benefits under chapter 34 of such title; to promote the employment of veterans and the wives and widows of certain veterans by improving and expanding the provisions governing the operation of the Veterans Employment Service and by providing for an action plan for the employment of disabled and Vietnam era veterans; to make improvements in the educational assistance program; to recodify and expand veterans' reemployment rights; to make improvements in the administration of educational benefits; and for other purposes. Referred to the Committee on Veterans Affairs.

By Mr. PERCY:

S. 2785. A bill to authorize the Administrator of General Services to enter into multiyear leases through use of the automatic data processing fund without obligating the total anticipated payments to be made under such leases. Referred to the Committee on Government Operations.

By Mr. PERCY (for himself, Mr. GRAVEL, Mr. HUMPHREY, Mr. MCGEE, Mr. MONDALE, Mr. MOSS, Mr. PASTORE, Mr. RIBICOFF, and Mr. YOUNG):

S. 2786. A bill to amend chapter 34 of title 38, United States Code, to increase from thirty-six to forty-eight months the maximum period of educational assistance to which an eligible veteran may become entitled under such chapter, and to extend from eight to fifteen years the period within which an eligible veteran must complete his program of education under such chapter after his discharge from military service. Referred to the Committee on Veterans' Affairs.

By Mr. FANNIN:

S. 2787. A bill to amend the Internal Revenue Code of 1954 to revise the tax treatment of gains and losses from the sale or exchange of capital assets. Referred to the Committee on Finance.

By Mr. BENTSEN (for himself, Mr. HUMPHREY, Mr. AIKEN, and Mr. GOLDWATER):

S.J. Res. 178. A joint resolution to provide for the establishment of the Lyndon Baines Johnson Memorial Grove on the Potomac. Referred to the Committee on Rules and Administration.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. KENNEDY (for himself and Mr. HUGH SCOTT):

S. 2780. A bill to provide for the public financing of election campaigns for the Senate and House of Representatives, and for other purposes. Referred to the Committee on Rules and Administration.

STATEMENT OF SENATOR EDWARD M. KENNEDY, REINTRODUCING LEGISLATION WITH SENATOR HUGH SCOTT FOR PUBLIC FINANCING OF SENATE AND HOUSE ELECTIONS

Mr. KENNEDY. Mr. President, on behalf of Senator HUGH SCOTT of Pennsylvania and myself, I introduce a bill to provide public financing for Senate and House general elections, and to bar the option of private financing for major party candidates in all Federal elections, Presidential as well as congressional.

This legislation is designed to pick up where the drive for campaign financing left off earlier this week, in the face of the filbuster that prevented a majority of the Senate from working its will on the Debt Ceiling Act. In effect, the bill represents part 1 of the public financing amendment offered to the Debt Ceiling Act—the part dealing with Presidential, Senate, and House general elections, which the Senate approved by a vote of 52 to 40.

The new bill is drafted to give jurisdiction to the Senate Committee on Rules and Administration, which has now agreed to report public financing legislation to the Senate within a month after the second session of this Congress begins in January.

In addition, the bill is drafted to dovetail as nearly as possible with the major campaign financing legislation introduced by Senator CLAIBORNE PELL, the chairman of the Rules Committee's Subcommittee on Elections, which has already been voted out of the subcommittee, which is now before the full committee, and which already includes in essence part 2 of the amendment offered to the Debt Ceiling Act—the proposal for public financing of primaries through matching grants of small private contributions.

In spite of the filibuster and our losing effort on the debt ceiling debate, the cause of public financing now has fresh momentum and sharper focus, not only in Congress but throughout the Nation, as a result of the vigorous Senate debate over the past week.

Time and merit are on the side of this major Watergate reform. Those who would stand in the way of campaign reform have won a battle, but they have not won the war. The forces of reform already have a majority of the Senate on record in support of public financing, and we are confident that next year, a bill will clear the Senate and House and be presented to the President, well before the 1974 elections.

The most obvious lesson of Watergate is the growing national awareness of the corrosive power of money in politics. At a single stroke, by enacting a program of public financing for Federal elections, we can shut off the underground rivers of private money that pollute politics at every level of the Federal Government. If Watergate has taught us anything, it is that disclosure and limits on private contributions are not enough, that sunlight is not an adequate disinfectant, that public financing is the only effective antidote to the corrupting power of money in political campaigns.

We estimate the cost of public financing for all Federal elections at approximately $50 million for each Presidential general election, $20 million for each Senate general election, and $100 million for each House general election. That represents a total of about $300 million over the 4-year election cycle, or an average cost of about $75 million a year.

To us, public financing is the most positive single response Congress can make to Watergate, and the wisest single investment the American taxpayer can make in the future of this country.

I am honored to continue to work with Senator HUGH SCOTT in this bipartisan effort to reach our goal. Over the years he has been a consistently outstanding leader on legislation in the area of election reform, and I am pleased to be with him on this new effort, which offers such enormous benefit to Americans concerned about the quality and integrity of their government.

A brief summary of the provisions of the bill we are introducing today is attached. We look forward with optimism to the action of the Rules Committee next year, and to the coming fresh and, we hope, final round of debate in the Senate and the House.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 2780

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 Federal Election Campaign Financing Act of 1973.

SEC. 2. (a) The Federal Election Campaign Act of 1971 is amended by adding at the end thereof the following new title:

"TITLE V—PUBLIC FINANCING OF CONGRESSIONAL ELECTION CAMPAIGNS

"Sec..
"501. Short title.
"502. Definitions.
"503. Conditions for eligibility for payments.
"504. Entitlement of eligible candidates to payments.
"505. Certifications by Federal Election Commission.
"506. Payments to eligible candidates.
"507. Contributions and expenditures by National and State committees of political parties.
"508. Examinations and audits; repayments.
"509. Information on proposed expenses.
"510. Reports to Congress; regulations.
"511. Participation by judicial proceedings.
"512. Judicial review.
"513. Criminal penalties.
"514. Federal Election Campaign Fund Advisory Board.
"515. Federal Election Commission.
"516. Powers of Commission.
"517. Limitation on contributions by individuals.
"518. Authorization of appropriations.
"519. Effective date of title.

"SHORT TITLE

"SEC. 501. This title may be cited as the 'Federal Election Campaign Fund Act of 1974.'

"DEFINITIONS

"SEC. 502. For purposes of this title—

"(1) The term 'Federal office' means the office of President or Vice President of the United States, or of Senator or Representative in, or Resident Commissioner or Delegate to, the Congress of the United States.

"(2) The term 'Federal election' means a general or special election for Federal office.

"(3) The term 'Commission' means the Federal Election Commission established under section 515.

"(4) The term 'authorized committee' means any political committee which is authorized in writing by such candidate or his delegate to incur expenses to further the election of such candidate. Such authorization shall be addressed to the chairman of such political committee, and the copy of such authorization shall be filed by such candidate with the Commission. Any withdrawal of any authorization shall also be in writing and shall be addressed and filed in the same manner as the authorization. Any such authorization or withdrawal shall be effective only when filed with the Commission.

"(5) The term 'candidate' means an individual who (A) has been nominated for election to Federal office by a major party, minor party, or new party, or (B) has qualified to have his name on the election ballot in the geographical area in which the election is to be held, or (C) in the case of a Presidential election, has met the requirements of paragraph (A) or (B), or has qualified to have his name on the election ballot (or to have the names of electors pledged to him on the election ballot) as the candidate of a political party for election to the office of President or Vice President of the United States in 10 or more States. For purposes of paragraphs (8) and (9) of this section and purposes of section 504(a)(2), the term 'candidate' means, with respect to any preceding Federal election, an individual who received popular votes for Federal office in such election.

"(6) The term 'eligible candidate' means a candidate of a political party for Federal office who has met all applicable conditions for eligibility to receive payments under this title set forth in section 503.

"(7) The term 'fund' means the Federal Election Campaign Fund established by section 506(a).

"(8) The term 'major party' means (A) a political party whose candidate for Federal office in the preceding election for such office received, as the candidate of such party, 25 percent or more of the total number of popular votes received by all candidates for such office, or (B) if only one party qualifies as a major party on such basis, the party whose candidate received the next highest percentage of such votes in such election.

"(9) The term 'minor party' means a political party (other than a major party) whose candidate for Federal office in the preceding election for such office received, as the candidate of such party, 5 percent or more but less than 25 percent of the total number of popular votes received by all candidates for such office.

"(10) The term 'new party' means a political party which is neither a major party nor a minor party. A candidate who is not affiliated with a political party shall be treated as if he were a candidate of a new party.

"(11) The term 'political committee' means any individual, committee, association, or organization (whether or not incorporated) which accepts contributions or makes expenditures for the purpose of influencing, or attempting to influence, the nomination or election of one or more individuals to Federal office.

"(12) The term 'qualified campaign expense' means an expense—

"(A) incurred (i) by the candidate of a political party for the office of President to further his election to such office, (ii) by the candidate of a political party for the office of Vice President to further his election to such office or to further the election of the candidate of such political party for the office of President, or both, (iii) by the candidate of a political party for other Federal office to further his election to such office, or (iv) by an authorized committee of a candidate of a political party for Federal office to further the election of one or more such candidates to such office,

"(B) incurred within the expenditure report period (as defined in paragraph (13)), or incurred before the beginning of such period to the extent such expense is for property, services, or facilities used during such period, and

"(C) neither the incurring nor payment of which constitutes a violation of any law of the United States or of the State in which such expense is incurred or paid.

An expense shall be considered as incurred by a candidate or an authorized committee if it is incurred by a person authorized by such candidate or such committee, as the case may be, to incur such expense on behalf of such candidate or such committee. If an authorized committee of a candidate also incurs expenses to further the election of one or more other individuals to Federal, State, or local elective public office, expenses incurred by such committee which are not specifically to further the election of such other individual or individuals shall be considered as incurred to further the election of such candidate in such proportion as the Commission prescribes by rules or regulations.

"(13) The term 'expenditure report period' means the period—

"(A) beginning (i) on the first day of the calendar month immediately preceding the calendar month during which the Federal election is held, or (ii) on the date on which the candidate is nominated by a political party or qualifies to have his name on the election ballot, whichever is later; and

"(B) ending 30 days after the date of the election.

"(14) The term 'contribution' means—

"(A) a gift, subscription, loan, advance, or deposit of money or anything of value, made for the purpose of influencing the election of any person to Federal office or as Presidential or Vice-Presidential elector; or

"(B) a contract, promise, or agreement, whether or not legally enforceable, to make a contribution for any such purpose;

"(C) a transfer of funds between political committees; or

"(D) the payment, by any person other than a candidate or political committee, of compensation for the personal services of another person which are rendered to such candidate or committee without charge for any such purpose; but

"(E) does not include—

"(i) (except as provided in subparagraph (D)) the value of personal services rendered to or for the benefit of the candidate by an individual who receives no compensation for rendering any service to the candidate; or

"(ii) payments under section 506.

"(1) The term 'expenditure', means—

"(A) a purchase, payment, distribution, loan, advance, deposit, or gift of money or anything of value, made for the purpose of influencing the election of any person to Federal office, or as a Presidential and Vice-Presidential elector; or

"(B) a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure; or

"(C) a transfer of funds between political committees.

"SEC. 503. CONDITIONS FOR ELIGIBILITY FOR PAYMENTS.

"(a) IN GENERAL.—In order to be eligible to receive any payments under section 506, a candidate shall, in writing—

"(1) agree to obtain and furnish to the Commission such evidence as it may request of the qualified campaign expenses with respect to which payment is sought;

"(2) agree to keep and furnish to the Commission such records, books, and other information as it may request;

"(3) agree to an audit and examination by the Commission under section 509 and to pay any amounts required to be paid under such section; and

"(4) agree to furnish statements of qualified campaign expenses and proposed qualified campaign expenses required under section 509.

"(b) MAJOR PARTIES.—In order to be eligible to receive any payments under section 506, a candidate of a major party shall certify to the Commission, under penalty of perjury, that—

"(1) such candidate and his authorized committees will not incur qualified campaign expenses in excess of the total amount of payments to which he will be entitled under section 504; and

"(2) no contributions to defray qualified campaign expenses have been or will be accepted by such candidate or any of his authorized committees except to the extent necessary to make up any deficiency in payments received out of the fund on account of the application of section 506(d), and no contributions to defray expenses which would be qualified campaign expenses but for subparagraph (C) of section 502(12) have been or will be accepted by such candidate or any of his authorized committees.

Such certification shall be made within such time prior to the day of the Federal election as the Commission shall prescribe by rules or regulations.

"(c) MINOR AND NEW PARTIES.—In order to be eligible to receive any payments under section 506, a candidate of a minor or new party shall certify to the Commission, under penalty of perjury, that—

"(1) such candidate and his authorized committees will not incur qualified campaign expenses in excess of the total amount of payments to which the eligible candidate of a major party is entitled under section 504; and

"(2) such candidate and his authorized committees will accept and expend or retain contributions to defray qualified campaign expenses only to the extent that the qualified campaign expenses incurred by such candidate and his authorized committees certified under paragraph (1) exceed the total amount of payments received by such candidate out of the fund under section 506.

Such certification shall be made within such time prior to the day of the Federal election as the Commission shall prescribe by rules or regulations.

"(d) Except as provided in subsections (b)(2) and (c)(2) of this section, no candidate of a major party, minor party, or new party, or any of the authorized committees of such candidate shall accept contributions to defray qualified campaign expenses.

"SEC. 504. ENTITLEMENT OF ELIGIBLE CANDIDATES TO PAYMENTS.

"(a) IN GENERAL.—Subject to the provisions of this title—

"(1) An eligible candidate of a major party in a Federal election shall be entitled to payments under section 506 equal in the aggregate to the greater of—

"(A) 15 cents multiplied by the voting age population of the geographical area in which the election for such office is held, as determined by the Secretary of Commerce under this Act;

"(B)(i) $175,000, if the Federal office sought is that of Senator, Delegate, Resident Commissioner, or Representative from a State which is entitled to only one Representative; or

"(ii) $90,000, if the Federal office sought is that of Representative from a State which is entitled to more than one Representative.

"(2)(A) An eligible candidate of a minor party in a Federal election shall be entitled to payments under section 506 equal in the aggregate to an amount which bears the same ratio to the amount computed under para-

graph (1) for a major party as the number of popular votes received by the candidate for such office of the minor party, as such candidate, in the preceding election for such office bears to the average number of popular votes received by the candidates for such office of the major parties in the preceding election for such office.

"(B) If the candidate of one or more political parties (not including a major party) for Federal office was a candidate for such office in the preceding election for such office and received 5 percent or more but less than 25 percent of the total number of popular votes received by all candidates for such office, such candidate, upon compliance with the provisions of section 503 (a) and (c), shall be treated as an eligible candidate entitled to payments under section 506 in an amount computed as provided in subparagraph (A) by taking into account all the popular votes received by such candidate for such office in the preceding election for such office. If an eligible candidate of a minor party is entitled to payments under this subparagraph, such entitlement shall be reduced by the amount of the entitlement allowed under subparagraph (A).

"(3) An eligible candidate of a minor party or a new party in a Federal election whose candidate in such election receives, as such candidate, 5 percent or more of the total number of popular votes cast for such office in such election shall be entitled to payments under section 506 equal in the aggregate to an amount which bears the same ratio to the amount computed under paragraph (1) for a major party as the number of popular votes received by such candidate in such election bears to the average number of popular votes received in such election by the candidates for such office of the major parties. In the case of an eligible candidate entitled to payments under paragraph (2), the amount allowable under this paragraph shall be limited to the amount, if any, by which the entitlement under the preceding sentence exceeds the amount of the entitlement under paragraph (2).

"(b) LIMITATIONS.—The total amount of payments to which an eligible candidate of a political party shall be entitled under subsections (a) (2) and (3) with respect to a Federal election shall not exceed an amount equal to the lower of—

"(1) the amount of qualified campaign expenses incurred by such eligible candidate and his authorized committees, reduced by the amount of contributions to defray qualified campaign expenses received and expended or retained by such eligible candidate and such committees, or

"(2) the total amount of payments to which the eligible candidate of a major party is entitled under subsection (a) (1), reduced by the amount of contributions described in paragraph (1) of this subsection.

"(c) RESTRICTIONS.—An eligible candidate of a political party shall be entitled to payments under subsection (a) only—

"(1) to defray qualified campaign expenses incurred by the candidate or his authorized committees, or

"(2) to repay loans the proceeds of which were used to defray such qualified campaign expenses, or otherwise to restore funds (other than contributions to defray qualified campaign expenses received and expended by such candidate or such committees) used to defray such qualified campaign expenses.

"(d) COST OF LIVING ADJUSTMENT.—

"(1) For purposes of paragraph (2):

"(A) The term 'price index' means the average over a calendar year of the Consumer Price Index (all items—United States city average) published monthly by the Bureau of Labor Statistics.

"(B) The term 'base period' means the calendar year 1973.

"(2) At the beginning of each calendar year (commencing in 1974), as there become available necessary data from the Bureau of Labor Statistics of the Department of Labor, the Secretary of Labor shall certify to the Federal Election Commission and publish in the Federal Register the percentage difference between the price index for the twelve months preceding the beginning of such calendar year and the price index for the base period. Each amount determined under subsection (a) (1) shall be increased or decreased, as appropriate, by such percentage difference. Each amount so increased shall be the amount in effect for such calendar year.

"(e) Unopposed Candidate.—A candidate of a major party who is unopposed in his campaign for election shall have an entitlement which is equal to 10 percentum of his entitlement as specified in subsection (a) (1).

"(2) No candidate for election to the office of President may make expenditures in any State in connection with his campaign for election to such office in excess of the amount which a candidate for election to the office of Senator (or for election to the office of Delegate, in the case of the District of Columbia) may spend within the State in connection with his campaign for election to that office.

"SEC. 505. CERTIFICATIONS BY COMMISSION.

"(a) INITIAL CERTIFICATIONS.—On the basis of the evidence, books, records, and information furnished by the eligible candidates of a political party and prior to examination and audit under section 508, the Commission shall certify from time to time to the Secretary or his delegate for payment to such candidates under section 506 the payments to which such candidates are entitled under section 504.

"(b) FINALITY OF CERTIFICATIONS AND DETERMINATIONS.—Initial certifications by the Commission under subsection (a), and all determinations made by it under this title, shall be final and conclusive, except to the extent that they are subject to examination and audit by the Commission under section 508 and judicial review under section 512.

"SEC. 506. PAYMENTS TO ELIGIBLE CANDIDATES.

"(a) ESTABLISHMENT OF CAMPAIGN FUND.—There is hereby established on the books of the Treasury of the United States a special fund to be known as the Federal Election Campaign Fund. The Secretary or his delegate shall as provided by appropriation Acts, transfer to the fund an amount not in excess of the sum of the amounts designated to the fund by individuals under section 6096 of the Internal Revenue Code of 1954 and such additional sums as Congress may appropriate to insure that moneys in the fund will be adequate to meet the entitlements of eligible candidates.

"(b) TRANSFERS TO THE GENERAL FUND.—The Secretary or his delegate is authorized to transfer to the general fund of the Treasury such amounts of moneys in the fund as he determines from time to time are in excess of the amounts which eligible candidates are or will be entitled to receive.

"(c) PAYMENTS FROM THE FUND.—Upon receipt of a certification from the Commission under section 505 for payment to the eligible candidates of a political party, the Secretary shall pay to such candidates out of the fund the amount certified by the Commission. Amounts paid to any such candidates shall be under the control of such candidates.

"(d) INSUFFICIENT AMOUNTS IN FUND.—If at the time of a certification by the Commission under section 505 for payment to the eligible candidates of a political party, the Secretary or his delegate determines that the moneys in the fund are not, or may not be, sufficient to satisfy the full entitlements of the eligible candidates of all political parties, he shall withhold from such payment such amount as he determines to be necessary to assure that the eligible candidates of each political party will receive their pro rata share of their full entitlement. Amounts withheld by reason of the preceding sentence shall be paid when the Secretary or his delegate determines that there are sufficient moneys in the fund to pay such amounts, or portions thereof, to all eligible candidates from whom amounts have been withheld, but, if there are not sufficient moneys in the fund to satisfy the full entitlement of the eligible candidates of all political parties, the amounts so withheld shall be paid in such manner that the eligible candidates of each political party receive their pro rata share of their full entitlement.

"SEC. 507. CONTRIBUTIONS AND EXPENDITURES BY NATIONAL AND STATE COMMITTEES OF POLITICAL PARTIES.

"(a) Notwithstanding any other provisions of this title, the national committee of a major party may receive contributions and make expenditures in connection with a Federal election; and a State committee of a major party, including subordinate local committees of such committee, may accept contributions and make expenditures in connection with a Federal election in such State. Contributions received by such National or State committee under this section shall be subject to the limitations provided in section 517 of this title and any other limitations provided by law.

"(b) Expenditures made under this section by a national committee, or by a State committee, including subordinate local committees of such committee, shall not exceed for each National or State committee (1) a total of 2 cents multiplied by the voting age population of the geographical area in which the committee is authorized to make expenditures, as determined by the Secretary of Commerce under this Act, or $30,000, whichever is greater, and (2) 2 cents multiplied by the voting age population of the geographical area in which the election in connection with which the expenditure is made is held, or $10,000, whichever is greater.

"(c) Nothing is this section shall be construed to permit contributions made by any person on behalf of a particular candidate, including contributions which are in any way earmarked, encumbered, or otherwise directed through the national committee of a major party, or a State committee of a major party (including subordinate local committees of such State committee) to that candidate."

"SEC. 508. EXAMINATIONS AND AUDITS; REPAYMENTS.

"(a) EXAMINATIONS AND AUDITS.—After each Federal election, the Commission shall conduct a thorough examination and audit of the qualified campaign expenses of the candidate of each political party for Federal office.

"(b) REPAYMENTS.—

"(1) If the Commission determines that any portion of the payments made to an eligible candidate of a political party under section 506 was in excess of the aggregate payments to which the candidate was entitled under section 504, it shall so notify such candidate, and such candidate shall pay to the Secretary an amount equal to such portion.

"(2) If the Commission determines that an eligible candidate of a political party and his authorized committees incurred qualified campaign expenses in excess of the total amount of payments to which an eligible candidate of a major party was entitled under section 504, it shall notify such candidate of the amount of such excess and such candidate shall pay to the Secretary or his delegate an amount equal to such amount.

"(3) If the Commission determines that an eligible candidate of a major party or any authorized committee of such candidate

accepted contributions (other than contributions to make up deficiencies in payments out of the fund on account of the application of section 506(d)) to defray qualified campaign expenses (other than qualified campaign expenses with respect to which payment is required under paragraph (2)), it shall notify such candidate of the amount of the contributions so accepted, and such candidate shall pay to the Secretary or his delegate an amount equal to such amount.

"(4) If the Commission determines that any amount of any payment made to an eligible candidate of a political party under section 506 was used for any purpose other than—

"(A) to defray the qualified campaign expenses with respect to which such payment was made, or

"(B) to repay loans the proceeds of which were used, or otherwise to restore funds (other than contributions to defray qualified campaign expenses which were received and expended) which were used, to defray such qualified campaign expenses, it shall notify such candidate of the amount so used, and such candidate shall pay to the Secretary or his delegate an amount equal to such amount.

"(5) No payment shall be required from an eligible candidate of a political party under this subsection to the extent that such payment, when added to other payments required from such candidate under this subsection, exceeds the amount of payments received by such candidate under section 506.

"(c) NOTIFICATION.—No notification shall be made by the Commission under subsection (b) with respect to a Federal election more than 3 years after the day of such election.

"(d) DEPOSIT OF REPAYMENTS.—All payments received by the Secretary under subsection (b) shall be deposited by him in the general fund of the Treasury.

"SEC. 509. INFORMATION ON PROPOSED EXPENSES.

"(a) REPORTS BY CANDIDATES.—A candidate shall, from time to time, as the Commission may require, furnish to the Commission a detailed statement, in such form as the Commission may prescribe, of—

"(1) the qualified campaign expenses incurred by him and his authorized committees prior to the date of such statement (whether or not evidence of such expenses has been furnished for purposes of section 505), and

"(2) the qualified campaign expenses which he and his authorized committees propose to incur on or after the date of such statement.

The Commission shall require a statement under this subsection from such candidates of each political party at least once each week during the second, third, and fourth weeks preceding the day of the Federal election and at least twice during the week preceding such day.

"(b) PUBLICATION.—The Commission shall, as soon as possible after it receives each statement under subsection (a), prepare and publish a summary of such statement, together with any other data or information which it deems advisable, in the Federal Register.

"SEC. 510. REPORTS TO CONGRESS; REGULATIONS.

"(a) REPORTS.—The Commission shall, as soon as practicable after each Federal election, submit a full report to the Senate and House of Representatives setting forth—

"(1) the qualified expenses (shown in such detail as the Commission determines necessary) incurred by the candidates of each political party and their authorized committees;

"(2) the amounts certified by it under section 505 for payment to the eligible candidates of each political party; and

"(3) the amount of payments, if any, required from such candidates under section 508, and the reasons for each payment required.

Each report submitted pursuant to this section shall be printed as a Senate document.

"(b) REGULATIONS, ETC.—The Commission is authorized to prescribe such rules and regulations, to conduct such examinations and audits (in addition to the examinations and audits required by section 508(a)), to conduct such investigations, and to require the keeping and submission of such books, records, and information, as it deems necessary to carry out the functions and duties imposed on him by this title.

"SEC. 511. PARTICIPATION BY COMMISSION IN JUDICIAL PROCEEDINGS.

"(a) APPEARANCE BY COUNSEL.—The Commission is authorized to appear in and defend against any action filed under section 512, either by attorneys employed in its office or by counsel whom it may appoint without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and whose compensation it may fix without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title.

"(b) RECOVERY OF CERTAIN PAYMENTS.—The Commission is authorized through attorneys and counsels described in subsection (a) to appear in the district courts of the United States to seek recovery of any amounts determined to be payable to the Secretary or his delegate as a result of examination and audit made pursuant to this title.

"(c) DECLARATORY AND INJUNCTIVE RELIEF.—The Commission is authorized through attorneys and counsel described in subsection (a) to petition the courts of the United States for declaratory or injunctive relief concerning any civil matter covered by the provisions of this title. Upon application of the Commission, an action brought pursuant to this subsection shall be heard and determined by a court of three judges in accordance with the provisions of section 2284 of title 28, United States Code, and any appeal shall lie to the Supreme Court. It shall be the duty of the judges designated to hear the case to assign the case for hearing at the earliest practicable date, to participate in the hearing and determination thereof, and to cause the case to be in every way expedited.

"(d) APPEAL.—The Commission is authorized on behalf of the United States to appeal from, and to petition the Supreme Court for certiorari to review, judgments or decrees entered with respect to actions in which it appears pursuant to the authority provided in this section.

"SEC. 512. JUDICIAL REVIEW.

"(a) REVIEW OF CERTIFICATION, DETERMINATION, OR OTHER ACTION BY THE COMMISSION.—Any certification, determination, or other action by the Commission made or taken pursuant to the provisions of this title shall be subject to review by the United States Court of Appeals for the District of Columbia upon petition filed in such court by any interested persons. Any petition filed pursuant to this section shall be filed within 30 days after the certification determination, or other action by the Commission for which review is sought.

"(b) SUITS TO IMPLEMENT TITLE.—

"(1) The Commission, the national committee of any political party, and individuals eligible to vote in an election for Federal office, are authorized to institute such actions, including actions for declaratory judgment or injunctive relief, as may be appropriate to implement or construe any provision of this title.

"(2) The district courts of the United States shall have jurisdiction of proceedings instituted pursuant to this subsection and shall exercise the same without regard to whether a person asserting rights under provisions of this subsection shall have exhausted any administrative or other remedies that may be provided at law. Such proceedings shall be heard and determined by a court of three judges in accordance with the provisions of section 2284 of title 28, United States Code, and any appeal shall lie to the Supreme Court. It shall be the duty of the judges designated to hear the case to assign the case for hearing at the earliest practicable date, to participate in the hearing and determination thereof, and to cause the case to be in every way expedited.

"SEC. 513. CRIMINAL PENALTIES.

"(a) EXCESS CAMPAIGN EXPENSES.—

"(1) It is unlawful for an eligible candidate of a political party for Federal office in a Federal election or any of his authorized committees knowingly and willfully to incur qualified campaign expenses in excess of the total amount of payments to which the eligible candidates of a major party are entitled under section 504 with respect to such election.

"(2) Any person who violates paragraph (1) shall be fined not more than $10,000, or imprisoned not more than 2 years, or both. In the case of a violation by an authorized committee, any officer or member of such committee who knowingly and willfully consents to such violation shall be fined not more than $10,000, or imprisoned not more than 2 years, or both.

"(b) CONTRIBUTIONS.—

"(1) It is unlawful for an eligible candidate of a major party in a Federal election or any of his authorized committees knowingly and willfully to accept any contribution to defray qualified campaign expenses, except to the extent necessary to make up any deficiency in payments received out of the fund on account of the application of section 506(d), or to accept contributions to defray expenses which would be qualified campaign expenses but for subparagraph (C) of section 502(12).

"(2) It is unlawful for an eligible candidate of a political party (other than a major party) in a Federal election or any of his authorized committees knowingly and willfully to accept and expend or retain contributions to defray qualified campaign expenses in an amount which exceeds the qualified campaign expenses incurred with respect to such election by such eligible candidate and his authorized committees.

"(3) Any person who violates paragraph (1) or (2) shall be fined not more than $10,000, or imprisoned not more than 2 years, or both. In the case of a violation by an authorized committee, any officer or member of such committee who knowingly and willfully consents to such violation shall be fined not more than $10,000, or imprisoned not more than 2 years, or both.

"(c) UNLAWFUL USE OF PAYMENTS.—

"(1) It is unlawful for any person who receives any payment under section 506, or to whom any portion of any payment received under such section is transferred, knowingly and willfully to use, or authorize the use of, such payment or such portion for any purpose other than—

"(A) to defray the qualified campaign expenses with respect to which such payment was made, or

"(B) to repay loans the proceeds of which were used, or otherwise to restore funds (other than contributions to defray qualified campaign expenses which were received and expended) which were used to defray such qualified campaign expenses.

"(2) Any person who violates paragraph (1) shall be fined not more than $10,000, or imprisoned not more than 2 years, or both.

"(d) FALSE STATEMENTS, ETC.—

"(1) It is unlawful for any person knowingly and willfully—

"(A) to furnish any false, fictitious, or fraudulent evidence, books, or information to the Commission under this subtitle, or to include in any evidence, books, or information so furnished any misrepresentation of a material fact, or to falsify or conceal any evidence, books, or information relevant to a certification by the Commission or an examination and audit by the Commission under this title; or

"(B) to fail to furnish to the Commission any records, books, or information requested by him for purposes of this title.

"(2) Any person who violates paragraph (1) shall be fined not more than $10,000, or imprisoned not more than 2 years, or both.

"(e) KICKBACKS AND ILLEGAL PAYMENTS.—

"(1) It is unlawful for any person knowingly and willfully to give or accept any kickback or any illegal payment in connection with any qualified campaign expense of an eligible candidate or his authorized committees.

"(2) Any person who violates paragraph (1) shall be fined not more than $10,000, or imprisoned not more than 2 years, or both.

"(3) In addition to the penalty provided by paragraph (2), any person who accepts any kickback or illegal payment in connection with any qualified campaign expense of an eligible candidate or his authorized committees shall pay to the Secretary or his delegate, for deposit in the general fund of the Treasury, an amount equal to 125 percent of the kickback or payment received.

"(f) UNAUTHORIZED EXPENDITURES AND CONTRIBUTIONS.—

"(1) Except as provided in paragraph (2), it is unlawful for any political committee which is not an authorized committee with respect to an eligible candidate of a political party for Federal office in a Federal election knowingly and willfully to incur expenditures to further the election of such candidate, which would constitute qualified campaign expenses if incurred by an authorized committee of such candidate, in an aggregate amount exceeding $1,000.

"(2) This subsection does not apply to (A) expenditures by a broadcaster regulated by the Federal Communications Commission, or by a periodical publication, in reporting the news or in taking editorial positions, or (B) expenditures by any organization described in section 501(c) of the Internal Revenue Code of 1954, which is exempt from tax under section 501(a) of such code in communicating to its members the views of the organization.

"(3) Any political committee which violates paragraph (1) shall be fined not more than $10,000, and any officer or member of such committee who knowingly and willfully consents to such violation and any other individual who knowingly and willfully violates paragraph (1) shall be fined not more than $10,000 or imprisoned not more than 2 years, or both.

"(g) UNAUTHORIZED DISCLOSURE OF INFORMATION.—

"(1) It is unlawful for any individual to disclose any information obtained under the provisions of this title except as required by law.

"(2) Any person who violates paragraph (1) shall be fined not more than $10,000, or imprisoned not more than 2 years, or both.

"SEC. 514. ESTABLISHMENT OF FEDERAL ELECTION CAMPAIGN FUND ADVISORY BOARD

"(a) ESTABLISHMENT OF BOARD.—There is hereby established an advisory board to be known as the Federal Election Campaign Fund Advisory Board (hereinafter in this section referred to as the 'Board'). It shall be the duty and function of the Board to counsel and advise the Commission in the performance of the duties and functions imposed on it under this title.

"(b) COMPOSITION OF BOARD.—The Board shall be composed of the following members:

"(1) 4 members appointed by the Commission from recommendations submitted by the majority leader and minority leader of the Senate and the Speaker and minority leader of the House of Representatives;

"(2) 2 members appointed by the Commission from recommendations submitted by each political party whose candidate for the office of President in the preceding Presidential election received 25 per centum or more of the total number of popular votes received by all the candidates for such office; and

"(3) members representing the general public, which members shall be appointed by the members described in paragraphs (1) and (2).

The terms of the first members of the Board shall expire on the sixtieth day after the date of the first Presidential election following January 1, 1976, and the terms of subsequent members shall begin on the sixty-first day after the date of a Presidential election and expire on the sixtieth day following the date of the subsequent Presidential election. The Board shall elect a Chairman and a Vice Chairman from its members. No member of the Board shall be a Member of Congress, or an officer or employee of the House or Senate, or an officer or employee of the executive branch of the Government.

"(c) COMPENSATION.—Members of the Board shall receive compensation at a rate fixed by the Commission, but not in excess of the daily equivalent of the annual rate of base pay in effect for grade GS–18 of the General Schedule, for each day they are engaged in performing duties and functions as such members, including traveltime, and, while away from their homes or regular places of business, shall be allowed travel expenses, including per diem in lieu of subsistence, as authorized by law for persons in the Government service employed intermittently.

"(d) STATUS.—Service by an individual as a member of the Board shall not, for purposes of any other law of the United States, be considered as service as an officer or employee of the United States.

"FEDERAL ELECTION COMMISSION

"SEC. 515. (a)(1) There is established, as an independent establishment of the executive branch of the Government of the United States, a commission to be known as the Federal Election Commission.

"(2) The Commission shall be composed of seven members who shall be appointed by the President by and with the advice and consent of the Senate. Of the seven members—

"(A) two shall be chosen from among individuals recommended by the President pro tempore of the Senate, upon the recommendations of the majority leader of the Senate and the minority leader of the Senate; and

"(B) two shall be chosen from among individuals recommended by the Speaker of the House of Representatives, upon the recommendations of the majority leader of the House and the minority leader of the House.

The two members appointed under subparagraph (A) shall not be affiliated with the same political party; nor shall the two members appointed under subparagraph (B). Of the three members not appointed under such subparagraphs, two shall not be affiliated with the same political party.

"(3) Members of the Commission shall serve for terms of seven years, except that, of the members first appointed—

"(A) two of the members not appointed under subparagraph (A) or (B) of paragraph (2) shall be appointed for terms ending on the April 30 first occurring more than six months after the date on which they are appointed:

"(B) one of the members appointed under paragraph (2)(A) shall be appointed for a term ending one year after the April 30 on which the term of the member referred to in subparagraph (A) of this paragraph ends;

"(C) one of the members appointed under paragraph (2)(B) shall be appointed for a term ending two years thereafter;

"(D) one of the members not appointed under subparagraph (A) or (B) of paragraph (2) shall be appointed for a term ending three years thereafter;

"(E) one of the members appointed under paragraph (2)(A) shall be appointed for a term ending four years thereafter; and

"(F) one of the members appointed under paragraph (2)(B) shall be appointed for a term ending five years thereafter.

"(4) Members shall be chosen on the basis of their maturity, experience, integrity, impartiality, and good judgment. A member may be reappointed to the Commission only once.

"(5) Any individual appointed to fill a vacancy occurring other than by the expiration of a term of office shall be appointed only for the unexpired term of the member he succeeds. Any vacancy occurring in the office of a member of the Commission shall be filled in the manner in which that office was originally filled.

"(6) The Commission shall elect a Chairman and a Vice Chairman from among its members for a term of two years. The Chairman and the Vice Chairman shall not be affiliated with the same political party. The Vice Chairman shall act as Chairman in the absence or disability of the Chairman, or in the event of a vacancy in that office.

"(b) A vacancy in the Commission shall not impair the right of the remaining members to exercise all the powers of the Commission and four members thereof shall constitute a quorum.

"(c) The Commission shall have an official seal which shall be judicially noticed.

"(d) The Commission shall at the close of each fiscal year report to the Congress and to the President concerning the action it has taken; the names, salaries, and duties of all individuals in its employ and the money it has disbursed; and shall make such further reports on the matters within its jurisdiction and such recommendations for further legislation as may appear desirable.

"(e) The principal office of the Commission shall be in or near the District of Columbia, but it may meet or exercise any or all its powers in any State.

"(f) The Commission shall appoint a General Counsel and an Executive Director to serve at the pleasure of the Commission. The General Counsel shall be the chief legal officer of the Commission. The Executive Director shall be responsible for the administrative operations of the Commission and shall perform such other duties as may be delegated or assigned to him from time to time by regulations or orders of the Commission. The Commission shall not delegate the making of regulations regarding elections to the Executive Director.

"(g) The Commission may obtain the services of experts and consultants in accordance with section 3109 of title 5, United States Code.

"(h) In carrying out its responsibilities under this title, the Commission shall, to the fullest extent practicable, avail itself of the assistance, including personnel and facilities, of the General Accounting Office and the Department of Justice. The Comptroller General and the Attorney General are authorized to make available to the Commission such personnel, facilities, and other assistance, with or without reimbursement, as the Commission may request.

"(i) The provisions of section 7324 of title 5, United States Code, shall apply to members of the Commission notwithstanding the provisions of subsection (d)(3) of such section.

"(j)(1) Whenever the Commission sub-

mits any budget estimate or request to the President or the Office of Management and Budget, it shall concurrently transmit a copy of that estimate or request to the Congress.

"(2) Whenever the Commission submits any legislative recommendations, or testimony, or comments on legislation requested by the Congress or by any Member of Congress to the President or the Office of Management and Budget, it shall concurrently transmit a copy thereof to the Congress or to the Member requesting the same. No officer or agency of the United States shall have any authority to require the Commission to submit its legislative recommendations, or testimony, or comments on legislation, to any officer or agency of the United States for approval, comments, or review, prior to the submission of such recommendations, testimony, or comments to the Congress.

"POWERS OF COMMISSION

"SEC. 516. (a) The Commission shall have the power—

"(1) to require, by special or general orders, any person to submit in writing reports and answers to questions the Commission may prescribe; and those reports and answers shall be submitted to the Commission within such reasonable period and under oath or otherwise as the Commission may determine;

"(2) to administer oaths;

"(3) to require by subpena, signed by the Chairman or the Vice Chairman, the attendance and testimony of witnesses and the production of all documentary evidence relating to the execution of its duties;

"(4) in any proceeding or investigation to order testimony to be taken by deposition before any person designated by the Commission who has the power to administer oaths, and to compel testimony and the production of evidence in the same manner as authorized under paragraph (3) of this subsection;

"(5) to pay witnesses the same fees and mileage as are paid in like circumstances in the courts of the United States;

"(6) to initiate, defend, or appeal any court action in the name of the Commission for the purpose of enforcing the provisions of this title and of title III through its General Counsel; and

"(7) to delegate any of its functions or powers, other than the power to issue subpenas under paragraph (3), to any officer or employee of the Commission.

"(b) Any United States district court within the jurisdiction of which any inquiry is carried on, may, upon petition by the Commission, in case of refusal to obey a subpena or order of the Commission issued under subsection (a) of this section, issue an order requiring compliance therewith; and any failure to obey the order of the court may be punished by the court as a contempt thereof.

"(c) No person shall be subject to civil liability to any person (other than the Commission or the United States) for disclosing information at the request of the Commission.

"(d) Upon application made by any individual holding Federal office, any candidate, or any political committee, the Commission, through its General Counsel, shall provide within a reasonable period of time an advisory opinion, with respect to any specific transaction or activity inquired of, as to whether such transaction or activity would constitute a violation of any provision of this title.

"Limitations on contributions by individuals.

"SEC. 517. (a) No individual shall make any contribution during any calendar year to or for the benefit of any candidate for election to Federal office which is in excess of the amount which, when added to the total amount of all other contributions made by that individual during that calendar year to or for the benefit of such candidate, would equal $3,000.

"(b) No individual shall during any calendar year make, and no person shall accept, (1) any contribution to a political committee, or (2) any contribution to or for the benefit of any candidate, which, when added to all the other contributions enumerated in paragraphs (1) and (2) of this subsection which were made in that calendar year, exceeds $25,000.

"(C)(1) Any contribution made in connection with a campaign in a year other than the calendar year in which the election to which that campaign relates is held shall, for purposes of this section, be taken into consideration and counted toward the limitations imposed by this section for the calendar year in which that election is held.

"(2) Contributions made to or for the benefit of a candidate nominated by a political party for election to the office of Vice President shall be held and considered, for purposes of this section, to have been made to or for the benefit of the candidate nominated by that party for election to the office of President.

"(d) For purposes of this section, the term 'political party' means a political party which in the next preceding presidential election, nominated candidates for election to the offices of President and Vice President, and the electors of which party received in such election, in any or all of the States, an aggregate number of votes equal in number to at least 10 per centum of the total number of votes cast throughout the United States for all electors for candidates for President and Vice President in such election.

"(e) Violation of the provisions of this section is punishable by a fine of not to exceed $25,000, imprisonment for not to exceed five years, or both.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 518. There are authorized to be appropriated, for the purpose of carrying out this title, such funds as are necessary for the fiscal year ending July 30, 1974, and each fiscal year thereafter.

"EFFECTIVE DATE OF TITLE

"SEC. 519. The provisions of this title shall take effect upon enactment, except that no payments shall be made from the Federal Election Campaign Fund before January 1, 1975."

(b)(1) Section 5314 of title 5, United States Code, is amended by adding at the end thereof the following paragraph:

"(60) Members, Federal Election Commission (7).";

(2) Section 5316 of such title is amended by redesignating the second paragraph (133) as (134), and by adding at the end thereof the following paragraphs:

"(135) General Counsel, Federal Election Commission.

"(136) Executive Director, Federal Election Commission.".

(c) Until the appointment of all of the members of the Federal Election Commission and its general counsel and until the transfer provided for in this subsection, the Comptroller General, the Secretary of the Senate, and the Clerk of the House of Representatives shall continue to carry out their responsibilities under title I and title III of the Federal Election Campaign Act of 1971 as those titles existed on the day before the date of enactment of this Act. Upon the appointment of all the members of the Commission and its general counsel, the Comptroller General, the Secretary of the Senate, and the Clerk of the House of Representatives shall meet with the Commission and arrange for the transfer, within thirty days after the date on which all such members are appointed, of all records, documents, memorandums, and other papers associated with carrying out their responsibilities under title I and title III of the Federal Election Campaign Act of 1971 as it existed on the day before the date of enactment of this Act.

SEC. 3. DESIGNATION OF INCOME TAX PAYMENTS TO FEDERAL ELECTION CAMPAIGN FUND.

(a) Effective with respect to taxable years ending on or after December 31, 1974, section 6096(a) (relating to designation of income tax payments to the Federal Election Campaign Fund) is amended to read as follows:

"SEC. 6096. DESIGNATION BY INDIVIDUAL.

"(a) IN GENERAL.—Every individual (other than a nonresident alien) whose adjusted gross income for the taxable year is $2 or more may designate that $2 shall be paid over to the Federal Election Campaign Fund in accordance with the provisions of section 9006(a). In the case of a joint return of husband and wife, each spouse may designate that $2 shall be paid to the fund.

"(b) MANNER AND TIME OF DESIGNATION.—A designation under subsection (a) may be made with respect to any taxable year—

"(1) at the time of filing the return of the tax imposed by chapter 1 for such taxable year, or

"(2) at any other time (after the time of filing the return of the tax imposed by chapter 1 for such taxable year) specified in regulations prescribed by the Secretary or his delegate.

Such designation shall be made in such manner as the Secretary or his delegate prescribes by regulations, except that, if such designation is made at the time of filing the return of the tax imposed by chapter 1 for such taxable year, such designation shall be made either on the first page of the return or on the page bearing the taxpayer's signature.".

(b) The amendments made by this section shall apply with respect to taxable years beginning after December 31, 1973. Any designation made under section 6096 of the Internal Revenue Code of 1954 (as in effect for taxable years beginning before January 1, 1973) for the account of the candidates of any specified political party shall be treated solely as a designation to the Federal Election Campaign Fund.

SEC. 4. REPEAL OF EXISTING LAW.

(a) Subtitle H (Financing of Presidential Election Campaigns) of the Internal Revenue Code of 1954 (relating to financing of Presidential election campaigns) is repealed.

(b) The amendments made by this section shall apply with respect to taxable years beginning after December 31, 1973.

By Mr. NELSON (for himself and Mr. JACKSON):

S. 2782. A bill to establish a National Energy Information System, to authorize the Department of the Interior to undertake an inventory of U.S. energy resources on public lands and elsewhere, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

ENERGY INFORMATION ACT

Mr. NELSON. Mr. President, for the first time since World War II, the lights are going out all over America.

Our people are reading this morning's bad news in half-darkened restaurants.

At this moment, Americans are getting traffic tickets for driving over 50, although they have paid—dearly, if not wisely—for cars and highways designed to carry them at 70.

Here and there factories are closing and their employees are being laid off. There are many reports and more rumors of closings of plants, offices, and schools soon to come.

Rationing of gasoline, heating oil, or both seem real possibilities this winter.

Suddenly, the concept energy crisis is very personal. Suddenly, the importance

of fuel in our accustomed way of life is obvious in a new, more intimate way.

Yet the crisis should not have come as a surprise to the country. There were warnings enough so that 10 years ago we should have had ready contingency short-range plans for any crisis and long-range plans to meet our continuing energy requirements. Although for over two decades a small number of individual experts have repeatedly warned about the impending energy crunch, the President, the Congress, the press, and the public paid scant if any attention to it. They probably did not notice the warnings at all. It was not current news. It was not today. And for most of those who did notice the warnings it was considered alarmist nonsense because, after all, some magic technology would solve the problem in timely fashion anyhow.

It should be specifically noted that it was the environmentalists and resource experts who understood the problem and issued the warnings. If their advice had been followed we would not now be in this critical situation.

The question now is where do we go from here? No single cause is responsible for our plight, and no simple remedy will cure our situation. Still we must pinpoint each separate mistake that has contributed to our present condition and correct it as best we can.

One major mistake in American practice and policy is quite obvious: We have failed to manage energy because we have failed to manage energy information. We are sitting in the dark because we have been making our energy policy in the dark.

The "we" in these remarks refers, generally, to the whole American people and their government; but, most specifically, to the President, the executive branch, and the Congress.

Three especially important shortcomings in our management, mismanagement, and failure to manage energy information stand out.

UNKNOWN RESOURCES

Failure No. 1 is that we have never obtained a thorough public inventory of our energy resources. The Government has never taken the trouble to determine the energy resources in the public lands of the United States, and has accepted the word of private interests about the resources in the private lands. Without Government inventories of public reserves, without Government validation of private reserves, our speculation about our long-term energy situation is just that: speculation. Surely the subject is important enough to deserve something better than guesswork.

INFORMATION EXPLOSION

Failure No. 2 is that we have not developed better methods—indeed we have developed no thorough, systematic methods at all—for the comprehension and use by the Congress and the public of the massive amounts of energy information that are available. We have not faced up to the problem of the information explosion.

GOVERNMENT AND CORPORATE SECRECY

Failure No. 3 is that we have not insisted that a great deal of other vital energy information that has not been available to us, to the Congress and the public, be made available. We have not faced up to the problem of government and corporate secrecy.

NATIONAL ENERGY INFORMATION SYSTEM

The bill we are introducing today, the Energy Information Act, is intended to avoid these mistakes in the future by dealing forthrightly with all three of these past failures.

It does so by establishing a National Energy Information System to be operated by a new agency, the Bureau of Energy Information, which will be a co-equal sister agency of the Bureau of the Census. The Bureau, together with the Department of the Interior, will have all necessary powers to correct these old failures.

In function, the Bureau of Energy Information will somewhat resemble an amalgamation of the statistical and analytical roles of the Bureau of the Census, the Bureau of Mines, the Congressional Research Service, the American Petroleum Institute, the American Gas Association, and the Texas Railroad Commission; but the new Bureau will specialize in energy information of the "hard," objective, smallest-unit, statistical-base variety. The bill expressly contemplates that the Bureau will draw on the work of each of those—and many other—public and private energy information gatherers and analyzers, without displacing any of them and, to the utmost extent practicable, without duplicating any of the immensely useful work they are all doing. Rather than redoing the work of others, the Bureau will be directed to tie together and relate and compare the work of others, but also to fill in certain large and vital gaps in the work of others. And it will make the results of all that work available, in a more manageable form, to those who need them.

THE ENERGY INFORMATION PYRAMID

The two problems we need to solve—the great proliferation of energy information and the great secrecy of some energy information—are so interrelated that they are most easily discussed together.

All the information in the world about our supplies and consumption of energy might be likened to a great pyramid, immense at the bottom, a tiny point at the top.

In the base level of the pyramid are all the smallest unitary, objective, quantitative facts of supply and demand. Examples on the supply side would include the proved reserves and daily production of a known oilwell, the crude oil input and refined product output of a particular refinery, the route and cargo of a named tanker, the daily quantity and type of product moving through a specified pipeline, the kilowatt hours generated by a particular electrical plant, the contents of identified fuel storage tanks, the daily sales of a particular service station.

On the consumption side examples would include the jet fuel burned by a named airliner, the coal consumed in a particular powerplant or steel mill, the natural gas burned in Mr. X's home and Mr. Y's apartment building. Obviously, each fact has two components—one of things, the other of people. Every building-block fact in the foundation layer of our pyramid includes the name of a person, country, or company having a proprietary or controlling interest in the energy resource that is being produced, transported, converted, or consumed.

The second layer of the pyramid is smaller than the base, the third still smaller, and so on. The second and all successive layers to the top are not only supported by the bottom layer—they are the bottom layer, condensed and repeated and rerepeated at progressive stages of summary and analysis. Each upper level is only as good—that is, reliable—as the basic facts that were taken into it from the layer beneath, and the process by which those facts were selected and summarized and analyzed and presented.

VISIBLE AND INVISIBLE FACTS

While the pyramid of energy information is built—as all pyramids must be—from the bottom up, it is viewed by most of us from the top down, or in little spots and patches, here and there, near the top, or near where we happen to be.

Just as in the case of the real great pyramid, in our pyramid of energy information the bottom layer, the basic layer that supports everything above it, is completely hidden from us. Most of the blocks are on the inside; but even the outside blocks of the lowest layers are covered up by the sands.

In the past, this invisibility of the foundation facts of energy information has not troubled many Americans. The blocks of the pyramid that they could see, near where they lived and worked, looked good enough, and the banner waving from the very top looked best of all. It read, "Energy Is Cheap and Abundant."

Now—it seems suddenly to most citizens, although some of us have been warning for years that it would happen—the blocks near where we live and work look dark and crumbling, and the banner at the very top has been changed. It now proclaims, in every language of the world and in letters high enough for all but the blind and illiterate to read, "There isn't Enough Energy."

These shocking changes in the appearance of the part of our energy information pyramid that we can see are making all of us—in and out of the Congress—look more closely at the whole pyramid, and start to wonder and ask about the parts we have never seen.

This new curiosity is a healthy thing. "Knowledge is power," Francis Bacon wrote in the 16th century. To increase our power to deal with the energy crisis, we need to know many things about energy that we have not troubled ourselves to know before. Furthermore, it is not enough merely to "know" some "fact"; we need to know how we know. When our source for a particular fragment of knowledge is something other than our own observation and experience, we will be wise to inquire about our source's source. There is real peril, if we omit this, that some fact we are learning about oil will prove, actually, to be snake oil.

TOURING THE PYRAMID

With these thoughts in mind, let us take a tour of the energy information pyramid and see how it is constructed.

The top layer contains just one pointed stone: The net supply-demand ratio for all kinds of energy, worldwide. Right now, as we have noted, the largest mark on that stone is a minus sign, and the flag on top reads, "There isn't enough."

That pinnacle conclusion represents the sum of conclusions for the supply-demand ratios of the various different sources of energy. We find those on the next-to-the-top layer of the pyramid. Separate stones there report the worldwide reserves, production and consumption figures for petroleum, natural gas, coal, hydroelectric power, nuclear fuels, geothermal power, and everything else combined—to name them in the order of their current importance as energy sources in the United States.

Each figurative "stone" in that next-to-the-top layer is, in reality, made up of innumerable and often conflicting official and unofficial reports. They are presented in every information-storage medium known to man: Books, pamphlets, periodicals, and electronic tapes are some of the most important.

Each conclusion for a particular energy source in that next-to-top layer, the global level, is of course made up of the sum of data and conclusions at the level of continents, the next layer down, and countries, the layer below that. To work one's way down the pyramid in an effort to understand just one of the major fuels is to develop a healthy respect for the enormous complexity of the information that is publicly available—the first problem—and a growing irritation about the information that is not publicly available—the second problem.

PETROLEUM STATISTICS

Let us make that trip, as a legislative or newspaper office staff not made up of energy experts might try to make it, for just one fuel, the most important, petroleum.

From a pamphlet called "Commodity Data Summaries" published by the Bureau of Mines, U.S. Department of the Interior, in January 1973, we can learn such facts as these: At the end of last year, the world total of crude petroleum reserves was 631.9 billion 42-gallon barrels, and world production of crude oil in 1972 was 38.1 billion barrels. The world total is broken down into eight country and area totals, as follows:

PETROLEUM, CRUDE[1]

	Production		Proved reserves
	1971	1972[2]	
World production and proved reserves:			
United States	3,454	3,462	38,100
Iran	1,662	1,800	55,500
Kuwait	1,068	1,200	66,000
Libya	1,008	808	25,000
Saudi Arabia	1,642	2,100	145,300
Venezuela	1,295	1,180	13,900
Other Free World	4,408	4,700	189,900
Communist countries (except Yugoslavia)	3,098	3,250	98,200
World total	17,635	18,500	631,900

[1] Volumes in million 42-gallon barrels.
[2] Estimate.

Source: Division of Fossil Fuels, Bureau of Mines, January 1973.

Where did those country and area totals come from? Obviously, the world totals are only as good as the parts. A study of the Bureau of Mines' comprehensive annual Minerals Yearbook gives some idea of how widespread and diverse are the sources of the components from which these great aggregate numbers were derived.

Libya's annual total production, for example, is the sum of monthly totals obtained from Petroleum Press Service.

Reserves data for the United States and some foreign countries are obtained from the Committee of Petroleum Reserves of the American Petroleum Institute, a private trade association.

U.S. annual production totals are the sum of monthly totals obtained from State agencies in each of the 31 oil-producing States.

By the time all these data are pulled together into one reasonably complete and fairly well-organized—although unindexed—source, the Minerals Yearbook, they are at least 2 years old. A complementary statistical service, the Census of Mineral Industries conducted every 5 years by the Bureau of the Census of the Department of Commerce, is published on an even more delayed schedule. The 1967 census data did not become available until late in 1970. Data from the 1972 census will begin to trickle out in 1975.

As a result, if a Senator or a journalist wants to keep up with oil—to say nothing of other energy fuels—he must consult a whole host of weekly, monthly, and quarterly bulletins from such sources as the Bureau of Mines, the American Petroleum Institute, the American Gas Association, the Texas Railroad Commission—and of course the other 30 State agencies which have less comprehensive reporting programs—and the specialized press.

Even if this were done, there are some questions to which answers are not available, at all, ever—and they are not small questions. Here are some examples:

What are Gulf's proved oil and gas reserves, State by State in the United States and country by country in the world?

What are Exxon's current, separate profits derived from each of its separate, vertically integrated operations and in each principal locality: for example, what was Exxon's return on invested capital in crude petroleum production in Texas, or on gasoline retailing in Pennsylvania?

The Federal Trade Commission cites "estimates of Rice, Kerr & Co., Engineers," as its presumably best and perhaps only source of data on company shares of domestic proved reserves. The American Petroleum Institute's committee of petroleum reserves, like its counterpart committee on gas reserves in the American Gas Association, is sworn to keep secret all individual company data it obtains.

This secrecy is harmful in at least three principal ways. First, it obstructs Government validation and analysis of the basic information on which our petroleum and gas policy are founded. The Government is in something like the position a bank customer would be in if his bank gave him a monthly statement on his checking account without the canceled checks and deposit slips, providing instead only the beginning and end-of-month balances.

Second, corporate secrecy impedes the operation of both of the two systems on which we rely to curb corporate abuses and corporate greed: The competitive system and the regulatory system. Competitors cannot compete and regulators cannot regulate without access to reasonably detailed information on the individual companies that make up the energy industries.

Third, secrecy works a grave inequity on small business. The great size, vertical integration, and diversification of the major energy companies give them a tremendous information advantage over their smaller, more specialized competitors. The little company, if it is public, must disclose fairly intimate details in its registration statements and annual reports filed with the Securities and Exchange Commission. The major company tells far less, because so many data are consolidated in its reports.

HOW ENERGY INFORMATION ACT WILL HELP

The Energy Information Act is intended to help Congress, the rest of Government, and the public deal with the twin problems of the information explosion and corporate secrecy.

It will give one new agency, with new perspectives, authority to take a new approach to these old problems. The agency will be the Bureau of Energy Information, which will be established as a sister agency of the Bureau of the Census in the Commerce Department, coequal with both that agency and the Interior Department's Bureau of Mines. It will to an important extent rely on the ongoing work of both those older bureaus; but it will have two functions that differ from the functions of either of them.

First, it will be charged with a duty to survey on a current basis all existing major energy information sources and pull the data together for quick, computerized comparison and analysis. It will be an agency expected to be able to answer specific questions about specific current conditions, both in fine detail and in global aggregates. It will—with certain limitations I shall describe shortly—answer those questions, no matter who asks them. It will assemble in one place the computer hardware and software and the expert personnel to develop a new capability for fast question answering.

Second, in order to do those things, the Bureau will be authorized to collect and make public some corporate information that is now secret.

Let me give three examples of the kinds of requests and questions I hope and expect the Bureau of Energy Information would be able to handle, for a Member of Congress or a member of the public.

First. During the national and congressional debate on the trans-Alaska pipeline, public reports of the quantity

of proved crude oil reserves on the North Slope of Alaska ranged from 10 billion barrels to 24 billion barrels. Please prepare a report or a computer printout showing all items of the estimates, and the source of each item in the estimates, that produced these widely different to-figure was Senator JACKSON'S proposed Amendment No. 315 to the Alaskan pipeline bill, S. 1081, while the 10-billion-barrel figure came from a display ad supporting the pipeline which the Atlantic Richfield Co. ran in the July 2 Washington Post during the debate.

Second. What companies have reported what quantities of heating oil in inventory in the State of Wisconsin, and to whom and when were such reports made?

Third. The following table appeared in the November 19 Washington Post:

OIL FIRM PROFITS UP

Percentage of increase in major U.S. oil companies' net earnings according to Petroleum Intelligence Weekly:

	1973 over 1972 [1]	Average annual percent increase 1970–73
Exxon	80.7	22.8
Texaco	48.2	13.8
Mobil	64.1	17.9
Standard of California	50.7	19.6
Gulf	90.9	10.8

[1] 3d-quarter figures.

Please furnish a report showing the quarterly and annual profits of the five companies named in this table, itemized for major geographical areas of the world and major separate lines of business, such as production, refining, transportation, wholesaling, and retailing.

In order to answer questions of this type in the kind of detail their importance deserves, the Bureau of Energy Information would have to obtain some types of data that are not now made public. The bill would give the Bureau the authority to get that information.

Reasonable competitive equities of individual companies would be protected by this bill, but the wholly unreasonable corporate secrecy that present law tolerates would be ended. The bill would establish three categories of information within the Energy Information System. The first category would be public, the second confidential, the third secret. Each category of information would be stored in a separate library. Everyone would have access to the public library. Only Government officials needing the data for official purposes would have access to the confidential library, while the secret library would be closed to all except the limited number of personnel needed to compile the data in that library into anonymous statistics.

In general, the bill would permit other parts of Government, including the Congress, to have confidential use of much of the same type of information obtained from very significant companies that now only the Bureau of Mines and the Bureau of the Census can see, that is, information from particular plants, mines, and stores.

In addition, reserves data for companies, now secret even from those two Bureaus, would become available to Government officials, for official use on a confidential basis. The Bureau of Energy Information would be authorized by the bill to collect such information directly from the significant companies, or, in the interests of speed, efficiency, or economy, from associations to which companies now report it, such as the American Petroleum Institute and the American Gas Association.

Small business would suffer no new reporting burdens under this bill, because the legislation exempts from its reporting requirements companies having less than $5 million worth of mineral fuel reserves or less than $50 million in other energy assets or in annual sales in the energy industries. It is the theory of the bill that sufficient data from the smaller concerns are being obtained now. It is the major companies that now have and are permitted to keep too many secrets which impair our ability to understand and manage our energy resources and the energy crisis.

These large companies would have to disclose—as they are already doing to the Bureau of the Census, the Bureau of Mines, and their trade associations—certain data of a fairly detailed and competitively sensitive sort. However, the bill expressly provides that these detailed data would not be made available to their competitors in other than a reasonably aggregated or large-package form. Specifically, any line-of-business or profit-center information about a company could be kept out of the public domain under this bill if it were shown that the reasonable competitive equities of the company so required.

In general, the bill would permit giant corporations to keep confidential any information that pertained to a segment of the business smaller than $25 million a year in annual sales. Business segments larger than that would not have to report in any more detail than would be required in the annual reports which the segment would file with the SEC if it were an independent company.

SURVEYS BY INTERIOR DEPARTMENT

The bill would also provide, for the first time, for a regular annual inventory by the Department of the Interior of mineral fuel reserves and other energy resources in the public lands of the United States. The Department would be authorized to use estimates where necessary, but to make onsite geological and engineering tests whenever practicable for this purpose. In addition, the Department would be authorized, when requested by the Director of Energy Information, to make onsite spot check inspections on private lands to validate information on fuel reserves and energy resources reported by private companies.

PREDECESSOR MEASURES, AND BACKGROUND

The Energy Information Act is an amplification of the Mineral Fuels Reserves Disclosure Act, which I proposed as an amendment—No. 319—to the Alaska pipeline bill, S. 1081. Title III of this new bill, pertaining to inventories and inspections by the Department of the Interior, is derived from the amendment—No. 321—to my amendment, which was offered by the Senator from Minnesota (Mr. HUMPHREY) and accepted by me. Those interested will find discussion and debate on those two amendments in the CONGRESSIONAL RECORD for July 16, 1973, beginning at page 24107.

Both amendments were withdrawn upon reaching an understanding and agreement with the distinguished chairman of the Committee on Interior and Insular Affairs (Mr. JACKSON) that he would cooperate in the rewriting of the amendments as separate legislation and would arrange for early hearings on the legislation before that committee.

Beyond the energy crisis, the basic premises of this legislation are, first, that the power of giant corporations over the quality of life has become so great that such corporations must now be regarded as if they were governments, for govern they do; second, that governments—including corporate governments—derive their just powers from the consent of the governed; third, that consent, to be meaningful, even to be real, must be informed consent; fourth, that the free exchange and availability of industrial as well as political information are therefore the lifeblood of a free society; and fifth, that the Congress has no higher duty than to provide channels and mechanisms for the exchange and availability of information about the holders and uses of governing power.

CONCLUSION

If this Nation is going to manage and contain the energy crisis, the Congress and the public must be able to get quick, reliable answers to extremely complex quesitons. To achieve the necessary question-answering capacity will require a greater effort, and a somewhat greater expenditure, on information collection and processing than we have heretofore given. The Energy Information Act is offered as a vehicle for discussion of that urgent new effort. At hearings which will begin early next year, I hope that the best experts on both energy management and information management will help us refine this measure and as refined, quickly enact it into law.

Mr. President, I ask unanimous consent to insert both a digest and the text of the bill in the RECORD at this point. Following those insertions, I wish also to insert the text of an article from last Sunday's Washington Post—December 2—by Bernard D. Nossiter, captioned "North Sea Oil: More Than We Know." The article very trenchantly illustrates the type of inexcusable secrecy about mineral fuel reserves that now exists, and which the Energy Information Act would go far to correct.

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

S. 2782

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act, divided into titles and sections in accordance with the following table of con-

tents, may be cited as the "Energy Information Act".

TABLE OF CONTENTS

Sec. 1. Short title and table of contents.
Sec. 2. Findings and purposes.
Sec. 3. Definitions.

TITLE I—BUREAU OF ENERGY INFORMATION

Sec. 101. Additional definition.
Sec. 102. Establishment of Bureau.
Sec. 103. Functions of Secretary; delegation.
Sec. 104. Director of Energy Information; duties.
Sec. 105. Seal.
Sec. 106. Functions and powers of the Bureau.
Sec. 107. Work priorities of the Bureau.

TITLE II—NATIONAL ENERGY INFORMATION SYSTEM

Sec. 201. Establishment of System.
Sec. 202. Components of System.
Sec. 203. Characteristics of System.
Sec. 204. The public library; purposes, contents, access, fees.
Sec. 205. The confidential library; purposes, contents, access.
Sec. 206. The secret library; purposes, content, access.
Sec. 207. Priorities for entry of information into the System.
Sec. 208. Standards for entry of information into the public, confidential, and secret libraries; national security and reasonable competitive equities; provision for hearings.
Sec. 209. Unauthorized disclosure; theft of information; penalties.
Sec. 210. Refusal or neglect to provide information; providing false information.
Sec. 211. Inspection of records; subpenas; enforcement of subpenas.

TITLE III—ENERY RESOURCES INVENTORIES AND INSPECTIONS BY THE DEPARTMENT OF THE INTERIOR

Sec. 301. Additional definition.
Sec. 302. Inventory of energy resources in the public lands.
Sec. 303 Verification of reported energy resources in private ownership.
Sec. 304. Contents of Secretary's reports.

TITLE IV—INFORMATION ON MINERAL FUEL RESERVES AND NATURAL ENERGY RESOURCES

Sec. 401. Substantial energy resources companies to file annual reports.
Sec. 402. Promulgation of forms; time limitations; dual definition companies.
Sec. 403. Placement of information in the System.

TITLE V—INFORMATION ON THE ENERGY INDUSTRIES

Sec. 501. Major energy companies to file annual reports.
Sec. 502. Other reports of major energy companies.

TITLE VI—GENERAL ACCOUNTING OFFICE OVERSIGHT

Sec. 601. Review of Bureau's activities; conditions; limitations.

TITLE VII—CONFORMANCE OF AND WITH OTHER STATUTES

Sec. 701. Census Code.
Sec. 702. Freedom of Information Act.
Sec. 703. Federal Reports Act of 1942.

TITLE VIII—MISCELLANEOUS

Sec. 801. Separability.
Sec. 802. Authorization of appropriations.
Sec. 803. Effective dates.

FINDINGS AND PURPOSES

SEC. 2. (a) The Congress finds that—

(1) Energy resources and their management are of overriding national importance for the public health, safety and welfare, and for the national security of the United States.

(2) Some mineral fuels, especially petroleum and its products and natural gas, are in short supply, resulting in or threatening inconvenience, hardship, and higher prices for consumers.

(3) It is likely that unless intelligent planning can be implemented the impact of national energy scarcity will become increasingly severe.

(4) To combat scarcity in energy supply vigorous efforts must be made to enhance the understanding of how the Nation produces, transforms, distributes, and consumes energy.

(5) Some sixty-four separate offices, bureaus, commissions, and administrations of the Federal Government are engaged in energy-related programs and activities, frequently with little or no coordination. The governments of the several States have additional energy-related programs.

(6) Understanding of energy problems and the formulation and management of energy policy are severely hampered by the immensity and wide dispersion of existing public information, as well as important inconsistencies and deficiencies in public information.

(b) The purposes of this Act are—

(1) To provide for the improved collection, organization, standardization, coordination, and dissemination of energy information by a National Energy Information System.

(2) To provide for regular, uniform reporting by all significant corporations operating in the energy industries of certain information on their operations and on the mineral fuel reserves and natural energy resources they control.

(3) To provide for regular surveying and reporting by the Secretary of the Interior of mineral fuel reserves and natural energy resources located within the public lands of the United States, including the submerged lands of the Outer Continental Shelf.

(4) To provide policymakers public regulators, law enforcement officials, industry, and the general public, by these means, with information that will aid—

(A) in developing sound national policies for meeting the Nation's energy needs;

(B) in conserving national energy resources through wise management of energy use;

(C) in stimulating the progress of research and the development of technology aimed at improving the quality of life;

(D) in protecting the environment against energy-related pollution;

(E) in combating inflation in energy products and services; and

(F) in better operation of regulatory systems and the competitive free enterprise system in those areas of the economy where any or a combination of such systems is relied upon to protect the public interest.

DEFINITIONS

SEC. 3. As used in this Act—

(a) "Energy industries" means the following lines of commerce: (1) extraction of mineral fuels; (2) refining or otherwise processing mineral fuels for use as energy sources; (3) transportation or transmission of mineral fuels by rail, motor vehicle, water or pipeline; (4) electrical power generation and transmission; and (5) wholesale or retail distribution and sale of mineral fuels or electrical energy.

(b) "Mineral fuel reserve" means a natural deposit or body of identified, unextracted mineral fuel or mineral fuel ore, of either a proved or probable quantity.

(c) "Mineral fuel" means any mineral or product manufactured from minerals which can be used or prepared for use as a source of energy.

(d) "Natural energy resource" means a natural resource (other than a mineral fuel reserve, wood, or human or animal muscle power) which has been or has a substantial potential for being developed as a source of energy, including but not limited to waterfalls, geothermal steam areas, tidal bays, and areas peculiarly suited to the harnessing of wind or solar energy.

(e) "Major energy company" means a corporation which, alone or with its affiliates, in either of its last two full fiscal years, had annual business receipts of $50,000,000 or more derived from business activities in any one or more of the energy industries. The Director may in specific instances reduce the dollar amount necessary to qualify a company as a major energy company if he determines that this reduction is necessary to insure that the collection of energy information in a particular energy industry or business activity related to an energy industry will suffice to provide a statistically accurate profile of that industry or activity.

(f) "Substantial energy resource company" means a corporation which, alone or with its affiliates, controls mineral fuel reserves having a fair market value of $50,000,000 or more, or controls natural energy resources having a fair market value of $50,000,000 or more.

(g) "Energy information" means any statistic, datum, fact, or item of knowledge, and all combinations thereof, concerning any of the subjects defined in the foregoing subsections of this section.

(h) "Library" means any place or facility, conventional or electronic, for the organized collection, storage, and retrieval of energy information.

(i) "Affiliate" means an individual, partnership, or corporation which controls, is controlled by, or is under common control with one or more other individuals, partnerships, or corporations.

(j) "Control" means, in the case of a business establishment, the ability to determine its business policy, including but not limited to such ability based on ownership, contract, agreement, or a combination thereof. In the case of a mineral fuel reserve or natural energy resource, "control" means the ability to determine, alone or with others, whether, when and how such reserve or resource will be extracted or developed, including but not limited to such ability based on ownership of the fee in or a lease of land or submerged land, on a combination of ownership and lease, or on any contract or agreement.

(k) "Bureau" means the Bureau of Energy Information established by this Act.

(l) "Director" means the Director of Energy Information, head of such Bureau, or his delegate.

(m) "System" means the National Energy Information System established within the Bureau by this Act.

(n) "Commerce" and "corporation" have the meanings set forth in section 44 of title 15, United States Code.

(o) "Establishment" and "Standard Industrial Classification" (or the abbreviation thereof, "SIC") have the same meanings as in the Standard Industrial Classification Manual 1972 prepared by the Statistical Policy Division, Office of Management and Budget, Executive Office of the President.

(p) "Company", unless the context otherwise clearly requires, has the same meaning as "company" and "enterprise" as used in the Standard Industrial Classification Manual 1972 and in the related Standard Enterprise Classification.

TITLE I—BUREAU OF ENERGY INFORMATION

ADDITIONAL DEFINITION

SEC. 101. As used in this title and title II, "Secretary" means the Secretary of Commerce.

ESTABLISHMENT OF BUREAU

SEC. 102. There is established as an agency within and under the jurisdiction of the Department of Commerce a Bureau of Energy Information. The Bureau shall be a main line component of the Social and Economic Statistics Administration, coequal therein with the Bureau of the Census.

FUNCTIONS OF SECRETARY; DELEGATION

SEC. 103. The Secretary shall perform the functions and duties conferred upon the Bureau by this title or he may delegate any of them to such officers, employees, bureaus, or agencies of the Department of Commerce as he designates.

DIRECTOR OF ENERGY INFORMATION; DUTIES

SEC. 104. The Bureau shall be headed by a Director of Energy Information, who, as a result of his training, experience, and attainments, is well qualified for this position. The Director shall be appointed by the President, by and with the advice and consent of the Senate. The Director shall perform such duties as may be imposed upon him by law, regulations, or orders of the Secretary.

SEAL

SEC. 105. The Bureau shall have a seal containing such device as the Secretary may select. A description of the seal with an impression thereof shall be filed in the Office of the Secretary of State. The seal shall remain in the custody of the Secretary or such officer or employee of the Bureau as he designates, and shall be affixed to all certificates and attestations that may be required from the Bureau. Judicial notice shall be taken of the seal.

FUNCTIONS AND POWERS OF THE BUREAU

SEC. 106. (a) The principal function of the Bureau shall be to operate, maintain, and improve the National Energy Information System established by title II of this Act.

(b) In carrying out the functions of the Bureau the Secretary shall have and exercise powers and shall follow procedures similar to those which govern him in carrying out the functions of the Bureau of the Census under the following sections of title 13, United States Code:

Section 5: Schedules; number, form, and scope of inquires.

Section 6: Requests to other departments and offices for information; acquisition of reports from governmental and other sources.

Section 7: Printing; requisitions upon Public Printer; publication of bulletins and reports.

Section 12: Mechanical and electronic development.

Section 13: Procurement of professional services.

Section 23: Additional officers and employees.

Section 24: Special employement provisions.

Section 26: Transportation by contract.

WORK PRIORITIES OF THE BUREAU

SEC. 107. The following described tasks shall be performed by the Director within the time periods and in the order or approximate order of priority listed:

(a) As promptly as possible, and during the first year after the effective date of this Act, the Director shall—

(1) Employ or by other means authorized by this Act acquire the services of the expert administrative, technical, professional, and clerical personnel requisite to the carrying out of the functions of the Bureau.

(2) Acquire by purchase, lease, contract with other bureaus or agencies of the Department of Commerce or other departments or agencies of the Federal Government, or by such other methods lawfully available to him and most efficient, the office space, electronic equipment, microform equipment, conventional and other library facilities, communications facilities, and all other things requisite to the establishment, maintenance, and operation of the System established by title II of this Act.

(3) Promulgate and print forms for the making of the reports required under this Act.

(4) Assemble lists of major energy companies, substantial energy resources companies, and other companies, agencies, institutions, and associations required to report under this Act and mail to them the forms mentioned in paragraph (3).

(5) Initiate the consultation and liaison arrangements listed in subsection (b) and begin the studies described in subsection (c).

(b) The Director shall promptly establish consultation, liaison, and exchange agreements with—

(1) all departments and agencies of the Federal Government,

(2) selected departments and agencies of the governments of the several States and their respective subdivisions,

(3) selected universities and foundations, and

(4) selected corporations and business associations—

that are in any significant way engaged in the maintenance of libraries of energy information.

(c) It shall be the duty of the Director to conduct studies which will identify and describe the types, levels of detail and levels of accuracy of the statistical information to be included in each of the components of the System described in section 202 in order to provide a description adequate for the purposes of public policy of the systems, companies, and other institutions or groups involved in the production, distribution, and consumption of energy. The studies shall consider but not be limited to—

(1) the institutional structure of the energy supply system, including patterns of ownership and control of the production, movement, and marketing of mineral fuels, natural energy resources, and electricity;

(2) the consumption of mineral fuels, natural energy resources, and electricity by such classes, sectors, and regions as the Director shall provide;

(3) the sensitivity of energy production and consumption to unit energy costs, environmental constraints, technological improvments, and substitutibility of alternate energy sources;

(4) the capital requirements of the public and private institutions and establishments responsible for the production and distribution of energy; and

(5) the methods of comparing and reconciling statistics that are collected by different sources, systems, and methods.

(d) It shall be the duty of the Director from time to time, to the extent that personnel and funds are available, to conduct or contract for such other special studies, reviews, and investigations of energy information as may be suggested to him by the Congress or the Executive as appropriate for study and investigation by the Bureau in pursuit of the purposes of this Act.

(e) It shall also be the duty of the Director to make periodic reports to the Congress and the public, including but not limited to—

(1) a monthly report showing production, movement, prices, and consumption of electricity and mineral fuels, organized and cross-referenced by sources of fuels and electricity; by regions, States, and other geographical areas and by significant consuming sectors; and by such other organizational arrangements as may be determined by the Director;

(2) a quarterly report indicating trends in the production, distribution, and consumption of electricity and mineral fuels organized in a manner consistent with subsection (e) (1); and

(3) an annual report which includes, but is not limited to, a description of the activities of the Bureau and the System during the preceding year, a summary of all special reports published and the statistical information collected during the year, putting such information into the context of historical and projected energy production and consumption, and recommendations to Congress of such additional authority as the Bureau considers necessary to assist in carrying out the purposes of this Act.

TITLE II—NATIONAL ENERGY INFORMATION SYSTEM

ESTABLISHMENT OF SYSTEM

SEC. 201. There is established a National Energy Information System, which shall be operated and maintained by the Bureau.

COMPONENTS OF SYSTEM

SEC. 202. The components of the System shall be—

(a) a public library of energy information for public use (hereinafter referred to as the "public library");

(b) a confidential library of energy information for restricted governmental use (hereinafter referred to as the "confidential library"); and

(c) a secret library of energy information for use only in preparing anonymous statistics (hereinafter referred to as the "secret library").

CHARACTERISTICS OF SYSTEM

SEC. 203. To the utmost extent practicable, the System shall—

(a) Contain a complete and thorough guide and index to other existing libraries of energy information, both conventional and electronic, public and private.

(b) Contain, in one of its own libraries, or have access to, the energy information necessary to carry out the purposes of this Act.

(c) Be organized, indexed and cross-referenced on the basis of establishments, by company or other affiliation or ownership, by particular geographic location, by Standard Industrial Classification, by sources of electricity and mineral fuels, by significant consuming sectors and by such other organizational arrangements as may be determined by the Director.

(d) Utilize modern information storage, retrieval, and processing systems and technologies, including but not limited to microform and electronic data processing systems.

(e) Have the capability to receive from those entitled to access to each of the three libraries questions of fact pertaining to energy industries and energy resources and to provide answers to such questions, including, if necessary, comparisons of representative sources of information.

THE PUBLIC LIBRARY; PURPOSES, CONTENTS, ACCESS, FEES

SEC. 204. (a) The purposes of the public library are to make available to the general public promptly and conveniently as much of the information in the System as can be released consistently with national security and reasonable competitive equities, and thereby to serve all the general public purposes set forth in section 2(b) (4) of this Act.

(b) The Director shall place in the public library all information which he obtains from reports, documents, and other sources in the public domain. In addition, the Director shall place in the public library all other information he receives or obtains under authority of this Act except information for which provision is expressly made in this Act or in regulations consistent herewith for placement in the confidential library or the secret library.

(c) The public shall have unlimited access to and use of the information in the public library under such regulations and at such fees as the Director shall prescribe. The Director shall endeavor to establish fee schedules which cover or approach covering the costs of public use of the System, including use in the form of direct connections to the electronic facilities of the public library and purchase of electronic tapes officially copied from the public library; but the regulations may, in the Director's discretion, provide for reduction or waiver of

fees in the case of scholars, nonprofit organizations, and others whose use of the public library is determined by the Director to be likely to enhance the System by making useful new inputs to the System, or otherwise to be in the public interest.

THE CONFIDENTIAL LIBRARY; PURPOSES, CONTENTS, ACCESS

SEC. 205. (a) The purposes of the confidential library are to make available to those persons having access thereto, identified in subsection (c), information in the System of the type described in subsection (b), and thereby to serve all the general public purposes set forth in section 2(b)(4) of this Act.

(b) The Director shall place in the confidential library all information obtained under authority of this Act (1) which was not previously or otherwise available in the public domain, (2) which it would be inconsistent with the national security or reasonable competitive equities to make available to the general public, and (3) which does not qualify for placement in the secret library under provisions of this Act and regulations consistent herewith.

(c) Access to the confidential library shall be limited to officers and employees of the executive, legislative, and judicial branches and the independent regulatory agencies of the Federal Government having official use for the information they obtain or seek to obtain therefrom, except that any individual or establishment may have access to any information in such library for which he or it was the source. The Director shall by regulation establish procedures whereby those seeking access to the confidential library may identify themselves, the information they seek, and their right thereto under this subsection.

THE SECRET LIBRARY: PURPOSES, CONTENTS, ACCESS

SEC. 206. (a) The purpose of the secret library is to provide a repository for information of the type described in subsection (b) and thereby to serve the Nation's need for accurate statistical information on mineral fuel reserves, natural energy resources, and energy industries, without serving the other public purposes of this Act, which require wider access to the information.

(b) The Director shall place in the secret library information obtained under authority of this Act for which either the national security or reasonable competitive equities require that the information be wholly suppressed or be published only in statistical aggregations of a size and type sufficient to prevent any person from learning or inferring the data furnished by any particular establishment or individual. Except as provided in section 208(e) of this Act, all information received by the Director for which the sole source was and remains a report filed with the Bureau of the Census or any other Federal department or agency, before the effective date of this Act and under a guarantee of confidentiality given under authority of statute, shall be placed and retained in the secret library.

(c) Only the sworn officers and employees of the Bureau, or other employees of the Department of Commerce expressly designated by the Secretary for purposes and under procedures and safeguards that apply to information described in title 13, United States Code, section 9, shall have access to information in the secret library, except that any individual or establishment may have access to any information in such library for which he or it was the source.

PRIORITIES FOR ENTRY OF INFORMATION INTO THE SYSTEM

SEC. 207. (a) Energy information of the types described in this section shall be entered into the several libraries of the System by the Director in the order or approximate order of priority indicated. The Director shall enter, amplify, and amend all data mentioned in subsections (b), (c), (d), (e), and (f) on a current basis as promptly as possible after information is received.

(b) The Director shall establish and maintain in the public library of the System a complete index and guide to all collectors and sources of energy information which he identifies and with which he is authorized or directed to establish any kind of consultation, liaison, and exchange arrangements pursuant to section 107(b). This index shall be known as the energy information library index.

(c) The Director shall establish and maintain in the public library of the System a complete index and guide to every major energy company and substantial energy resources company which he identifies and from which he is authorized and directed to obtain reports pursuant to titles IV and V of this Act. This index shall be known as the index of principal energy companies. Data on individual companies in this index shall include but not be limited to (1) company name; (2) mailing address and telephone number of headquarters office; (3) the name of the State or country under the laws of which the company is incorporated or otherwise organized; (4) the name of each State of the United States and each country of the world in which the company operates any establishments; and (5) for each of such States or countries in which any of such establishments are engaged in any of the energy industries, the SIC numbers and names of such industries. The Secretary or the Director, by regulation, shall establish what other information is to be included in the index of principal energy companies.

(d) The Director shall enter into the System, promptly upon receipt, full-text machine-readable copies of every report required by this act to be filed with the Director. Such reports shall be filed in the public library of the System unless, by this Act or regulations consistent with it, all or any portion of a report is required to be filed in either the confidential or the secret library, in which case such report or portion thereof be so filed. To the utmost extent consistent with the national security and reasonable competitive equities, there shall be entered into the public or confidential library, as appropriate, and index and summary of the portions of such reports filed in the confidential and secret libraries.

(e) The Director shall enter into the public library of the System, promptly upon publication, full-text machinereadable copies of every report that is published by the Bureau. In the event that any report made by the Bureau is not published, a full-text machine-readable copy thereof shall be entered into the public, the confidential or the secret library of the System, as the Director determines the nature of the report to require. To the utmost extent consistent with the national security and reasonable competitive equities, there shall be entered into the public or confidential library, as appropriate, an index and summary of the portion or texts of such reports filed in the confidential and secret libraries.

(f) The Director shall establish and maintain in the System a complete index and guide to every significant establishment which he can identify as engaged in the energy industries. This index shall be known as the index of energy establishments. Priority shall be given to entry of data on the establishments of major energy companies and substantial energy resources companies, but the index shall not be limited to such establishments. The contents of this index shall be divided among the public, the confidential and the secret libraries of the System as elsewhere provided in this act or in regulations consistent with the act which the Secretary or Director shall promulgate.

STANDARDS FOR ENTRY OF INFORMATION INTO THE PUBLIC, CONFIDENTIAL, AND SECRET LIBRARIES; NATIONAL SECURITY AND REASONABLE COMPETITIVE EQUITIES; PROVISION FOR HEARINGS

SEC. 208. (a) In general, energy information received by the Director shall be entered into the public library of the System, but information shall be placed in the confidential or secret libraries to the extent required by considerations of national security or reasonable competitive equities, or when express provision is made in this Act for such placement.

(b) In general, energy information shall not be placed or retained in either the confidential or secret libraries of the System on the grounds of national security considerations, unless the transfer of such information from the secret to the confidential or public libraries, or from the confidential to the public library, would directly and adversely affect the military and naval defenses of the United States against actual or potential foreign enemies.

(c) In general, energy information pertaining to a particular and identified company or establishment shall be placed in the confidential library, but such information may be placed in or transferred to the public library upon a showing to and determination by the Director that no reasonable competitive equities of the company or establishment would be adversely affected. Such information shall be placed in or transferred to the secret library for the reason stated in the last sentence of section 206(b), or upon a showing by any such company or establishment to the Director, and determination by the Director, that its reasonable competitive equities would be adversely affected by placement of such information in any library other than the secret library.

(d) In general, the Director shall find that no company or establishment has any reasonable competitive equities which require or justify placement or retention of its individual and identified information in any library other than the public library of the System when he determines that—

(1) the information in question pertains to a segment of the properties or business of the company or establishment involving assets of $25,000,000 or more, or business receipts of $25,000,000 a year or more, or both such assets and receipts; and

(2) the nature and extent of itemization or detail of the information in question is substantially similar to or not substantially greater than the itemization or detail that would normally be included in or inferable from a public annual report filed with the Securities and Exchange Commission under section 13 or 15(d) of the Securities Exchange Act of 1934 by a hypothetical registered company which had, as its sole business property and operations, property and operations identical to the property and operations of the segment of the company or establishment in question.

The Director, in consultation with any company from which he has obtained information about two or more establishments which do not individually meet the tests of the preceding sentence (and which individual-establishment information will therefore be placed or retained in the confidential or secret library), may aggregate the information from such establishments into company segments that are of a size to meet the tests of the preceding sentence, and may transfer to the public library such aggregated information with an identification of the company and the establishments included in each such segment. In preparing such information and defining such segments for public disclosure, the Director shall follow and use the organization and profit-center unless he is shown and determines that good cause exists for departing from such company organization and accounting.

(e) In general, the Director shall place in or transfer to the public library any information which otherwise would be placed or retained in either the confidential or the secret library when the information is twenty-five years old, and, notwithstanding contrary provisions of this Act or any earlier law, such transfers may be made if information referred to in the last sentence of section 206(b): *Provided,* That, upon request and after a hearing as provided in subsection (g), the Director may order that certain information shall be retained in either the confidential or secret library until it has attained a greater age than twenty-five years, if he is shown and determines that substantial risk to the national security or unreasonable competitive harm to a private company would result from placing such information in the confidential library rather than the secret library, or in the public library rather than the confidential library.

(f) Notwithstanding any contrary provision of this Act or any earlier law, the Director shall immediately place in or transfer to the public library of the System any information, otherwise entitled to be placed or retained in the confidential or secret library, upon being shown or determining that such information has already come into the public domain by any other means whatsoever.

(g) The Secretary or the Director, by regulation, shall provide for formal hearings on any question or dispute concerning the entry of information into or removal of information from either the confidential or secret library, and such hearings shall be open to the public except that a private formal hearing may be conducted when the Director determines that reasonable competitive equities or the national security so require.

UNAUTHORIZED DISCLOSURES; THEFT OF INFORMATION; PENALTIES

SEC. 209. (a) Any employee of the Bureau or other employee referred to in subchapter II of chapter 1 of title 13, United Stated Code, who, having taken and subscribed the oath of office, publishes or communicates, without the written authority of the Secretary or the Director, any information coming into his possession by reason of his employment from or for entry in the confidential library or the secret library of the System, shall be fined not more than $2,000 or imprisoned not more than two years, or both. The Secretary or the Director may by regulation prescribe standards for the exchange and communication of information from the confidential and the secret libraries, which standards, when followed, shall constitute the written authority referred to in this subsection.

(b) Any officer or employee of the United States, other than employees referred to in subsection (a), who, having obtained by reason of his employment and for official use, any information from the confidential library of the System, publishes or communicates such information for reasons not authorized by or in connection with such official use, shall be fined not more than $2,000 or imprisoned not more than two years, or both.

(c) Any person who, to avoid payment of fees or to obtain information to which he is not entitled under this Act, steals or intercepts electronically stored or transmitted information, or other information contained in the System by any conventional, mechanical, or electronic means, shall be fined not more than $2,000 or imprisoned not more than two years, or both.

(d) When any of the offenses referred to in subsections (a), (b), and (c) are committed with the intent to harm the national security of the United States, or to impair or diminish the reasonable competitive equities of any company or establishment, or to invade rights of privacy recognized and protected by law, the fine may be increased to not more than $20,000, or the imprisonment to not more than twenty years, or both.

(e) No offense consisting solely of the unauthorized or wrongful use of disclosure of information obtained from the National Energy Information System shall be punished criminally under any Federal statute other than this section.

REFUSAL OR NEGLECT TO PROVIDE INFORMATION; PROVIDING FALSE INFORMATION

SEC. 210. Whoever, being the owner, official, agent, person in charge, or assistant to the person in charge, of any company, business, institution, establishment, or organization of any nature whatsoever, neglects or refuses, when requested by the Secretary or Director or other authorized officer or employee of the Department of Commerce or bureau or agency thereof, whether such request be made by registered mail, by certified mail, by telegraph, by visiting representative, or by one or more of these methods, to answer completely and correctly to the best of his knowledge all questions relating to his company, business, institution, establishment, or other organization, or to records or statistics in his official custody, contained on any report form or schedule prepared and submitted to him under the authority of this Act, shall be fined not more than $1,000 or imprisoned not more than one year or both; and if he willfully gives a false answer to any such question, he shall be fined not more than $20,000 or imprisoned not more than two years or both.

INSPECTIONS OF RECORDS; SUBPENAS; ENFORCEMENT OF SUBPENAS

SEC. 211. (a) The Secretary, the Director, or any officer or employee of the Department of Commerce designated by them or either of them shall have access to any books, documents, papers, statistics, data, information, and records of any company, business, institution, establishment, or organization of any nature whatsoever, where the purpose of such access is to obtain or verify energy information which they are authorized by this Act to obtain.

(b) Whenever they are or either of them is authorized by this Act to obtain or verify any energy information from any company or establishment, the Secretary, the Director or the delegate of either may, in his discretion, obtain such energy information from an affiliate of any such establishment, or from an association or organization of companies, of which any such company is a member, in the interests of efficiency, the reduction of costs or avoidance of duplicated effort for either the Bureau or the company or establishment, or speed in obtaining energy information. Whenever energy information supplied by a company or establishment is so obtained by the Secretary, Director, or delegate of either, from an affiliate, organization, or association, the company or establishment to which such information pertains shall be promptly notified of the energy information so obtained and shall be given an opportunity to correct or amplify such information.

(c) To assist in carrying out his responsibilities to collect energy information, the Director may sign and issue subpenas requiring the production of the books, documents, papers, statistics, data, information, and records referred to in subsections (a) and (b) of this section.

(d) In case of disobedience to a subpena issued under subsection (c), the Director may invoke the aid of any district court of the United States in requiring the production of the books, documents, papers, statistics, data, information and records referred to in subsection (c) of this section. Any district court of the United States within the jurisdiction of which the company, business, institution, establishment, association, or organization is found or transacts business may, in case of contumacy or refusal to obey a subpena issued by the Director, issue an order requiring the company, business, institution, establishment, association, or organization to produce the energy information and the books, documents, papers, statistics, data, information, and records containing or pertaining to the same; and any failure to obey such order of the court shall be punished by the court as a contempt thereof.

(e) Energy information, of whatever kind or from whatever source obtained by the Director under this section shall be placed in the public library, the confidential library, or the secret library of the System, in accordance with the standards set forth in section 208 of this Act: *Provided,* That, while any dispute exists and has not been finally resolved by the ultimate administrative or judicial authority having power to resolve such dispute, concerning the placement within the libraries of the System of any energy information obtained pursuant to this section, such energy information shall be placed and retained in the secret library an . used only for the statistical purposes and subject to the limitations and safeguards set forth in section 206 of this Act.

TITLE III—ENERGY RESOURCES INVENTORIES AND INSPECTIONS BY THE DEPARTMENT OF THE INTERIOR

ADDITIONAL DEFINITION

SEC. 301. As used in this title, "Secretary" means the Secretary of the Interior.

INVENTORY OF ENERGY RESOURCES IN THE PUBLIC LANDS

SEC. 302. (a) The Secretary shall compile, maintain, and keep current on not less than an annual basis an inventory of all mineral fuel reserves and natural energy resources in the public lands of the United States, including the Outer Continental Shelf.

(b) The inventory shall be compiled, maintained, and kept current on the basis of the Secretary's best estimates and, to the utmost extent practicable, on the basis of onsite geological and engineering testing conducted by personnel of the Department of the Interior. The first such inventory shall be completed on or before the expiration of the eighteen-month period following the effective date of this title.

(c) On or before the expiration of the twenty-month period following the effective date of this title, the Secretary of the Interior shall submit a report to the Congress cancerning the carrying out of his duties under this title, together with a copy of such initial inventory so compiled, and shall thereafter, on not less than an annual basis, submit a report to the Congress concerning the carrying out of such duties and shall include as a part of each such report a copy of the current inventory so compiled for the period covered by the report.

(d) Copies of all such reports and inventories shall be furnished by the Secretary to the Director for inclusion in the public library of the System.

VERIFICATION OF REPORTED ENERGY RESOURCES IN PRIVATE OWNERSHIP

SEC. 303. When requested by the Director, the Secretary shall make onsite geological and engineering inspections of any mineral fuel reserves and natural energy resources required to be reported under title IV and V of this Act, to verify the accuracy and completeness of such reports.

CONTENTS OF SECRETARY'S REPORTS

SEC. 304. Reports by the Secretary to the Congress and the Director under section 302, and to the Director under section 303, shall in all cases be organized to include, but not be limited to, nature, characteristics, and proved, probable, and speculative quantities of mineral fuel reserves; nature, characteristics, and approximate fair market value of natural energy resources; locations; and information on ownership and control. Information on ownership and control of reserves and resources, correlated with locations, shall

be so aggregated in any public reports as not to impair the reasonable competitive equities of any company or establishment.

TITLE IV—INFORMATION ON MINERAL FUEL RESERVES AND NATURAL ENERGY RESOURCES

SUBSTANTIAL ENERGY RESOURCES COMPANIES TO FILE ANNUAL REPORTS

SEC. 401. It shall be the duty of every substantial energy resources company, foreign or domestic, engaged in commerce to report annually to the Director full and complete details of all mineral fuel reserves and natural energy resources which it, together with its affiliates, owns or controls anywhere in the world. Such reports shall be verified, under penalties of section 210 of this Act, by the chief executive officer, chief geological officer, and chief financial officer of the substantial energy resources company and shall describe for each mineral fuel reserve and natural energy resource the identity of each establishment having any ownership or control of the reserve or resource; the location, types, and proved and probable quantities (specifying which) of mineral fuel or mineral fuel ores in each mineral fuel reserve; the location, characteristics, size, and approximate fair market value of each natural energy resource; and the state of development of each mineral fuel reserve and natural energy resource.

PROMULGATION OF FORMS; TIME LIMITATIONS; DUAL DEFINITION COMPANIES

SEC. 402. (a) The Director, by regulation, shall prescribe the forms on which the reports required by section 401 and section 501 shall be made. Such forms shall be drafted in consultation with the Office of Management and Budget and such other departments and agencies as either the Office or the Director may deem requisite. Such forms shall be drafted not later than four months after the effective date of this title and shall be approved by the Director of the Office of Management and Budget, under provisions of title 44, United States Code, section 3509, as amended by section 703(d) of this Act, not later than seven months after the effective date of this title and shall be mailed to all substantial energy resources companies and major energy companies identified by the Director not later than eleven months after the effective date of this title. Substantial energy resources companies and major energy companies shall be required to return such forms within sixty days after receipt thereof from the Director. Annual reports thereafter shall be due on or before the first day of May of each year beginning with the year 1976.

(b) Whenever the Director determines that any single company is both a substantial energy resources company and a major energy company, he may, by regulation and appropriate forms, provide for its filing annual reports, on the establishment basis, under section 501 only, and waive the filing of reports under section 401: *Provided*, That, in such cases, the report forms used shall elicit from each establishment all the information that would be required of it under section 401.

PLACEMENT OF INFORMATION IN THE SYSTEM

SEC. 403. All reports required by this title and title V to be submitted to the Director by substantial energy resources companies and major energy companies shall be entered by the Director, immediately upon receipt, into one of the three libraries of the System, as provided in section 208 and any regulations promulgated thereunder. When any question or dispute exists whether all or part of any such report should be entered in the secret library, the Director shall enter such report into that library, without prejudice to his right to remove it in whole or part to the confidential library or public library when such question or dispute has been resolved. In such case, the Director shall give public notice of the existence of the question or dispute and shall resolve the same by a public or private formal hearing pursuant to section 208(g).

TITLE V—INFORMATION ON THE ENERGY INDUSTRIES

MAJOR ENERGY COMPANIES TO FILE ANNUAL REPORTS

SEC. 501. (a) It shall be the duty of every major energy company, foreign or domestic, engaged in commerce, to report annually to the Director on its assets and operations, worldwide, on an establishment basis. Such reports shall be verified, under penalties of section 210 of this Act, by the chief executive officer and chief financial officer of the major energy company.

(b) The report forms for each establishment shall be divided by the Director into two parts. Information reported in the first part shall be, and be identified on the form as, information to be entered by the Director into the public library of the System. Information reported in the second part shall be, and be identified on the form as, information to be entered by the Director into the confidential library of the System, unless the Director is shown and determines that good cause exists to enter all or part of such information into the secret library.

(c) In the first part of each annual report, each establishment of a major energy company shall include, for entry into the public library of the System—

(1) its name or other description;

(2) its actual physical location;

(3) its mail address and telephone number;

(4) the name of the major energy company of which it is a division or other part or with which it is affiliated, and the nature of the affiliation;

(5) the names, titles, and business mail addresses and telephone numbers of the officer in charge of the establishment and the officer or employee responsible for the preparation of the report;

(6) if separately incorporated or otherwise chartered, the State or country under the laws of which it is incorporated or otherwise chartered; and

(7) the name and four-digit SIC number of each industry, which is within the energy industries, in which the establishment is engaged.

(d) In the second part of each annual report, each establishment of a major energy company shall include, for entry into the confidential library (unless the Director determines that all or portions of the information contained in such part may appropriately be placed in the secret library) of the System—

(1) the quantities and values of its annual shipments or equivalent in each of the SIC four-digit industries identified by the establishment pursuant to subsection (c)(7);

(2) the name and four-digit SIC number of each industry, which is not within the energy industries, in which the establishment is engaged;

(3) the net annual business receipts of the establishment as a whole;

(4) if the amount reported by the establishment pursuant to (3) is more than $10,000,000, an itemization of the net annual business receipts of the establishment by names and four-digit SIC numbers of each industry within the energy industries, separately, and all other industries, collectively;

(5) whether or not the establishment is or contains one or more separate profit centers in the company of which it is a part or with which it is affiliated, for which separate balance-sheet and profit-and-loss accounts are maintained;

(6) if the establishment is not and does not contain a separate profit center, identification of any other establishment or establishments of the company with which the reporting establishment is grouped to form a profit center in the company's accounting system;

(7) if the establishment is or contains one or more separate profit centers, information for each such profit center substantially equivalent to the information which such profit center would report annually to the Securities and Exchange Commission pursuant to section 13 or 15(d) of the Securities Exchange Act of 1934, if such profit center were an independent registered corporation having no affiliates: *Provided*, That, if the establishment is not (and does not contain) a separate profit center, this requirement shall be fulfilled collectively by the group of identified establishments comprising a profit center of which the reporting establishment is a part or member; and

(8) such other energy information as the Secretary of Commerce or the Director by regulation may require, as necessary or desirable to serve the purposes of this Act.

OTHER REPORTS OF MAJOR ENERGY COMPANIES

SEC. 502. (a) Whenever the Secretary of Commerce or the Director determines it to be necessary or desirable in furtherance of the purposes of this Act, the Director, by regulation or special order, may require major energy companies, or some of them—

(1) to report any energy information of the type described in section 501 more often than annually, but not more often than quarterly;

(2) to report or provide lists of any or all reports they file, containing energy information, with any of the classes of authorities or institutions mentioned in section 107(b), identifying each such report by name, form number if any, frequency or date of filing, type of energy information contained in the report, whether the report is filed voluntarily or by mandate, whether or not the public or any department or agency of the Federal Government has or can have access to the report (identifying the department or agency), and such other information as the Director may require; and

(3) to report specially or on a regular, recurring basis such energy information as the Secretary or the Director by regulation may require—

(A) as a result of the recommendations of the studies conducted or contracted for pursuant to section 107(c); or

(B) in order to produce the reports described in section 107(e).

(b) In general, the Director shall enter all reports received pursuant to subsection (a) in the confidential library of the System, but he may enter all or parts of such reports, or aggregations of data from such reports with individual-company data disguised, in the public library whenever he determines that the public interest would be served and the reasonable competitive equities of a company would not be impaired.

TITLE VI—GENERAL ACCOUNTING OFFICE OVERSIGHT

REVIEW OF BUREAU'S ACTIVITIES; CONDITIONS, LIMITATIONS

SEC. 601. (a) The Comptroller General of the United States shall review and evaluate the procedures and activities of the Bureau. Such a review shall include but not be limited to:

(1) a review of the Bureau's energy information gathering procedures to insure that the Bureau is obtaining all necessary energy information from the appropriate sources to carry out the purposes of this Act; and

(2) a review of the issues that arise or might arise in the collection of any of the types of energy information listed in titles IV and V, including but not limited to issues attributable to claims of business estab-

lishments, individuals, or governments that certain information is proprietary or violative of national security and therefore entitled to be kept secret.

(b) The Comptroller General shall report at least annually to the Congress on the operation and effectiveness of the Bureau's activities; but, in the Comptroller General's discretion, such report may be in the form of an endorsement of or addendum to the annual report required of the Bureau by section 107(e)(3) of this Act.

TITLE VII—CONFORMANCE OF AND WITH OTHER STATUTES

CENSUS CODE

SEC. 701. Whenever any of the information which the Director is authorized or directed to obtain from any major energy company under this Act is contained in any report of such company of a kind referred to in title 13, United States Code, section 9, such report having been filed prior to the effective date of this Act, the Director may excuse such company from filing a report with him, containing the same information, upon the company's agreeing with the Director in writing to waive the secrecy provisions of such section of title 13. Upon receipt of such waiver, the Director may place all of any part of such report referred to in such section of title 13 in the confidential library or the public library of the System, pursuant to standards set forth in section 208 of this Act. Nothing in this section or in any prior law shall prevent the Director from—

(a) entering into the secret library of the System at any time all or any part of any report referred to in title 13, United States Code, section 9; or

(b) obtaining from any major energy company, by way of a new questionnaire or report form issued under authority of this Act, any energy information that such company may have previously filed in a report to which the Director cannot have access or to which he can have access only for the secret library of the System.

FREEDOM OF INFORMATION ACT

SEC. 702. Section 552 of title 5, United States Code, is amended—

(a) by striking the semicolon at the end of clause (4) of subsection (b) and inserting in lieu thereof: ", except as provided in section (d) ;";

(b) by striking the period at the end of clause (9) of subsection (b) and inserting in lieu thereof: ", except as provided in subsection (d) ."; and

(c) by adding at the end of the section a new subsection, as follows:

"(d) This section shall be construed consistently with the Energy Information Act, to serve the purposes of that Act. Nothing in this section, including but not limited to the provisions of subsections (b)(4) and (b)(9), shall be construed to prevent any agency from making available to the Director of Energy Information any energy information (as defined in that Act) which such agency possesses, no matter from whom or when obtained. Pursuant to the standards set forth in the Energy Information Act and regulations promulgated thereunder, and in consultation with the agency providing the information, the Director of Energy Information shall place any such energy information so obtained in the public library, the confidential library, or the secret library of the National Energy Information System.".

FEDERAL REPORTS ACT OF 1942

SEC. 703. (a) Section 3504 of title 44, United States Code, is amended by adding at the end thereof the following sentence: "Whenever the information for which any agency has a need is energy information, as defined in the Energy Information Act, the Director shall (unless there be an express waiver of this sentence by the Director of Energy Information) designate the Bureau of Energy Information as the collecting agency, but the collecting program shall be developed by the Director of Energy Information in consultation and cooperation with such other agency or agencies as have a need for and interest in the information.".

(b) Section 3506 of title 44, United States Code, is amended by striking the period at the end of the section and inserting in lieu thereof the following: ": *Provided,* That nothing in this section shall be construed to empower the Director to prevent or unreasonably delay any agency from collecting any information which it has been expressly directed to collect by an Act, joint resolution, or concurrent resolution of Congress.".

(c) Section 3508 of title 44, United States Code, is amended by adding at the end of subsection (a) a new sentence, as follows: "Nothing in this section shall be construed to prevent the Director of Energy Information from transferring any energy information he has received from an agency, pursuant to this chapter or the Energy Information Act, from the secret library to the confidential library, or from the confidential library to the public library of the National Energy Information System, if such transfer is made in accordance with the provisions of the Energy Information Act, and all information so transferred may be released or disclosed in accordance with that Act.".

(d) Section 3509 of title 44, United States Code, is amended—

(1) by inserting "a)" at the beginning of the section; and

(2) by adding at the end of the section a new subsection, as follows:

"(b) The Director shall not disapprove, nor for an unreasonably long time withhold his approval from, any proposed collection of information that has been submitted to him pursuant to subsection (a) of this section, if the agency making such proposal has done so pursuant to an Act of Congress. Where such Act imposes an express time deadline on an agency for the collection of information, the Director shall approve such agency's proposal in sufficient time to permit compliance with such deadline.".

TITLE VIII—MISCELLANEOUS

SEPARABILITY

SEC. 801. If any provision of this Act or the applicability thereof is held invalid the remainder of this Act shall not be affected thereby.

AUTHORIZATION OF APPROPRIATIONS

SEC. 802. There are authorized to be appropriated to the Department of Commerce and the Department of the Interior such amounts as may be requisite to full and efficient performance of the duties imposed upon such Departments by this Act.

EFFECTIVE DATES

SEC. 803. Titles IV and V of this Act shall be effective on the first day of the third full calendar month following the date of enactment. The remainder of this Act shall be effective on the date of enactment.

DIGEST OF S. 2782, THE ENERGY INFORMATION ACT

Energy Information Act—States purposes to provide for improved energy information within a National Energy Information System, for inventories of energy resources in the public lands, for regular reporting of information by significant corporations in energy industries, and to provide information that will aid in improved policy making, conservation, science, environmental protection, competition and regulation. Defines terms.

Title I: Bureau of Energy Information—Establishes a Bureau of Energy Information ("the Bureau") within the Department of Commerce, headed by a Director of Energy Information ("the Director") appointed by the President by and with the advice and consent of the Senate. The Bureau is to operate, maintain and improve the National Energy Information System. The Bureau is to establish consultation, coordination and exchange arrangements with other departments and agencies of government, and private institutions, which have libraries of energy information. The Bureau is also to conduct extensive studies and reviews of the state of information on such subjects as the institutional structure of the energy supply system, energy consumption patterns, statistical and accounting methods and problems in energy information, price and cost factors affecting energy, technological and environmental factors, and capital requirements of public and private institutions responsible for energy. The Bureau is also to report monthly, quarterly and annually on specified classes of energy information.

Title II: National Energy Information System—Establishes a National Energy Information System ("the System") to be operated and maintained by the Bureau. Establishes the System in three components: a public library, a confidential library, and a secret library. Provides that the System shall use other available libraries of energy information; use modern, including microform and electronic, methods; have its information on energy industries organized by establishments, companies, Standard Industrial Classifications, geographical locations and other references; and have capacity to receive and answer questions of fact concerning, and compare sources of, energy information. Provide for unlimited public use of the public library of the System, at fees generally sufficient to cover costs of such use; but provides for waiver or reduction of fees in certain cases of public-interest use. Provides for access to the confidential library by Federal Government officials, for official use only. Establishes the secret library as repository for information that may be used only for statistical purposes in anonymous aggregates. Establishes priorities for entry of information into the System. Establishes standards for placement of energy information in the public, the confidential, or the secret library. Defines and limits national security and reasonable competitive equities as reasons for placement of information in the confidential or secret library. Provides for removal of information more than 25 years old from the confidential or secret library to the public library. Provides for hearings in cases of dispute on placement of information in a particular library of the System, and for placement of information in question in the secret library pending resolution of the dispute. Provides penalties for unauthorized disclosures and thefts of information from the System, and for failure to provide required information for the System. Authorizes Secretary of Commerce or the Director to obtain from an affiliate of a company, or an organization of which it is a member, any information which they are empowered by this Act to obtain directly from the company, provided the company is notified. Gives Secretary of Commerce and Director power to inspect records and subpena documents in certain cases. Confers jurisdiction on District Courts to enforce such subpenas.

Title III: Energy Resources Inventories and Inspections by the Department of the Interior.—Directs Secretary of the Interior to compile and maintain, on annual basis, an inventory of mineral fuel reserves and other natural energy resources in public lands of the U.S., including the Outer Continental Shelf. Provides that the inventories may be based on estimates, supplemented as feasible by onsite geological and engineering inspections by departmental personnel. Provides that the first inventory is to be completed within 18 months and reported to Congress within 20 months of effective date of this title. Provides that copies of all such annual reports and inventories shall be given to the

Director for the System's public library. Provides that, on request of the Director, the Secretary of Interior shall make onsite physical inspections of mineral fuel reserves and natural energy resources reported in private lands. Contains directions for the contents of reports by the Secretary of the Interior.

Title IV: Information on Mineral Fuel Reserves and Natural Energy Resources—Provides that substantial energy resources companies are to file verified annual reports with the Director on the mineral fuel reserves and natural energy resources they control. Contains directions on the contents of such reports. Provides for promulgation by the Director of forms for the making of such reports and also of the reports required by title V of this Act. Provides for clearance of such forms by Office of Management and Budget within seven months after the effective date of this title. Provides that such forms shall be mailed by the Director to reporting companies within 11 months of effective date of this title and be returned by companies to the Director within 60 days after receipt. Provides for single rather than dual reports by companies which are both substantial energy resources companies and major energy companies, as defined in Act (companies controlling $5 million in mineral fuel reserves, $50 million in other natural energy resources, or $50 million in sales or assets in the energy industries are, generally, within the definitions). Provides that information obtained by Director on report forms required by this title and title V shall be placed in the public, confidential, or secret library of the System, as provided elsewhere in this Act.

Title V: Information on the Energy Industries—Requires major energy companies in commerce to file verified annual reports, on an establishment basis, on their operations worldwide. Provides for the making of such reports in two parts, one being for the public library of the System and the other for the confidential or secret library. Contains directions for the contents of such reports, including information on shipments by Standard Industrial Classification, total business receipts, and in certain cases profit information. Authorizes the Director to require such reports more often than annually in certain cases, and to require from major energy companies lists describing all mandatory and voluntary reports they file elsewhere, containing energy information.

Title VI: General Accounting Office Oversight—Provides that Comptroller General of the U.S., upon his own initiative or by direction of Congress, shall review and evaluate procedures of the Bureau. Review may include issues arising under claims that certain energy information required by the Bureau under this Act is proprietary or involves the national security and therefore is entitled to be kept secret. Directs Comptroller General to report to Congress at least annually on such reviews of the Bureau; but provides that such report may be by endorsement of or addendum to the Bureau's own annual report.

Title VII: Conformance of and with other statutes—Provides that the Director may excuse a company from providing energy information required by this Act, if the company waives confidential status of the same information as previously provided by it to the Census Bureau and protected by the Census Code, 13 U.S.C. 9. Amends the "Freedom of Information Act," 5 U.S.C. 552, to provide that clauses (4) and (9) of subsection (b), pertaining to corporate and geological information, shall be construed consistently with policy of this Energy Information Act. Amends Federal Reports Act of 1942, 44 U.S.C. 3504, 3506, 3508 and 3509, to make it consistent with policy and purposes of this Act.

Title VIII: Miscellaneous—Contains usual separability section and blanket authorization of appropriations. Establishes effective date as date of enactment, except titles IV and V, which are made effective on first day of third full calendar month after date of enactment.

[From the Washington Post, Dec. 2, 1973]

NORTH SEA OIL: MORE THAN WE KNOW

(By Bernard D. Nossiter)

LONDON.—Sometime next summer, a tanker is due to take 10,000 barrels of oil from the Arygyll Field in the North Sea, 200 miles east of Edinburgh, and land the precious cargo in Aberdeen.

This will be Britain's first oil delivery from the cold and forbidding waters above its continental shelf, the start of a flow with incalculable economic and political consequences.

The government here is modestly estimating that the North Sea will yield about 2 million barrels daily a decade from now about two-thirds of what officials think Britain will then consume. This would be pleasant for Britain but of no great consequence for Western Europe as a whole.

The official line here echoes Frank McFadzean, the managing director or chief of the huge Royal Dutch Shell Co. "The realization of present hopes for the North Sea," he said recently, "will not materially change Western Europe's dependence on Outside sources . . . for the foreseeable future there is simply no alternative source (to the) Middle East."

However, interviews with oil company executives, their bankers, geologists and economists, make clear two things: The British government has persistently underestimated the oil resources of the North Sea, and deliberately turned attention away from its sizeable deposits of natural gas.

NOBODY KNOWS FOR CERTAIN

For oil alone, British officials are reliably reported to have privately doubled their figure of the sea's likely yield. In the City of London, where unromantic financiers raise the money for risky drilling ventures, this doubled estimate is doubled again.

If the money men are right and the North Sea yields 8 million barrels a day of oil, plus the equivalent of another few million barrels daily in gas, the picture changes dramatically. The continental shelf off Britain and Norway would then, in oil company jargon, become far more "interesting" for Western Europe's energy demand than the public is now officially told.

The crucial point is that nobody knows for certain. Those with the best knowledge—the big international concerns like Shell, British Petroleum, Exxon and Mobil—have strong business interests in keeping silent.

But the wide range of estimates and the rapid pace at which the government changes its own forecast—it was predicting only 1 million barrels daily not long ago—says something about government oil policy.

It suggests that crucial political and economic decisions about energy are made by officials no better equipped than a blindfolded man stumbling around a carnival funhouse.

According to informed critics, the government here has belatedly learned or acknowledged these things:

The profits of major companies could escape any taxation in the United Kingdom because they will be offset by the artificial levies imposed in the Middle East.

Instead of the stiff exploration program the government thought it had imposed on firms, the companies are drilling at a rate of their own design, and most are behind their own schedules.

Instead of a thorough, independent examination of the companies' exploring experience, the government has relied on a handful of geologists of limited standing. As late as 1972, the agency concerned employed only nine technicians for offshore petroleum licensing.

A leading economist who served as a key adviser to the Department of Trade and Industry, the ministry in charge of energy problems, says:

"I can tell you from my experience that the government does not even know such elementary things as the current stocks of refined products."

DIFFICULTIES OF DRILLING

Oil company executives and their geologists retort that there is nothing very remarkable about changing and increasing estimates for North Sea oil. To find oil and gas anywhere, they stress, is a risky, costly, uncertain affair.

"You simply don't know what you have until that drill bites in and hits it," says a geologist who once supervised several hundred other geologists in one leading concern.

The North Sea, it is argued, is a particularly chancy and expensive place to look for oil and gas. The deposits lie deep below the surface, as much as 600 feet down. Working conditions are the worst that offshore oil men have encountered anywhere. Stiff gales blow up to 28 knots, and the icy waters and towering waves are far more hazardous than the gentle swells in, say, the Gulf of Mexico.

Optimists' estimates of what the North Sea contains, industry men argue, are based on guesses about areas that have not even been drilled—the chilling waters off Norway above the 62d parallel, the shelf west of the Shetland and Orkney islands and north of Scotland, the Celtic Sea between Ireland and southern England.

A former civil servant who played a leading role in shaping Britain's North Sea energy policies and is now a consultant to an oil equipment firm says:

"Responsible government must be cautious. Its estimates are necessarily based on the known, not on guesses about the unknown."

An oil financier contends that there are good legal and business reasons for understating finds. "Your Securities and Exchange Commission," he says, "takes a dim view of companies that exaggerate their discoveries and thus promote their shares. Moreover, these firms are still bargaining with governments over the terms of licenses to explore and produce in the North Sea. Some of the richest finds have been along the median line, dividing Britain's shelf from Norway. If the companies disclosed their private estimates, the difficult Norwegian government might fix even harsher terms for the blocks that have not yet been awarded."

"FRONTIERS OF TECHNOLOGY"

The industry scoffs at the suggestion that it has not conducted an all-out search, at least for oil. The hunt, however, is expensive, it says. An exploration well costs $2.5 million to $5 million in the difficult waters. Once oil is found, the capital or investment cost of lifting it out is put at $2,500 for each daily barrel the field will yield, 10 or 15 times as much as on shore.

Above all, the industry complains that it lacks the big and expensive rigs needed to extract the oil as well as the skilled manpower to operate them.

"You are at the frontiers of engineering technology in the North Sea," one executive says. "We are building structures for conditions we have never met before."

Finally, the Department of Trade and Industry is blamed in part for holding up the search and production. The companies acknowledge that the government gave them liberal terms—they can hold on to their North Sea blocks for 46 years and must pay in royalties only 12.5 per cent of the price of oil they find. But the ministry deliberately

steers licenses to companies that buy British equipment, and the equipment makers' performance here is universally condemned. They are blamed for an unwillingness to design new rigs, failing to meet specifications, delays because of strikes and every other failure of British industry.

The buy-British policy has pushed back oil company schedules as much as 19 months, industry men say.

"We have gone as fast as we can," an expert from one big company contends. "There have been, of course, honest differences of opinion over what the North Sea contains."

Industry men delight in telling how Shell's persistent interest pushed a reluctant and rival British Petroleum into exploring its Forties Field off northern Scotland. A very conservative estimate in London's financial circles now calculates that this field alone will yield from $150 million to $250 million annually in profits after taxes by the end of the 1970s.

THE CRITICS' CASE

Despite this imposing array of oil company and civil servant arguments, there are prominent critics who are unimpressed. They insist that the big companies have deliberately held back on exploiting resources in Europe's backyard and that successive governments have knowingly or ignorantly abetted them.

One leading skeptic is Peter Odell, an economist who worked for Shell and now directs an institute of economic geography at Erasmus University in Rotterdam.

"Presentations of the scale of Western Europe's oil and gas resources and their production potential are unrealistic," he says, "either through ignorance or deliberate distortion on the part of the vested interests. The ignorance stems from the failure of governments to place necessary obligations on the companies to reveal a comprehensive set of publishable facts on their activities and then to make sure they have adequate numbers of staff competent to collate and evaluate the flow of information and so to give valid advice on which to base policy decisions . . . The distorting or withholding of information appears to be the North Sea norm."

Odell points to a study made of 128 oil pools in Alberta, Canada. It shows that estimates of proven reserves increased 800 per cent between the first and 20th year after discovery.

He complains that the major oil companies have underplayed and underexplored the North Sea in order to take as much as possible from the Middle East while the taking is good. In what now may be an exaggerated time span, Odell calls this the companies' "last decade of opportunity" in the Arab world.

Thomas Balogh, the Oxford economist who was personal adviser to Harold Wilson in Britain's last Labor government and first to disclose the big firms' tax-free bonanza, says much the same thing. He recently told his fellow peers in the House of Lords:

"With their hold on Arab oil steadily weakening, the oil companies, the international giants, planning in the long run, must know that the best way would be to exploit as much as they are allowed of Arab oil and keep as much British oil in reserve as possible."

GAS DOESN'T PAY

Such charges, of course, cannot apply to the independent companies who lack oil holdings elsewhere. The giants like Shell, British Petroleum, Exxon and the others who have the largest share of North Sea blocks, dismiss Odell and Balogh as wild-eyed socialists.

However, some candid company executives concede at least part of the charge, that they are turning their backs on gas. The first North Sea discoveries were gas deposits, but the search for this fuel by the majors abruptly halted when oil was found in 1970.

The companies blame their lack of interest on the diminished prospect of profits from gas. In Britain, they must sell all they find to a single buyer, the government's British Gas Corp. The companies say this puts them at a bargaining disadvantage and that the Gas Corp. has exploited it by offering low prices.

If the companies went after gas vigorously—and they are certain to find some along with the new oil fields they discover—Odell contends that Europe's energy picture could alter sharply.

The standard estimate for 1980, he observes, puts North Sea and other local gas at only 10 per cent of Europe's energy demand. He calculates, however, that indigenous gas could fill 22 per cent of Europe's fuel requirement, and thus considerably reduce the role of oil. He thinks it is reasonable to expect that the North Sea will be yielding 6 million barrels daily at the end of the decade.

If he is right, the basin's gas and oil would provide nearly half of Western Europe's energy. Instead of the conventional estimate that forecasts Europe must import oil to meet nearly two-thirds of its 1980 energy demand, Odell slashes this figure to 33 per cent.

Industry men concede that North Sea gas reserves are likely to turn out well above current estimates, although much smaller than Odell's figure. His forecast for oil, however, is in line with predictions made by some oil men unattached to the major firms.

If Odell is anywhere near the target, Europe's dependence on the Middle East would be reduced drastically.

The lack of official candor about the North Sea is strikingly illustrated by the fuss that Balogh kicked up over taxes.

Parliament's legislative oversight of ministerial agencies is shallow and uninformed compared to the searching spotlight a congressional committee sometimes shines on the executive branch in Washington. But, largely prodded by Balogh and Harold Lever, a knowledgeable Labor MP, a parliamentary committee did take a close look early this year at how much the British treasury would get from the North Sea.

At first, Department of Trade and Industry witnesses asserted that British taxes would cream off half of any company's profits from a large field in full production. Under close questioning, the civil servants conceded that these calculations did not apply to the majors.

The biggest firms enjoy what Sen. Paul Douglas once called a "golden gimmick," far bigger than the much better known depletion allowance. The majors call the bulk of the royalties they pay to Arab states a "tax" and this "tax" is based on a national "posted" price.

These "taxes" are offset, dollar for dollar and pound for pound, against tax liabilities in the United States and the United Kingdom. As a result, in Britain alone, nine big companies have already piled up more than $3 billion in tax "losses" to wipe out levies on future profits from the North Sea.

With characteristic British restraint, the parliamentary committee called this "unsatisfactory." It also regarded as "unsatisfactory" the fact that the ministry could not examine the companies' costs in the North Sea.

In the House of Lords, Balogh was less restrained. The committee's findings, he said, underscore "one of the most scandalous and costly derelictions of duty by ministers and their officials advisers." He called the report "a warning to bureaucrats that their follies would not go unnoticed."

The chancellor of the exchequer, Anthony Barber, has now promised to close the loophole. It becomes bigger every time the price of oil rises or the Arabs increase their take from the national posted price.

The affair is one more example of the fog that hangs over the North Sea's potential. Whatever energy resources do exist in the basin, they are clearly much more than official versions now allow. Policies based on the assumption that Europe must remain indefinitely in thrall to Arab oil may fit the plans of major oil companies. Whether they reflect the facts is a still unanswered question.

Mr. JACKSON. Mr. President, I am pleased to cosponsor the Energy Information Act introduced today by the Senator from Wisconsin (Mr. NELSON). The enactment of this legislation is important to our present efforts to solve short-range energy problems, and is absolutely crucial to our goal of identifying and solving energy-related problems in the future.

In the past months, as many of us struggled to construct a clear picture of the U.S. energy supply system, our almost desperate need for accurate, complete, and timely statistical information has been painfully obvious. Severe, short-term shortages are upon us. Government has a tremendous responsibility to see that these shortages are borne equitably and that damage to the economy is minimized.

But in undertaking this task, we in the Congress are at a terrible disadvantage. The gathering of energy information by the Federal Government is in such a chaotic state that is has been possible for industry spokesmen to charge repeatedly that Members of Congress and the executive branch do not understand the energy supply system. The implication is that energy policy ought to be made by energy industries.

Given the disastrous shortages we face this winter, no Member of Congress could advocate such an abrogation of responsibility. We have to act on the basis of the best information available from Government, industry, and public sources.

Mr. President, a prime example of the deficiencies in our access to critical energy information is the apparent rapid growth in our dependence on Arab sources of petroleum during the past year. According to the Bureau of Mines, direct dependence on Arab crude oil and products averaged some 0.560 million barrels per day during 1972. This represented 3.4 percent of the total U.S. consumption during 1972 of 16.5 million barrels per day.

Early in the fall, as the Mideast war began, the best data available from the Bureau described imports for the second quarter of 1973 and showed a direct dependence on Arab sources of 0.910 million barrels per day, or approximately 5.3 percent of the 17.0 million barrels per day U.S. consumption. The important deficiencies in this data are:

First, it is not timely. We now know from analyzing raw census figures, that direct dependence on Arab imports for September 1973 was over 1.2 million barrels per day—approximately a third larger than in the second quarter—and over 7 percent of consumption.

Second, it is not complete. There is no way to use available data to derive the significant indirect dependence on Arab sources through imports of prod-

ucts from refineries abroad which use Arab crude. Even though these refineries are run either by U.S.-based companies or companies which do significant business in the United States, our Government does not monitor, on a continuous basis, the flow of petroleum through them to the United States. We now know that this indirect dependence in September was probably at least 1.2 million barrels per day, increasing our dependence on Arab sources at that time to over 2.4 million barrels per day, or almost 14 percent of consumption. Thus, when the war broke out in the Middle East, the very critical information relating to U.S. dependence on Arab oil was greatly in error. This situation led to the escalating estimates offered by the administration during October:

On October 12, White House Aide Charles Di Bona estimated dependence at 1.2 million barrels per day.

On October 20, the estimate was raised to 1.6 million barrels per day.

On October 24, it went to 2.0 million barrels per day, and on October 30 to 2.5 million barrels per day.

Finally, in November, the Defense Department raised the estimate to 3.0 million barrels per day.

Now, in the middle of winter when demand for petroleum is at its highest, the amount of oil we might have received from Arab sources could undoubtedly be higher still. But the important point is that the administration and the Congress should have been aware of the petroleum situation when the war broke out. The fact is that important information was simply not available, and the information which was available existed only in unorganized bits scattered in different Federal offices.

The Congress cannot allow energy policymakers to render their decisions and recommendations on anything less than the most complete and timely information. Similarly, Congress cannot allow energy policymakers to flounder in a seemingly endless sea of incoherent and contradictory numbers, graphs, charts, and diagrams. The bill which the Senator from Wisconsin (Mr. NELSON) is introducing today will give Congress the opportunity to solve both of these problems.

Beyond the present crisis, it is the considered opinion of nearly all those who work in this area that energy scarcity, over long term, will impose continuing and important responsibilities on the Congress for the management of energy policy. Any attempt to carry out these responsibilities without the kind of fundamental information which the Bureau of Energy Information would provide will place the Congress in an impossible situation. This legislation is an essential first step in equipping Congress and the executive branch with the tools which they urgently need to formulate and carry out public policy with respect to energy resources and supply.

To obtain an adequate understanding of the flow of energy through the U.S. economy, statistical information is required at several junctures in the system. In the case of petroleum, for example, we need to know, among other things, the extent and location of existing petroleum reserves, the potentials for achieving various rates of extraction, the rate of flow of crude oil from the wells to the refineries by pipeline or by tanker, the refinery throughput capacities, and the various product yield ranges. To understand the distribution of petroleum products, we have to know transport capabilities and stock levels and the structure of the transportation network which supplies fuel to various users.

At the consumption end, we should know who the big users of fuels are, both on an individual level and in terms of significant consuming sectors. Additionally, we need to know the levels of efficiency with which fuels are converted and the potential for substitution of alternate fuels by these users.

In connection with each point at which we collect information on the basic operation of the supply system, information about operating costs, environmental costs, and profit levels for existing and alternate technologies are essential if we are to understand how the system works and how policy should be written to govern it. We need all this information, and we need it in an organized and usable form available at a central location in the Federal Government.

A second vital area in which we must expand our collection of energy information is in estimating the resources owned by the Federal Government in the public lands. These are truly national resources, belonging to the people of the United States. They will undoubtedly be developed, for they provide the only possibilities for significantly increasing our domestic energy supplies. Unless the Congress and the executive branch have adequate knowledge as to the extent of these resources, it will be impossible to plan adequately for the future and to fix reasonable compensation in the transactions with the private companies which must do the developing. If we are to decrease our dependence on foreign energy sources significantly over the coming years, the resources owned now by the people of the United States will be an extremely important ingredient in our mix of new supplies. We must begin the inventory of these resources to determine the extent of the contribution they can make.

Mr. President, this bill will go a long way toward filling what, in some instances, is an information void, and in other instances is unintelligible information overkill. The bill being introduced today is an expanded version of an amendment offered by the Senator from Wisconsin (Mr. NELSON) last summer during the debate on S. 1081. At that time, I respectfully requested that the Senator withdraw his amendment, in hopes that we could work together and draft a more comprehensive bill and begin hearings on it before the end of the year. The distinguished Senator from Wisconsin (Mr. NELSON) graciously honored my request and withdrew his amendment in light of this understanding.

The bill introduced today fairly represents, I believe, a melding together of the amendment offered by the Senator from Wisconsin with the expanded format that I felt was necessary to deal effectively with the problems posed by inadequate energy information.

Put in simplest terms, Mr. President, the purpose of this bill is to provide for the improved collection, organization, coordination, and dissemination of energy information by a National Energy Information System. This system is to be operated and maintained by a census-like Bureau of Energy Information established within the Department of Commerce. The Bureau will have the authority to collect and coordinate energy information from the public domain—information collected now by some 64 Federal agencies and commissions—and essential information available only from private industry and/or its trade associations. The Bureau, like the Census, is intended to collect and organize energy information in an atmosphere of strict impartiality, with ample protection for reasonable competitive equities and national security. In particular, the primary function of the Bureau will be the collection of statistical information which can then be used by Congress, Federal agencies, and commissions in preparing analyses essential to the formulation of policy.

The information collected will be stored in three libraries: the public library, the confidential library, and the secret library. The reason for such a system, Mr. President, is to insure that while the public will be guaranteed access to the vast majority of the information collected by the Bureau, reasonable competitive equities and national security will not be adversely affected and can be protected by placing "sensitive information" in either of the latter two libraries.

In addition to the information-collecting activities of the Bureau, the bill provides for a series of studies to be undertaken by the Bureau in an effort to improve the quality of the energy information collected and improve the coordination between the many agencies and institutions which now gather and report energy information.

Mr. President, a bill of this scope and complexity is, admittedly, very difficult to draft. It is my hope that when hearings are held on this bill in January, my colleagues in the Senate will offer constructive suggestions and comments that will improve this legislation. It is also my sincere hope, Mr. President, that my colleagues in the Senate share my sense of need and urgency for this bill. I feel that the enactment of this legislation is necessary if the Congress and the public are to understand the energy supply system, and have the capability of directing its operations toward the enhancement of the public good.

By Mr. HARTKE:

S. 2783. A bill to promote the foreign policy and best interests of the United States by authorizing the President to negotiate a commercial agreement including a provision for most-favored-nation status with Romania. Referred to the Committee on Foreign Relations.

Mr. HARTKE. Mr. President, today the United States is the honored host to His Excellency, Nicolae Ceausescu, President of the State Council of the Socialist

Republic of Romania. I think it quite appropriate at this time to take this opportunity to raise the whole issue of trading relations with the friendly Socialist Republic of Romania.

It is in the best interests of the United States to authorize the President of the United States to negotiate a commercial agreement, including a provision for most-favored-nation status, with Romania. Without this special trade treatment, we are imposing upon the people and products of Romania the old Smoot-Hawley tariff rates. Such discriminatory policies render political damage to the United States, as well as severely limiting the amount of trade which can be mutually advantageous to our two countries.

In 1969 when President Nixon visited Romania, he was given a friendly and good neighborly reception by hundreds of thousands of Romanians who lined the streets to greet the President. In the summer of 1969, just after the President's successful visit, he and President Ceausescu issued a joint statement reading:

The two heads of state devoted particular attention also to the economic relations between their countries. While noting the upward trend which these relations have displayed in recent years they also agreed on the need in the interests of both countries to develop and diversify the economic ties between the United States and Romania. In this connection it was agreed to look for new ways of realizing the potentialities which this important field offers.

I believe that we would be keeping our word "to develop and diversify the economic ties between the United States and Romania" by extending most-favored-nation treatment to the Romanians. The foreign policy as well as the economic interests of the United States can only be promoted by granting of most-favored-nation status.

We should also keep in mind that Romania was the only Eastern European country to follow and maintain a foreign policy throughout the recent Middle East war which recognized the rights of Israel. This was in direct contradiction to the expressed anti-Israel foreign policy statements of the other Eastern European governments. This kind of courage should be supported. Any independence shown by the Eastern European countries should be encouraged and reinforced by policies in the United States.

In 1972, we exported $69.4 million in goods to Romania and imported $31.5 million. This is a trade surplus of almost 2 to 1. There is an indication of a great growth potential in trade with Romania as the historic growth pattern between our two countries indicates.

In 1972 our exports to Romania were four times the 1968 figure of $16.7 million. But in spite of this growth in trade Romania, under present conditions, has precious few dollar holdings and almost no way of earning them in order to maintain such a deficit in her balance of payments with the United States. No country can buy if it cannot sell.

The enactment of this legislation would be sound foreign and economic policy and I urge its adoption.

Mr. President, I ask unanimous consent that the text of my bill be printed in the RECORD at this point.

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

S. 2783

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SEC. 101. This Act may be cited as the "Romanian Trade and Friendship Act".

STATEMENT OF PURPOSE

SEC. 102. The purposes of this Act are—

(a) to promote the objective of building a peaceful democratic world;

(b) to promote improved constructive relations with Romania and to provide a framework helpful to private United States firms conducting business relations in Romania by instituting regular government-to-government negotiations concerning commercial and other matters of mutual interest; and

(c) to increase peaceful commercial and related contacts between the United States and Romania.

AUTHORITY TO ENTER INTO COMMERCIAL AGREEMENTS

SEC. 103. The President may make commercial agreements with Romania providing most-favored-nation treatment to the products of Romania whenever he determines that such agreements—

(a) will promote the purposes of this Act,

(b) are in the national interest, and

(c) will result in benefits to the United States equivalent to those provided by the agreement to the other party.

BENEFITS TO BE PROVIDED BY COMMERCIAL AGREEMENTS

SEC. 104. The benefits to the United States to be obtained in or in conjunction with a commercial agreement made under this Act may be of the following kind, but need not be restricted thereto:

(a) satisfactory arrangements for the protection of industrial rights and processes;

(b) satisfactory arrangements for the settlement of commercial differences and disputes;

(c) arrangements for establishment or expansion of United States trade and tourist promotion offices, for facilitation of such efforts as the trade promotion activities of United States commercial officers, participation in trade fairs and exhibits, the sending of trade missions, and for facilitation of entry and travel of commercial representatives as necessary.

(d) most-favored-nation treatment with respect to duties or other restrictions on the imports of the products of the United States, and other arrangements that may secure market access and assure fair treatment for products of the United States; or

(e) satisfactory arrangements covering other matters affecting relations between the United States and Romania, and the improvement of consular relations.

EXTENSION OF BENEFITS OF MOST-FAVORED-NATION TREATMENT

SEC. 105. (a) In order to carry out a commercial agreement made under this Act and, notwithstanding the provisions of any other law, the President may by proclamation extend most-favored-nation treatment to the products of Romania.

(b) Any commercial agreement made under this Act shall be deemed a trade agreement for the purposes of title III of the Trade Expansion Act of 1962 (19 U.S.C. 1901 et seq.).

(c) Section 231 of the Trade Expansion Act of 1962 (19 U.S.C. 1861) is amended by adding at the end thereof the following new subsection:

"(c) Subsection (a) of this section shall not apply to products, whether imported directly or indirectly, of Romania, if a proclamation is in effect under section 105(a) of the Romanian Trade and Friendship Act."

(d) The portion of general headnote 3(e) to the Tariff Schedules of the United States that precedes the list of countries and areas (77A Stat. 11; 70 Stat. 1022) is amended to read as follows:

"(e) PRODUCTS OF CERTAIN COMMUNIST COUNTRIES.—Notwithstanding any of the foregoing provisions of this headnote, the rates of duty shown in column numbered 8 shall apply to products, whether imported directly or indirectly, of the countries and areas that have been specified in section 401 of the Tariff Classification Act of 1962, in sections 231 and 257(e)(2) of the Trade Expansion Act of 1962, or in actions taken by the President thereunder and as to which there is not in effect a proclamation under section 105(a) of the Romanian Trade and Friendship Act."

(e) Nothing in this Act shall be deemed to modify or amend the Export Administration Act of 1969 (50 U.S.C. App. 2401 et seq.) or the Mutual Defense Assistance Control Act of 1951 (22 U.S.C. 1611 et seq.).

REPORTS TO CONGRESS

SEC. 106. The President shall submit to the Congress an annual report on the commercial agreements program instituted under this Act. Such report shall include information regarding negotiations, benefits obtained as a result of commercial agreements, the texts of any such agreements, and other information relating to the program.

By Mr. HARTKE (for himself, Mr. HANSEN, Mr. CRANSTON, Mr. TALMADGE, Mr. RANDOLPH, Mr. HUGHES, Mr. THURMOND, Mr. STAFFORD, Mr. MCCLURE, and Mr. HOLLINGS):

S. 2784. A bill to amend title 38, United States Code, to increase the vocational rehabilitation subsistence allowance, educational assistance allowances, and the special training allowances paid to eligible veterans and persons under chapters 31, 34, and 35 of such title; to improve and expand the special programs for educationally disadvantaged veterans and servicemen under chapter 34 of such title; to improve and expand the veteran-student services program; to establish a veterans education loan program for veterans eligible for benefits under chapter 34 of such title; to promote the employment of veterans and the wives and widows of certain veterans by improving and expanding the provisions governing the operation of the Veterans Employment Service and by providing for an action plan for the employment of disabled and Vietnam-era veterans; to make improvements in the educational assistance program; to recodify and expand veterans' reemployment rights; to make improvements in the administration of educational benefits; and for other purposes. Referred to the Committee on Veterans' Affairs.

VIETNAM-ERA VETERANS' READJUSTMENT ASSISTANCE ACT OF 1973

Mr. HARTKE. Mr. President, I introduce for myself and members of the Veterans' Affairs Committee which I am privileged to chair, legislation which may be cited as the "Vietnam-Era Veterans' Readjustment Assistance Act of 1973." This bill continues and improves upon the major amendments made to the GI bill program by enactment of Public Law

92–540, the Vietnam-Era Veterans' Readjustment Assistance Act of 1972, which substantially improved and increased benefits. I wish to emphasize that the bill I introduce today is not a finished product but rather a starting point from which the committee might consider needed changes and various alternatives in committee hearings which will begin soon after the commencement of the second session of Congress.

As you know, the House committee has been considering GI bill amendments and the Senate committee has been awaiting action on that bill so that we can consider it together with Senate proposals during our hearings. In October, the Education Subcommittee of the House Veterans' Affairs Committee recommended an increase in the basic assistance rates from $220 a month for a single veteran to $250 a month—a figure incidentally which I would remind my colleagues is identical to the monthly rate approved unanimously by the Senate 89 to 0 over 16 months ago in August 1972.

Recent reports, however, have indicated considerable discussions in the full committee concerning the bill together with communications of strong views from the executive branch. Given that situation, I believe it important and appropriate to start the Senate machinery in process with the introduction of this measure today.

The bill which I introduce today essentially picks up and starts from Senate committee action in the 92d Congress. The basic premise of the committee in the 92d Congress was perhaps best summed up when in reporting the GI bill amendments last year I said that the challenge to the Government was well stated by President Roosevelt in the midst of World War II when he said:

> Vocational and educational opportunities for veterans should be at the widest range . . . lack of money should not prevent any veteran of this war from equipping himself for useful employment for which his aptitudes and willingness qualify him. The money invested in this training and schooling program will reap rich dividends in the higher productivity, more intelligent leadership and greater happiness . . . We have taught our youth how to wage war; we must also teach them how to have useful and happy lives in freedom and justice and decency.

The congressional action which followed President Roosevelt's statement, of course, was the enactment of the historic GI bill of rights which invested $14.5 billion in what is perhaps the most important social experiment in the American history of education. I use the word "investment" advisedly because it is estimated that our Government as a direct result of increased education and training of our veterans has received back in additional tax revenues which it otherwise would not have received, at least $3 and perhaps $6 for each dollar spent on GI bill training.

Although we were mindful of budgetary realities, the committee at the same time was committed to providing adequate educational opportunities to our newest generation of veterans. At a minimum, there was a strong belief that the educational opportunities available for Vietnam-era veterans should be no less than those available to me and my fellow veterans who served during the Second World War.

As Members of this body are aware, under the World War II GI bill, a single veteran was entitled to a subsistence allowance of $75 a month plus up to $500 a school year for tuition, books, and fees. At that time, $500 covered the tuition and school fee costs at the overwhelming majority of public and private colleges in the United States.

Under current law, a veteran receives a single monthly allowance which is to be used by him for subsistence and for school costs.

The committee considered returning to a separate system of tuition payments last year, but ultimately rejected this approach in light of a number of factors. Congressional investigations of the World War II program concluded that the separate system of school payments "encouraged major abuses and became an administrative nightmare." The Veterans' Administration, testifying in opposition to the enactment of the tuition payment program stated that—

> It would complete a cycle which would again give rise to the same abuses of falsification of a veteran's progress and attendance record, and collusion between school officials and veterans in falsely obtaining educational assistance allowances.

Administration opposition was persistent and included threats of a veto. Finally, the committee was also aware of deeply held convictions in opposition to a tuition program held by senior Members of the House of Representatives. Given the foregoing, the committee decided to retain the present system of monthly allowances but to adjust the allowances to insure that the level of entitlement was no less than that offered to a veteran of World War II. This was accomplished by converting the $500 tuition, books, and fees payment to a monthly amount and adding it to the subsistence allowance of $75. This figure was then adjusted for inflation to reflect the increase in the cost of living from 1948 to 1972. The Consumer Price Index mandated an increase of 185 percent which produced a monthly rate of $250 to provide equivalent educational opportunities for today's veterans. That is the figure which the committee reported and is the figure that was adopted unanimously by the Senate over 16 months ago.

Given heavy opposition by the Veterans' Administration and the need to insure assistance for the full 1972–73 school year, we ultimately had to compromise at a figure of $220 a month for the single veteran which represented a 26-percent increase in the veterans assistance allowances. At the same time in section 413 of Public Law 92–540, Congress mandated the Veterans' Administration to produce an independent study to assist future decisions in this area by providing an independent comparison of Vietnam-era benefits with those after World War II and the Korean conflict. The law required the Administrator of Veterans' Affairs to submit a study and recommendations for improving the present program to the President and Congress by April 24, 1973. Unfortunately, when that deadline arrived, the Veterans' Administration had not even contracted to begin this crucial investigation. Ultimately, however, the Veterans' Administration did contract with the Educational Testing Service, of Princeton, N.J., and a report was transmitted to Congress and the President in late September of this year. That study made a number of valuable findings, but perhaps the most important is its conclusion that—

> In general the 'real value' of the educational allowance available to veterans of World War II was greater than the current allowance being paid to veterans of the Vietnam Conflict when adjustments were made for the payment of tuition, fees, books and supplies.

This study then confirms the Senate committee's actions in 1972 and further confirms my own belief that with soaring living costs and even greater increases in the cost of education, additional adjustments in the educational allowances are needed. Students living in States where extensive low cost public education is not available are in effect "priced out" of receiving an education. The plain fact is that the Vietnam veteran today does not have the same educational opportunities that were available to his father after World War II. Accordingly the bill which I introduce today would return to the formula adopted by the Senate committee in 1972 and increase that base figure to $250 by the cost of living since the Senate last acted.

Mr. President, there are five titles to the bill I introduce today and I believe it appropriate to briefly describe the provisions of the Vietnam-Era Veterans Readjustment Assistance Act of 1973.

TITLE I

Title I would increase the base figures arrived at by the committee formula last year—approved by the full Senate—by 8 percent which represents cost-of-living increases from September 1, 1972, the effective date of the last GI bill increase through October 1973, the last date for which CPI figures are currently available. Thus for the approximately 14,355 veterans enrolled in vocational rehabilitation under chapter 31, the subsistence allowances would be increased from $170 to $216 per month. The full-time rate for a veteran with one dependent would be increased to $267 a month; two dependents to $312 a month; with $23 added for each dependent in excess of two. Three-quarter and half-time rates are adjusted to provide the same proportion as the amount of training taken. Comparable increases are provided for those trainees pursuing farm-cooperative apprentice or other on-job training. In addition, title I would amend section 1502 of chapter 31 to provide that veterans of the Vietnam era rated 10 percent disabled or greater shall automatically be entitled to vocational rehabilitation benefits. Currently, such benefits are automatically available only if the veteran is disabled by at least 30 percent. This amendment will bring current benefits for Vietnam-era veterans

in line with those available to veterans of World War II and the Korean conflict.

Chapter 34 benefits for veterans are amended to increase the monthly educational assistance rates for some 1,121,528 veterans and servicemen currently pursuing educational programs. Full-time institutional rate for a veteran with no dependents would be increased from $220 to $270 per month. The rate for a veteran with one dependent would increase to $321; with two dependents $366; and $23 would be added for each dependent in excess of two. The three-quarter time and half-time training rates are adjusted to provide for the same proportion as the amount of training taken and the rates for cooperative training which consist of institutional courses in alternate phases of training in a business or institutional establishment are also increased.

Prep courses, flight training, and correspondence courses are also increased accordingly.

Finally, educational assistance allowance payable to children, widows, and wives pursuing education programs under chapter 35 are amended. Approximately 3,893 wives and widows and 25,301 sons and daughters are presently receiving benefits under this chapter. The educational assistance allowance for these eligible persons pursuing full-time institutional courses is increased from $220 to $270 per month. Three-quarter time is increased to $203 with half-time rate now set at $135 per month.

It is estimated that the first year cost of the increases provided in title I would be approximately $571.8 million.

TITLE II

Title II would make a number of amendments to chapters 31, 34, 35, and 36 of title 38, United States Code, designed to strengthen and improve existing GI bill programs:

First, section 1661 would be amended to allow to be counted for educational benefits purposes, the initial 6 months of active duty for training in the case of any reservist who subsequently serves on active duty for 12 months or more.

Second, section 1662 is amended to extend the current 8-year delimiting date for veterans to complete their programs of education to 10 years. In addition, a new subsection is added to that section which would exclude in computing the delimiting date for those veterans and civilians held as prisoners of war in the Vietnam theater of operations, the period of time during which they were detained plus any period of time which they were hospitalized immediately subsequent to their release.

Third, technical amendments have been made to section 1673 relating to the disapproval of enrollment in certain courses to more truly effectuate the intent of that section and to allow the free market mechanism to fully operate.

Fourth, section 1682 is amended to provide those recently discharged from military service up to 6 months of educational assistance in order to pursue refresher training to update the knowledge and skills and the technological advances occurring in the fields of employment during their period of active military service. The refresher training program must be commenced within 12 months from the date of discharge or release. Under current law, a veteran may not pursue a program of education in the area in which he is already qualified.

Fifth, the veteran student services program authorized under section 1685 would be amended to increase the number of hours a student may work and also to remove the statutory ceiling on the number of veterans who can participate in the program. As originally proposed and passed by the Senate there was no limit on the number of veterans who could be effectively utilized. Currently a veteran may work up to 100 hours and receive a work-study allowance based on the amount of $2.50 an hour. Amendments made by this section would increase the maximum number of hours that a veteran may work to 250 hours. In addition, it would remove statutory limits presently in effect which limit the program to 16,000 veterans and a cost of $4 million a year. The Veterans' Administration estimated last year that in excess of 100,000 veterans could be effectively utilized under their work-study outreach program at a first-year cost of approximately $35.1 million.

Sixth, the tutorial program authorized under section 1692 is amended first to provide cost-of-living increases to the basic amount paid for tutorial services from $50 to $60 a month and, second, to extend the eligibility period for tutorial assistance from 9 to 12 months.

Seventh, the bill amends section 1732 to correct an oversight in amendments made last year to authorize farm cooperative training programs for eligible wives, widows, and children under chapter 35 and further establishes rates of monthly educational assistance allowances payable to eligible persons pursuing such programs consistent with the rest of the bill.

Eighth, the bill would amend section 1784 to provide that where joint apprenticeship training committees act as training establishments they shall be entitled to be paid the same $3 reporting fee for furnishing the VA with reports or certifications as is currently paid to educational institutions furnishing the same types of information.

Ninth, this title provides cost-of-living increases for those veterans or eligible persons enrolled in apprenticeship or other on-job training. The rate for a single veteran is increased from $160 to $173. A married veteran's rate is increased from $179 to $193, with a married veteran with a child entitled to receive $212 contrasted with the current rate of $196.

Tenth, section 1788 relating to measurement of courses is amended to authorize vocational schools to measure courses on a quarter or semester hour basis premised on a set formula provided, however, that a minimum of 25 hours in that instruction per week is required for a full-time course.

Eleventh, section 1795 is repealed so as to provide that dependents who receive educational assistance under chapter 35 and subsequently serve honorably in the Armed Forces shall be entitled to a full 36 months of educational benefits by virtue of that service. Currently, the law provides that combined assistance provided under chapter 35 and chapter 34 may not exceed 48 months.

TITLE III

Title III would establish a veterans' education loan program the provisions of which, with some modifications, are essentially those that were included in S. 2161 and passed unanimously by the Senate last year. The education loan program was dropped in House-Senate negotiations on the bill following strenuous objections registered by the administration. In originally providing for loans, the committee indicated last year it was aware that while the cost of living had increased approximately 185 percent since 1948, the cost of education in many schools, particularly, nonpublic institutions had increased from 300 to 500 percent the same period. For veterans living in States without extensive low cost public education or for those veterans wishing to attend higher cost institutions, the committee believed that they should have access to direct loans from the Veterans' Administration for the excess in order to supplement their own resources as needed to meet those costs not covered by VA benefits or other Federal grants or loans. To the extent that additional costs are beyond the financial resources available to the veteran—including existing Federal loan programs—direct loans from the Veterans' Administration of up to $1,980 an academic year are authorized. These direct insured loans are to be made from funds made available from the $7 billion National Service Life Insurance Trust Fund—which is comprised entirely of insurance premiums paid by veterans—and are to be repaid within 10 years following a starting date 9 months following the period when the student ceases to be an active student. The Administrator shall pay the Fund, any interest accruing on the loan prior to the veteran student's repayment date. The Veterans' Administration estimated last year that about 20 percent of all eligible veterans in college level institutions would receive loans under a veterans' program similar to the one I introduced today. Those estimates took into consideration that veterans must first seek to obtain a loan under the Higher Education Act which was amended last year to create a student loan marketing association to provide a secondary loan market in student loans which hopefully would release additional private capital for such loans. The Veterans' Administration estimates that in the first fiscal year, approximately 160,000 veterans would receive loans in the amount of $107.8 million. The first year interest in administrative costs chargeable to the Veterans' Administration are estimated at $32.3 million. In opposing the veterans' educational loan program last year, the Veterans' Administration argued strenuously that there were many sources of available funds and that the program was not needed. Since the loan program as passed by the Senate would have provided loans to veterans only if they had been unable to obtain educational loans under these other Federal programs, I

found it difficult to reconcile then as I do now, the Veterans' Administration position that the loan program was not needed with their own estimates that 160,000 veterans would qualify for loans. It seems clear to me that in light of the varying participation rates by States which can only be attributed to varying costs of education, that any GI bill we enact this year must give some recognition to additional assistance above and beyond the basic educational rate for those veterans who need it. Whether it is a low cost loan program or some other approach, it is obvious to me that we must deal directly with this measure.

The number of veterans who would receive loans and the total value of outstanding loans for the first 3 years of the program is shown in the following table:

ESTIMATE OF COST FOR EDUCATIONAL LOANS AS PROPOSED BY S. 2784

[Dollars amounts in millions]

Fiscal year	Veterans receiving loans (thousands)	Value of loans outstanding	Interest costs	Administrative costs	Total cost
1st	159.8	$107.8	$27.7	$4.6	$32.3
2d	153.4	247.0	32.3	5.3	37.6
3d	130.0	293.8	35.1	5.8	40.9

TITLE IV

Title IV of the bill I introduce today would make several amendments to improve the employment opportunities available to veterans and in some cases their dependents. As my colleagues will recall, provisions contained in my bill, S. 2161, which were ultimately enacted into Public Law 92–540 last year made extensive amendments to chapter 41 of title 38 which provides for job counseling, training, and placement services for veterans. Additional amendments in that bill created a new chapter 42 providing increased efforts to aid in the employment and training of disabled and Vietnam-era veterans. These enacted amendments, if fully implemented and complied with, would have provided major tools in the fight to provide full employment opportunities for all veterans particularly the disabled and the unskilled.

Unfortunately, those amendments to the law have been honored more in the breech than in their observance in the past year. There has been massive noncompliance by the administration with many of those provisions. To cite just one example, we have recently passed the first anniversary of provisions contained in Public Law 92–540 which mandated the immediate hiring of 67 new Federal employment specialists to aid in veteran employment problems. As of the first anniversary of that date, only one of the 67 Federal employees had been hired, which constitutes a shocking disregard of the law. I can assure my colleagues, however, that in hearings early next year, those responsible will be called upon to account for why they have not complied with the law and will be monitored closely until they do.

In the meantime, title IV of this bill would provide two important amendments to chapters 41 and 42 of title 38. First, chapter 41 relating to job counseling, training, and placement services for veterans would be amended to include among those eligible to receive these services, widows of veterans who have died of service-connected causes and wives of totally disabled veterans. Such amendments, I believe, would be consistent with the benefits provided to wives and widows under chapter 35. As my colleagues will recall, amendments made to chapter 35 last year have provided the full range of educational readjustment benefits available to veterans in chapter 34 to eligible wives and widows. Included for the first time was the extension of on-job training and apprenticeship training benefits for chapter 35 beneficiaries. Accordingly I believe it appropriate to grant the job counseling, training, and placement services available for veterans to wives and widows who must work to support their families.

Chapter 42 would be amended by adding new section 2014 directing an action plan for employment of disabled and Vietnam-era veterans. This section is identical to that which was passed by the Senate unanimously last August but was dropped following House-Senate negotiations. Under this provision, the Administrator of Veterans' Affairs in consultation with the Secretary of Labor and the Civil Service Commission, shall, within 90 days of enactment establish an affirmative action plan for every Federal department and agency for the preferential employment of disabled veterans and veterans of the Vietnam era. Each agency would be required to submit to the President, a report indicating action taken under the plan and the President in turn is required to submit detailed statistical reports to Congress once a year indicating the extent to which the action plan has been successful during the preceding calendar year together with statistics showing the extent to which each department and agency has complied with the action plan.

Title IV would also amend and recodify existing law concerning reemployment rights for veterans. Currently, section 9 of the Military Selective Service Act of 1967 provides reemployment rights for men and women who leave their jobs to perform training or service in the Armed Forces. Honorably discharged veterans are entitled to return to the position they would have obtained—or another position of comparable seniority, status, and pay—had the veteran not served in military duty. Veterans' entitlement includes all benefits he would have received had he not been absent such as pay increases. The veteran must be qualified to do the job to which he returns; if disabled in service, the veteran is entitled to a job of comparable seniority, status and pay. The job the veteran left must have been nontemporary and he may not have served in the Armed Forces for more than 5 years—all service over 4 years is at the request of the Government. It is estimated that 604,000 Vietnam-era veterans will be separated this year from military service. More than half of these young men and women were employed prior to their entering service and hence will be covered by the Reemployment Rights Act on their return to private industry or the Federal Government. Section 403 of title IV of this bill would recodify the existing law into a new chapter 43 of title 38—the veterans' benefits title—where it more appropriately belongs. In addition, existing law as recodified is amended to incorporate the provisions of S. 1635 introduced by the distinguished and valued senior member of our committee, Mr. RANDOLPH, on April 18, 1973. The provisions of that bill would extend the reemployment rights to those who were employed by State or local governments prior to entering the service. Only those who held jobs with the Federal Government or private industry are assured of their job rights and protected. Veterans are not protected who previously held jobs as schoolteachers, policemen, firemen, or other State, county, and city employees.

As Mr. RANDOLPH said in his introductory remarks to S. 1634:

It is my belief that there is a need for corrective legislation in this area. I am introducing legislation which should leave no doubt in the minds of the state and local government employers that Congress feels all veterans should receive equitable treatment in the matter of reemployment rights.

Mr. President, that is a sentiment in which I strongly concur and accordingly those provisions have been made part of this bill.

TITLE V

The act provides that titles I, II, and IV of the act shall become effective on the first day of the second calendar month following enactment. Provisions of Title III relating to reemployment rights become effective 120 days following enactment of the act.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD at this point.

There being no objection, the text of the bill was printed as follows:

S. 2784

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 "Vietnam Era Veterans' Readjustment Assistance Act of 1973".

TITLE I—VOCATIONAL REHABILITATION EDUCATIONAL ASSISTANCE RATE ADJUSTMENTS

SEC. 101 Chapter 31 of title 38, United States Code, is amended as follows:

(1) by amending paragraphs (1) and (2) of subsection (a) of section 1502 to read as follows:

"(1) arose out of service during World War II, the Korean conflict, or the Vietnam era; or

"(2) arose out of service (A) after World War II and before the Korean conflict, or (B) after the Korean conflict but before August 5, 1964, and is rated for compensation purposes as 30 per centum or more, or if less than 30 per centum, is clearly shown to have caused a substantial handicap to employment."; and

(2) by amending the table contained in section 1504(b) to read as follows:

"Column I	Column II	Column III	Column IV	Column V
Type of training	No dependents	One dependent	Two dependents	More than two dependents
				The amount in column IV, plus the following for each dependent in excess of two:
Institutional:				
Full time	$216	$267	$312	$23
Three-quarter time	162	200	234	17
Half time	108	134	156	12
Farm cooperative, apprentice, or other on-job training:				
Full time	179	230	275	23".

SEC. 102. Chapter 34 of title 38, United States Code, is amended as follows:

(1) by deleting in the last sentence of section 1677(b) "$220" and inserting in lieu thereof "$270";

(2) by amending the table contained in paragraph (1) of section 1682(a) to read as follows:

"Column I	Column II	Column III	Column IV	Column V
Type of program	No dependents	One dependent	Two dependents	More than two dependents
				The amount in column IV, plus the following for each dependent in excess of two:
Institutional:				
Full time	$270	$321	$366	$23
Three-quarter time	203	241	275	17
Half time	135	161	183	12
Cooperative	217	255	289	17";

(3) by deleting in section 1682(b) "$220" and inserting in lieu thereof "$270";

(4) by amending the table contained in paragraph (2) of section 1682(c) to read as follows:

"Column I	Column II	Column III	Column IV	Column V
Basis	No dependents	One dependent	Two dependents	More than two dependents
				The amount in column IV, plus the following for each dependent in excess of two:
Full time	$217	$255	$289	$17
Three-quarter time	163	191	217	13
Half time	109	128	145	9";

(5) by deleting in section 1696(b) "$220" and inserting in lieu thereof "$270".

SEC. 103. Chapter 35 of title 38, United States Code, is amended as follows:

(1) by amending section 1732(a)(1) to read as follows:

"(a)(1) The educational assistance allowance on behalf of an eligible person who is pursuing a program of education consisting of institutional courses shall be computed at the rate of (A) $270 per month if pursued on a full-time basis, (B) $203 per month if pursued on a three-quarter-time basis, and (C) $135 per month if pursued on a half-time basis.";

(2) by deleting in section 1732(a)(2) "$220" and inserting in lieu thereof "$270";

(3) by deleting in section 1732(b) "$177" and inserting in lieu thereof "$217"; and

(4) by amending section 1742(a) to read as follows:

"(a) While the eligible person is enrolled in and pursuing a full-time course of special restorative training, the parent or guardian shall be entitled to receive on his behalf a special training allowance computed at the basic rate of $270 per month. If the charges for tuition and fees applicable to any such course are more than $75 per calendar month, the basic monthly allowance may be increased by the amount that such charges exceed $75 a month, upon election by the parent or guardian of the eligible person to have such person's period of entitlement reduced by one day for each $7.94 that the special training allowance paid exceeds the basic monthly allowance."

TITLE II—EDUCATIONAL ASSISTANCE PROGRAM ADJUSTMENTS

SEC. 201. Section 1652(a) of title 38, United States Code, is amended by inserting in clause (3), immediately after "1661(a)," the following: "except as provided therein".

SEC. 202. Section 1661(a) of title 38 United States Code is amended by adding at the end thereof the following: "For purposes of this subsection, in determining the period to which any eligible veteran is entitled to educational assistance under this chapter, the initial period of active duty for training performed by him under section 511(d) of title 10 shall be deemed to be active duty if at any time subsequent to the completion of such period of active duty for training such veteran served on active duty for a consecutive period of one year or more.".

SEC. 203. Section 1662 of title 38, United States Code, is amended as follows:

(1) by deleting "eight" in subsection (a) and inserting in lieu thereof "ten";

(2) by deleting "8-year" in subsection (b) and inserting in lieu thereof "10-year";

(3) by deleting "8-year" and "eight-year" in subsection (c) and inserting in lieu thereof "10-year" and "ten-year," respectively; and

(4) by adding at the end thereof the following new subsection:

"(d) In the case of any veteran (1) who served on or after January 31, 1955, (2) who became eligible for educational assistance under the provisions of this chapter or chapter 36 of this title, and (3) who, subsequent to his last discharge or release from active duty, was captured and held as a prisoner of war by a foreign government or power, there shall be excluded, in computing his ten-year period of eligibility for educational assistance, any period during which he was so detained and any period immediately following his release from such detention during which he was hospitalized at a military, civilian or Veterans' Administration medical facility."

SEC. 204. Section 1673 of title 38, United States Code, is amended by striking out subsection (d) and inserting in lieu thereof the following:

"(d) The Administrator shall not approve the enrollment of any eligible veteran, not already enrolled, in any course (other than one offered pursuant to subchapter V or subchapter VI of chapter 34 of this title) not leading to a standard college degree offered by a proprietary profit or proprietary nonprofit educational institution for any period during which the Administrator finds that more than 85 per centum of the students enrolled in the course are having all or part of their tuition, fees, or other charges paid to or for them by the educational institution or the Veterans' Administration under this title or by funds furnished in accordance with provisions of the Higher Education Act of 1965, as amended."

SEC. 205. Section 1682 of title 38, United States Code, is amended by adding at the end thereof a new subsection as follows:

"(d)(1) Notwithstanding the prohibition in section 1671 of this title prohibiting enrollment of an eligible veteran in a program of education in which he has 'already qualified', a veteran shall be allowed up to six months of educational assistance (or the equivalent thereof in part-time assistance) for the pursuit of refresher training to permit him to update his knowledge and skills and to be instructed in the technological advances which have occurred in his field of employment during the period of his active military service.

"(2) A program of education pursued under his subsection must be commenced within twelve months from the date of the veteran's discharge or release from active duty and must be pursued continuously (except for interruptions for reasons beyond the veteran's control).

"(3) A veteran pursuing refresher training under this subsection shall be paid an educational assistance allowance based upon the rate payable as set forth in the table in subsection (a)(1) or in subsection (c)(2) of this section, whichever is applicable.

"(4) The educational assistance allowance paid under the authority of this subsection shall be charged against the period of entitlement the veteran has earned pursuant to section 1661(a) of this title."

SEC. 206. Section 1685 of title 38, United States Code, is amended as follows:

(1) Subsection (a) is amended by striking out all of that portion of the second sentence preceding "during a semester" and inserting in lieu thereof "Such work-study allowance shall be paid in the amount of $625 in return for such veteran-student's agreement to perform services, during or between periods of enrollment, aggregating two hundred and fifty hours".

(2) Subsection (a) is further amended by striking out the last sentence and inserting in lieu thereof the following: "An agreement may be entered into for the performance of services for periods of less than two hundred and fifty hours, in which case the amount of the work-study allowance to be paid shall bear the same ratio to the number of hours of work agreed to be performed as $625 bears to two hundred and fifty hours. In the case of any agreements providing for the performance of services for one hundred hours or more, the veteran student shall be paid $250 in advance, and in the case of any agreement for the performance of services for less than one hundred hours, the amount of the advance payment shall bear the same ratio to the number of hours of work agreed to be performed as $625 bears to two hundred and fifty hours.".

(3) Subsection (c) is amended by striking out "(not to exceed eight hundred man-years or their equivalent in man-hours during any fiscal year)".

SEC. 207. Subsection (b) of section 1692 of title 38, United States Code, is amended as follows:

(1) by striking out "$50" and inserting in lieu thereof "$60";

(2) by striking out "nine months" and inserting in lieu thereof "twelve months"; and

(3) by striking out "$450" and inserting in lieu thereof "$720".

SEC. 208. Subsection (c) of section 1723 of title 38, United States Code, is amended by striking out "any course of institutional on-farm training".

SEC. 209. Subsection (d) of section 1723 of title 38, United States Code, is amended by striking out "to be pursued below the college level" and inserting in lieu thereof "not leading to a standard college degree".

SEC. 210. Section 1732 of title 38, United States Code, is amended by redesignating

subsection (c) as subsection (d) and by inserting immediately after subsection (b) the following new subsection:

"(c)(1) An eligible person who is enrolled in an educational institution for a 'farm cooperative' program consisting of institutional agricultural courses prescheduled to fall within forty-four weeks of any period of twelve consecutive months and who pursues such program on—

"(A) a full-time basis (a minimum of ten clock hours per week or four hundred and forty clock hours in such year prescheduled to provide not less than eighty clock hours in any three-month period),

"(B) a three-quarter-time basis (a minimum of seven clock hours per week), or

"(C) a half-time basis (a minimum of five clock hours per week),

shall be eligible to receive an educational assistance allowance at the appropriate rate provided in paragraph (2) of this subsection, if such eligible person is concurrently engaged in agricultural employment which is relevant to such institutional agricultural courses as determined under standards prescribed by the Administrator. In computing the foregoing clock hour requirements there shall be included the time involved in field trips and individual and group instruction sponsored and conducted by the educational institution through a duly authorized instructor of such institution in which the person is enrolled.

"(2) The monthly educational assistance allowance to be paid on behalf of an eligible person pursuing a farm cooperative program under this chapter shall be computed at a rate of (A) $217 per month if pursued on a full-time basis, (B) $163 per month if pursued on a three-quarter-time basis, and (C) $109 per month if pursued on a half-time basis."

SEC. 211. Subsection (b) of section 1784 of title 38, United States Code, is amended to read as follows:

"(b) The Administrator may pay to any educational institution, or to any joint apprenticeship training committee acting as a training establishment, furnishing education or training under either chapter 34, 35, or 36 of this title, a reporting fee which will be in lieu of any other compensation or reimbursement for reports or certifications which such educational institution or joint apprenticeship training committee is required to report to him by law or regulation. Such reporting fee shall be computed for each calendar year by multiplying $3 by the number of eligible veterans or eligible persons enrolled under chapter 34, 35, or 36 of this title, or $4 in the case of those eligible veterans and eligible persons whose educational assistance checks are directed in care of each institution for temporary custody and delivery and are delivered at the time of registration as provided under section 1780(d)(5) of this title, on October 31 of that year; except that the Administrator may, where it is established by such educational institution or joint apprenticeship training committee that eligible veteran plus eligible person enrollment on such date varies more than 15 per centum from the peak eligible veteran enrollment plus eligible person enrollment in such educational institution or joint apprenticeship training committee during such calendar year, establish such other date as representative of the peak enrollment as may be justified for such educational institution or joint apprenticeship training committee. The reporting fee shall be paid to such educational institution or joint apprenticeship training committee as soon as feasible after the end of the calendar year for which it is applicable."

SEC. 212. Chapter 36 of title 38, United States Code, is amended as follows:

(1) by deleting in section 1786(a)(2) "$220" and inserting in lieu thereof "$270";

(2) by amending the table contained in paragraph (1) of section 1787(b) to read as follows:

"Column I	Column II	Column III	Column IV	Column V
Periods of training	No dependents	One dependent	Two dependents	More than two dependents
				The amount in column IV, plus the following for each dependent in excess of two:
First 6 months	$173	$193	$212	$9
Second 6 months	130	150	169	9
Third 6 months	86	107	125	9
Fourth and any succeeding 6-month periods	43	64	82	9";

and

(3) by amending section 1787(b)(2) to read as follows:

"(2) The monthly training assistance allowance of an eligible person pursuing a program described under subsection (a) shall be (A) $173 during the first six-month period, (B) $130 during the second six-month period, (C) $86 during the third six-month period, and (D) $43 during the fourth and any succeeding six-month period.".

SEC. 213. Subsection (a) of section 1788 of title 38, United States Code, is amended by:

(1) striking out "offered on a clock-hour basis below the college level" in clause (1) and inserting in lieu thereof "not leading to a standard college degree offered on a clock-hour basis";

(2) striking out "offered on a clock-hour basis below the college level" in clause (2) and inserting in lieu thereof "not leading to a standard college degree offered on a clock-hour basis";

(3) striking out "below the college level" in clause (6) and inserting in lieu thereof "not leading to a standard college degree"; and

(4) by adding at the end of such subsection the following:

"Notwithstanding the provisions of clause (1) or (2) of this subsection, an educational institution offering courses not leading to a standard college degree may measure such courses on a quarter or semester-hour basis (with full time measured on the same basis as provided by clause (4) of this subsection), provided that (A) the academic portions of such courses require outside preparation and are measured on not less than one quarter or one semester hour for each fifty minutes net of instruction per week or quarter or semester; (B) the laboratory portions of such courses are measured on not less than one-quarter or one semester hour for each two hours of attendance per week per quarter or semester; and (C) the shop portions of such courses are measured on not less than one quarter or one semester hour for each three hours of attendance per week per quarter or semester: *Provided*, That in no event shall such course be considered a full-time course when less than twenty-five hours per week of net instruction is required (which may include customary intervals not to exceed ten minutes between hours of instruction)."

SEC. 214. Chapter 36 of title 38, United States Code, is amended by—

(1) repealing section 1795; and

(2) striking out from the table of sections at the beginning of chapter 36 of such title the following:

"1795. Limitation on period of assistance under two or more programs.".

TITLE III—VETERANS' EDUCATION LOAN PROGRAM

SEC. 301. Chapter 34 of title 38, United States Code, is amended by adding at the end thereof the following new subchapter:

"SUBCHAPTER VII—LOANS TO ELIGIBLE VETERANS

§ 1698. Eligibility for loans; amount and conditions of loans; interest rate on loans

"(a) Each eligible veteran shall be entitled to a loan under this subchapter in an amount determined under, and subject to the conditions specified in, subsection (b)(1) of this section if the veteran satisfies the requirements set forth in subsection (c) of this section.

"(b)(1) Subject to paragraph (3) of this subsection, the amount of the loan to which an eligible veteran shall be entitled under this subchapter for any academic year shall be equal to the amount needed by such veteran to pursue a program of education at the institution at which he is enrolled, as determined under paragraph (2) of this subsection.

"(2)(A) The amount needed by a veteran to pursue a program of education at an institution for any academic year shall be determined by subtracting (i) the total amount of financial resources (as defined in subparagraph (B) of this paragraph) available to the veteran which may be reasonably expected to be expended by him for educational purposes in any year from (ii) the actual cost of attendance (as defined in subparagraph (C) of this paragraph) at the institution in which he is enrolled.

"(B) The term 'total amount of financial resources' of any veteran for any year means the total of the following:

"(i) The annual adjusted effective income of the veteran less Federal income tax paid or payable by such veteran with respect to such income.

"(ii) The amount of cash assets of the veteran.

"(iii) The amount of financial assistance received by the veteran under the provisions of title IV of the Higher Education Act of 1965, as amended.

"(iv) Educational assistance received by the veteran under this chapter other than under this subchapter.

"(v) Financial assistance received by the veteran under any scholarship or grant program other than those specified in clauses (iii) and (iv).

"(C) The term 'actual cost of attendance' means, subject to such regulations as the Administrator may provide, the actual per-student charges for tuition, fees, room and board (or expenses related to reasonable commuting), books, and an allowance for such other expenses as the Administrator determines by regulations to be reasonably related to attendance at the institution at which the student is enrolled.

"(3) The aggregate of the amounts any veteran may borrow under this subchapter may not exceed $220 multiplied by the number of months such veteran is entitled to receive educational assistance under section 1661 of this title, but not in excess of $1,980 in any one regular academic year.

"(c) An eligible veteran shall be entitled to a loan under this subchapter if he—

"(1) is in attendance at an approved institution and enrolled in a course leading to a standard college degree on at least a half-time basis;

"(2) has sought and is unable to obtain a loan, in the full amount needed by such veteran, as determined under subsection (b) of this section, under a student loan program insured pursuant to the provisions of part B of title IV of the Higher Education Act of 1965, as amended; and

"(3) enters into an agreement with the Administrator meeting the requirements of subsection (d) of this section.

"(d) Any agreement between the Administrator and a veteran under this subchapter—

"(1) shall include a note or other written obligation which provides for repayment to the Administrator of the principal amount of, and payment of interest on, the loan in installments over a period beginning nine months after the date on which the borrower ceases to be at least a half-time student and ending ten years and nine months after such date;

"(2) shall include provision for acceleration of repayment of all or any part of the loan, without penalty, at the option of the borrower;

"(3) shall provide that the loan shall bear interest, on the unpaid balance of the loan, at a rate prescribed by the Administrator, with the concurrence of the Secretary of the Treasury, but at a rate not less than the rate paid by the Secretary on Treasury notes and obligations held by the Fund at the time the loan agreement is made, except that no interest shall accrue prior to the beginning date of repayment; and

"(4) shall provide that the loan shall be made without security and without endorsement.

"(e) If a veteran who has received a loan under this section dies or becomes permanently and totally disabled, then the Administrator shall discharge the veteran's liability on such loan by repaying the amount owed on such loan.

"§ 1699. Sources of funds; insurance

"(a) Loans made by the Administrator under this subchapter shall be made from funds available under subsection (b) of this section for such purpose, and repayment shall be guaranteed as provided in subsection (c) of this section.

"(b)(1) Any funds in the National Service Life Insurance Fund continued under section 720 (in this subchapter referred to as the 'Fund') shall be available to the Administrator for making loans under section 1698 of this title. The Administrator shall set aside out of such fund such amounts, not in excess of limitations in appropriations Acts, as may be necessary to enable him to make all the loans to which veterans are entitled under section 1698 of this title.

"(2) Any funds set aside under paragraph (1) of this subsection shall be considered as investments of the Fund and while so set aside shall bear interest at a rate determined by the Secretary of the Treasury but at a rate not less than the rate paid by the Secretary on other Treasury notes and obligations held by the Fund at the time such funds are set aside.

"(c) The Administrator shall guarantee repayment to the Fund of any amounts set aside under subsection (b) of this section for loans under section 1698 of this title and of any interest accrued thereon. In order to discharge his responsibility under any such guarantee, he is authorized to issue to the Secretary of the Treasury notes or other obligations in such forms and denominations, bearing such maturities, and subject to such terms and conditions as may be prescribed by the Secretary of the Treasury. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury but at a rate not less than the rate paid by the Secretary of the Treasury on other Treasury notes and obligations held by the Fund at the time the loan agreement is made. The Secretary of the Treasury is authorized and directed to purchase such notes and other obligations.

"(d) There are authorized to be appropriated to the Administrator such sums as may be necessary to enable him to repay to the Fund any amounts set aside under subsection (b) of this section together with any interest accrued thereon. Any funds paid to the Administrator pursuant to an agreement made under section 1698(d) of this title shall be deemed to have been appropriated pursuant to this subsection.

"(e) A fee shall be collected from each veteran obtaining a loan made under this section for the purpose of insuring against defaults on loans made under this subchapter, and no loan shall be made under this section until the fee payable with respect to such loan has been collected and remitted to the Administrator. The amount of the fee shall be established from time to time by the Administrator, but shall in no event exceed 1 per centum of the total loan amount. The amount of the fee may be included in the loan to the veteran and paid from the proceeds thereof. The Administrator shall deposit all fees collected hereunder in the Fund, and amounts so deposited shall be available to the Administrator to discharge his obligations under subsection (c) of this section."

SEC. 302. The table of sections at the beginning of chapter 34 of title 38, United States Code, is amended by adding at the end thereof:

"SUBCHAPTER III—LOANS TO ELIGIBLE VETERANS

"Sec.
"1698. Eligibility for loans; amount and conditions of loans; interest rate on loans.
"1699. Source of funds; insurance.".

TITLE IV—VETERANS, WIVES, AND WIDOWS EMPLOYMENT ASSISTANCE AND PREFERENCE AND VETERANS' REEMPLOYMENT RIGHTS

SEC. 401. Chapter 41 of title 38, United States Code, is amended as follows:

(1) Section 2001 is amended by redesignating paragraph (2) as paragraph (3) and adding after paragraph (1) a new paragraph (2) as follows:

"(2) The term 'eligible person' means—

"(A) the spouse of any person who died of a service-connected disability.

"(B) the spouse of any member of the Armed Forces serving on active duty who, at the time of application for assistance under this chapter, is listed, pursuant to section 556 of title 37, and regulations issued thereunder, by the Secretary concerned in one or more of the following categories and has been so listed for a total of more than ninety days: (i) missing in action, (ii) captured in line of duty by a hostile force, or (iii) forcibly detained or interned in line of duty by a foreign government or power, or

"(C) the spouse of any person who has a total disability permanent in nature resulting from a service-connected disability or the spouse of a veteran who died while a disability so evaluated was in existence."

(2) Section 2002 is amended by (A) inserting "and eligible persons" immediately after "eligible veterans" and (B) inserting "and persons" immediately after "such veterans".

(3) Section 2003 is amended—

(A) by striking out in the first sentence "veterans" immediately after "250,000" and inserting in lieu thereof "eligible veterans and eligible persons";

(B) by striking out in the fourth sentence "veterans" and inserting in lieu thereof "eligible veterans' and eligible persons' ";

(C) by inserting in clauses (1), (2), (4), (5), and (6) of the fifth sentence "and eligible persons" immediately after "eligible veterans" each time the latter term appears in such clauses;

(D) by inserting in clause (3) of the fifth sentence "or an eligible person's" immediately after "eligible veteran's"; and

(E) by inserting in clause (4) of the fifth sentence "and persons" immediately after "such veterans".

(4) Section 2005 is amended by inserting "and eligible persons" immediately after "eligible veterans".

(5) The last sentence of section 2006 is amended by striking out "veterans" and inserting in lieu thereof "eligible veterans and eligible persons".

(6) Paragraph (1) of section 2007(a) is amended by inserting "and each eligible person" immediately after "active duty,".

(7) The second sentence of section 2007(b) is amended by striking out "and other eligible veterans" and inserting in lieu thereof "other eligible veterans, and eligible persons".

SEC. 402. (a) Chapter 42 of title 38, United States Code, is amended by adding at the end thereof the following new section:

"§ 2014. Action plan for employment of disabled and Vietnam era veterans

"(a) The Administrator, in consultation with the Secretary of Labor and the Civil Service Commission, shall establish an affirmative action plan providing for the preferential employment of disabled veterans and veterans of Vietnam era by every department and agency. Such action plan shall be promulgated within 90 days after the date of enactment of this section and shall be published in the Federal Register.

"(b) Each department and agency shall be responsible for implementing the action plan promulgated under subsection (a) of this section and shall, within 60 days after the promulgation of such plan, issue such rules and regulations, adopt such procedures and policies, and make such exemptions and exceptions as may be consistent with law and necessary or appropriate to effectuate such action plan. Each department and agency shall consult with the Administrator in order to achieve such consistency and uniformity as may be feasible.

"(c) Each department and agency shall submit a report to the President each year on or before March 31 indicating the extent to which the action plan referred to in subsection (a) of this section has been implemented by such department or agency during the immediately preceding calendar year. The President shall submit a report to the Congress each year on or before May 1 indicating the extent to which such action plan has been successful during such calendar year and including statistics showing the extent to which each department and agency has complied with such action plan during the preceding calendar year."

(b) The table of sections at the beginning of chapter 42 of title 38, United States Code, is amended by adding at the end thereof:

"2014. Action plan for employment of disabled and Vietnam era veterans.".

SEC. 403. (a) Part III of title 38, United States Code, is amended by adding at the end thereof a new chapter as follows:

"Chapter 43—VETERANS' REEMPLOYMENT RIGHTS

"Sec.
"2021. Right to reemployment of inducted persons; benefits protected.
"2022. Enforcement procedures.
"2023. Reemployment by the United States, territories, possessions, and the District of Columbia.
"2024. Rights of persons who enlist or respond to call to active duty; Reserve.
"2025. Assistance in obtaining reemployment.
"2026. Prior rights for reemployment.

"§ 2021. Right to reemployment of inducted persons; benefits protected

"(a) In any case in which any person is inducted into the Armed Forces of the United States under the Military Selective Service Act (or under any prior or subsequent corresponding law) for training and service and who leaves a position (other than a temporary position) in the employ of any employer in order to perform such training and service, and (1) receives a certificate described in section 9(a) of the Military Selec-

tive Service Act (relating to the satisfactory completion of military service) and (2) makes application for reemployment within ninety days after he is relieved from such training and service or from hospitalization continuing after discharge for a period of not more than one year—

"(A) if such position was in the employ of the United States Government, its territories, or possessions, or political subdivisions thereof, or the District of Columbia, such person shall—

"(i) if still qualified to perform the duties of such position, be restored to such position or to a position of like seniority, status, and pay; or

"(ii) if not qualified to perform the duties of such position by reason of disability sustained during such service but qualified to perform the duties of any other position in the employ of the employer, be restored to such other position the duties of which he is qualified to perform as will provide him like seniority, status, and pay, or the nearest approximation thereof consistent with the circumstances in his case;

"(B) if such position was in the employ of a State or political subdivision thereof or a private employer, such person shall—

"(i) if still qualified to perform the duties of such positions, be restored by such employer or his successor in interest to such position or to a position of like seniority, status, and pay; or

"(ii) if not qualified to perform the duties of such position by reason of disability sustained during such service but qualified to perform the duties of any other position in the employ of such employer or his successor in interest, be restored by such employer or his successor in interest to such other position the duties of which he is qualified to perform as will provide him like seniority, status, and pay, or the nearest approximation thereof consistent with the circumstances in his case,

unless the employer's circumstances have so changed as to make it impossible or unreasonable to do so.

"(b)(1) Any person who is restored to a position in accordance with the provisions of clause (A) or (B) of subsection (a) shall be considered as having been on furlough or leave of absence during his period of training and service in the Armed Forces, shall be so restored without loss of seniority, shall be entitled to participate in insurance or other benefits offered by the employer pursuant to established rules and practices relating to employees on furlough or leave of absence in effect with the employer at the time such person was inducted into such forces, and shall not be discharged from such position without cause within one year after such restoration.

"(2) It is hereby declared to be the sense of the Congress that any person who is restored to a position in accordance with the provisions of clause (A) or (B) or subsection (a) should be so restored in such manner as to give him such status in his employment as he would have enjoyed if he had continued in such employment continuously from the time of his entering the Armed Forces until the time of his restoration to such employment.

"(3) Any person who holds a position described in clause (A) or (B) of subsection (a) shall not be denied retention in employment or any promotion or other incident or advantage of employment because of any obligation as a member of a Reserve component of the Armed Forces of the United States.

"(c) For purposes of this chapter an employee of the United States Postal Service shall be held and considered to be an employee of the United States Government.

"§ 2022. Enforcement procedures

"In case any State or political subdivision thereof or any private employer fails or refuses to comply with the provisions of section 2021 (a), (b)(1), (b)(3), or section 2024, the district court of the United States for the district in which such State or political subdivision is located or in which such private employer maintains a place of business, as the case may be, shall have power, upon the filing of a motion, petition, or other appropriate pleading by the person entitled to the benefits of such provisions, specifically to require such employer to comply with such provisions and to compensate such person for any loss of wages or benefits suffered by reason of such employer's unlawful action. Any such compensation shall be in addition to and shall not be deemed to diminish any of the benefits of such provisions. The court shall order speedy hearing in any such case and shall advance it on the calendar. Upon application to the United States attorney or comparable official for the district in which such State or political subdivision is located or in which such private employer maintains a place of business, as the case may be, by any person claiming to be entitled to the benefits of such provisions, such United States attorney or official, if reasonably satisfied that the person so applying is entitled to such benefits, shall appear and act as attorney for such person in the amicable adjustment of the claim or in the filing of any motion, petition, or other appropriate pleading and the prosecution thereof specifically to require such employer to comply with such provisions. No fees or court costs shall be taxed against any person who may apply for such benefits. In any such action only the employer shall be deemed a necessary party respondent.

"§ 2023. Reemployment by the United States, territory, possession, or the District of Columbia

"(a) Any person who is entitled to be restored to a position in accordance with the provisions of clause (A) or (B) of section 2021(a) and who was employed, immediately before entering the Armed Forces, by any agency in the executive branch of the Government or by any territory or possession, or political subdivision thereof, or by the District of Columbia, shall be so restored by such agency or the successor to its functions, or by such territory, possession, political subdivision, or the District of Columbia. In any case in which, upon appeal of any person who was employed immediately before entering the Armed Forces by any agency in the executive branch of the Government or by the District of Columbia, the United States Civil Service Commission finds that—

"(1) such agency is no longer in existence and its functions have not been transferred to any other agency; or

"(2) for any reason it is not feasible for such person to be restored to employment by such agency or by the District of Columbia, the Commission shall determine whether or not there is a position in any other agency in the executive branch of the Government or in the government of the District of Columbia for which such person is qualified and which is either vacant or held by a person having a temporary appointment thereto. In any case in which the Commission determines that there is such a position, such person shall be restored to such position by the agency in which such position exists or by the government of the District of Columbia, as the case may be. The Commission is authorized and directed to issue regulations giving full force and effect to the provisions of this section insofar as they relate to persons entitled to be restored to positions in the executive branch of the Government or in the government of the District of Columbia, including persons entitled to be restored under the last sentence of subsection (b) of this section. The agencies in the executive branch of the Government and the government of the District of Columbia shall comply with such rules and regulations and orders issued by the Commission pursuant to this subsection. The Commission is authorized and directed whenever it finds, upon appeal of the person concerned, that any agency in the executive branch of the Government or the government of the District of Columbia has failed or refuses to comply with the provisions of this section, to issue an order specifically requiring such agency or the government of the District of Columbia to comply with such provisions and to compensate such person for any loss of salary or wages suffered by reason of failure to comply with such provisions, less any amounts received by him through other employment, unemployment compensation, or readjustment allowances. Any such compensation ordered to be paid by the Commission shall be in addition to and shall not be deemed to diminish any of the benefits of such provisions, and shall be paid by the head of the agency concerned or by the government of the District of Columbia out of appropriations currently available for salary and expenses of such agency or government, and such appropriations shall be available for such purpose. As used in this subsection, the term 'agency in the executive branch of the Government' means any department, independent establishment, agency, or corporation in the executive branch of the United States Government.

"(b) Any person who is entitled to be restored to a position in accordance with the provisions of clause (A) of section 2021(a), and who was employed, immediately before entering the Armed Forces, in the legislative branch of the Government, shall be so restored by the officer who appointed him to the position which he held immediately before entering the Armed Forces. In any case in which it is not possible for any such person to be restored to a position in the legislative branch of the Government and he is otherwise eligible to acquire a status for transfer to a position in the competitive service in accordance with section 3304(c) of title 5, the United States Civil Service Commission shall, upon appeal of such person, determine whether or not there is a position in the executive branch of the Government for which he is qualified and which is either vacant or held by a person having a temporary appointment thereto. In any case in which the Commission determines that there is such a position, such person shall be restored to such position by the agency in which such position exists.

"(c) Any person who is entitled to be restored to a position in accordance with the provisions of clause (A) of section 2021(a) and who was employed, immediately before entering the Armed Forces, in the judicial branch of the Government, shall be so restored by the officer who appointed him to the position which he held immediately before entering the Armed Forces.

"§ 2024. Rights of persons who enlist or are called to active duty; Reserves

"(a) Any person who, after entering the employment to which he claims restoration, enlists in the Armed Forces of the United States (other than in a Reserve component) shall be entitled upon release from service under honorable conditions to all the reemployment rights and other benefits provided for by this section in the case of persons inducted under the provisions of the Military Selective Service Act (or prior or subsequent legislation providing for the involuntary induction of persons into the Armed Forces), if the total of his service performed between June 24, 1948, and August 1, 1961, did not

exceed four years, and the total of any service, additional or otherwise performed by him after August 1, 1961, does not exceed five years: *Provided*, That the service in excess of four years after August 1, 1961, is at the request and for the convenience of the Federal Government (plus in each case any period of additional service imposed pursuant to law).

"(b)(1) Any person who, after entering the employment to which he claims restoration enters upon active duty (other than for the purpose of determining his physical fitness and other than for training), whether or not voluntarily, in the Armed Forces of the United States or the Public Health Service in response to an order or call to active duty shall, upon his relief from active duty under honorable conditions, be entitled to all of the reemployment rights and benefits provided by this section in the case of persons inducted under the provisions of the Military Selective Service Act (or prior or subsequent legislation providing for the involuntary induction of persons into the Armed Forces), if the total of such active duty performed between June 24, 1948, and August 1, 1961, did not exceed four years, and the total of any such active duty, additional or otherwise, performed after August 1, 1961, does not exceed four years (plus in each case any additional period in which he was unable to obtain orders relieving him from active duty).

"(2) Any member of a Reserve component of the Armed Forces of the United States who voluntarily or involuntarily enters upon active duty (other than for the purpose of determining his physical fitness and other than for training) or whose active duty is voluntarily or involuntarily extended during a period when the President is authorized to order units of the Ready Reserve or members of a Reserve component to active duty shall have the service limitation governing eligibility for reemployment rights under subsection (a)(1) of this section extended by his period of such active duty, but not to exceed that period of active duty to which the President is authorized to order units of the Ready Reserve or members of a Reserve component. With respect to a member who voluntarily enters upon active duty or whose active duty is voluntarily extended, the provisions of this subsection shall apply only when such additional active duty is at the request and for the convenience of the Federal Government.

"(c) Any member of a Reserve component of the Armed Forces of the United States who is ordered to an initial period of active duty for training of not less than three consecutive months shall, upon application for reemployment within thirty-one days after (1) his release from that active duty for training after satisfactory service, or (2) his discharge from hospitalization incident to that active duty for training, or one year after his scheduled release from that training, whichever is earlier, be entitled to all reemployment rights and benefits provided by this section for persons inducted under the provisions of the Military Selective Service Act (or prior or subsequent legislation providing for the involuntary induction of persons into the Armed Forces), except that (A) any person restored to a position in accordance with the provisions of this subsection shall not be discharged from such position without cause within six months after that restoration, and (B) no reemployment rights granted by this subsection shall entitle any person to retention, preference, or displacement rights over any veteran with a superior claim under those provisions of title 5 relating to veterans and other preference eligibles.

"(d) Any employee not covered by subsection (c) of this section who holds a position described in clause (A) or (B) of section 2021(a) shall upon request be granted a leave of absence by his employer for the period required to perform active duty for training or inactive duty training in the Armed Forces of the United States. Upon his release from a period of such active duty for training or inactive duty training, or upon his discharge from hospitalization incident to that training, such employee shall be permitted to return to his position with such seniority, status, pay, and vacation as he would have had if he had not been absent for such purposes. He shall report for work at the beginning of his next regularly scheduled working period after expiration of the last calendar day necessary to travel from the place of training to the place of employment following his release, or within a reasonable time thereafter if delayed return is due to factors beyond the employee's control. Failure to report for work at such next regularly scheduled working period shall make the employee subject to the conduct rules of the employer pertaining to explanations and discipline with respect to absence from scheduled work. If that employee is hospitalized incident to active duty for training or inactive duty training, he shall be required to report for work at the beginning of his next regularly scheduled work period after expiration of the time necessary to travel from the place of discharge from hospitalization to the place of employment, or within a reasonable time thereafter if delayed return is due to factors beyond the employee's control, or within one year after his release from active duty for training or inactive duty training, whichever is earlier. If an employee covered by this subsection is not qualified to perform the duties of his position by reason of disability sustained during active duty for training or inactive duty training, but is qualified to perform the duties of any other position in the employ of the employer or his successor in interest, he shall be restored by that employer or his successor in interest to such other position the duties of which he is qualified to perform as will provide him like seniority, status, and pay, or the nearest approximation thereof consistent with the circumstances in his case.

"(e) Any employee not covered by subsection (c) of this section who holds a position described in clause (A) or (B) of section 2021(a) shall be considered as having been on leave of absence during the period required to report for the purpose of being inducted into, entering or determining by a preinduction or other examination his physical fitness to enter the Armed Forces of the United States. Upon his rejection, upon completion of his preinduction or other examination, or upon his discharge from hospitalization incident to that rejection or examination, such employee shall be permitted to return to his position in accordance with the provisions of subsection (d) of this section.

"(f) For the purposes of subsections (c) and (d) of this section, full-time training or other full-time duty performed by a member of the National Guard under section 316, 503, 504, or 505 of title 32, is considered active duty for training; and for the purpose of subsection (d) of this section, inactive duty training performed by that member under section 502 of title 32 or section 1002 of title 37, is considered inactive duty training.

"§ 2025. Assistance in obtaining reemployment

"The Secretary of Labor, through the Bureau of Veterans' Reemployment Rights, shall render aid in the replacement in their former positions of persons who have satisfactorily completed any period of active duty in the Armed Forces of the United States or the Public Health Service. In rendering such aid, the Secretary shall use existing Federal and State agencies engaged in similar or related activities and shall utilize the assistance of volunteers.

"§ 2026. Prior rights for reemployment

"In any case in which two or more persons who are entitled to be restored to a position under the provisions of this section or of any other law relating to similar reemployment benefits left the same position in order to enter the Armed Forces, the person who left such position first shall have the prior right to be restored thereto, without prejudice to the reemployment rights of the other person or persons to be restored."

(b) The table of chapters at the beginning of title 38, United States Code, and the table of chapters at the beginning of part III of such title are each amended by adding at the end thereof the following:

"43. Veterans' Reemployment Rights__2021."

SEC. 404. Section 9 of the Military Selective Service Act is amended by—

(1) striking out "(a)" after the section designation; and

(2) repealing subsections (b) through (h).

TITLE V—EFFECTIVE DATES

SEC. 501. Title I, II, and IV of this Act shall become effective on the first day of the second calendar month following the month in which enacted.

SEC. 502. The provisions of title III shall become effective one hundred and twenty days after the date of enactment of this Act.

Mr. HANSEN. Mr. President, the education and readjustment benefits provided the veteran of our Nation's wars and conflicts need review and modification to assure the returning service personnel that we are ever trying to assist them.

Since the initial inception of readjustment benefits the programs have been most beneficial to the American way of life. The programs have more than paid for themselves.

During the last year, many studies have been made by independent and Federal agencies showing deficiencies in this area; now with this legislation we may proceed with hearings early in the second session to assure each and every one an opportunity to express his views.

When the hearings have been completed and we review all the facts, I believe we can provide a good bill for all concerned.

Mr. THURMOND. Mr. President, it is a pleasure for me to join the distinguished Chairman of the Senate Veterans' Affairs Committee, Senator HARTKE, in cosponsoring the GI Bill Education Amendments.

The GI bill has proved to be an important and worthwhile benefit available for the American veteran.

Mr. President, there has been much debate as to whether or not the GI bill at present offers benefits comparable to those received by our veterans of World War II and Korea. I anticipate that Senate hearings in the spring will further explore this point, and believe that this bill offers an effective vehicle for consideration of this problem. Further, we will explore in depth the various problems associated with the GI bill, its effectiveness and/or its continued usefulness.

Mr. President, the American veteran deserves our most conscientious efforts. I

believe that the final bill reported by the committee will reflect this concern.

By Mr. PERCY:

S. 2785. A bill to authorize the Administrator of General Services to enter into multiyear leases through use of the automatic data processing fund without obligating the total anticipated payments to be made under such leases. Referred to the Committee on Government Operations.

Mr. PERCY. Mr. President, the legislation that I offer today would amend section 111 of the Federal Property and Administrative Services Act of 1949, 79 Stat. 1127, as amended (40 U.S.C. 759), by adding a new subsection (H) which would permit the Administrator of the General Services Administration to enter into multiyear leases of automatic data processing equipment at amounts in excess of what is available in the fund, provided cash balances of the fund are maintained in such amounts as are necessary at any time for cash disbursements to be made therefrom.

The bill was recommended by the General Accounting Office in a report to the Congress entitled "Multiyear Leasing and Government-Wide Purchasing of Automatic Data Processing Equipment and Results in Significant Savings" (B–115369) of April 30, 1971. After reviewing the entire Government-wide program for acquiring automatic data processing equipment, the General Accounting Office found that nearly all of the $390 million spent by Government agencies to rent ADP equipment in fiscal year 1969 was for short-term rentals—1 year or less—although this is generally the most costly acquisition method. Inasmuch as most manufacturers and other suppliers offer discounts under multiyear leases, and most Government-leased ADP equipment is used for 3 years or more, GAO concluded that the rental of ADP equipment under multiyear leases would not only save the Government millions of dollars but is essential to the maximum use of its limited Government funds for acquiring ADP equipment.

The Comptroller of the U.S. Government stated in the GAO report that—

To obtain an indication of potential savings by entering into multiyear leases, GAO compared multiyear rates offered by manufacturers and other suppliers with short-term rental rates for 1,066 systems in the Government's inventory in June 1969. Included in this comparison were 430 systems for which multiyear leases were legally possible and 636 for which they were not.

FISCAL YEAR 1969 POTENTIAL SAVINGS (PER GAO REPORT)

[In millions of dollars]

	Under 3 yr lease	Under 5 yr lease
For:		
430 systems	$16	$28
636 systems	54	127
Total	70	155

Section 111 of the Federal Property Act, which the proposed bill would amend, authorizes and directs the Administrator in subsection (A) to:

Coordinate and provide for the economic and efficient purchase, leasing, and maintenance of automatic data processing equipment by Federal agencies.

The bill which I offer today would provide for the "economic and efficient" leasing of ADP equipment.

GSA has present authority to enter into multiyear leases. Lease payments come not from annual appropriations but from a revolving fund established by section 111(c) of the Property Act. However, since under 31 United States Code 665(A) "No officer or employee of the United States shall make or authorize an expenditure—in excess of the amount available therein," the amount payable for the entire period of the multiyear lease would have to be obligated from the fund at the time of contracting. GAO recommended that either the revolving fund appropriation be increased or GSA obtain authority which would not require immediate obligation of the total contract amount. The bill I am introducing would follow the latter course.

This bill has the strong support of the General Accounting Office and the General Services Administration. I ask that the Senate give it its earliest consideration.

I ask unanimous consent that the bill, the GSA letter of transmittal, and the GAO report be printed in the RECORD at this point.

There being no objection, the bill, letter and report were ordered to be printed in the RECORD, as follows:

S. 2785

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 111 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 759) is amended by adding thereto a new subsection (h) to read as follows:

"(h) For purposes of accounting, multiyear lease contracts, or similar contracts such as lease-purchase contracts, entered into pursuant to this section shall be construed to be obligations under section 1311 of the Supplemental Appropriations Act, 1955 (31 U.S.C. 200), only in the amounts applicable during each year for that year's contract performance."

LETTER FROM THE GENERAL SERVICES ADMINISTRATION, DATED AUGUST 20, 1973

Hon. SPIRO T. AGNEW,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: There is transmitted herewith, for referral to the appropriate committee, a draft of legislation "To authorize the Administrator of General Services to enter into multiyear leases through use of the automatic data processing fund without obligating the total anticipated payments to be made under such leases."

The proposed legislation would amend section 111 of the Federal Property and Administrative Services Act of 1949, 79 Stat. 1127, as amended (40 U.S.C. 759), by adding a new subsection (h) which would permit the Administrator to enter into multiyear leases of equipment at amounts in excess of what is available in the fund, providing cash balances of the fund are maintained in such amounts as are necessary at any time for cash disbursements to be made therefrom.

Proposed legislation of this nature was recommended by the General Accounting Office in a Report to the Congress entitled "Multiyear Leasing and Government-Wide Purchasing of Automatic Data Processing Equipment Should Result in Significant Savings" (B-115369) of April 30, 1971.

After review of the Government-wide program for acquiring automatic data processing equipment, the General Accounting Office found that nearly all of the $390 million spent by the Government to rent ADP equipment in fiscal year 1969 was for short-term rentals (one year or less), although this is generally the most costly acquisition method. Inasmuch as most manufacturers and other suppliers offer discounts under multiyear leases, and most Government-leased ADP equipment is used for three years or more, GAO concluded that the rental of equipment under multiyear leases is essential to maximum use of the limited funds for acquiring ADP equipment.

GAO found the Automatic Data Processing Fund administered by GSA to be the appropriate vehicle for use in multiyear leases. The proposed legislation would authorize GSA to contract on a multiyear basis without obligating the total anticipated payments at the time of entering into the leases. The exercise of this authority by GSA would be subject to the fiscal and policy control of the Office of Management and Budget pursuant to section 111(g) of the Federal Property Act and section 3679 of the Revised Statutes. OMB policy guidance to GSA of May 4, 1966, (as amended) contemplates the maximum possible use of the fund for the acquisition of ADPE and other related equipment, supplies, and services for use by Federal agencies.

A GAO comparison of multiyear versus short-term rental rates for 1,066 systems in the Government's inventory of June 1969 indicated possible savings of $70 million under three-year leases and $155 million under five-year leases.

No expenditure of additional Federal funds would be required by enactment of the bill. GSA recommends its prompt and favorable consideration.

The Office of Management and Budget has advised that there is no objection to the submission of this legislative proposal to the Congress and that its enactment would be in accord with the program of the President.

Sincerely,

ARTHUR F. SAMPSON,
Administrator.

B–115369

To the President of the Senate and the Speaker of the House of Representatives:

This is our report entitled "Multiyear Leasing and Government-wide Purchasing of Automatic Data Processing Equipment Should Result in Significant Savings." Our review was made pursuant to the Budget and Accounting Act, 1921 (31 U.S.C. 53), and the Accounting and Auditing Act of 1950 (31 U.S.C. 67).

Copies of this report are being sent to the Director, Office of Management and Budget; the Administrator of General Services; and the heads of Federal departments and agencies.

ELMER B. STAATS,
Comptroller General of the United States.

MULTIYEAR LEASING AND GOVERNMENTWIDE PURCHASING OF AUTOMATIC DATA PROCESSING EQUIPMENT SHOULD RESULT IN SIGNIFICANT SAVINGS, B–11539.

WHY THE REVIEW WAS MADE

The General Accounting Office (GAO) has reviewed the Government-wide program for acquiring automatic data processing (ADP) equipment because:

There is continuing and widespread congressional interest.

The Federal Government, largest user of ADP equipment in the worse, has increased its inventory of computer systems from 531 in June 1960 to 5,277 in June 1970, when it owned ADP equipment which cost $1.9 billion and rented equipment which would cost $1.2 billion to purchase.

Expenditures for the purchase and rental of equipment amounted to $560 million in fiscal year 1969 and have been increasing annually.

The Congress enacted Public Law 89–306 (Brooks Bill), to provide for the establishment of a coordinated Government-wide program for the efficient and economical acquisition of general-purpose ADP equipment. The law made the Office of Management and Budget (OMB) responsible for fiscal and policy control and the General Services Administration (GSA) responsible for operations. To assist GSA in carrying out its responsibilities, the law directed that an ADP Fund be established.

FINDINGS AND CONCLUSIONS

Multiyear leases

ADP equipment may be purchased, rented for short terms (1 year or less), or leased for terms of more than 1 year under leases referred to as multiyear leases.

There are many sources for acquiring ADP equipment, including system manufacturers, peripheral component manufacturers, and suppliers who do no manufacturing. The Government continues to obtain most of its equipment from system manufacturers under negotiated contracts through either purchases or short-term rentals. Almost all of the $390 million that the Government spent to rent ADP equipment in fiscal year 1969 was for short-term rentals—generally the most costly acquisition method. (See p. 12.)

Despite the wide use of short-term rentals, the needs for equipment tend to be for more than 1 year. Of 42 systems rented on a short-term basis and returned to manufacturers in 1969, 29 had been rented for periods of at least 3 years. (See p. 14.)

Most manufacturers offer discounts under multiyear leases. Suppliers other than manufacturers have entered the same market, making competition possible. (See pp. 16 and 19.)

The rental of equipment under multiyear leases, as an alternative to short-term rentals, has become essential if the Government is to make maximum use of its limited funds for acquiring ADP equipment. In GAO's opinion, multiyear leasing is a more economical alternative than short-term rentals when equipment cannot be purchased. In many cases, however, agencies are barred by law from entering into multiyear leases because equipment acquisitions must be financed from 1-year funds which are available only during a specific fiscal year. (See p. 21.)

The ADP Fund administered by GSA appears to be the appropriate vehicle for the Government to use when agencies are barred from entering into multiyear leases. Unless GSA were given new authority, however, money would have to be obligated to cover total anticipated payments under the leases. Accordingly, before the ADP Fund could be used extensively to obtain the benefits of multiyear leasing, its capitalization would have to be increased substantially or GSA would have to be given authority to contract on a multiyear basis without obligating the total anticipated payments at the time of entering into the leases. (See p. 26.)

To obtain an indication of potential savings by entering into multiyear leases, GAO compared multiyear rates offered by manufacturers and other suppliers with short-term rental rates for 1,066 systems in the Government's inventory in June 1969. Included in this comparison were 430 systems for which multiyear leases were legally possible and 636 for which they were not.

The comparison indicated that the rental costs for the 430 systems might be reduced during the lease periods by as much as $16 million under 3-year leases and by as much as $28 million under 5-year leases. For the 636 systems, rental costs might be reduced during the lease periods by as much as $54 million under 3-year leases and by as much as $127 million under 5-year leases. (See p. 24.)

Government-wide purchasing

The Government is not making maximum use of its ADP equipment purchase funds, primarily because agencies continue to make purchase decisions on the basis of their individual funding capabilities and needs. Of $169 million spent by the Government in fiscal year 1969 for ADP equipment purchases, $166 million was spent by individual agencies and $3 million was spent by GSA through the ADP Fund. Systematic analysis were not made to determine the best buys from the Government-wide viewpoint. (See p. 29.)

If the ADP Fund is to be the central vehicle for the achievement of substantial economies through the development of the coordinated purchase program intended by Public Law 89–306, the fund's capitalization will have to be increased. OMB and GSA should present to the Congress plans showing the potential reduction in costs to be derived from various levels of spending through the ADP Fund for equipment purchases. It could be shown that appropriations for increasing the ADP Fund would be largely offset by decreases in agencies' funding for equipment purchases.

Also, the availability of equipment from numerous suppliers makes competition possible in purchasing equipment. An example of savings through purchase after competition was the action taken by one agency renting two ADP systems. It requested bids for the lease or purchase of similar equipment. One bid was received from the manufacturer and three from suppliers that did no manufacturing. Analysis of the bids indicated that purchase was the most economical choice. The purchase bids from the three suppliers were lower than the manufacturer's bid; the bid that was accepted was $335,000 (34 percent) lower. (See p. 35.)

RECOMMENDATIONS OR SUGGESTIONS

A Government-wide effort is needed to make the maximum use of funds for acquiring ADP equipment.

Leasing

GSA should:

By taking a more active role in contracting for ADP equipment, make sure that multiyear leases are used to the extent lawful and practicable.

Require agencies to submit for GSA evaluation their decisions to acquire ADP equipment under short-term rentals.

Ensure that competition is obtained in acquiring ADP equipment under multiyear leases.

Federal departments and agencies should make sure that:

Maximum practicable use is made of multiyear leases.

Competition is obtained in acquiring ADP equipment under multiyear leases.

Purchasing

OMB and GSA should:

Request additional capital for the ADP Fund from the Congress, presenting specific plans for the expenditure of requested funds and describing the potential economies from various levels of spending.

Use a Government-wide, best-buy approach on purchases. The analyses to identify best buys should include consideration of (1) both rented equipment and planned acquisitions and (2) potential redistribution of equipment.

Consider all available supply sources in purchasing equipment and use competition to the maximum extent practicable.

AGENCY ACTIONS AND UNRESOLVED ISSUES

Leasing

GSA said that it had sent notices to agencies informing them of available multiyear lease plans and that it was the responsibility of each agency to act accordingly. (See p. 27.)

GAO's review indicated that agencies had not often acted on GSA's notices. (See p. 24.) In GAO's view, GSA's responsibility does not end with the issuance of the notices. GAO believes that GSA should assume a more active role by requiring agencies to submit for its evaluation their decisions to acquire ADP equipment under short-term rentals. (See p. 28.)

Purchasing

GSA submitted to OMB an amendment to its fiscal year 1971 budget requesting $30 million to increase the ADP Fund. The supplemental appropriation bill, which included $20 million for the ADP Fund, was enacted in January 1971. (See p. 30.) That was the first request to the Congress to increase the ADP Fund since an initial $10 million was appropriated in 1967.

GSA agreed that a coordinated purchase program is essential if the Government is to make the best use of its ADP purchase funds. GSA stated that the Government's ADP equipment acquisition could be made from one central fund with all agencies required to use the fund.

OMB agreed that the ADP Fund has not been fully developed but cited instances where progress has been made. (See pp. 49 and 53.)

OMB and GSA said that a Government-wide, best-buy list would be prepared for the purchase of ADP equipment. (See pp. 49 and 55.) These agencies cited several actions taken or planned to promote supply sources other than system manufacturers—mainly peripheral component manufacturers. (See pp. 49 and 53.)

MATTERS FOR CONSIDERATION BY THE CONGRESS

In many instances the Government cannot take advantage of substantial savings available through multiyear leasing of ADP equipment. The Congress may wish, therefore, to consider legislation authorizing GSA, through the ADP Fund, to contract on a multiyear basis without the necessity of obligating the total anticipated payments at the time of entering into the leases.

Use of the ADP Fund for multiyear leasing would not disturb agencies' traditional financial patterns. GSA could enter into multiyear leases. The ADP Fund would then be obligated for payments, at multiyear leasing rates, for 1-year periods. Agencies would, in turn, lease the equipment from GSA and reimburse the ADP Fund from their 1-year funds but still receive the multiyear leasing discounts.

By Mr. PERCY (for himself, Mr. GRAVEL, Mr. HUMPHREY, Mr. MCGEE, Mr. MONDALE, Mr. MOSS, Mr. PASTORE, Mr. RIBICOFF, and Mr. YOUNG):

S. 2786. A bill to amend chapter 34 of title 38, United States Code, to increase from 36 to 48 months the maximum period of educational assistance to which an eligible veteran may become entitled under such chapter, and to extend from 8 to 15 years the period within which an eligible veteran must complete his program of education under such chapter

after his discharge from military service. Referred to the Committee on Veterans' Affairs.

Mr. PERCY. Mr. President, I am today reintroducing a bill to extend the maximum period of entitlement for eligible veterans to take advantage of the benefits provided by the GI bill. This bill increases both the maximum length of time allowed for school attendance and the amount of time during which a veteran can expend his full entitlement. Among our colleagues who have joined in cosponsoring this bill are Senators GRAVEL, HUMPHREY, MCGEE, MONDALE, MOSS, PASTORE, RIBICOFF, and YOUNG.

Under present law, entitlement to veterans' educational benefits is computed on the basis of 1½ months of school for each month of active duty where such duty extended beyond 180 days, but, with certain exceptions, is limited to 36 months. My bill would retain the 1½-month formula for computing entitlement, but would raise the 36-month limitation to 48 months. Thus, the draftee who served in the Army or Marine Corps for 2 years would still be entitled to only 36 months of education assistance, while those serving 32 months or longer could receive benefits for a maximum of 48 months.

Ending the 36-month limitation can ease the burden on those veterans who must work to meet the constantly rising costs of living and education. Even with the increased benefits provided by the Vietnam-Era Veterans Readjustment Assistance Act of 1972, many veterans are forced to reduce their total number of academic hours per session in order to earn enough in an outside job to meet all their expenses. Currently a veteran can receive the full allowance if he carries a minimum of 12 credit hours per quarter or semester. If an individual is enrolled under the semester system and takes 12 hours per semester for 4 years, he accumulates 96 credit hours. This is at least 24 hours, or four-fifths of a year, short of the required 120 credit hours needed to graduate. The schools which operate on the quarter system have set 180 hours as the minimum number necessary for graduation. The student who takes 4 years of the minimum requirement for full-time status will accumulate 144 credit hours, or 36 short of the 180 necessary for graduation.

Because of the education deferment granted during the Vietnam era, a privilege not granted during World War II, the Vietnam conflict affected a disproportionate number of men whose economic or social circumstances prohibited continuance of their education. Over 17 percent of the Vietnam era veterans did not complete high school; certainly an easing of the pressure imposed by the 36-month limitation will encourage a greater number of these men to face the special challenge of pursuing a higher education with the aim of bettering their prospects for the future.

Extending the 36-month limitation can also allow for changes in course studies, which seem virtually prohibited under the limitation. Many veterans find that their original selection of a course major was based on inadequate considerations. Any change in a major field will require additional hours to earn the desired degree.

An extension of the limit will also allow the possibility of graduate work which can enhance employment opportunities. In relation to initial job procurement and earning potential, it is also apparent that a master's degree today is roughly equivalent to a bachelor's degree in 1950.

Finally, some veterans need more time than others to adjust to civilian society and the academic environment. Familiar modes of curriculums and study have undergone changes in recent years. These problems are aggravated by grade performance pressures and the necessity of employment which face almost all of our veterans. An increase in the length of entitlement for those who have earned it based on their time in the service can help reduce these pressures. Congress, and the taxpayer in turn, will only benefit from a better educated and more financially stable veteran. Indeed, there are Members of this body who have earned their degress as a result of the GI bill.

Present law provides that the veteran has a period of 8 years from the date of discharge in which to complete his or her education. Any allowance not used in this 8-year period is forfeited. This bill provides that this period of eligibility for complete use of the maximum 48-month educational allowance be extended to 15 years.

When Congress initially imposed this 8-year limitation for using GI educational benefits, the intent was to encourage the recently discharged veteran to enroll in school promptly and to complete his education as soon as possible. If we are to be responsive to the needs of today's veterans, we must acknowledge that there are problems they encounter which are not at all helped by the pressures of the present time limitations. I have already mentioned the financial problems experienced by this group of veterans. Some veterans are financially unable to enroll soon after discharge, much less try to meet minimum course requirements of the GI bill. Others who do enroll soon after discharge are forced to drop out of school to support their families or to earn money to supplement the GI bill allowance. Others simply do not realize the value of an education until it is too late to take advantage of the benefits.

In 1971 the Veterans' Administration developed a profile based on an extensive survey made of all VA health care facilities in late 1970 by the Vietnam-Era Veterans Committee of the VA Department of Medicine and Surgery. Among the characteristics identified as making a larger proportion of today's veterans different from their predecessors is an absence of direction or goals. This often manifests itself in a delay in making decisions on further education.

Today's benefits should meet today's needs, and we still have a way to go before we have fulfilled what the President has called a "profound commitment" to our veterans.

No greater assistance can be given to the veteran than to enable him to earn a good living. There are some who assert that the cost of this assistance is too high. To these people I would point out that GI educational benefits are not a handout; rather, they are an investment, one of the soundest investments made by the Federal Government. Indeed, in an article entitled "A Quarter-Century of the GI Bill," Adminsitrator of Veterans' Affairs Donald E. Johnson cited statistical data suggesting that the costs of the GI bill will be repaid as much as eight times over by the college-educated veteran in the form of additional income taxes over and above what he could have paid if he possessed only a high school diploma.

The increase from 36 to 48 months for those who have earned it, and the extension for eligibility from 8 to 15 years, will not induce veterans to abuse their privileges, but it will encourage them to take advantage of their rights. Moreover, I want these men and women to know that I am grateful, and the Nation is grateful, to those who have borne the heaviest burdens of an unpopular war.

Mr. President, I ask that the text of the bill be printed in the RECORD following my remarks.

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

S. 2786

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1661(c) of title 38, United States Code, is amended by striking out "thirty-six months" and inserting in lieu thereof "forty-eight months".

SEC. 2. (a) Section 1662(a) of title 38, United States Code, is amended by striking out "eight years" and inserting in lieu thereof "fifteen years".

(b) Section 1662(b) of such title is amended by striking out "8-year" and inserting in lieu thereof "15-year".

(c) Section 1662(c) of such title is amended by—

(1) striking out "8-year" in the first sentence and inserting in lieu thereof "15-year"; and

(2) striking out "eight-year" in the second sentence and inserting in lieu thereof "fifteen-year".

By Mr. FANNIN:

S. 2787. A bill to amend the Internal Revenue Code of 1954 to revise the tax treatment of gains and losses from the sale or exchange of capital assets. Referred to the Committee on Finance.

GRADUATED CAPITAL GAINS TAX

Mr. FANNIN. Mr. President, today I am introducing legislation designed to make available the capital needed to help solve the energy crisis, to achieve our environmental goals, and to create new, more productive jobs for Americans.

This bill would provide for a graduated capital gains tax based on the holding period of assets, and it would increase the deduction for capital losses.

A graduated scale of capital gains taxation could unleash an estimated $200 billion now locked into position.

This capital could be put to work to develop our national resources and our technology to achieve the self-sufficiency in energy that we can and must have.

This capital could be used to help meet the $300 billion expenditure which will

have to be made during the next decade to cleanse the environment.

This capital could be used to help provide the estimated $25 billion per year needed to create the 1¼ million jobs we must have each year for our expanding population.

Many of our industries, including steel which is basic to the welfare of the Nation, have urgent needs for capital. And it is not only big business that needs capital—but millions of small businessmen also are desperately in need of capital.

Prophets of doom have declared that the United States has passed its pinnacle, that the golden age is over. Catastrophic events which have overtaken us during this past year would seem to lend credence to this view. And I would agree with this view, but only if we allow it to happen. Shortsighted Government policies killed off the incentives needed to meet our national energy needs and thus were instrumental in bringing on the current energy crisis. Likewise, if we continue our recent regressive policy concerning the capital gains taxation, we will most certainly strangle our economy.

The system I am proposing would encourage those who have been locked in—they are reluctant to pay the high capital gains tax—to sell their long-held assets. This would produce the capital which our economic system needs to meet the challenges of the 1970's and 1980's. In addition, by increasing the deduction for capital losses, we would further encourage the formation of capital to finance some of the risky enterprises which we must undertake to solve our energy, environmental, and economic problems.

Mr. President, so far I have emphasized the benefit to society that this proposal would bring. It also is important to note that this bill would put an end to an unfair system by which taxes are assessed on capital gains which frequently simply reflect inflation with little or no actual gain.

The goal of our tax system is to provide equity and be conducive to the stable growth of our economy and the long-range improvement of our position in world markets. This is not the case today due to the steady erosion of the capital gains base in addition to increases in the effective tax rate on long-term capital gains.

The Revenue Act of 1969 made substantial reductions in tax in the low- and middle-income groups. Unfortunately, the act significantly eroded the relatively favorable tax treatment provided for long-term gains on disposition of property as contrasted with ordinary income.

My bill would tax relatively short-term gains at present rates and relatively long-term gains at lower rates than at present. In addition, the bill would provide that if an individual's capital losses exceed his capital gains, he can deduct up to $4,000 against his ordinary income each year.

The graduated scale method of taxing capital gains and losses measures the gain or loss from the sale of property by an individual according to the length of time he has held the property. The following percentages of the recognized gain or loss will be taken into account for tax purposes: 100 percent if the capital asset has been held for not more than 3 months; 50 percent if the capital asset has been held for more than 3 months but not more than 1 year; 40 percent if the capital asset has been held more than 1 year but not more than 5 years; 30 percent if the capital asset has been held more than 5 years but not more than 10 years; 20 percent if the capital asset has been held more than 10 years but not more than 15 years; 15 percent if the capital asset has been held more than 15 years but not more than 20 years; and 10 percent if the capital asset has been held more than 20 years.

Prior to the Tax Reform Act of 1969, individuals could deduct against ordinary income up to $1,000 of the net long-term losses in excess of short-term capital gains. The Tax Reform Act provided that only 50 percent of net long-term capital losses in excess of net short-term capital gains may be deducted from ordinary income. The $1,000 limitation on the amount of capital losses which may be deducted from ordinary income continues to apply. However, $2,000 of long-term capital losses are required to offset the $1,000 of ordinary income.

Mr. President, in order to encourage investment, this bill provides that individuals may deduct against ordinary income up to $4,000 of the net long-term losses in excess of short-term capital gains.

Mr. President, a graduated capital gains tax would partially recognize the inflationary portion of capital gain. One of the principle reasons for a tax differential attributable to long-term capital gains is the recognition that such gains are not economic gains, but are the result of inflationary price level adjustments. In the past 25 years the Standard & Poor's Index of Common Stocks has risen about 685 percent. Well over one-half of that represented inflation alone. A taxing system that ignores the economic effects of the substantial decrease in that purchasing power of the dollar creates serious hardships and inequities.

At the outset I listed some of the problems facing this Nation which cannot be solved without an expansion of capital.

Even without the energy crisis we were faced with forecasts that the Nation was headed for an economic slow-down meaning an increase in unemployment. Now, with the energy crisis threatening, unemployment estimates of 8 to 14 percent are being mentioned. We need more capital to avert such economic conditions and to provide the means to meet our energy needs.

Private investment is one of the most important factors in making our economy grow. It is estimated that $20,000 capital is required to create one new manufacturing job in the United States.

I am deeply concerned that the amount of new investment which has been occurring in our country has been declining in relation to GNP while that of our competitors has climbed sharply. For example, in 1970, the amount of net domestic investment as a percent of GNP for the United States was 6.2 percent; Japan, 21.6 percent; and Germany, 15.7 percent.

One of the reasons for our declining rate of capital investment is lack of tax incentives. Our income tax has a built in bias against formations of capital, because it taxes both the income from which the savings came and again taxes the income from these savings. Of the major industrial countries of the world, only the United Kingdom taxes capital gains at a rate higher than the United States. For example, Japan only taxes capital transfers exceeding 50 transactions a year; Germany, the Netherlands, and France have no capital gains tax.

In testimony presented to the Ways and Means Committee of the House of Representatives it was estimated that in 1966 there was $233 billion of unrealized capital gains in equities and that 90 percent of these assets had been held for more than 7 years. In addition, there are even greater holdings in locked-in real estate, mineral resources, and other assets. A graduated capital gains tax would provide a surge of immediate activity after which there would be a surge of tax revenue with the volume of sales more than offsetting the reduction in tax rates on long-term holdings. For every billion dollars of gains unlocked, we could realize as much as $200 million in new tax revenues.

Mr. President, at the outset, a graduated capital gains tax might defer the sale of short-term holdings beyond 1 year. Nevertheless, the sale of presently frozen long-term investments would greatly increase, both immediately and over the years, as existing investments moved into the longer term categories.

The Finance Committee has received testimony that institutional investors—trust departments of large banks, insurance companies, mutual funds, pension funds, large endowment funds, foundations—today dominate market transactions, accounting for over 70 percent of the dollar value of New York Stock Exchange trading, compared with 35 percent in 1963. The leading institutional investors have concentrated 36 percent of their holdings—$1,160 billion—disproportionately in stocks having the highest market value. Individual investors are disproportionately concentrated in the small companies.

As a result, stock prices as measured by key unweighted indexes are off 50 percent from their 1968 peak. Thus, there has been created a "two-tier" market which rewards a few companies lavishly. Because they are institutional favorites, they are free to tap the market for additional equity financing, to use their stock for acquisitions, and to reward key people with valuable stock options. It penalizes a great many companies—shutting the door to additional equity financing and making stock options relatively worthless. Because there is market interest in only a relative handful of stocks, newer, smaller companies are finding it increasingly difficult to go to the public at all.

Mr. President, our current system of taxing capital transactions is partially to blame for this situation. A system that deprives the investor of a substantial part of capital gains built up over the years has discouraged the average individual investor.

This bill is necessary to encourage risk taking and provide the incentives to prompt new capital formations for the benefit of our economy.

Mr. President, we must take this first step toward tax reform to provide risk taking incentives and the supply of essential venture capital. If not, investments in modern plant and equipment and in new technologies will diminish. The mobility of capital assets—which is vital to the maintenance of a dynamic economy will be impeded. I send this bill to the desk and request that it be appropriately referred.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD following these remarks.

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

S. 2787

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) paragraphs (1) and (2) of section 1222 of the Internal Revenue Code of 1954 (relating to other terms relating to capital gains and losses) are each amended by striking out "6 months" and inserting in lieu thereof "90 days".

(b) Paragraph (3) of such section (relating to long-term capital gain) is amended to read as follows:

"(3) LONG-TERM CAPITAL GAIN.—The term 'long-term capital gain' means the percentage, determined under the following table, of gain from the sale or exchange of a capital asset held for more than 90 days, to the extent that such gain is taken into account in computing gross income.

"If the asset was held for—	The percentage is—
More than 90 days, but less than 366 days	50
More than 365 days, but less than 60 months and a day	40
More than 60 months, but less than 120 months and a day	30
More than 120 months, but less than 180 months and a day	20
More than 180 months, but less than 240 months and a day	15
More than 240 months	10.".

(c) Paragraph (4) of such section (relating to long-term capital loss) is amended to read as follows:

"(4) Long-term capital loss.—The term 'long-term capital loss' means the percentage, determined under the following table, of the loss from the sale or exchange of a capital asset held for more than 90 days, to the extent that such loss is taken into account in computing taxable income.

"If the asset was held for—	The percentage is—
More than 90 days, but less than 366 days	50
More than 365 days, but less than 60 months and a day	40
More than 60 months, but less than 120 months and a day	30
More than 120 months, but less than 180 months and a day	20
More than 180 months, but less than 240 months and a day	15
More than 240 months	10.".

(d) (1) Section 1211(b)(1) of such Code (relating to capital losses of individuals) is amended to read as follows:

"(b) (1) In General.—In the case of a taxpayer, other than a corporation, losses from sales or exchanges of capital assets shall be allowed only to the extent of the gains from such sales or exchanges plus (if such losses exceed such gains) the taxable income of the taxpayer or $4,000, whichever is smaller.".

(2) Section 1211(b) is amended by striking out paragraph (2) and by redesignating paragraph (3) as paragraph (1).

(e) (1) The following sections of the Internal Revenue Code of 1954 are each amended by striking out "6 months" each place it appears and inserting in lieu thereof "90 days": 166(d)(1)(B), 341(a), 342(a), 402(a)(2), 403(a)(2), 582(c)(2), 584(c)(1), 642(c)(3) and (4), 702(a)(1) and (2), 852(b)(3)(B), 852(b)(4)(B), 857(b)(3)(B), 1231(a), 1232(a)(2)(A) and (B), 1233(b), (d), and (e)(4)(A)(i), 1234(c)(1), 1235(a), 1240, 1247(i), and 1248(b).

(2) The caption of section 1247(i) of such Code is amended by striking out "6 Months" and inserting in lieu thereof "90 Days".

(3) The Secretary of the Treasury or his delegate shall, as soon as practicable but in any event not later than 90 days after the date of enactment of this Act, submit to the Committee on Ways and Means of the House of Representatives a draft of any technical and conforming changes in the Internal Revenue Code of 1954 which are necessary to reflect throughout such Code the changes in the substantive provisions of law made by this Act.

SEC. 2. The amendments made by this Act shall apply with respect to taxable years beginning after December 31, 1974.

By Mr. BENTSEN (for himself, Mr. HUMPHREY, Mr. AIKEN, and Mr. GOLDWATER):

S.J. Res. 178. A joint resolution to provide for the establishment of the Lyndon Baines Johnson Memorial Grove on the Potomac. Referred to the Committee on Rules and Administration.

LYNDON BAINES JOHNSON MEMORIAL GROVE

Mr. BENTSEN. Mr. President, I am delighted to introduce today a joint resolution that would permit the Secretary of the Interior to cooperate in the establishment of a memorial grove to President Lyndon B. Johnson in the Lady Bird Johnson Park on the Potomac.

Joining me in sponsorship of this bill are Senators HUMPHREY, AIKEN, and GOLDWATER, and I know that their support will enhance the possibility of speedy consideration of this proposal and will greatly please the family of the late President.

Mr. President, President Johnson had his bedrock in Texas, but a great deal of his life was spent here on the banks of the Potomac. His work here spanned more than a generation and he left his mark on the institutions of our Government, particularly this body which he loved so well.

The joint resolution I am proposing would not cost the public a cent but it will give to the people a living memorial to a man who shared so much of their lives through his public work. It would be another addition to the beautification of the National Capital which was of such concern to his wife and which had his full support. The Johnson Memorial Grove would be located in the Lady Bird Johnson Park which borders the Potomac River and which offers a scenic view of the city. Plans for the grove call for an elevated area in the center of the grove perhaps containing a statue or other memorial to the President and encompassed by a grove of trees which will provide a perfect natural setting for this simple tribute to our former President.

This project has been approved by Mrs. Johnson and will, no doubt, bear the tasteful influence of her personal involvement. The friends of the late President are all in accord in this proposed tribute and I hope that the Senate will act with dispatch to clear the way for this living memorial to a man who gave us all so much.

ADDITIONAL COSPONSORS OF BILLS

S. 1283

At the request of Mr. JACKSON, the Senator from New Mexico (Mr. MONTOYA) was added as a cosponsor of S. 1283. to establish a national program for research, development, and demonstraiton in fuels and energy and for the coordination and financial supplementation of Federal energy research and development; to establish development corporations to demonstrate technologies for shale oil development, coal gasification development, advanced power cycle development, geothermal steam development, and coal liquefaction development to authorize and direct the Secretary of the Interior to make mineral resources of the public lands available for said development corporations, and for other purposes.

S. 2150

At the request of Mr. ROBERT C. BYRD (for Mr. EASTLAND) the Senator from New Mexico (Mr. MONTOYA) was added as a cosponsor of S. 2150, to amend Public Law 92-181 (85 Stat. 383) relating to credit eligibility for public utility cooperatives serving producers of food, fiber, and other agricultural products.

S. 2596

At the request of Mr. COOK, the Senator from Oregon (Mr. HATFIELD), the Senator from Nebraska (Mr. CURTIS), the Senators from Maryland (Mr. MATHIAS and Mr. BEALL), and the Senator from Kentucky (Mr. HUDDLESTON), were added as cosponsors of S. 2596, to provide relief to units of local government from liability for repayment of excessive payments made due to an error by the United States under the State and Local Fiscal Assistance Act of 1972.

S. 2760

At the request of Mr. SPARKMAN, the Senator from Florida (Mr. GURNEY), and the Senator from Wyoming (Mr. HANSEN) were added as cosponsors of S. 2760 to amend the Small Business Act to provide for loans to small business concerns adversely affected by the energy shortage.

SENATE CONCURRENT RESOLUTION 59—SUBMISSION OF A CONCURRENT RESOLUTION AUTHORIZING THE PRINTING OF THE COMPILATION ENTITLED "DISCLOSURE OF CORPORATE OWNERSHIP"

(Referred to the Committee on Rules and Administration.)

Mr. METCALF (for himself and Mr. MUSKIE) submitted the following concurrent resolution:

S. CON. RES. 59

Resolved by the Senate (the House of Representatives concurring), That the compilation entitled "Disclosure of Corporate Ownership", prepared by the Subcommittees on Intergovernmental Relations and Budgeting, Management and Expenditures, of the Senate Committee on Government Operations, be printed with illustrations as a Senate document; and that there be printed five thousand (5,000) additional copies of such document for the use of that Committee.

SENATE RESOLUTION 211—SUBMISSION OF A RESOLUTION EXPRESSING THE SENSE OF THE SENATE WITH RESPECT TO THE ESTABLISHMENT OF A WORLD ENERGY COMMISSION AND CONVENING OF A WORLD ENERGY CONFERENCE

(Referred to the Committee on Foreign Relations.)

(The remarks Senator KENNEDY made when he submitted the resolution, together with the text of the resolution, appear earlier in the RECORD.)

SENATE RESOLUTION 212—SUBMISSION OF A RESOLUTION AUTHORIZING THE PRINTING OF ADDITIONAL COPIES OF THE COMMITTEE PRINT ENTITLED "NATIONAL WORKERS' COMPENSATION STANDARDS ACT OF 1973 (S. 2008)"

(Referred to the Committee on Rules and Administration.)

Mr. WILLIAMS submitted the following resolution:

S. RES. 212

Resolved, That there be printed for the use of the Committee on Labor and Public Welfare two thousand five hundred additional copies of its committee print of the current Congress entitled "National Workers' Compensation Standards Act of 1973 (S. 2008)".

HOUSING ACT OF 1973—AMENDMENT

AMENDMENT NO. 774

(Ordered to be printed and referred to the Committee on Banking, Housing and Urban Affairs.)

Mr. BROOKE. Mr. President, I submit an amendment intended to be proposed by me to the bill S. 2182, the Housing Act of 1973, and I ask unanimous consent that its text be printed in the RECORD at this point.

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

AMENDMENT 774

On page 132, beginning with line 20, strike out all through page 138, line 2, and insert in lieu thereof the following:

"LOW-INCOME HOUSING IN PRIVATE ACCOMMODATIONS"

SEC. 8. (a)(1) For the purpose of providing a form of low-income housing which will aid in assuring a decent place to live for every citizen, which will take full advantage of vacancies in the private housing market, and which will provide economically integrated housing, each public housing agency or the Secretary, may provide housing for low-income families in the form of low-income housing in private accommodations in accordance with this section.

(2) The provisions of this section shall not apply to any locality unless the governing body of the locality has by resolution approved the application of such provisions to such locality, except where a public housing agency is empowered by State law to carry out activities permitted under this section without local approval.

(3) In carrying out this section it is intended to vest in public housing agencies the maximum amount of responsibility in administration of this program, including responsibility for the establishment of rents and eligibility requirements in accordance with criteria established by the Secretary. In areas where no public housing agency exists or where the Secretary determines that a public housing agency is unable to implement the provisions of this section, the Secretary is authorized to assume the responsibilities which would ordinarily be assigned to a public housing agency under this section.

(4) As used in this section the term "low-income housing in private accommodations" means dwelling units, leased from an owner (including an owner occupant), which provide decent, safe, and sanitary dwelling accommodations and which may include related facilities, and the term "owner" means any person or entity having the legal right to lease or sublease property containing one or more dwelling units as described in this section.

(5) As used in this section, the term "low-income family" means any family which has been certified to have annual income which is not more than four times the annual fair market rental as established by the Secretary or by a public housing agency in accordance with criteria established by the Secretary for private housing in the housing area for a dwelling unit suitable in size to the housing needs of such family.

(6) As used in this section, the term "very low income family" means any family whose incomes do not exceed 50 per centum of the median income for the area, as determined by the Secretary with adjustments for smaller and larger families. At least 25 per centum of the families assisted under this section shall be very low-income families.

(7) The Secretary is authorized, at periodic intervals, to determine in the various housing areas the market rental required to obtain private existing and newly constructed rental housing and, on the basis of such determination, the Secretary or a public housing agency in accordance with criteria established by the Secretary shall establish for each housing area in which the program authorized by this section operates, a fair market rental (including utilities and all maintenance and management services) for units by bedroom size for low-income housing in private accommodations.

(b) Each public housing agency, by notifications to the owners of housing suitable for use as low-income housing in private accommodations, or by publication or advertisement, or otherwise, shall from time to time make known to the public in the community or communities under its jurisdiction availability of financial assistance to low-income families seeking low-income housing in private accommodations and the anticipated need for dwelling units in such community or communities under this section, inviting the owners of such dwelling units to make available for purposes of this section one or more of such units (not exceeding 5 units or 25 per centum of the units in any single existing structure whichever is greater, except that up to 100 per centum of the units in a single structure may be made available to families receiving assistance under this section, in the case of a structure in which all or substantially all of the units are used to house the elderly or in the case of any other structure when so provided by a public housing agency in accordance with criteria established by the Secretary). The public housing agency shall conduct appropriate inspections of the units offered to be made available in any residential structure by the owner thereof in response to such invitation or the solicitation of low-income families, and if (1) it finds that such units are, or may be made, suitable for use as low-income housing in private accommodations within the meaning of subsection (a)(4), and (2) the rentals to be charged for such units, as agreed to by the agency and the owner of the structure in a manner consistent with subsection (c)(2) are within the financial range of families of low-income, such agency may approve such units for use in accordance with (and subject to the applicable limitations contained in) this section. Each public housing agency shall maintain and keep current a list of units approved by it under this subsection, including such information with respect to each such unit as it may consider necessary or appropriate.

(c) To the extent of contracts for annual contributions entered into by the Secretary with a public housing agency under section 5(c) of this Act, each public housing agency in accordance with criteria established by the Secretary may enter into contracts to make assistance payments for the use of dwelling units in accordance with this section. Each such contract shall provide (with respect to any unit) that—

(1) the selection of tenants for such unit

shall be the function of the owner, subject to the provisions of the contract between the Secretary and the agency;

(2) the contribution toward the rental and other charges agreed to by the agency and the owner to be made by the tenant shall be determined in accordance with the provisions of the second paragraph of section 2(1) of the United States Housing Act of 1937, as such paragraph was in effect prior to the effective date of chapter II of the Housing Act of 1973;

(3) the amount of the monthly assistance payment with respect to any dwelling unit shall not exceed the difference between 25 per centum of one-twelfth of the annual income of the family occupying the dwelling unit and the maximum monthly rent which the contract provides that the owner is to receive for the unit provided that maximum rents not in excess of 20 per centum above the fair market rental may be contracted for when a public housing agency in accordance with criteria approved by the Secretary determines that such additional amount is required to provide housing for low-income families;

(4) the maximum monthly rent for units in existing housing shall not exceed the fair market rent for existing housing established by the Secretary, or a public housing agency in accordance with criteria established by the Secretary, provided that maximum rents not in excess of 20 per centum above the fair market rental may be contracted for when the Secretary, or a public housing agency in accordance with criteria established by the Secretary, determines that such additional amount is required to provide housing for low-income families;

(5) maintenance and replacement (including redecoration) shall be in accordance with the standard practice for the building concerned as established by the owner and agreed to by the agency; and

(6) the agency and the owner shall carry out such other appropriate terms and conditions as may be mutually agreed to by them.

Each contract for an existing structure entered into under this subsection shall be for a term of not less than one month nor more than sixty months, except as otherwise provided by a public housing agency in accordance with criteria established by the Secretary.

(d) The period over which payments will be made to a public housing agency for a project of low-income housing in private accommodations under this section, and the aggregate amount of such payments, under a contract for annual contributions, shall be determined on the basis of the number of units in the community or communities under the jurisdiction of such agency which are in use (or can reasonably be expected to be placed in use) as low-income housing in private accommodations under this section, taking into account the terms of the leases under which such units are (or will be) so used. In addition, contracts for financial assistance entered into by the Secretary with a public housing agency pursuant to this section shall provide for payments or reimbursement of reasonable and necessary expenses incurred by such agency in carrying out functions under this section.

(e) To the extent authorized in contracts entered into by the Secretary with a public housing agency, such agency may purchase any structure containing one or more dwelling units leased to provide low-income housing in private accommodations under this section for the purpose of reselling the structure to the tenant or tenants occupying units aggregating in value at least 80 per centum of the structure's total value. Any such resale may be made on the following terms and conditions: Notwithstanding any other provision of law, a public housing agency may sell a low-income housing project to its low-income tenants, on such terms and conditions as the agency may determine, without affecting the Secretary's commitment to pay annual contributions with respect to that project, but such contributions shall not exceed the maximum contributions authorized under section 5 of this Act.

(f) The provisions of section 5(e) and 6(d) of this Act shall not apply to (1) low-income housing in private accommodations provided under this section, or (2) housing purchased (or in the process of purchase) by the public agency for resale to tenants as provided in subsection (e).

(g)(1)(A) Each public housing agency is authorized to provide assistance payments to assist in the construction or substantial rehabilitation of housing for low-income families in housing areas with respect to which a public housing agency in accordance with criteria approved by the Secretary, has determined (i) that there is not, and there is not likely soon to be, an adequate supply of decent, safe and sanitary existing housing for low-income families, or (ii) that such construction or rehabilitation is necessary to expand housing opportunities for low-income citizens within reasonable proximity to places of employment, or (iii) that such new construction is an essential component of a community development program. The Secretary may also designate housing areas in which it is permissible to locate newly constructed or substantially rehabilitated housing for low-income families as authorized by this subsection in such other circumstances as he deems necessary.

(B) Notwithstanding any other provision of this Act, assistance for the construction or substantial rehabilitation of housing for low-income families pursuant to this subsection shall be provided through contracts with owners or prospective owners who agree to construct or substantially rehabilitate housing in which some or all of the units (as agreed to by the owner and a public housing agency in accordance with criteria approved by the Secretary) shall be available for occupancy by low-income families.

(2) The Secretary is authorized to contract for and to enter into annual contributions contracts with public housing agencies pursuant to which public housing agencies may contract for and make assistance payments to owners in such amounts and under such circumstances as are prescribed in this subsection. Such payments shall be based upon applications for contracts for assistance payments submitted by owners to the public housing agencies designated by the Secretary to receive and evaluate such applications. Such public housing agencies shall be reimbursed by the Secretary in the amount of their reasonable administrative expenses incurred pursuant to this subsection.

(3)(A) The contract between the public housing agency and the owner shall provide that all ownership, management, and maintenance responsibilities and expenses shall be assumed by the owner (except that with the approval of the Secretary the owner may subcontract with a public housing agency with respect to such responsibilities and expenses), and such contract shall establish the maximum monthly rent (including utilities and all maintenance and management service charges) which the owner shall receive per dwelling unit with respect to which such assistance payments are to be made pursuant to this subsection, the number and size (by bedrooms) of the dwelling units with respect to which such assistance payments are to be made, and the length of time for which such assistance payments are to be made.

(B)(i) The maximum monthly rent shall not exceed the fair market rental for newly constructed rental housing in the housing area established by the Secretary or by a public housing agency in accordance with criteria established by the Secretary, pursuant to subsection 8(a)(6), provided such determination shall take into account the cost of land acquisitions, construction and permanent mortgage interest rates, labor and construction materials, utility charges, additional management and maintenance services, sound architectural design, suitable amenities, and other such factors affecting economic feasibility and sound management practices, and further provided that maximum rents not in excess of 20 per centum above the fair market rental may be contracted for when the Secretary, or a public housing agency in accordance with criteria established by the Secretary, determines that such additional amount is required to provide housing for low-income families.

(ii) Assistance payments shall not be made with respect to less than 25 per centum or more than 75 per centum of the dwelling units in any single new or substantially rehabilitated structure. The above per centum limitations may be waived by the Secretary or a public housing agency in accordance with criteria established by the Secretary in the following cases: (I) developments for the elderly, (II) developments of 50 or fewer units and (III) cases in which the Secretary determines that a greater per centum is required in order to provide assistance to families of low income or to achieve economic integration.

(iii) A public housing agency shall not contract to make assistance payments with respect to a newly constructed or substantially rehabilitated dwelling unit for a term of less than one month or more than two hundred and forty months and such term may be renewable except that no renewal shall result in a total term exceeding four hundred and eighty months.

(C) The contract between the public housing agency and the owner or between owners shall provide that assistance payments may be made only with respect to a dwelling unit occupied by a family certified as a low-income family at the time it entered into a dwelling unit with respect to which assistance payments are to be made by the agency and whose current annual income is not more than four times the annual rental of the dwelling unit occupied by it.

(D) The contract between the public housing agency and the owner shall provide for at least annual adjustment in the maximum monthly rents which the contract provides that the owner is to receive for the unit in amounts not greater than the amount of increases or decreases over the same period of time in the fair market rental established for the housing area for similar sizes and types of dwelling units to the extent such adjustments can be justified on the basis of the actual expense of owning and maintaining the dwelling units covered by the contract or, if the Secretary determines, on the basis of a reasonable formula. However, in no case shall the adjusted rents be less than the original rents set forth in the contract.

(E) No other assistance under this Act and no loans or insurance under the Revised National Housing Act shall be made available with respect to any structure containing dwelling units for which assistance payments are contracted to be made pursuant to this subsection, unless the Secretary determines that insurance under the Revised National Housing Act is necessary in order to provide assistance to low-income families pursuant to this subsection.

(4) The amount of the monthly assistance payment with respect to any dwelling unit shall not exceed the difference between 25 per centum of one-twelfth of the annual income of the family occupying the dwelling unit and the maximum monthly rent which the contract provides that the owner is to receive for the unit;

(5) The third and fourth sentences of section 5(a), and section 6, shall not apply to contracts for assistance entered into under this subsection.

FEDERAL ENERGY ADMINISTRATION ACT—AMENDMENT

AMENDMENT NO. 775

(Ordered to be printed and referred to the Committee on Government Operations.)

Mr. BARTLETT submitted an amendment intended to be proposed by him to the bill (S. 2776) to provide for the effective and efficient management of the Nation's energy policies and programs.

NATIONAL ENERGY RESEARCH AND DEVELOPMENT POLICY ACT OF 1973—AMENDMENT

AMENDMENT NO. 776

(Ordered to be printed, and to lie on the table.)

Mr. ROBERT C. BYRD. Mr. President, on behalf of the Senator from Illinois (Mr. STEVENSON) I submit an amendment, intended to be proposed by Mr. STEVENSON to amendment No. 767, to the bill (S. 1283) to establish a national program for research, development, and demonstration in fuels and energy and for the coordination and financial supplementation of Federal energy research and development; to establish development corporations to demonstrate technologies for shale oil development, coal gasification development, advanced power cycle development, geothermal steam development, and coal liquefaction development; to authorize and direct the Secretary of the Interior to make mineral resources of the public lands available for said development corporations, and for other purposes.

I ask unanimous consent that the amendment be printed in the RECORD, together with a statement by the Senator from Illinois relating to the amendment.

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

On page 107, line 6, strike the existing language of amendment No. 767 and insert in lieu thereof the following new title:

TITLE III—NATURAL GAS

SEC. 101. This title may be cited as the "Natural Gas Amendments of 1973".

INTRASTATE REGULATION

SEC. 302. Subsection (a) of section 1 of the Natural Gas Act (15 U.S C. 717(a)) is amended by striking out "of natural gas and the sale thereof in" and inserting in lieu thereof "or sale of natural gas which affects".

SEC. 303. Subsection (b) of section 1 of the Natural Gas Act (15 U.S.C. 717(b)) is amended to read as follows:

"(b) Except as provided in subsection (c) hereof, the provisions of this Act shall apply to the transportation and sale of natural gas and/or to natural-gas companies engaged in such transportation and sale."

SEC. 304. Subsection (c) of section 1 of the Natural Gas Act (15 U.S.C. 717(c)) is amended to read as follows:

"(c) The provisions of this Act shall not apply to (1) production facilities and the construction of such facilities, or to the gathering of natural gas; and (2) the local distribution of natural gas and the facilities used for such distribution."

DEFINITIONS

SEC. 305. Section 2 of the Natural Gas Act (15 U S.C. 717a) is amended to read as follows:

"SEC. 2. When used in this Act, unless the context otherwise requires—

"(1) 'Commission' means the Federal Power Commission.

"(2) 'Commissioner' means a member of the Federal Power Commission.

"(3) 'Corporation' includes any corporation, joint-stock company, partnership, association, business trust, organized group of persons, whether incorporated or not, receive or receivers, trustee or trustees of any of the foregoing, but shall not include a municipality.

"(4) 'Definite pricing clause' means a provision in a producer contract which—

"(A) sets forth the price to be paid for natural gas delivered under such contract in terms of specific monetary units, including charges for specific supplemental services to be performed by the producer, without reference to any other contract, price, or circumstances, including, in addition to the initial price, any increases in the initial price, by specific amounts which shall become effective at definite future dates;

"(B) changes in the price in order to reimburse the seller for all or any part of the changes in production, severance, or gathering taxes or taxes of a similar type or kind levied after a specific date; and

"(C) establishes the price to reflect changes in the heating value of the gas delivered under such contract.

"(5) 'Foreign commerce' means commerce with a foreign country.

"(6) 'Includes' or 'including' should be read as if the phrase 'but is not limited to' were also set forth.

"(7) 'In commerce' should be read as if the phrase 'interstate, foreign, and intrastate' were also set forth as an adjective modifying commerce.

"(8) 'Indefinite price clause' means a provision in a producer contract, other than a definite pricing clause, under which the price for natural gas sold under the contract may be determined or changed.

"(9) 'Independent producer' means a producer (a) whose only business is exploration, development, or production of natural gas or oil within the land area of the United States; (b) who is neither directly nor indirectly controlled by or affiliated with a natural gas company; (c) who is neither directly nor indirectly controlled by or affiliated with another producer or energy company such that any member of such related or affiliated entities is engaged in a business other than exploration, development, or production of natural gas within the land area of the United States; and (d) who reinvests at least 50% of his annual excess of revenues over ordinary and necessary business expenses to further exploration, development, or production of natural gas or oil within the land area of the United States."

"(10) 'Interstate commerce' means commerce between a point in one State and a point outside such State, or between points within the same State but through any place outside such State.

"(11) 'Intrastate commerce' means commerce wholly within the same State.

"(12) 'Local' means of or pertaining to any political subdivision within a State.

"(13) 'Municipality' means a city, county, or other political subdivision of a State.

"(14) 'Natural gas' includes natural gas, liquefied natural gas, artificial gas, synthetic gas, or any mixture thereof.

"(15) 'Natural-gas company' means a person engaged in the production, importation, transportation, or sale of natural gas in commerce.

"(16) 'New producer contract' means a producer contract, or an amendment to such contract which adds natural gas reserves or acreage to an existing contract, under which contract or amendment deliveries have not commenced upon the effective date of this Act, and an amendment to a contract previously approved by the Commission under section 26 of this Act which decreases the delivery pressure, lowers the quality specifications, increases the price, or shortens or extends the term.

"(17) 'Person' includes an individual or a corporation.

"(18) 'Producer' means a person who is engaged in the production, gathering, or processing of natural gas and who sells natural gas in commerce for resale.

"(19) 'Producer contract' means a contract by a producer providing for a sale of natural gas subject to the jurisdiction of the Commission.

"(20) 'Rate' includes a local, State, or national area rate.

"(21) 'Sale' includes distribution.

"(22) 'State' means any State, the District of Columbia, and any organized territory of the United States.

"(23) 'State commission' means the regulatory body of a State or municipality which has jurisdiction to regulate rates and charges for any sale, not regulated by the Commission, of natural gas to consumers within such State or municipality.

"(24) 'Transportation' includes production, importation, storage, and gathering.

"(25) 'United States' includes all States and all places and waters, continental or insular, subject to the jurisdiction of the United States."

NATIONAL AREA RATE

SEC. 306. Section 5 of the Natural Gas Act (15 U.S.C. 717(d)) is amended by adding at the end thereof the following four new subsections:

"(c) The Commission shall, in a rulemaking proceeding in accordance with section 553 of title 5, United States Code, establish and periodically revise a national area rate for production of natural gas. The Commission shall establish adjustments to the national area rate for each major producing region to reflect differences in production costs, State taxation, and similar costs. Sixty days before the Commission establishes or grants approval to any revision in such national area rate, the Commission shall submit its findings and proposed rate to Congress and shall publish such findings and proposed rate in the Federal Register. Such a national area rate or revised national area rate shall be implemented by order of the Commission at the conclusion of such sixty-day period, unless either House of Congress passes a resolution between the date of transmittal and the end of the sixty-day period stating in substance that it disapproves the proposed national area rate, or unless reversed pursuant to judicial review by the end of such sixty-day period. Judicial review of such proposed national area rate shall be in accordance with sections 701, 702, 703, 704, 705, and 706(2)(A) of title 5, United States Code. The Commission shall not order any increase in existing area rates for flowing natural gas unless such an increase is justified on the basis of an actual increase in costs of operation or maintenance (including a fair rate of return.) The Commission shall establish or revise the national area rate for new natural gas only to the extent justified by actual costs of exploration, development, operation, or maintenance (including a fair rate of return). The Commission may, because of special hardships or costs incurred by a producer, approve a new producer contract for rates in excess of the national area rate pursuant to section 29(b) of this Act.

"(d) In determining present and future requirements of consumers for natural gas, the

Commission shall, insofar as possible, examine and implement conservation policies including rate design revision, end use controls, and termination of promotional practices to encourage wise management and utilization of the Nation's natural gas resources.

"(e) The Commission is authorized and directed to prepare and submit to the Congress within twelve months after the date of enactment of this Act an analysis of direct sale and retail structures for natural gas other than synthetic, liquified, or supplemental natural gas. Such analysis shall include an indication of how marginal cost pricing would affect consumption within the United States and an evaluation on a regional basis of the impact various rate changes might have on natural gas consumption, the environment, and the economy of the United States."

RESERVE ADDITIONS

SEC. 307. Section 10(a) of the Natural Gas Act (15 U.S.C. 717i(a)) is amended by inserting before the period at the end of the third sentence thereof the following: ", and current, planned, and contemplated efforts to increase such company's reserves or acreage of natural gas".

RESERVE EVALUATION

SEC. 308. Section 14 of the Natural Gas Act (15 U.S.C. 717m) is amended by adding at the end thereof the following three new subsections:

"(h) The Commission is further authorized and directed to conduct studies of the transportation and sale of natural gas, however produced, throughout the United States whether or not otherwise subject to the jurisdiction of the Commission, including the transportation and sale of natural gas by any agency, authority, or instrumentality of the United States, or of any State or municipality. The Commission shall make an independent evaluation of the proven and probable natural gas reserves of the United States identifying volumes committed to contract and volumes not committed and the reasons for such noncommitment. The Commission shall update such evaluation each year. The evaluation of proven natural gas reserves shall be based on individual company data obtained directly by the Commission and independently evaluated by its staff experts. The Commission shall, so far as practicable, secure and keep current information regarding (1) the ownership, operation, management, and control of all facilities for such transportation and sale; (2) the total estimated natural gas reserves of fields or reservoirs and the current utilization of natural gas and the relationship between the two; (3) the cost of transportation and sale; (4) the rates, charges, and contracts with respect to the sale of natural gas and its service to residential, rural, commercial, industrial consumers, and other purchasers; and (5) the relation of any or all facts to the development of energy conservation, industry, commerce, and the national defense. The Commission shall report to Congress, publish, and make available to interested persons the results of studies made under authority of this subsection.

"(i) The Commission, in making studies, investigations, and reports under this section, is authorized to obtain reserve information on natural gas reserves from natural-gas companies, whether or not such companies are otherwise subject to the jurisdiction of the Commission. It shall publish such information annually in the form of an estimate of the Nation's natural gas reserves, both proven and potential, with breakdowns by producing areas, identifying the volumes in each area not being produced. The Commission shall utilize, insofar as practicable, the services, studies, reports, information, and continuing investigational programs, if any, of each department, bureau, office, agency, and other entity of the United States, and of each State. Nothing in this subsection shall be construed as modifying, reassigning, or otherwise affecting the investigating and reporting activities, duties, powers, and functions of any other department, bureau, office, or agency of the Federal Government.

"(j) Any natural-gas company which fails to reveal its natural gas reserves to the Commission shall, in addition to any other penalties which may be assessed, and after a hearing pursuant to section 556 of title 5, United States Code, be declared ineligible to bid on any leases on any Federal lands until such information is supplied to the satisfaction of the Commission.".

EXEMPTIONS AND RATE PROCEDURES

SEC. 309. The Natural Gas Act is amended by adding at the end thereof the following five new sections:

"SEC. 25. An independent producer shall be exempt from the provisions of this Act for a period of five years from the date of enactment of this Act: *Provided*, That the Commission may by regulation require any such producers to prepare and furnish such information as it deems necessary for the purpose of establishing or continuing any such exemption. At five-year intervals after the grant of such exemption the Commission shall review, after opportunity for hearing pursuant to section 553 of title 5, United States Code, such exemption and continue, modify, or revoke such exemption as it deems necessary to protect the public interest.

"SEC. 26. (a) Each new producer contract, other than an independent producer contract, shall be filed by the producer with the Commission.

"(b) Upon the initial filing of a new producer contract, the Commission shall review the contract to insure that the rate does not exceed the national area rate and shall by order (1) approve such contract unconditionally; (2) approve such contract subject to such reasonable terms and conditions specified by the Commission as to price, expiration, termination, or other provision thereof; or (3) disapprove such contract.

"(c) If the Commission by final order, no longer subject to judicial review, approves a new producer contract unconditionally under subsection (b) of this section, such contract shall not thereafter be subject to modification by the Commission, and the provisions of such contract shall be effective without further Commission action: *Provided*, That (1) the Commission is authorized to act upon any proposed amendments to such contract which may be submitted to it by the parties to such contract; and (2) any increase in the price of natural gas under such contract by application of an indefinite pricing clause in such contract shall be subject to Commission action under section 29 of this Act.

"(d) If the Commission by final order, no longer subject to judicial review, approves a new producer contract subject to reasonable terms and conditions specified by the Commission, and if such terms and conditions are accepted within thirty days by the party or parties to the contract adversely affected thereby, such contract, as conditioned, shall be deemed approved and become effective under subsection (b) of this section. If the commission's approval is subject to conditions which disallow in full or in part any definite price changing provisions in a new producer contract, such disallowance shall be subject to reconsideration by the Commission, pursuant to notice, hearing, and effective rate procedures, upon application by the producer filed not less than nine months before the time any such price change is scheduled to take effect. This subsection shall not be construed to relieve the Commission of its obligation to act upon such definite price changing provisions at the time of its initial order.

"(e) If the Commission by final order, no longer subject to judicial review, disapproves a new producer contract, or if the party or parties to the contract adversely affected do not accept the terms and conditions specified by the Commission, deliveries may not commence under such contract. If deliveries have commenced under such contract prior to such order, they shall be terminated as soon as reasonably practicable after such order becomes final and no longer subject to judicial review: *Provided*, That if such contract is an amendment to a contract, such termination of deliveries shall affect only such amendment.

"(f) Upon the filing of a new producer contract with the Commission, deliveries pursuant to the provisions of such contract may be commenced at a rate not to exceed the national area rate after notice to the Commission, pending review of such contract by the Commission under subsection (b) of this section. Any such deliveries so commenced may be terminated, if such contract shall terminate or be terminated for any reason prior to the issuance by the Commission of a final order following review of such contract or upon the issuance of an initial order which contains terms and conditions unacceptable to the party adversely affected.

"SEC. 27. (a) In all proceedings to which section 26(b) of this Act is applicable, the Commission shall, after notice and opportunity for hearing pursuant to section 553 of title 5, United States Code, determine whether the contract is (1) just and reasonable; (2) required by the public convenience and necessity; and (3) not unduly discriminatory or preferential to any person.

"(b) The Commission is authorized to consolidate proceedings for hearing and decision when the Commission finds that such proceedings involve common questions of fact which may be heard more expeditiously on a single record.

"SEC. 28. Natural gas which is produced from its own wells by a natural-gas company engaged in the transportation of natural gas in commerce, which is not sold under a producer contract, and which is taken and delivered into its own transportation facilities or into the transportation facilities of any person transporting such natural gas for its account in interstate commerce shall be delivered only pursuant to a schedule of terms and conditions, including pricing provisions, applicable to the taking of such natural gas. Such schedule shall be filed with the Commission; all terms and provisions of this Act relating to a new producer contract shall be applicable to such schedule. The Commission shall allow as an operating expense of such natural-gas company the price established by the national area rate in accordance with the provisions of this Act.

"SEC. 29. (a) No new producer contract shall be accepted for filing if it includes any of the following types of indefinite pricing clauses:

"(1) the 'two-party favored-nation clause' under the terms of which the price of the natural gas is or may be increased in the event the purchaser shall pay or offer to pay a higher price for natural gas;

"(2) the 'third-party favored-nation clause' under the terms of which the price

of the natural gas is or may be increased in the event some person not a party to the contract shall pay or offer to pay a higher price for natural gas;

"(3) the 'better market clause' or 'price redetermination clause' under the terms of which the price of the natural gas is or may be increased in the event the average of two or more prices which are paid by purchasers is greater; and

"(4) the 'spiral escalation clause' under the terms of which the price of the natural gas is or may be increased in the event the resale rates of the purchaser under the contract are increased.

"(b) No seller shall be entitled to receive all or any part of a price increase for natural gas which is intended to result, after the date this section takes effect, from the operation of an indefinite pricing clause in a new producer contract unless (1) the seller files an application with the Commission for permission to charge the increased price; and (2) the Commission, after notice and opportunity for hearing, makes findings in writing and enters its order pursuant to this subsection. Such application shall be filed not less than nine months prior to the time any proposed price increase is intended to take effect. If the Commission fails to make its finding and enter its order prior to the date such proposed price increase is intended to take effect, the increased price so proposed may, upon notice to the Commission, be charged by the seller so long as such price does not exceed the national area rate. Such price shall be paid by the purchaser, pursuant to the terms of such indefinite pricing clause, until the Commission issues its order in the application proceeding. If the Commission finds that the proposed increased price does not exceed the national area rate for present and future deliveries of natural gas at the point of delivery under new producer contracts then being approved by the Commission, the Commission shall issue its order approving the proposed increased price. Such price shall be charged by the seller and paid by the purchaser from and after the effective date of such order. If the Commission finds that the proposed increased price does exceed such national area rate, the Commission shall, in its finding, determine such portion, if any, of the proposed increase in price as is reasonable, because of special hardship or costs incurred by the producer in his overall operations such that the producer's overall costs exceed his overall revenues. If the Commission finds that a portion of the proposed increase is reasonable under the above test, the seller shall be entitled to change and the buyer shall pay an increased price in accordance with such finding. If, during the course of such proceeding, the seller collected any amounts in excess of the price which the Commission ultimately determines is the amount properly chargeable pursuant to this subsection, the seller shall refund to the purchaser or purchasers, with interest, all or that part of the increase in price, above that so approved by the Commission, which the seller collected, prior to the Commission's order, under the indefinite pricing clause.

"SEC. 30. The Commission is authorized, after notice, hearing, and opportunity for public comment, to allocate natural gas among pipelines to attain the following specific objectives—

"(a) protection of public health, safety, and welfare, and the national defense;

"(b) maintenance of all public services;

"(c) maintenance of all essential agricultural operations directly related to the cultivation, production, preservation of food; and

"(d) equitable distribution of natural gas among all regions and areas of the United States and all classes of consumers.".

STATEMENT OF SENATOR STEVENSON—AMENDMENTS TO NATURAL GAS ACT

On behalf of Mr. Stevenson. Mr. President, yesterday the Senator from New York (Mr. Buckley) introduced Amendment No. 767 to S. 1283, the National Energy Research and Development Policy Act of 1973. This amendment would have the effect of deregulating new natural gas prices. In my view, a view which is shared by the Chairman of the Commerce Committee (Mr. Magnuson) is inappropriate for the Senate to consider such a complex and controversial matter without the benefit of the recommendation of the Committee having jurisdiction over the matter. A natural gas amendment is particularly inappropriate on the floor at this time in light of the fact that the Commerce Committee is intensively engaged in developing a permanent solution which will provide adequate stimulation for exploration and development of untapped gas reserves without imposing enormous and unjust economic burdens on the American consumer. The Committee has examined this subject intensively over the years as part of its Federal Power Commission oversight responsibilities. In addition the committee has just completed six days of hearings on all the natural gas bills pending. The record of this hearing exceeds 2100 pages and more than 70 witnesses have testified or submitted statements. Therefore I feel it would be most appropriate if Amendment No. 767 and any other amendments dealing with Natural Gas regulation be tabled and considered just as soon as the Commerce Committee makes its recommendation to the Senate.

However, if the Senate should decide to consider this matter tomorrow, I am submitting an amendment which proposes an alternative and improved solution to the nations' natural gas shortages.

My amendment is similar to title I of S. 2506, a bill to amend the Natural Gas Act to secure adequate and reliable supplies of natural gas and oil at the lowest reasonable cost to the consumer. The amendment I am submitting today would substantially increase the amount of natural gas available to consumers and, in the event of shortages, assure that supplies are fairly allocated among the regions of the nation and classes of customers.

It would save the public billions of dollars by foreclosing massive windfall profits to the major petroleum companies, and improve the competitive structure of the oil industry by affording independent companies the opportunity to successfully compete in the marketplace. This proposal directs the FTC to conduct its own review of natural gas reserves so that for the first time the nation will not be dependent solely on the industry's estimates.

Again, it is my hope that all amendments dealing with natural gas regulation will be withdrawn when the Senate considers S. 1283, the National Energy Research and Development Policy Act of 1973. But if gas policy must be considered, I would urge the Senate adopt the Regulatory Reform Amendment which I am now proposing.

Mr. GRIFFIN subsequently said: Mr. President, a few minutes ago the distinguished majority whip, on behalf of the distinguished Senator from Illinois (Mr. STEVENSON), submitted an amendment. I should like to propound a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. GRIFFIN. Is it not correct to say that no unanimous consent was necessary had Senator STEVENSON been here to present the amendment being offered?

The VICE PRESIDENT. The Senator is correct.

Mr. GRIFFIN. And that amendment having been presented and ordered to be printed, it will be subject to the rules of the unanimous-consent agreement entered into earlier. In other words, it would have to be germane if the question were raised.

The VICE PRESIDENT. That also is correct.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. GRIFFIN. I yield.

Mr. MANSFIELD. May I say that any Senator could have taken that amendment to the desk on that statement, and it would have been printed in the RECORD just as it was on the basis of the unanimous-consent request.

Mr. GRIFFIN. That is my understanding.

NOTICE CONCERNING NOMINATIONS BEFORE THE COMMITTEE ON THE JUDICIARY

Mr. EASTLAND. Mr. President, the following nominations have been referred to and are now pending before the Committee on the Judiciary:

Julio A. Brady, of the Virgin Islands, to be U.S. attorney for the Virgin Islands for the term of 4 years, vice Joel D. Sacks, resigned;

Evan LeRoy Hultman, of Iowa, to be U.S. attorney for the northern district of Iowa for the term of 4 years, reappointment; and

John O. Olson, of Wisconsin, to be U.S. attorney for the western district of Wisconsin for the term of 4 years, reappointment.

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in these nominations to file with the committee, in writing, on or before Thursday, December 13, 1973, any representations or objections they may wish to present concerning the above nominations, with a further statement whether it is their intention to appear at any hearing which may be scheduled.

Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Thursday, December 13, 1973, at 10:30 a.m., in room 2228, Dirksen Office Building, on the following nomination:

Walter J. Skinner, of Massachusetts, to be a U.S. district judge for the district of Massachusetts, vice Anthony Julian, retired.

At the indicated time and place persons interested in the hearing may make such representations as may be pertinent.

The subcommittee consists of the Senator from Arkansas (Mr. MCCLELLAN), the Senator from Nebraska (Mr. HRUSKA), and myself as chairman

ADDITIONAL STATEMENTS

GERALD FORD—THIS IS YOUR LIFE

Mr. PERCY. Mr. President, in the weeks since GERALD FORD was nominated as Vice President, he has been subjected to extremely thorough scrutiny, both here in Congress and in the Nation's press. I know of no more thorough and carefully researched study of JERRY FORD's life than the five-part series which appeared in the St. Louis Post-Dispatch. Three reporters, Robert Adams Eric L. Zoeckler, and Connie Rosenbaum, probed every aspect of JERRY FORD's career from boyhood through his record of 4,000 votes in the House of Representatives. For 3 weeks they talked to friends and critics alike to produce a fair and balanced portrait of the next Vice President. Their conclusion is perhaps best described by the headline on the opening article of the series: GERALD FORD, "a very decent human being."

Mr. President, I ask unanimous consent that this excellent example of responsible journalism be printed in the RECORD.

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

[From the St. Louis Post-Dispatch, Nov. 13, 1973]

VIEW OF FORD: "A VERY DECENT HUMAN BEING"

WASHINGTON, November 13—On a desk in Gerald R. Ford's office sits a red, white and blue football lettered with a simple inscription: "The future."

Nearby, on a coffee table, a caricature of a hollow-eyed Richard M. Nixon—the face composed of Watergate tapes—stares from a magazine cover. The caption: "What next?"

The two phrases capture the peculiar position of Ford—and of the nation. President Nixon's choice of the 60-year-old House Republican leader to replace Spiro T. Agnew as Vice President puts Ford in the country's future. And as the daising wave of public outrage over the Watergate scandal threatens to engulf Mr. Nixon, the possibility arises that the answer to "What next?" might be: President Gerald R. Ford.

In recent televised Senate hearings, the public had its first close-up glimpse of Ford, the football-star-turned-congressman from Grand Rapids, Mich. The House Judiciary Committee begins hearings of its own this week.

The hearings are part of the congressional confirmation of Ford as Vice President—a process required under the Twenty-fifth Amendment to the Constitution, now being used for the first time.

However, those on the Senate Rules Committee who questioned Ford left no doubt that the presidency was at stake, too—that the balding, openfaced man on the television screen might wind up in the White House. And that it might be soon.

"We all realize," Senator Claiborne Pell (Dem.), Rhode Island, declared bluntly, "that the nominee of today may not only be the Vice President of tomorrow, but the President of next year."

Who is Gerald Ford—the man, the congressman, the potential world figure? Where does he stand on the issues? Do any scandals threaten his confirmation? And what kind of Vice President—or President—might he make?

From interviews with Ford, his family, his aids, congressional colleagues, political friends and foes, and others in Washington and Grand Rapids, the broad outlines of Ford the Man emerge.

On many points there is general agreement: color him hard working; color him loyal; color him conservative. Color him friendly, congenial, generous, and not overly intellectual. And some would say: color him colorless.

One of the most often-mentioned qualities about Ford is likability. Even his adversaries find him easy to get along with. It is one of the reasons for his power and popularity in the House.

"A damn nice guy, says an aid to Representative Gene Taylor, a Missouri Republican. "You never hear a word against the man."

"He's not abrasive," say Representative H. R. Gross, a stanch conservative Republican from Iowa who is often abrasively to the right of his party.

"Just a very decent human being," says Representative Margaret Heckler of Massachusetts, a Republican maverick on the liberal side. "He's not given to petty tactics. He's a genuinely popular man."

Even his Democratic opponent for the House in 1970 and 1972, Jean McKee, observes: "I don't think anyone could hate Jerry Ford."

Representative Lindy Boggs, a Louisiana Democrat, recalls that her husband, the late Hale Boggs, was a friend of Ford even though Boggs, as House Democratic leader, was a constant adversary on the House floor.

Mrs. Boggs recalls the trip she and her husband took with Ford last year to the People's Republic of China. Ford, she said, briefed himself well, and despite his strong anti-Communist stand at home, was complimentary and diplomatic in his talks with the Chinese.

Where friends are concerned, the Fords do not neglect the small touches. Their neighbors on tree-shaded Crown View Drive in the Washington suburb of Alexandria, Va., say the Fords often let them use their backyard swimming pool, where Ford starts each summer day with a swim at 6 a.m.

Others refer to Ford as basically a humble man, willing to acknowledge mistakes, willing to listen to all points of view.

Ford himself has said that one of his worst misgivings about the vice-presidency is that "my friends might stop calling me Jerry."

Ford has his critics, too. Liberals criticize his voting record on such issues as civil rights, mass transit subsidies, aid to education. Others contend that Ford is an intellectual lightweight.

"An impeccable zero," one critic described Ford. "A chowderhead," declared a labor leader.

Two of Lyndon B. Johnson's caustic remarks about Ford are still quoted in Washington. "Jerry Ford is the only man I know who can't walk and chew gum at the same time," one went. The other had it that Ford "played football too long without a helmet."

Even some GOP stalwarts concede that Ford may have intellectual limitations. "Ford is no Einstein," one California Republican said.

Perhaps surprisingly, however, many Democrats are quick to rebut the criticism.

"That's bull!" declared Representative John J. McFall of California, the House Democratic whip.

"How do you get through Yale Law School (as Ford did) without brains? Is there some mythical standard of intelligence or charisma against which we measure people?"

John R. Stiles, a Grand Rapids friend and author, recalls that he and his wife toured Spain with the Fords. They visited the Prado in Madrid and saw some Goya cartoons for a tapestry, despite Ford's protestations that he was not interested.

A few days later, Stiles says, they were lunching at a Friend's home where reproductions of the same paintings were hung. Was anything familiar? Stiles asked Ford, "Oh, sure, the same Goya tapestries we saw in Madrid," Ford replies. Other friends say Ford has an uncanny memory for names, faces, places.

Beyond that, some on Capitol Hill have noted that both praise and criticism can have political motives. Johnson, for example, was angry with Ford for trying to block his legislative program. And some Democrats suggest that their party is saying good things about Ford now so he will be confirmed quickly—whereupon impeachment proceedings against President Nixon could be speeded.

Ford was born July 14, 1913, in Omaha and named Leslie King. After his parents were divorced in his infancy, his mother remarried and he was adopted by her second husband, Gerald R. Ford Sr.

The future Republican leader grew up in Grand Rapids. He was a football standout at the University of Michigan.

After law school and a Navy tour in World War II, he ran for Congress in 1948, unseating a die-hard isolationist in the Republican primary.

Ford's rise in the House was slow but steady. He made friends easily, and before long was on the House Appropriations Committee.

In 1958, Ford helped a group of Republican "young turks" replace the aged Joseph J. Martin Jr. of Massachusetts with Charles A. Halleck of Indiana as Republican leader. In 1963, the same group—led by representatives Robert P. Griffin of Michigan, Melvin R. Laird of Wisconsin, Charles C. Goodell of New York, and Silvio O. Conte of Massachusetts—installed Ford as chairman of the House Republican Conference, the third-ranking GOP post in the House.

The young turks ousted Halleck in 1965 and made Ford the Republican leader by what Ford jokingly calls the "landslide margin" of 72 to 67.

Memories differ as to the exent of Ford's willingness to seek leadership posts. Goodell remembers Ford as volunteering to seek the top spot after being approached about it. Griffin recalls Ford as "not a reluctant candidate," but notes also that the Goodell-Griffin group came to him, not the other way around.

Conte tends to stress Ford's reluctance. "In 1965, we came to Jerry and said, 'Halleck has to go, and we want you'," Conte told the Post-Dispatch. "Jerry said, 'That's all right with me, but I won't lead the movement.' Well, a couple of weeks later, we went back to him and said: 'Goddam, Jerry, you won't win unless you get out front.' And then he started making some calls.

"It was the same way with the vice-presidency," Conte contends. "I said to him: 'Jerry, are you interested?' and he said, 'Yeah, I'm interested.' And I said: 'Is there anything I can do to help?' And he said: 'I'm not going to make a move for it. If the President wants me, he'll call me.'

"Jerry didn't discourage me, but he didn't encourage me, either."

Ford soon moved to revitalize the party's leadership in the House after the disastrous losses in 1964. He set up Republican task forces to propose alternatives to Johnson's measures on housing, education and other problems.

"The Republican Party had become the party of nay-sayers," Goodell recalled. "We wanted to present positive alternatives."

Ford's leadership techniques have prompted study and inspired respect from both sides.

"He hasn't been a Lyndon Johnson lapel-grabber who would put his nose a couple of inches from yours," observes Representative John B. Anderson of Illinois, chairman of the House Republican Conference.

Representative Martha W. Griffiths, a Michigan Republican, says Ford uses persuasion and conciliation rather than arm-twisting. She says she has "never heard him make an unkind remark."

Ford's role has changed considerably since Mr. Nixon's election in 1969. Before that, he was proposing alternatives. Since then, he has been involved primarily with carrying out the President's legislative plans.

Griffin, now a Senator, noted that Ford was not everybody's first choice for the job. "There were quite a few who said Jerry is too easy-going; Mel Laird would be a much stronger leader," Griffin said. "They felt Jerry wasn't aggressive enough. But I think Jerry's turned out to be a very strong leader—using his own, low-key techniques."

Other Republicans, although not disliking Ford, observe that his "young turk" reputation does not mean that he was a liberal—or that he is still a reformer.

As chairman of the Republican National Convention in 1972, Ford was not associated with a move to open up the delegate selection process, although advocates of that change credit him with fairness in handling the issue.

"Young Turks," one Senate Republican source observes wryly, "become old turks with time."

How does Ford see himself, and his role, and his future? Some answers in a recent interview in the Minority leader's ornate office on the second floor of the Capitol.

Ford, a muscular 6-footer, was dressed in dark blue suit, blue-and-white striped shirt, black shoes. His window looks out across the mall to the Washington Monument—one of the most spectacular views in the city. His office is festooned with photographs and artifacts—color pictures of his family, autographed photos of Presidents and other national figures, and at least 14 elephants, the Republican symbol, made of crystal, bronze and wood. Two Bibles lie on a table, reflecting Ford's strong religious bent; on another table, a paperback about Watergate.

Ford talks about the football inscribed "The Future"—and how it was given to him by a Republican group in Portland, Ore., on Oct. 15.

On the vice-presidency, Ford observes that he accepted it as a duty. His ambition had been to be speaker of the House. "But when the President asked me to take on a different responsibility," Ford said, "I felt it was one of those duties you have to take on—whether you like it or not."

Ford insists he will have independence as Vice President, but notes that he plans to consult the white House on some of his staff appointments.

"My philosophy, my personal views, have, over the time of my acquaintance with the President, been very, very similar," he says, "so I don't think I'm going to have any cemented-in divergencies in this area."

As for the swipes at his intelligence, Ford replies, "Frankly, they amuse me."

He cites his B-or-better school grades as evidence of intellectual competence, and then says:

"Some people have said I lack charisma. Well, I've said this and I'll repeat it: I would rather be sincere and have no charisma, than to have charisma and be a phony."

Charisma or not, Ford has been catapulted into the national spotlight—and events may carry him still further. But so far, according to friends, he has determinedly resisted the ego-puffing pressures of his position.

A friend from Grand Rapids called a couple of days after his nomination and said: "Good morning, Mr. Vice President." "Oh, no," the friend quotes Ford as replying, I'm just plain old Jerry."

[From the St. Louis Post-Dispatch, Nov. 14, 1973]

"No" Would Not Bother Mrs. Ford

(By Connie Rosenbaum)

WASHINGTON, November 14.—Mrs. Gerald R. Ford expects her husband to be confirmed as the nation's Vice President, but says she would not be disappointed if Congress said no.

"We have been happy during our 25 years in Washington," she told the Post-Dispatch in an interview. "We haven't planned any changes."

But many changes already have intruded into her life as a result of her husband's nomination. Weekend sightseers cruise past the Fords' suburban home in Alexandria, Va. Secret Service agents are camped in a van parked in the driveway. Sleeping quarters for them are being built near the two-story brick and clapboard colonial home. A special telephone connects the home with the White House.

"The children were apprehensive at first," Mrs. Ford said. "Now they are sort of excited. Maybe they'll see more of their father."

Ford's heavy speaking schedule has kept him away from home for weeks at a time, leaving Mrs. Ford with the primary responsibility for their four children.

But Mrs. Elizabeth Ford ("Betty," she insists) is not one to complain. She shares her husband's intense loyalty to the Republican Party, and to the friends the Fords have made across the political spectrum.

Mrs. Ford seemed almost apologetic about the fact that the Fords could replace their friends, the Nixons in the White House.

"He could take over if an emergency arose," Mrs. Ford said of her husband, but added: "Notice I said 'emergency.' "

She said she and her husband had not discussed the possibility that he might become President.

"We don't have much time together," she observed.

Mrs. Ford, tall and thin with thick auburn hair, was calm, soft-spoken and deliberate in her choice of words.

Formerly Elizabeth Bloomer Warren, Mrs. Ford was a fashion model and dancer before her marriage to Ford in 1948, the year of his first political victory. Her first marriage, to a childhood sweetheart, ended in divorce.

Her grace in movement stems partly from her early dance training, started when she was eight.

However, she was not prepared to dedicate her life totally to professional dancing. So she returned to Grand Rapids, Mich., and married Ford, the football hero five years her senior.

She campaigns with her husband, but she says her children come first. They are Michael, 23 years old, a divinity student; John 21, a student at Utah State University; Steven, 17, a high school senior; and Susan, 16, who attends a private girls school in Bethesda, Md.

"I lost a $5 bet with my daughter," Mrs. Ford recalls of her husband's nomination. "Jerry's position in the House was so important to the President in getting legislation through that I didn't think he'd be chosen."

Despite Ford's frequent absences, Mrs. Ford says theirs is a close family. "Jerry and I both came from families with strong ties," she says, "and our children have inherited it."

[From the St. Louis Post-Dispatch, Nov. 14, 1973]

Gerald R. Ford: A Hero to Most in Grand Rapids

(By Eric L. Zoeckler)

GRAND RAPIDS, MICH., November 14.—It was a dreary, rainswept evening last Oct. 12 as United Flight 626 to Grand Rapids eased into line behind 16 other aircraft seeking their escape from Chicago's O'Hare Field.

Already more than an hour and a half late, the passengers feared more bad news as the crackling of the cabin intercom prepared them for the pilot's announcement. Instead, he said: "For those of you who live in Grand Rapids, you'll be happy to know President Nixon has selected Gerald Ford as his new Vice President."

An enormous roar filled the plane's passenger cabin.

"Had we been over Lake Michigan, it could have been a disaster because I'm not sure the plane could have withstood all the commotion," recalled Miss Carol Murlink, a Grand Rapids passenger on board.

"All of a sudden everything seemed bright outside. And I'm sure all of us doing the cheering and the backslapping weren't all Republicans."

The incident typifies the love affair between Representative Gerald R. Ford (Rep.), Michigan, and most of his 450,000 constituents of the Fifth Congressional District whose focal point is Grand Rapids, 25 miles inland from Lake Michigan.

Like all love affairs, it has had its ups and downs. But the President's selection of Ford was considered its zenith, a fitting tribute for the celebration of the golden anniversary of the association between the Grand Rapids area and its Representative.

As the days wore on, the impact became even greater as federal investigators and reporters flocked to the city, interviewing Ford's friends and political enemies and poring over records that told the story of his background.

The people of Grand Rapids kept telling these outsiders that they would find no scandal—because to know Grand Rapids was to know Jerry Ford. Both are clean, hard-working, honest, devoutly Christian and—above all—totally incorruptible, they said.

This city of 200,000 people, Michigan's second largest, is strikingly clean, and strongly conservative, morally and politically. Men fish for giant chinook salmon in the Grand River a few blocks from downtown and smiling people are quick to accommodate a visitor's needs without complaint.

Not that Grand Rapids is free of problems. Civic leaders fear its downtown is deteriorating and too congested, and controversy rages over the existence of three adult movie theaters which advertise and show X-rated films.

The traditional image of Grand Rapids as a furniture manufacturing center has changed. Situated amidst profitable farmland and forests now ablaze in color, its principal industry is automobile assembly and parts, now that the furniture companies have moved south in search of cheaper labor. To one man who is acquainted with both cities, "Grand Rapids is a rich man's south St. Louis."

It is a predominantly white city which last week elected a moderate black mayor over a conservative white opponent. Blacks

compose about 12 per cent of the population. here is a heavy concentration of Poles on the north side, with Germans, Latvians and Italians scattered throughout.

But it is the Dutch, whose Calvinistic forefathers migrated here in two great waves, one in the nineteenth century and the other after World War II, who compose the largest single ethnic bloc in town and are credited with establishing the largely conservative moral and political climate of the community.

Grand Rapids is the national headquarters of the traditional but not fundamentalist Christian Reform Church.

"While we follow what's considered to be the Puritan ethic of hard work, clean living and solid Christian practice, don't tell the world we're a bunch of holy rollers," warned Richard DeBorst, a professor of political science at Calvin College.

"We drink, we smoke, we dance and, contrary to some reports, we don't go to church with the father leading his family in line followed by the mother and the children in descending order according to age."

It was in this climate that the vice president-designate was reared, the adopted son of Gerald R. Ford Sr., owner of a small paint store and later Kent County's Republican chairman.

The Fords lived in a modest home in what now is in the midst of the city's black ghetto and sent their son to public schools where he maintained a B-plus average while starring on the South High School football team.

During the summer he worked in his father's store, putting lids on paint cans, for which he received a small allowance. Ford graduated to waiting tables at a small Greek-American restaurant across the street from South High during the early days of the Depression.

From there, it was on to the University of Michigan where friends say he maintained his high B average without much study and was the center on the Wolverines' football team, culminating his career with an appearance in the annual East-West Shrine all-star game in 1935.

It has been said that Jerry Ford was "born with a silver spoon in his mouth" because he was able to go to college and Yale Law School during the worst years of the Depression. But his press secretary, Paul Miltich, says that is not true, "because he sold his blood and washed dishes in a frat house at Michigan, and the only way he got through law school was serving as assistant football coach at Yale."

After serving 47 months in the Navy in World War II, Ford returned to law practice in Grand Rapids. In 1948, at the urging of his father's friends and even labor leaders such as Leonard Woodcock, now president of the United Auto Workers, he challenged and ousted the Republican congressional incumbent, isolationist Bartel J. Jonkman.

Since then Ford has been reelected 12 times by a margin never less than 60 per cent, a situation that has caused great distress and frustration to the local Democrats.

For an explanation of his staying power, one has to travel no farther than the Gaiewood Bar, a few blocks from the huge General Motors diesel plant and talk to Kieth Van Singel and William Hickey, which are sipping beers after the day shift.

They disagree about Ford politically, yet both men feel a close identification with him.

Not long ago, Van Singel wrote Ford about his opposition to firearms control legislation. "He wrote back to me a fine, long letter telling me why he agreed with my view point. Very impressive," Van Singel says.

Although it may not be enough to win his vote, Hickey has written to ask Ford to support a bill to extend GI Bill benefit cutoff dates so that Hickey's wife, whom he met while both were in the Navy, can go to college after their children are older. While Hickey was in the military, Ford never forgot to send him a Christmas card, something he presumably did for all his constituents in the service.

Ford's rapport with the electorate back home is so great that Mrs. Jean McKee, a liberal Democrat, who opposed him in his last two races, remarked, "I can reach for his phone right now and call Ford's office with a problem and in two or three days I'll have a response waiting on my desk."

Even A. Robert Kliener, the Democratic chairman of the district Ford represents, resignedly admits: "If someone has a loved one somewhere in Poland having trouble with a visa, Jerry will be there. He's sort of a Red Cross, USO and ombudsman parexcellence—all wrapped into one."

The four persons in his local office, one of whom is fluent in Dutch and another in Polish, are said to handle constituent problems with such enthusiasm, dispatch and efficiency that Ford has become a hero to many he has helped.

Mrs. McKee lamented that in her two campaigns to oust Ford "I must have met more than 400 people who played football with Jerry Ford."

While he gets straight A's for his handling of constituents' problems, Ford's marks fall drastically among liberals and Democrats for what some of them call his insensitivity to their voting bloc, described by Mrs. McKee as "considerably larger than Ford's victory margin would indicate."

In 1971, this city held the nation's first referendum on American involvement in the Vietnam War and voted by a 2- to-1 margin for unilateral withdrawal. Although critics say it was largely a Democratic vote, "it just didn't faze him one bit," said Mrs. McKee of Ford, who continued his public support of the Administration's war policies.

Ford's critics contend that he responds more to changes of position by the Administration than he does to shifting sentiment at home.

"In 1970 and '71, he would keep telling me that I didn't understand the nature of the Communist Chinese threat," recalled Mrs. McKee. "Yet now he comes home from a trip to China following Nixon's and says what good friends we all are."

Yet without fanfare, Ford made one of his rare breaks with Administration policy when he said in Grand Rapids that he thought the Administration's income floor on the welfare revision package was too low and should be increased.

He has chosen not to or been unsuccessful in landing a great avalanche of federal contracts or appropriations for his district compared with similar districts throughout Michigan.

He has been criticized by civil rights groups for opposing the antipoverty program, but that is disputed by Ray Tardy, executive director of Grand Rapids's antipoverty agency. He says of Ford, "He has a great affinity for our poor areas and our poor people because he once roamed the streets where these people now live."

Tardy credits Ford with saving the agency from collapse last September when all direct OEO financing stopped. "He not only suggests that we go to the city and county commissioners for revenue-sharing funds, he's the one who put on the pressure to get them passed," Tardy says.

Tardy says it was done quietly, without big headlines. But as they say: to know Grand Rapids is to know Jerry Ford. It is not a city given to flamboyancy, glamour and picking up the latest fads and, as one supporter said, "I think Jerry Ford reflects the same thing."

[From the St. Louis Post-Dispatch, Nov. 15, 1973]

FORD EXPECTED TO RETAIN HIS MR. CLEAN IMAGE

(By Robert Adams)

WASHINGTON, November 15.—In 1971, House Republican leader Gerald R. Ford helped pass a law requiring disclosure of campaign contributors.

In 1972, a group of Ford backers netted $38,216 from a fund-raiser—but held the affair exactly a week before the new law went into effect, so the donors could remain secret.

The circumstances of that fund-raiser were neither illegal nor unusual. Many other members of Congress did the same thing. But the attempt by Ford's backers to beat the disclosure deadline has received fresh scrutiny as two congressional committees put Ford's past under a microscope to see whether any scandals blemish the reputation of the vice-presidential nominee.

So far, about 350 Federal Bureau of Investigation agents and a number of investigative reporters have delved into Ford's history. The result has been 1700 pages of raw FBI data and several questions requiring a detailed explanation from Ford.

Investigators found that special-interest groups and employes of defense contractors such as General Dynamics, Boeing and Teledyne-Ryan gave to Ford's campaign. They alleged that Ford channeled $11,500 to his campaign in 1970 in a way that sidestepped the federal corrupt practices act.

Other questions were raised: Did Ford help block a House committee's inquiry into the Watergate scandal last year? Had a firm in Ford's home town, Grand Rapids, Mich., received Government contracts through a friend Ford placed in a key position? Was Ford a conduit for money from dairy interests to other members of Congress?

By far the most sensational charges were made by Robert N. Winter-Berger, a former Washington lobbyist. In a four-page affidavit and in a best-selling book, "The Washington Pay-off," Winter-Berger accused Ford of doing favors in return for campaign contributions. He said also he loaned Ford $15,000 which had not been repaid and that Ford had seen a psychiatrist, Dr. Arnold Hutschnecker of New York.

But Ford—in an interview with the Post-Dispatch and in testimony before the Senate Rules Committee — persuasive explanations. He flooded the committee with documents on his personal finances and denied any improper activity. He called Winter-Berger a liar.

And the Senators found so many holes in Winter-Berger's story that the Rules Committee said it was considering perjury charges against him.

Ford is certain to face further hard questioning this week by the House Judiciary Committee—particularly about campaign finances. But after two days of questioning Ford, the Senators on the Rules Committee came away seemingly convinced that Ford's Mr. Clean image will stay put—and that no scandals will block his nomination.

"Personally, at this point I do not see any problems," said Howard W. Cannon (Dem.), Nevada, chairman of the Senate Rules Committee.

Ford's toughest questioner on the committee, Senator Robert C. Byrd (Dem.), West Virginia, agreed: "His prospects are excellent."

Because the shadow of secret money and special-interest money hangs heavy over the Watergate-tarnished Nixon Administration, Ford's campaign financing records have undergone careful examination.

Charles T. Marck, a Dow Chemical Co. representative in Washington, who headed the 1972 secret fund-raiser, told the Post-Dispatch he had no records of who gave the $38,216. The treasurer was James G. Morton, and Morton's son said that he had thrown his father's records away.

Records of what was spent exist, however, and these are in the hands of congressional investigators. They show that $2,425 was spent on food for 400 to 500 guests; and that the total raised, before expenses, was something like $49,000.

Marck acknowledged the April 7, 1972, disclosure date for the new law was one of the reasons he scheduled the fund-raiser on March 31. "I think any committee operating during that period was anxious to raise its funds before April 7," he said.

Ford said he saw no inconsistency with his earlier stand for disclosure. "It was clearly within the law," he said.

Special-interest money has gone to Ford. In 1972 he received $7500 from a marine engineers' union, $2500 from a banking group, $2000 from the Teamsters Union, $1000 from a restaurateurs' association, $1000 from an oral surgeons' group; $750 from a carpenters' organization; $500 from a builders' group; $500 from boilermakers; $500 from a railway and steamship clerks' union group; $400 from a Florida sugar group, and $250 from a recording industry organization.

In 1970 he received $2000 from the bankers, $5000 from a securities group, $1000 from a dairy group.

In 1972, Ford received money from numerous employes of defense contractors. About $1130 came from 22 employes of the St. Louis-based General Dynamics Corp. An additional $500 was from 11 employes of Boeing Aircraft, and $1075 from 10 employes of Teledyne-Ryan, a San Diego aerospace firm.

At all three firms, according to donors, Ford's name was one of several suggested by company officers as a possible recipient. "They were mainly Congressmen who were favorable to our line of work," one General Dynamics donor told the Post-Dispatch.

At least at Boeing, donations were "pooled" and sent to Ford in a bundle—although individuals could send their checks directly if they wished. "I think it was designed to show a concern on the part of Boeing employes," a Boeing spokesman said.

All the firms said the donations were voluntary. Congressional reform advocates, however, have questioned the practice of pooling individual donations, saying it could be construed as a company-backed attempt to gain influence with a Congressman.

"When contributions from people at a single company are lumped together, the purpose is usually clear, to show the recipient that this money represents the interests of the company," said a spokesman for Common Cause, the citizens lobby.

"The special-interest contributions to Jerry Ford—and the amount he got from outside his own district—show the faults in our current financing system. But they certainly aren't unique to Jerry Ford."

Ford's own comment is that the fund raising was done by others on his behalf, that he did not know about the pooling and, in any case, he has not done anybody any favors in return for the money.

Another allegation involved a complicated 1970 transaction. In it, Ford signed over five donations totaling $11,500 to a Republican campaign group at the same time the Republicans were giving $13,000 back to him. To some, it looked like "earmarking"—a procedure whereby money is illegally funneled through a third party to hide its source.

But Ford said it was a coincidence. He pointed out the fact that his 1972 reports went well beyond the law's requirements, listing contributors who gave less than $100. He said he hardly would do that if he had anything to hide.

Another question involved milk money. A lawsuit charges that the Nixon Administration boosted milk price supports in return for contributions from dairy groups. One report said Ford might have put pressure on milk producers.

Ford, however, denied it. He said a group of dairy people came to him early this year and asked for names of members of Congress who needed money to pay campaign debts. He supplied the names, but delivered no money and performed no favors, he said.

Ford said that $5000 in dairy money apparently was channeled—without his knowledge—to his pre-April 7 committee. And while he acknowledged receiving a $1500 honorarium for a speech at the Associated Milk Producers' Convention in 1971, Ford noted that many other members of Congress spoke there also.

A Post-Dispatch check of Ford's campaign financing records dating to 1948 showed other contributions from individuals who worked for government contractors, but little else that is likely to raise questions. An unidentified "central buying agency" in Grand Rapids was listed as giving $500 in 1962, and Henry Ford of Ford Motor Co. has given to his namesake over the years.

An interesting item appeared in the 1960 report. The Ford for Vice President Committee, Grand Rapids, Mich, collected money—13 years early. The total, turned over to Ford's congressional campaign, was $149.43.

Ford was quizzed also about testimony by John W. Dean III, former White House counsel, that the White House helped block an inquiry by the House Banking Committee into the Watergate scandal a year ago. Did Ford, the Senators asked, play any part in that?

Ford admitted meeting with Republicans on the banking panel. "We talked about what the policy ought to be," Ford said, "But there was no Republican Party decision made."

Several Democrats eventually joined the committee's Republican bloc to deny subpena power and, thus, to quash the investigation. But Ford said no orders came from the White House.

Democrats on the committee differ on the question of Ford's role, or the White House's.

"When they all vote together like that, it's because they're told to," one committee member said. Another Democratic committee source observed: "Maybe they just realized, on their own, that we were getting close to hot stuff."

Still another allegation involved a Grand Rapids furniture firm. Joseph Lawless, whom Ford recommended for a job in the federal General Services Administration, turned around and approved a couple of Government contracts for the Steelcase Furniture Co. in Ford's home town. Was it influence-peddling?

Again, Ford said no. He said he did recommend Lawless for a GSA job; but the GSA then put Lawless in charge of the furniture branch on its own. He said Steelcase got only two of the 55 contracts handed out while Lawless held the job—and all were awarded by competitive bidding.

Ford's hottest words were aimed at former lobbyist Winter-Berger.

"It is a completely inaccurate, demagogic bunch of words that, in my opinion, doesn't deserve publication," Ford said of Winter-Berger's book.

He said the unpaid $15,000 loan story was flatly untrue, noting that by Winter-Berger's account, the money was paid in installments of $50 to $250 over three years which would come to between 60 and 300 payments. "This allegation," Ford said, "is utterly preposterous."

He acknowledged doing a couple of favors for Winter-Berger—trying to get an African ambassadorship for Francis Kellogg, for example—but denied any quid pro quo for campaign cash. He said he also helped a Dutch physician get a visa to emigrate to the United States at Winter-Berger's request, adding that five U.S. doctors urged him to do it, too.

Ford angrily denied having been treated by a psychiatrist. He went to see Hutschnecker once, he said, because Winter-Berger kept harping on it. But there was no psychotherapy, Ford said, only a lecture from the doctor on "the role of leadership in the American political system."

"I am disgustingly sane," Ford declared.

In a telephone interview, Hutschnecker called Winter-Berger's allegation "a sheer invention, a fantasy." He told the Post-Dispatch he had been visited by Ford once, but never treated him for anything, "not even for a cold or sniffles."

Winter-Berger's story seemed so dubious to the Rules Committee that it talked about a perjury indictment. And it released a transcript of Winter-Berger's closed-door testimony, showing that the former lobbyist had a seamy past.

All in all, Ford's credibility seemed to emerge virtually untarnished—although further questioning awaits.

On his personal net worth, based on copies of personal tax returns submitted by Ford, plus other financial data, Democratic Senator Claiborne Pell of Rhode Island was moved to comment that it was "very, very modest" for a 25-year member of Congress. Ford and his wife own three houses, and stocks and securities worth $13,570.

Ford's reputation for financial and personal probity is high in Washington, even among his political adversaries.

"I would be quite startled if it were discovered that Jerry Ford was dishonest," said Representative Richard Bolling, an influential Missouri Democrat who has studied the House. "He didn't get into this business to do himself good."

Moreover, there are no rumors about improprieties in his private life. Capitol Hill cocktail parties are frequently awash with talk about this Senator as a skirt chaser, that member of Congress as a lush. But there are no such rumors about Gerald Ford.

At the end of Ford's two-day session before the Rules Committee, Chairman Cannon asked what he called potentially the most important question of the hearings.

"Is there anything in your background, or anything that you have ever done, or anything that you have knowledge of," whose exposure would disillusion the American people?

"I have searched my conscience and my record," Ford replied, "and I know of no such situation."

[From the St. Louis Post-Dispatch, Nov. 16, 1973]

FORD: A CONSTANT CONSERVATIVE

(By Connie Rosenbaum)

WASHINGTON, NOVEMBER 16.—As the gold-lighted numerals on the House of Representatives electronic vote board tick away in a 15-minute countdown, legislators jockey for position. As members vote, lights by their names flash green, red, or amber.

The tall and commanding figure of Gerald R. Ford enters the chamber from the rear cloakroom where, as Republican leader, he has been helping shape legislation for the last eight years.

Ford corners Speaker of the House Carl B. Albert, the pint-sized Democrat and Rhodes scholar from Oklahoma, near the well of the house. Towering over Albert, he says something only Albert can hear.

With less than two minutes remaining in the quarter hour, Ford inserts his card at a voting station. A green light, for "aye," appears by his name on the wall.

Ford, President Richard M. Nixon's nominee to be Vice President of the United States, has been standing up to be counted—electronically and otherwise—for 25 years. He has cast about 4000 votes in his career on Capitol Hill.

Quantitatively, Ford's record of voting participation has been higher than average. Congressional Quarterly, which keeps tabs on such matters, said last month that Ford had taken a position on 90 per cent or more of all House votes in 11 of the last 20 years.

Qualitativey, Ford's rating depends on who is making the assessment. Conservatives rate him high; liberals rate him low. Most of his votes are predictable, pragmatic, partisan. They offer clues to what he might do in higher office and suggest that he and President Nixon frequently see eye-to-eye.

The man who probably will be the next Vice President gave this characterization of himself at his confirmation hearing before the Senate Rules Committee a few days ago:

"I would say I am a moderate on domestic issues, a conservative on fiscal affairs, and a dyed-in-the-wool internationalist in foreign affairs."

Among politicians and lobbyists, Ford is admired as a man whose word is good. He will try to carry out his part of a bargain, and if a thing cannot be done, he will explain why. He is neither grudging nor vindictive. These things are important in his relations with the majority party.

"He is a first-rate public servant," said Representative Richard Bolling of Missouri, a liberal Democrat. "The country could trust him . . . I couldn't agree with all his decisions, but he would believe in the stands he took."

Ford appears to be as hard to dislike as the late Will Rogers, but it is not difficult to find harsh critics of his political credo. To some, the former Michigan football star has been running the wrong way for a quarter century.

Ford is the kind of staunch, true-blue Republican of whom liberals and progressives despair. As they see him, he thinks big when it comes to military spending, but on welfare, the environment, or civil rights, he thinks small.

The nomination of Ford has the warm backing of the Chamber of Commerce, which has expressed confidence he will serve all Americans with the same devotion he has shown in the House. The Chamber agrees with Ford that Government's role should be minimal and Government spending cut.

One billion or so light years away is the attitude of Americans for Democratic Action, an organization of progressives, which has maintained that Ford's record "places him squarely among the most reactionary elements in the House." The ADA says Ford should not be confirmed.

"He is consistent—consistently wrong," Joseph L. Rauh Jr., a Washington lawyer and national vice-chairman of ADA, told the Post-Dispatch. "I can't think of a Northerner with a worse civil rights record."

Ford cuts a poor figure among environmentalists. On a League of Conservation Voters chart that rated House members on 13 important votes in 1972, Ford was shown to have voted "correctly" on only three. "His environmental record is bad news," said Mrs. Marion Edey, the league chairman.

Lobbyists of various political hues find Ford comfortable to deal with for the same reasons his Republican and Democratic colleagues do. He is approachable and will listen.

"Jerry Ford is an outstanding American," said Roger W. Fleming, director of the American Farm Bureau Federation's Washington office. Among Farm groups, the Farm Bureau is considered conservative. It favors a lower federal profille in farming, as does Ford.

"He is dedicated to the successful functioning of the market system," Fleming said. "This means that, philosophically, we have been on a similar wave length. "Jerry Ford has been the kind of a Congressman you could talk frankly with, and get straight answers."

As an example of Ford's integrity, Fleming recalled that he voted against final House approval of the farm bill last August after the Senate refused to accept a House-passed provision banning food stamps for strikers. In doing so, Ford supported the stand taken by the ranking Republican on the House Agriculture Committee.

Ford as minority leader and party loyalist is President Nixon's man to get Administration programs through the House. As of August, he had sided with the President 83 per cent of the time this year, a Congressional Quarterly tabulation showed. Only one House member had a higher rating.

Ford does not invariably hew to the Administration line. One deviation came this year when Ford, who comes from an automobile-producing state, voted against an Administration-supported proposal for use of Highway Trust Fund money in mass transit projects.

He broke with the President also over the size of payments for the Administration's proposed family assistance program, contending that Mr. Nixon's allocations were too low.

Ford said he was one of the originators of the concept of revenue sharing, which the White House has embraced as a major domestic initiative. When the Democrats held the White House, Ford was part of a small group of Republican leaders seeking positive options to Democratic programs, and revenue-sharing was one of those options. He since has supported the President in that area.

The man from Michigan has backed Mr. Nixon on the Vietnam War and in foreign policy. He has been a good soldier in supporting Mr. Nixon's initiatives for more friendly relations with Russia and China.

Where possible, Ford has tried to shield the President on Watergate. He also generally has supported big business in his votes, as when he favored federal subsidies to bail Lockheed Aircraft Corp. out of financial trouble.

"When the play is called, you don't tackle your own quarterback," Ford remarked at his confirmation hearings. Like the President, he has a habit of drawing analogies from the world of sports.

A World War II naval officer, Ford has been a strong advocate of big military and space budgets. He has roosted among Capitol Hill's hawks on the Vietnam War, although as early as 1967 he was voicing deep concern about sending more American troops to fight in Southeast Asia.

Ford considers his knowledge in military affairs one of his strengths. He spent 12 years on the House subcommittee for military appropriations, and has scrutinized military expenditures.

Ford has not been one of Capitol Hill's most productive legislators at initating new laws.

However, he has introduced his share of bills, often in response to calls for help from constituents. For example, he is the sponsor of a pending bill to cut red tape to obtain quick leaves for military personnel in cases of personal emergency.

One of his least successful efforts has been the "runaway pappy" bill, introduced in six different sessions of Congress thus far, but yet to come close to enactment. The bill would make parents responsible for child support payments after abandoning their families and moving across state lines.

Rauh, probably Ford's most outspoken critic, tagged him as a "knee-jerk negativist" and "carbon copy of Richard Nixon" who would turn out to be "an unworthy successor to an unworthy president." "He favors people who have the most," Rauh said, "and won't vote for people who have the least."

"Ford's record on civil rights is sufficient in and of itself to disqualify him for the presidency" Rauh told the Senate Rules Committee Wednesday. "At a time when the nation needs a healer, the nominee is a divisive influence who has fought civil rights legislation at every turn."

He said Ford has voted regularly to weaken proposals that were in the interest of minorities. He said Ford typically would vote to cripple civil rights advances, then get on the bandwagon when final passage became certain.

Despite blasts from the left, Ford's solid popularity and reputation for straight dealing are such that some of the organizations that might have been expected to oppose him—organized labor, for example—are not doing so.

The AFL–CIO would be a potent force against Ford's confirmation if aligned against him, but it is taking the position that, although it does not support Ford, it has no objection to congressional action approving him for the vice presidency.

In fact, the AFL–CIO now is encouraging speedy confirmation in furtherance of its newly organized campaign seeking to remove Mr. Nixon from office, a spokesman said.

Originally, the spokesman explained, the AFL–CIO believed that Mr. Nixon, who himself might face impeachment, should not pick his successor. Now it is willing to accept a nominee who is "clean, decent and honest."

Ford appears to fill that bill, although the spokesman said Ford usually voted wrong.

Similarly, Clarence Mitchell, director of the Washington bureau of the National Association for the Advancement of Colored People, expressed concern about Ford's record on civil rights but said, "he is about the best we could expect in this Administration."

Actually, Ford's early civil rights record was good, Mitchell said. Ford voted to abolish the poll tax in 1949 and voted to withhold

federal funds from segregated schools. Later, however, he opposed civil rights measures and became a strong voice against busing, an issue that provoked strong reactions in his home state.

Ford opposed antipoverty programs, primarily, because they cost too much to administer. However, he worked hard to get funds for his home district for antipoverty and other programs that he had opposed.

In some ways, Ford has showed himself to be more flexible than is commonly believed, particularly on issues that were important to his Grand Rapids constituents. For example, he opposed the Administration's efforts to hold down spending for cleaning up water pollution, an issue that was vastly important to water-conscious Michigan residents

A bizarre episode in Ford's career—in the minds of some—was his zealous but abortive effort three years ago to move Congress toward the impeachment and removal of Supreme Court Associate Justice William O. Douglas.

"When I first encountered the facts of Mr. Douglas's involvement with pornographic publications and espousal of hippie-yippie-style revolution," Ford told the House on April 15, 1970, "I was inclined to dismiss his fractious behavior as the first sign of senility. But I believe I underestimated the Justice."

Of greater interest today than Ford's stern views on dirty books, hippies, and Justice Douglas's connection with a questionable foundation was his observation in that same speech that "an impeachable offense is whatever the majority of the House of Representatives considers it to be at a given moment in history."

That takes on meaning in the light of the current drive toward impeachment of President Nixon. It was cited this week by Rauh in his criticism of the qualifications of Ford for the vice presidency.

Under the impeachment theory offered by Ford, critics say, the independence of the judiciary would be a thing of the past because any defender of civil liberties on the bench could be removed as a result of the passions of the moment.

The 1970 thrust against Justice Douglas got nowhere and Ford himself, in an interview with the Post-Dispatch, indicated he has no further interest in it. Douglas, he suggested, is no longer doing some of the things he was doing three years ago.

If there is a quintessential Jerry Ford, the veteran, stolid, dependable minority leader, perhaps it is the man who carried the President's message to the House chamber last June, when the Doves were trying to cut off funds immediately for bombing in Cambodia or Laos. Jerry Ford rallied his troops with a comparison drawn from football: Don't listen to bad advice, he urged, in the last minute of the last quarter.

"It kind of reminds me of a ball game," Ford said, "where our side is ahead because we had the right strategy, and then just at the last minute when we can see all our efforts begin to achieve something meaningful, we walk off the field and turn over the ball game to the people who have been wrong—whose strategy has been in error.

"I do not understand that."

FORD'S VOTING RECORD

Year	President	Presidential Support (percent)	Presidential Opposition (percent)
1973	Nixon	83	14
1972	do	70	8
1971	do	89	7
1970	do	89	8
1969	do	76	18
1968	Johnson	63	28
1967	do	50	41
1966	do	40	46
1965	do	46	46
1964	do	38	56
1963	Kennedy	35	54
1962	do	52	40
1961	do	42	51
1960	Eisenhower	84	12
1959	do	63	13
1958	do	76	24
1957	do	73	23
1956	do	94	6
1955	do	88	12
1954	do	89	11
1953	do	94	16

Note: Chart, prepared by Congressional Quarterly, shows degree to which Representative Gerald R. Ford supported legislation submitted by the White House since 1953. Support of Republican Presidents (Eisenhower, Nixon) was much greater than support of Democratic Presidents (Kennedy, Johnson).

[From the St. Louis Post-Dispatch, Nov. 18, 1973]

FORD: NO WILSON BUT NO HARDING

WASHINGTON, November 7.—There are those who say that Gerald R. Ford has two main qualifications for the vice presidency—or the presidency.

No. 1: He isn't Spiro T. Agnew.

No. 2: He isn't Richard M. Nixon.

That analysis, of course, is overly flip. Ford's 25 years in Congress including his eight years as House Republican leader, qualify him far more than the vast majority of the 200,000,000 other Americans who aren't Agnew or Mr. Nixon either.

But the flippancy points to a simple truth: that the 60-year-old Michigan Representative was nominated for Vice President not only because of ability, but also because of necessity. Tarnished by the Agnew and Watergate scandals, the Administration needed a fresh face, an honest face, and—because it was necessary under the Twenty-fifth Amendment—a face whose owner could be confirmed by Congress.

In view of all this, the question arises: What kind of President—if it came to that—would Gerald Ford make?

History mocks many predictions, but interviews with Ford's colleagues, with historians, with Washington observers and with Ford himself offer at least some clues:

His style would probably be solid, not splashy. He would stress candor and openness. He would forgo the Nixon style isolation and reach out for advice.

He would continue the broad lines of Nixon policy—conciliation but military firmness abroad, fiscal conservatism at home. He would get along better than Mr. Nixon has with Congress, public and press—although his honeymoon with Capitol Hill might be surprisingly short-lived.

What Presidents might he resemble? Most observers agree that Ford would not be a Woodrow Wilson or a John F. Kennedy, offering soaring visions of change and challenge. But neither, they say, would he stand idly by and watch the nation slide into a catastrophe—like a James Buchanan or a Herbert Hoover.

Many see similarities to two Presidents: Dwight D. Eisenhower, for his simplicity and straightforwardness and decency; and Harry S. Truman, as a man of seemingly limited gifts who showed a surprising capacity for growth.

"The presidency is dangerous," observes James David Barber, the Duke University political scientist who wrote "The Presidential Character."

"The first requirement is that he won't blow us all to hell. Fortunately, I don't think Ford would do that," Barber said in a telephone interview.

"From external impressions, I see some hints of Eisenhower and Calvin Coolidge. I think a Ford presidency might be a recuperative time—in which a disillusioned and nervous public would receive a period of stability."

Senator William Proxmire (Dem.), Wisconsin, has a unique perspective on Ford. Besides serving in Congress with him, Proxmire played football under Ford at Yale.

"There's a theory that you can tell a man's character by the kind of football player he was," Proxmire muses. "As player-coach, Jerry Ford was methodical, conscientious, cautious. He's been that kind of Congressman—and I suppose he'd be that kind of President.

He's not given to razzle-dazzle. I don't think he'd take the country on a roller-coaster ride to great heights or depths. He'd be steady, plodding, and reliable—a reassuring kind of leader."

Ford's natural friendliness would serve him well in the White House, many believe. He preaches—and colleagues say he practices—an "open door" policy. Nobody can imagine him drawing up an enemies list.

"He's not vindictive," says Charles Goodell, a former Republican Representative and Senator from New York. "He doesn't retaliate."

"He campaigned for me when I went against Nixon," recalls Representative Don Riegle of Michigan, a onetime Republican who became a Democrat. "I think that shows a certain largeness of spirit—something quite missing in Richard Nixon."

"I think he's pretty realistic about his own abilities," says Representative John B. Anderson of Illinois, who heads the House Republican Conference.

"In some ways, I see him as being like Harry Truman, in the sense that he's a more-or-less ordinary guy, and doesn't pretend to be anything else," observes Representative John J. McFall of California, assistant majority leader. "Some people might see that as a weakness. I see it as a strength."

Anderson and others apply the Truman analogy to Ford's capacity for growth. The man from Michigan, they suggested, might start out like the man from Missouri—with an unprepossessing reputation that quickly expanded to fill the job.

"The Oval Office has a tendency to lift men above their native capacity," notes Representative James W. Symington, a Democrat from St. Louis county whose political roots run deep.

"Minority leader is a relatively lackluster job," said Representative Silvio Conte, a Massachusetts Republican who knows Ford well. "I think this guy could really blossom if he had to make the big decisions."

Some of Ford's closest associates, however, point out one key difference between the slow-speaking Ford and the peppery Truman. Ford, they note, does not make controversial decisions quickly. Nor does he particularly relish a fight. "Compromise," he told the House Judiciary Committee last week, "is the oil that makes government go."

For that reason, Ford would be likely to rely heavily on those around him. Insiders say he would probably keep Henry A. Kissinger as Secretary of State to maintain Mr. Nixon's foreign policy initiatives. Melvin R. Laird, Mr. Nixon's top domestic adviser, is an old friend of Ford and would undoubtedly play a key role.

Indeed, before Ford went before Congress for confirmation hearings, he wrote to 39 opinion leaders for advice on his job. They included businessmen and labor officials; re-

ligious leaders and educators; politicians and diplomats. Among them were Roy Innis of the Congress on Racial Equality; Kingman Brewster, president of Yale; Paul Hall, president of the Seafarers Union; Cardinal Terence Cooke; David Rockefeller of the Chase-Manhattan Bank, and George Allen, coach of the Washington Redskins.

Duke University's Barber, for one, expresses concern that Ford might—like Warren G. Harding—become too dependent on his friends.

"Harding himself never knew quite what to do, but caved in to the strongest forces around him," Barber observed. "I hope that wouldn't happen to Gerald Ford."

But Representative Anderson says: "I don't think you'd see the J. Walter Thompson-West people moving in, with button-down minds. He'd have the sense not to surround himself with Jeb Magruders."

As for the press, Ford's relations with reporters always have been good. Correspondents consider him accessible and frank. Thus, his relationship with the media probably would be strikingly different from that of Lyndon B. Johnson, Spiro Agnew or Richard Nixon. Johnson's confrontations with reporters were legendary; Agnew lashed out at television commentators; Mr. Nixon bitterly attacked coverage of certain Watergate matters as "outrageous" and "hysterical."

Ford's testimony before the Senate Rules Committee was in blunt contrast. "I feel the press has always treated me fairly," he said, and he promised frequent press conferences.

One of Ford's greatest strengths, in his own mind and those of others, would be in working with Congress. His friends on the Hill are legion; they cross party lines.

Yet far-sighted observers note that this strength could prove surprisingly ephemeral if Ford became President.

Theodore H. White, the historian who wrote the "Making of the President" series, observes that an inevitable tension exists between the executive and the Legislative branches. And Ford would be a Republican president facing a Democratic Congress.

"My reading of the man," White told the Post-Dispatch, "is that he would knock himself out to have good relations with Congress—and then find out, like Lyndon Johnson, that you can't."

"Once he submits a new budget," a Republican Senator's aide adds wryly, "the honeymoon ends."

But just as strengths can evaporate, weaknesses can, too. Virtually every source consulted by the Post-Dispatch singled out foreign affairs as Ford's greatest shortcoming. Yet White argues that that need not prevent Ford from becoming a world figure.

"Probably the least experienced President we've had in that field in the last 50 years was Harry Truman," White said. "And Truman turned out to have, in my opinion, a dazzlingly successful foreign policy."

How Ford would perform in the No. 1 job might depend in part on how well—and how long—he served as No. 2. If he were to spend a year, or two years, as President Nixon's right-hand man, might some of the stain of Watergate, however unfairly, taint him, too?

Ronald K. Speed, president of the Ripon Society, a liberal Republican group, believes that Ford could—if he chose—keep sufficient distance between himself and Mr. Nixon.

"Once he's confirmed, he can't be removed by the President," Speed noted. "He wouldn't have to be a spear-carrier for Nixon. He could be more independent.

"He has absolutely nothing to gain by appearing to be another Mitchell or Ehrlichman or Haldeman. That would serve neither Mr. Ford nor the President—and it clearly wouldn't serve the country."

Ford has already staked out positions different from Mr. Nixon's on some Watergate related matters. Ford told the Rules Committee—which may vote this week to confirm him—that Mr. Nixon should have released the secret tapes earlier; that he might have been wise to disclose sooner that two tapes did not exist; that the new special prosecutor should be subject to Senate confirmation.

How does Ford the Representative view Ford the potential President? In an interview with three Post-Dispatch reporters in his second-floor office in the Capitol, he talked about it.

Asked what he considers his greatest strength as a potential President, Ford replied: "My long experience in the House of Representatives . . . my opportunity to work with five Presidents . . . the opportunity to know leading political figures in this period of time."

Asked what he believed his most serious weakness might be, Ford appeared slightly off-guard and defensive. "I guess we don't look upon our weaknesses," he said. "I'm not familiar with any known or identifiable weakness."

As for his political views, Ford believes they will stay about the same—an answer that will be good news for conservatives, less so for liberals.

"I suspect I'll have to take a broader view," Ford said of his new, national constituency, "but my job as minority leader for nine years also had a broader ramification." His opposition to mass transit subsidies, for example, remains strong; so does his support for Israel.

Ford said he believed he could join the Nixon Administration without getting caught up in the Watergate affair.

"I go down there free and clear, and have an opportunity to speak out and act," Ford said.

He said he would seek the advice of many, but would make his own decisions. "I think somebody like myself, who has a real hard-knock experience in life, can probably make a better judgment as to what should be done" than those who live in a pure academic environment, he said.

Ford said he would have independence as Vice President, although he would seek advice from the White House on how to fill certain slots on his staff. And he reaffirmed—without quite being Shermanesque—that he doesn't plan to seek any office in 1976, no matter what happens.

"I've made a good faith commitment," Ford declared, "and I don't believe in breaking commitments that I've made in politics. I can envisage no circumstances in '76 that would get me to change my mind."

But there are those who remember Teddy Roosevelt's comment earlier in this century: "Any strong man fit to be President would desire a renomination and re-election after his first term."

"I think Jerry Ford's a very likely candidate for President in 1976, whether he's an incumbent President or not," Senator Proxmire said. "He'd have a lot of appeal, and a few of the handicaps of some of the other potential candidates.

"He might almost run on a return-to-normalcy idea. And the country might be ready for it then."

[From the St. Louis Post-Dispatch, Nov. 18, 1973]

RELIGIOUS PEP MEMOS HELP BOLSTER FORD

(By Eric L. Zoeckler)

WASHINGTON, November 17.—The first memo that hits the desk of Vice President designate Gerald R. Ford every Monday morning starts out:

To: Jerry
From: Billy
Subject: God Has a Better Idea

Next comes a short passage from the Bible followed by a short prayer.

The Rev. Billy Zeoli, who has been sending Ford the memos each Monday morning since Ford's nomination as Vice President, says "They are designed to give Jerry that added little push—that added inspiration from Christ—he'll need to cope with some of the pressures he'll be facing."

The memos, a far cry from most correspondence that crosses Ford's desk, are received warmly. For although he is not ostentatious about it, Ford is deeply religious.

And the man whom Ford credits with having a "very beneficial impact on my life religiously is the Rev. Mr. Zeoli of Grand Rapids, Mich."

Zeoli, youthful and flamboyant, is president of the largest distributor of Christian films in the world and unofficial chaplain to several National Football League teams. There are those in Grand Rapids who insist that because of his drive, charisma and exposure with Ford and football, Billy Zeoli could become the Mod-generation's answer to Billy Graham.

Zeoli is 41 years old, tall, dark and handsome with green eyes. He is the son of a reformed ex-convict and drug addict turned minister.

His friendship with Ford began about 10 years ago when Zeoli met him during a home visit to Grand Rapids.

"I was impressed he had time to talk to me," Zeoli said. "I was only one vote and had no congregation."

Before long, Ford was taking his son, Steve, to hear Zeoli conduct Sunday chapel meetings for National Football League teams prior to their games with the Washington Redskins.

Zeoli and Ford co-hosted a Christian Leadership Luncheon for Athletes in Washington early this year. On several occasions the two men have prayed and meditated together in private.

"I am aware that Jerry has made a commitment to Jesus Christ as his personal savior," says Zeoli. "And over the years I've seen a great growth in him as a Christian. But don't credit me with this, credit God."

The effect has been seen by many of Ford's friends and constituents. For example, Hugh Meter, a Grand Rapids importer, said Ford answered a letter critical of President Richard M. Nixon's handling of the Watergate matter "in strong, moving words based on Christian teaching and ethics."

Zeoli was in Washington at Ford's invitation to open a session of Congress with a prayer the day after Spiro T. Agnew resigned as Vice President. Zeoli said that Ford's reaction toward him and his family "on that day of high tension and commotion demonstrated the kind of guy he is."

"Everybody in Congress was buzzing about Jerry being Agnew's replacement," Zeoli recalled. "All the television crews were upstairs waiting to interview him. But Jerry insisted on taking me and my family down to lunch, and I knew that gesture came straight from the heart."

Due in part to Zeoli's efforts, 21 of the 26 NFL teams have chapel services before each game and the minister travels to a different NFL city every Sunday to conduct his locker room ministry. Called 'Z" by many of the players, Zeoli says he chose a ministry with football players because of "the tremendous pressures on them that Jesus Christ helps them relieve."

And so it is with his ministry with Jerry Ford.

"He'll be under tremendous pressure in

the next few weeks," says Zeoli. "But Jesus Christ will help him cope."

ENERGY CRISIS

ENERGY CRISIS MUST NOT BE USED AS AN EXCUSE TO DECONTROL NATURAL GAS—$130 BILLION BONANZA AT STAKE

Mr. PROXMIRE. Mr. President, the major oil and gas companies are moving heaven and Earth to turn the energy crisis into a multibillion dollar bonanza. Behind their intensive lobbying, both at the Federal Power Commission and in the halls of Congress, to deregulate the price of natural gas is a $130 billion windfall.

It is time to warn the public and the consumer that huge price increases, as much as a tripling of the present average well-head prices, are in the immediate offing if the big oil and gas producers are successful in using the crisis as an excuse to push through decontrol.

As vice chairman of the Congressional Joint Economic Committee we have been examining some of the economic consequences of the energy shortage.

Twice in the past the major oil and gas companies have pushed gas bills through Congress. But twice they were thwarted by vetoes, first by President Truman and then by President Eisenhower. Now they are back again. But this time the stakes are at least 10 times bigger.

$11 BILLION A YEAR IN HIGHER PRICES

Natural gas production and use is about 22 billion thousand cubic feet—million cubic feet—a year. According to both outside expert and industry testimony the price of natural gas at the well-head would go up from the present average price of 25 cents per million cubic feet to about 75 cents per million cubic feet, if it were deregulated. That would shortly bring in an extra $11 billion a year to the oil and gas producers, and raise revenues from sales at the well-head from $5.5 billion to $16.5 billion a year.

$121 BILLION INCREASE IN VALUE OF RESERVES

But that is not all. The oil and gas industry claims it has an 11-year supply of proven recoverable reserves on hand. Many oil and gas experts believe the reserves are much bigger than that and comprise as much as a 15 to 17 year supply.

But even using the conservative figure of 11 years, the deregulation of natural gas would increase the value of the gas reserves by $121 billion overnight.

FPC SHOULD REGULATE AND REGULATE FAIRLY

In the Phillips decision the Supreme Court, under the clear provisions of the 1938 Natural Gas Act, ordered the Federal Power Commission to get on with the job of regulating natural gas sold in interstate commerce. It did that because natural gas production and distribution in interstate commerce is a natural monopoly.

WORST POSSIBLE TIME TO EVEN CONSIDER DEREGULATION

Because of the vast shortages, now would be the worst possible time for natural gas to escape fair and proper regulation. And under regulation there is not the slightest danger that the FPC, some of whose members themselves favor deregulation, will fail to allow oil and gas companies a fair return.

In my view the FPC should not allow them a fair return but should allow funds to provide strong incentives and inducements to bring in new production. But the danger now, as it has often been in the past, is that the FPC will fail to carry out its regulatory duties as called for in the 1938 act and by the Supreme Court in the Phillips decision.

A NEWSPAPER INTERVIEW WITH FORMER SENATOR ALLEN FREAR

Mr. ROTH. Mr. President, I was pleased to read recently an interview with former U.S. Senator Allen Frear in the Wilmington Morning News. The interview was characteristic of Senator Frear—perceptive, warmly human, and full of good sense. Senator Frear has continued to serve the people of Delaware in private life as he did in public life. Allen Frear has always maintained high standards of conduct in his public life. In my mind, one of the greatest tragedies of Watergate is that an increasing number of American people, especially the young, are questioning the honesty and integrity of all politicians. The fact is that there are many good and honorable men among us. For example, I can speak with great pride about the three living past Delaware Senators, whom I greatly admire and respect. They represent both parties and I have never heard a breath of scandal about any of them. Senators Frear, Williams, and Boggs of Delaware are the kind of people who instill confidence in public service. Together they served the people of Delaware over 60 years.

Because my colleagues on both sides of the aisle often ask about Allen Frear, I believe they would be interested in reading that interview. I ask unanimous consent that the newspaper interview be printed in the RECORD.

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

LITTLE MAN WITH BOW TIE COMMENTS ON WATERGATE

(By Ted Clark)

It was autumn 1954 and McCarthyism was upon the land.

The brand of fanatical patriotism practiced by the humorless senator from Wisconsin—featuring guilt by association—caused gentle Quaker Marty Klaver Sr., former chief editorial writer for the News-Journal papers, to resort to harsh language.

McCarthyism came to a head in the Army hearings. The forerunner to the Watergate Soap Opera featured a cast of puckish Joseph Welch, dour Roy Cohn and bouncing G. David Schine.

Housewives tended to neglect the laundry but—and this is an obvious bit of illogic—they kept up to date with the ironing and the TV screen.

My housewife burned a hole through the neck of my favorite white Oxford button-down-collar-shirt. It had to be my favorite white Oxford button-down-collar shirt. It was the only white Oxford button-down-collar shirt I had at the time.

Onto the stage of McCarthyism came the 1954 off-year election in which the Republicans took a fearful drubbing. A byproduct of McCarthyism? Perhaps. But a prominent Kent County Republican recently told me:

"Forget McCarthyism. It was the Supreme Court desegregation decision that licked us. No question about that."

A winner that year was the Little Man With the Bow Tie from Dover, Joseph Allen Frear Jr.

A couple weeks ago he was asked if he saw similarities between McCarthyism and Watergate.

"Yes, the degree is different, and unfortunately more severe. I served in the Senate with McCarthy and I knew him. I couldn't condone McCarthyism. His objectives were laudable, but his methods were deplorable.

"There is no doubt that there is some disloyalty in government. And that was a preoccupation of the times.

"But in '54 we had only one strong arrow in our body; today we have many. What was eroding our spirit then was by no means as severe as now. In '54 we had a patriotic commitment. Some of us thought we were in deep domestic trouble. How little we knew when you consider today's events."

The thoughtful, soft-spoken two-time senator drew himself up perceptibly and dropped what, for him, was a bomb:

"We were not then as close to a governmental change as we are now. And that is inevitable, you know—not a change regarding which party heads the government—but a change in the structure of our government."

He also observed that, 19 years ago, the U.S. housewife would not have been as outraged by the Soviet grain deal as she is now.

"As you know," he said, changing subjects, "I always was a fan of Harry Truman the man and Harry Truman the president.

"Harry Truman was a student of history. This may explain how Mr. Truman was able to maintain his calm and sense of humor. I wish I could be more of a student of history than I am.

"There were reasons for the downfall of Rome and Turkey. If we would study the reasons, we might be better able to understand what prompts our own descendancy—the symptoms of our domestic contamination."

Quickly, he was back on "the cynicism that produced Watergate." And although he did not seek to connect Spiro T. Agnew with Watergate, he observed in his mild manner—but quite positively—that Agnew's actions in public office "must certainly be the most flagrant of all."

"But, you know, the President is right in at least one sense: We need to get on with the nation's business. There is so much that Congress and the executive could be doing—the energy crisis, mass transit, housing.

"Why do we not get on with it—while still pursuing Watergate to its necessary ultimate—at this time? Because, I think, we have created for ourselves a national emotional depression—not an economic depression. Many of us suffer anxieties from what source we do not know. It is difficult to put it all into focus. But if we do feel a deep sense of depression and impending doom, certainly we have every reason.

"I think events which have led to this current lack of credibility are more daring—more brazen—more severe than anything history tells us about Andy Johnson's time, or Harding's or anyone else's.

"And I do know this: We have suffered about all the domestic turmoil we can take. We had better—very soon—start setting our domestic house in order, using whatever lawful measures are necessary."

Returning to Agnew, he observed that, "His plea certainly indicates something deeper than that to which he pleaded. And for the life of me I cannot understand why at this

point he would go on TV in an effort to vindicate himself."

Never one to attack an opponent during his political career, the senator hasn't changed in the 12½ years since he left the Senate, asserting:

"Very well, it is manifestly true that our officials have let us down. Now keep in mind the difference between elected, appointed and merit-system officials. Many of our career government workers have been vilified with the same tar brush as elected and appointed officials connected to misconduct. This is most unfair.

"Still, that is not the story. Whereas we have a right—indeed, a duty—to demand excellence from our elected officials, we have abdicated our responsibility. In the final analysis, Watergate is the fault of us the people. You and I have been derelict. We haven't taken the responsibility of demanding proper responsibility from those whom we elect."

On the Mideast crisis: "It is perfectly clear that we are being penalized in terms of a lack of Arab oil as a result of our support of Israel. This will be misunderstood in some quarters and I want to make it clear I am neither a Semite nor anti-Semitic. But major U.S. support to Israel comes from Jewish people.

"And we must not expect to solve our energy crisis from the reservoir of Arab oil. It's shameful that we face such a crisis at all. We saw it coming. We have ample resources. We simply have been wasteful. We haven't prepared.

"Listen, I like to see the ducks fly as well as the next fellow. But I am not as alarmed as the environmentalists. We need that oil from the Northern Slope. We need to develop oil off the coasts of California and Louisiana—and, yes, Delaware too.

"Moreover, we need to assist other nations who have an energy problem. And if we can afford it we have every right to ship oil to Britain. Then, we can tell the Arabs, 'We don't want your oil.' But, you know, still I admit I am baffled at our utter lack anymore to control an unanticipated situation.

"We simply don't know what to do. Do we choke up in a crisis? Perhaps so."

The senator looks relaxed and in excellent health. He maintains a slim waistline, he's given to wearing black campus-type loafers, still the bow ties. He's fought his way back from a heart attack 10 years ago, but he stays away from the night air and he often takes a nap in the afternoon.

What else confounds the senator?

"Wastefulness in weaponry. I wonder if anyone ever will know how much more than $1 billion we wasted on the B1 that we scrapped?

"During the Korean war I used to get disturbed at the other extreme—our seeming inability to get the hardware to our troops.

"When I was in the Senate I used to have lunch with Dick Russell (the late Georgia Democrat, Sen. Richard B. Russell, chairman of the Senate Armed Services Committee).

"He'd say, "I often see what's coming (on shortages and over-runs). Still, I find myself unable to do anything about it. I get to wondering if there isn't something the matter with me."

A parting shot from Frear: "We had no legitimate reason to go into Vietnam. It's laudable to be the world's policeman, but we didn't calculate the death and injuries to our people, to our resources, to our standing in the world community—nor did we calculate the narcotics problem nor the agony of the peoples of Asia."

SALUTE TO NICHOLAS JOHNSON UPON RESIGNATION FROM FEDERAL COMMUNICATIONS COMMISSION

Mr. KENNEDY. Mr. President, I would like to take this opportunity to salute Mr. Nicholas Johnson, a native son of Iowa who this week, after more than 10 years of exemplary public service, is leaving his post as a member of the Federal Communications Commission.

As a bright young lawyer, Nick Johnson was appointed Maritime Administrator at the age of 29. In that position, he demonstrated his outstanding administrative abilities and a keen understanding of international affairs as he directed worldwide offices in the areas of transportation and communication.

Recognizing the talents of this young man, President Lyndon Johnson appointed Nick to the Federal Communications Commission where he has served with distinction since 1966.

From the FCC, Nick's clear and independent voice on behalf of the public interest has been heeded by Congress and the courts alike. With refreshing candor and courage, Nick called them as he saw them, always working to assure that government and the broadcasting industry were serving the needs of the public.

Administrator, advocate, author—Nick Johnson deserves our thanks and our praise for the decade of outstanding service he has given to this country. His record of accomplishments brings well-deserved credit upon himself and his home State of Iowa, and I am certain that record will continue in whatever he pursues in the years ahead.

A CHANCE FOR HOUSING

Mr. HATFIELD. Mr. President, we in the Congress deal with the Nation's problems in the abstract. Problems reach us most always through memos rather than from personal experience. Our attempts to resolve them are often equally impersonal; we direct millions or billions of dollars one way or another, we think up new programs, or attempt to create policies through legislation. But rarely are we exposed first hand, through our own experience, to the problems that we use so much rhetoric discussing; and rarely do we see the effects of the solutions which we propose or put into law.

The crisis of inadequate housing is a case in point. Every Member in this body cannot help but know the gravity of this problem. We drive past the thousands of apartments and homes in the District of Columbia that are so obviously unfit for human living, but which nevertheless house the poor. We are not really clear about why these places are in such terrible shape. When we stop and think about it, we realize that those who live in these buildings almost never own them. For various reasons, the owners can neglect conditions in them which would be intolerable acts in any place we might rent. But few, if any of us, ever have personal, direct exposure to these conditions, or to the individuals who live there.

Tuesday, an article appeared in the Washington Post which offers a ray of genuine hope to those who live in subhuman housing. It also offers an example to those of us who have a personal concern about this problem. The article, written by Colman McCarthy, concerns a group called Jubilee Housing which has recently purchased and is attempting to renew two apartment buildings in the Adams-Morgan area. The goal is to provide livable housing for those in these units—most of whom live in deep poverty. The motive is one of simple human care about the welfare of one's fellow man. Those principally involved are members of the Church of the Savior in Washington, D.C. I am personally acquainted with the church's minister, Gordon Cosby, and several of its members, and I have been deeply moved by this simple attempt to express faith through acts of love and service for others.

Moreover, this experience focuses our attention, through a concrete case, on the failure of our national housing programs, and the human costs of such national neglect. In addition, it illustrates the relevance of personal commitment between individuals, motivated not by any economic gain but by the impulse to serve those in need. This is absolutely essential if the deterioration of life in our Nation's cities is to be reversed, making life more human for all who live there.

Our direct exposure and involvement in endeavors such as this could do more than any memos we may read, or any hearings we may attend, in demonstrating to us the plight of the poor in our inner cities, and what is necessary for their lives to be more livable.

I ask unanimous consent that the article titled "A Chance for Housing," appearing in the Washington Post on December 4, 1973, be printed in the RECORD.

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

A CHANCE FOR HOUSING

(By Colman McCarthy)

In the 1920s, when the six stories of the Ritz apartment building were constructed at Euclid and Mozart Streets NW, in the city's Adams-Morgan area, the finest materials and designs were used. A stylish elegance resulted, and the 60 apartments were choice dwellings in a choice neighborhood.

This year, after the spilled exhaustion of a half-century, the Ritz appears to be almost out of control with decay, depression and neglect. The last housing inspection revealed 429 violations, and that inspection was partial, excluding fire, electrical and plumbing matters. Another time for those. The elevators at the Ritz are broken, so tenants with heart conditions either risk walking the stairwell or don't go out. In the basements, rats are so fierce that they have eaten passage holes through the concrete floors. Throughout the building, pipes rust, fixtures break and filth gathers. Despite this bleakness, those familiar with the slum housing conditions of Washington say the Ritz is actu-

ally one of the better apartments of the inner city. Washington is currently in a severe low income housing shortage, with the District government itself the largest slumlord. It is a tragic irony that so many of the poor should be suffering from squalid housing at a time when the sitting mayor came to his job known as a "housing expert."

The story of slum housing is hardly new, and reporters routinely document the politics of neighborhoods sinking to ghettos. What makes the Ritz a different story—and also the nearby Mozart apartment building—is the current effort by a small group of citizens who recently became the buildings' new managers. They formed the Jubilee Housing Corporation. It is one of the city's more exciting possibilities regarding low income housing, Jubilee being an organization that believes the neighborhoods will never be renewed just by task forces, programs or a new volley of action-memos from the mayor; what will work best, officials of Jubilee say, is a personal commitment between human beings. A skeptic might dismiss the Jubilee housing group as one more gang of naive white liberals in for still another inner city excursion; but on a deeper level, where a solid record of social accomplishment lies, Jubilee cannot be dismissed. Its directors are members of Washington's Church of the Saviour, an organization of authenticity that has proven both its courage and its commitment to the city through FLOC (For the Love of Children), its literacy classes, its prison work and other social reforms.

In the last month at both the Ritz and Mozart, work groups composed of minority contractors from the neighborhood, volunteer student groups from high schools and colleges and teams of church members have been doing the scut work of renovation. "At first," says Gordon Cosby, an official of Jubilee and pastor for 26 years of the Church of the Saviour, "the problems of the two buildings defied hopes of improvement. But in only a month of people working at the basics—scrubbing baths and kitchens, hauling trash, sanding floors and walls, washing hallways—we've moved forward a little. in a month, the impossible has become the improbable. Believe me, I consider that progress."

The most immediate goal for the buildings is to get people into the renovated apartments. In the Ritz, eight vacant units are now being worked on; as each is made livable, tenants will move in from elsewhere in the building. In time, it will be possible to renovate all the apartments without disrupting families. The last is rare; in many parts of the city, real estate speculators eagerly renovate apartments only to throw out the old tenants—the black and Spanish American poor—and bring in white middle class tenants at skyrocket rents. Jubilee has a firm intention that there will be no evictions or rent increases. The latter will remain steady, ranging from $110 for an efficiency to $160 for a two bedroom. "We could charge higher rents," says Mrs. Terry Flood, the apartments' manager and coordinator, "and still be under the going rates. But we aren't out to make a profit. We only want to provide the kind of housing we ourselves would want." People have told Jubilee that they are being "overly humane," but their actions can be seen another way: they are trying to show that being a landlord with ethics is not a contradiction in terms. The landlord of the Watergate apartments, for example, isn't being overly humane by running a clean and livable building. He merely fulfills basic obligations to his tenants. In low income areas, it should be the same. There, landlord ethics are unusual because their absence has become the norm. Thus, to return to what truly is normal appears strange.

In taking over responsibility for the two decrepit buildings, Mr. Cosby and his church were inspired by their personal motives of brotherhood, as found in Christianity's basic but usually forgotten teaching of sharing the wealth and serving others. But belief counts for nothing in the raw world of economics; in this case, money, landlord tenant rules, the housing codes are everything. The financing for the two buildings was begun by a $10,000 deposit made in September from borrowed funds from several church members. Sixty days later, Jubilee paid $610,000 for the Ritz and Mozart, money borrowed at 9 per cent interest from a friend of the church. "It was a borderline investment for him and a necessary one for us," says Bill Branner, president of Jubilee. "But we have a legal agreement that we are free to explore other ways of funding. We are doing that now—by urging individuals we know, or people who know what we're doing at the Ritz and Mozart, to become involved through low-interest or no-interest loans. Right now, we're paying about $65,000 a year in interest rates, money that could be going for paint, new elevators, security guards, and all the other necessities."

The other crucial need is for volunteer workers, skilled or unskilled. A student group of 15 came from Penn State last week to sand and paint. A group from the Little Falls Presbyterian church gave a day's work. A local family has been coming to fix floorboards. A friend of a church member is sewing curtains for the public rooms.

In seeking loans and volunteer workers, Jubilee housing is unlike the landlords who run the city's high income apartments. But the latter are different in another way, invariably sites of urban isolation where people live next to each other for years as total strangers. "We're trying for something different," says Mrs. Flood. "We're gambling that people in the same apartment building also want community personal relationships, that they want a common pride. I'm aware of the tensions in Adams-Morgan, but I've met with most of the families in our two buildings. Their tension is always the same; an absent landlord and rent paid with little accountability for basic services. We plan to be a management that will be present everyday. In addition, a family on each floor will be responsible for resolving conflicts and trying to create community on the floor."

Both friends and skeptics will be watching the Ritz and Mozart. For Jubilee Housing, the apartments are a large challenge, but against the severe shortage of low income housing in Washington, two buildings made livable satisfies only a small need. But if it can work in a small way in a block in Adams-Morgan, new hope and vast resources might be released. With literally hundreds of vacant buildings throughout the city, why can't other housing groups emerge?

GENOCIDE—A MATTER OF INTERNATIONAL CONCERN

Mr. PROXMIRE. Mr. President, article I of the Genocide Convention forthrightly states that all the parties which ratify the treaty will join together to prevent and punish genocide.

The text of the article is largely self-explanatory. The signers seek to make it clear that genocide—a grievous crime against humanity—will be an international crime punishable under international agreements. Thus genocide is put in the category of acts governed by international agreements, such as the treatment of war victims and the ban on slave trading.

Some people, however, have objected to this portion of the Genocide Convention. Their fear is that if the United States accepts the Genocide Convention our citizens could be tried in foreign courts.

This was one of the major objections raised by the American Bar Association to ratification in 1950. Their view was that the treatment of our citizens is a domestic concern and should not be subject to the jurisdiction of a foreign court.

Such arguments when applied against the Genocide Convention have no basis in fact. At the present time, for example, any American citizen visiting a foreign country can be charged and tried for any criminal offense, including robbery, espionage, and murder.

The only change that acceptance of the Genocide Convention would make is that the crime of genocide would be added to that list of criminal offenses. The treaty would in no way modify or extend the jurisdiction of foreign courts over American citizens.

We must recognize that when genocide is committed it involves reprehensible actions against a large mass of people. From a moral point of view genocide is of concern to all nations, not just those in the area where the act took place. From a practical point of view genocide is likely to involve acts against a large number of people from more than one country. Hitler did not just exterminate Jews in Germany. He extended the acts of terror to Jews and citizens in other nations, such as Poland, Hungary, and France. Consequently, we must recognize that genocide is an international concern.

Since 1776 the United States has made a commitment to strive for basic human rights for all mankind. This commitment is demonstrated in our Declaration of Independence, which declares that people should have the right to "life, liberty, and the pursuit of happiness." Life, certainly, is the most important of all human rights. What the Genocide Convention does is to extend our principles of leadership in the field of human rights to an international accord.

Therefore, I urge Senators to reject the specious arguments presented against the Genocide Convention and to ratify it as quickly as possible.

OCCUPATIONAL SAFETY AND HEALTH ACT

Mr. DOMINICK. Mr. President, Mr. Robert D. Moran, Chairman of the Occupational Safety and Health Review Commission, recently addressed the 23d annual meeting of the Southern Production Program, Inc., in New Orleans. In view of the frequent complaints from constituents regarding the Occupational Safety and Health Act, and the way it has been administered, I think many of my colleagues will be interested in Mr. Moran's remarks. I ask unanimous consent that the text of his address be printed in the RECORD at the conclusion of my remarks.

His address, which is entitled, "Are Job Safety Standards Understandable?—

The 'Police State' Tactics of OSHA," discusses what he sees to be the key weakness in the legislation—vague standards, and the frequent unfairness which results from enforcing them against employers.

Mr. Moran, whose principal responsibility has been to review the application of OSHA standards in specific instances, emphasizes that the key to achieving the goals of the Occupational Safety and Health Act is voluntary compliance by employers, because OSHA will never have sufficient manpower to force all employers to comply. He points out that achieving voluntary compliance has been hindered by vague standards, many of which he characterizes as—in Churchill's words—"riddles wrapped in mysteries inside enigmas." He concludes with the statement—

Presenting employers with the quicksilver of standards such as the ones I've described to you today cannot save a limb and will not save a life. Indeed, such standards may serve to delay improvements in job safety and health conditions, as puzzled employers either await clarification of what is expected of them or think they are presently doing all that such standards require. In the meantime, I am afraid that any hoped-for trend toward voluntary compliance must also await clarification and revision of the existing requirements.

I agree that voluntary compliance is the key to achieving the goals of this legislation. I introduced a bill last March which is designed to encourage voluntary compliance. In addition to placing more emphasis on performance rather than specification standards, and revising some of the strictly punitive provisions of the act, it would establish an "onsite consultation" procedure under which OSHA would furnish employers—particularly small ones—with the technical advice and assistance necessary to comply.

Mr. President, this bill—S. 1147—has been pending in the Labor and Public Welfare Committee for 9 months, and has been cosponsored by 29 of my colleagues from both sides of the aisle. Yet, after several requests, I have been unable to get hearings scheduled. This, despite the fact that my colleagues made it clear during debate on Senator CURTIS' amendments to the Labor-HEW appropriations bill a year ago that the Labor and Public Welfare Committee should deal with proposals to improve the Occupational Safety and Health Act early in 1973. I hope hearings can be scheduled soon, as that would be far preferable to dealing with this issue on the floor of the Senate.

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

ARE JOB SAFETY STANDARDS UNDERSTANDABLE?
THE "POLICE STATE" TACTICS OF OSHA

(By Robert D. Moran)

It was only three years ago this month that the job safety and health field began to occupy any significant portion of my attention. For two years prior thereto, I held a supervisory position in the Department of Labor. My only training had been that of an ordinary lawyer. I had neither education nor knowledge nor training in any technical field. Although my responsibilities included overall authority for the Department's rather limited role in job safety enforcement, I was somewhat ashamed to admit that I had considerable difficulty understanding the job safety standards that we were supposed to enforce under the Walsh-Healey Act, the Maritime Safety Act and a few others.

Fortunately, however, this shallowness never proved to be a source of either personal or official embarrassment, for the person immediately and primarily responsible for the job safety aspects of my office was George Guenther who many will remember as the man who later became the first head of OSHA. When it became clear that Congress would enact an omnibus job safety and health law that would overwhelm in importance all the other laws we were then administering, and when I was placed in charge of planning for the implementation of that law, I felt reasonable comfortable with the assignment knowing that George was there to oversee the development and promulgation of the safety standards to be issued under the new law.

We had a lot to do. Hiring people to help run the program. Planning the investigation and compliance strategy. Developing guidelines for State plans. Figuring out a budget and seeking approval thereof. I was up to my neck in these things—for I was sure that they would be the key to the success of the big new program. And yet, I don't think a single day went by during October, November and December of 1970 when I didn't hear George Guenther say "The standards will be the heart of the new law."

I think the reason I wasn't convinced of this was the same as the reason I never said a word when he made that statement: my own inability to comprehend the job safety standards.

Well, I've learned a lot in 3 years. I am still an ordinary lawyer with no technical knowledge but I think I am now smart enough to know that George Guenther was right. Standards *are* the heart of the Occupational Safety and Health Act of 1970.

I've had many occasions over the past 2 and one-half years to examine the make-up of this "heart of the Act" and it is this subject upon which I wish to speak today. In my present capacity as an adjudicator and interpreter of the Act, I've rendered many opinions and given a number of speeches on job safety standards over this period. Those of you who have any familiarity with the Act may be surprised to hear me say that I don't like many of the standards.

My principal objection is that too many of them don't do what they are supposed to do. Before I get down to specific cases, let me state what I think job safety and health standards are supposed to do. A standard is developed and promulgated because of the existence or potential existence of a condition which is hazardous to the safety or health of workers. The purpose of the standard is to tell employers what they must do to eliminate, reduce or prevent the hazardous condition.

For example, experience has shown that it is hazardous to work as a painter on the Golden Gate Bridge as well as on similar structures. The hazard is that you could easily fall several hundred feet to almost certain death. We know that this hazard could be reduced if a net capable of catching falling workers were strung under the bridge or if we required the painters to wear safety belts hitched in such a manner that a fall from the bridge structure wouldn't mean a plunge into the depths of San Francisco Bay.

Now, writing a safety standard for this is not an insurmountable problem. The hazard to be prevented is falling from the bridge to the Bay below it. The standard should specify what must be done to prevent the fall or to interrupt it before it can cause injury or death.

We therefore can see that there are two rather basic ingredients which I maintain are essential to every valid job safety and health standard: first—identify the hazard, and second—specify what must be done to prevent its occurrence.

If all standards included these two fundamentals in understandable language, I am certain that the number of OSHA inspections which result in citations for alleged violations thereof would be dramatically reduced.

And that, of course, is what everybody wants: more compliance and fewer violations. The purpose of this law cannot be achieved if we rely exclusively upon traditional enforcement techniques where OSHA inspectors find and punish violators and then get them to abate the conditions causing the violation. Even if OSHA tripled its staff, a rather unlikely prospect, they could only inspect 10 per cent of America's workplaces and could do so only once a year. This would not go far enough toward achieving the Act's purpose of eliminating injuries and diseases which workers receive from their jobs. Only when every employer complies with every standard during every moment of every working day and makes sure his employees do likewise can this purpose be within reach.

It is gratifying to note that this concept is recognized by the man presently responsible for enforcement of the law. Mr. John H. Stender, Assistant Secretary of Labor for Occupational Safety and Health, stated in August that "In our efforts to cooperate with all segments of the private sector, we in the Occupational Safety and Health Administration are stressing voluntary compliance with our standards." From what I've seen, I know Mr. Stender will find a cooperative spirit among the employers of America. They don't want their employees hurt and they don't want to violate the law. The problem is that they are uncertain as to exactly what they are supposed to do in order to comply with the law.

Cooperation is, of course, one of those things—like motherhood—that everyone is for. But cooperation, again like motherhood, takes two, at least to get it started.

While OSHA hopes for voluntary compliance with Federal job safety and health standards, far too many of those standards are, to paraphrase Churchill, "riddles wrapped in mysteries inside enigmas." They don't give the employer even a nebulous suggestion of what it is he should do to protect his employees from whatever-it-is, also left unexplained, which represents a hazard to their safety and health.

For example, what does the following standard tell you to do in order to avoid conditions at your place of employment which are potentially hazardous?

. . . No contractor or subcontractor . . . shall require any laborer or mechanic . . . to work in surroundings or under any working conditions which are unsanitary, hazardous, or dangerous to his health or safety, (29 CFR 1926.20(a)(1))

These are laudable sentiments, but nowhere does the standard hint at what these unsanitary, hazardous, or dangerous conditions might be. Apparently, that has been left to the employer to guess at, and for OSHA to decree with hindsight if he guesses wrong. With this sort of direction, the most safety-conscious employer in the world could have no idea what to do in order to voluntarily achieve compliance with its requirements. Perhaps, such a standard can be complied with by saying "amen" and hoping for the best. Unfortunately, OSHA issued at least one citation against an employer for his alleged failure to comply with this standard and proposed a $500 penalty. His alleged offense was that his employees were "required to work under an unsupported concrete placing pipeline." Clearly, there isn't an employer in the

world who can look at this standard and know that it tells him to keep his employees out from under unsupported concrete placing pipelines.

Fortunately in this particular case, the employer contested the charge and the Review Commission dismissed the case, but unfortunately this standard is still on the books and I wouldn't be the least bit surprised to see OSHA use it again—and to use it in a case which doesn't involve unsupported concrete placing pipelines.

A similar standard places on employers the requirement that they ". . . be responsible for the safe conditions of tools and equipment used by employees, including tools and equipment which may be furnished by employees." (29 CFR 1910.242).

An OSHA attempt to enforce this standard was overturned by the Review Commission with an opinion that included the following:

Congress did not enact the Occupational Safety and Health Act to create guarantors upon whom to fasten responsibility for illnesses or injuries or deaths. Their purpose was remedial. The Act is a broad scale effort to *prevent* "personal injuries and illnesses arising out of work situations." The first-stated purpose of the Act is to encourage and stimulate "*programs* for providing safe and healthful working conditions. . . ."

We concluded in this decision that the employer could not be found guilty of violating this standard when one of his employees was electrocuted while using a power tool if the standard did not tell the employer what he was supposed to do to avoid the occurrence.

Another standard requires that ". . . in the absence of an infirmary, clinic, or hospital *in near proximity* to the workplace . . . a person shall be adequately trained to render first aid." (29 CFR 1910.151(b)).

All right, I think that tells employers to make some provision for emergency medical care for employees, but it sets forth neither the practice required nor the conditions necessary for the implementation of that practice.

What constitutes a person "adequately trained to render first aid?" The standard doesn't answer that or tell whether or not that person is to be an employee or whether, once trained, he should be constantly present at the workplace, nor does it give any indication of what might constitute "adequate" training. It doesn't even really require that this person ever render first aid to an injured employee, just that he be "trained."

What is still more difficult, however, is the fact that this mandate is operative only when the mentioned facilities are not "in near proximity" to the workplace. Exactly what constitutes "in near proximity" is nowhere defined in the regulations.

An employer is left to guess at the practices required of him. Should he maintain a first aid person on his payroll, at his office or at the worksite? Once he knows the answer to this, he must determine if it is necessary, when there is a hospital only two—or perhaps ten—miles away. On the other hand, even a half mile may be too far away for emergency treatment if the location of the worksite requires travelling through a crowded urban area to reach the medical facilities. Conversely, a worksite located ten miles from a hospital may not require first aid personnel if the worksite is located on a superhighway that never suffers from congestion. These examples, of course, assume that an employer has a vehicle at his disposal. What conduct is demanded of an employer with no vehicles at the worksite? Does the availability of police, fire department or ambulances then become the major point of consideration? What effect does the growing civilian use of medevac helicopters have on the question of "near proximity?"

Merely to raise these questions, and I'm sure you could add many more, is to suggest the dilemma a vague and ambiguous regulation such as this places upon employers. It does no good for employees, either, when employers can interpret it as loosely as these questions suggest. I submit that if this standard applies to a million employers, there are a million different ways of voluntarily complying with it—and if there are 1,000 OSHA inspectors, 999 of them would find fault with the method any individual employer has chosen to achieve compliance.

What can happen when someone takes steps that he thinks meet the requirements of one of these vague standards was illustrated in a case which was decided by the Commission last August.

The standard prohibits an employee from working "in such proximity to any part of an electric power circuit that he may contact the same in the course of his work unless the employee is protected against electric shock by deenergizing the circuit and grounding it or by guarding it by effective insulation *or other means* . . ." (29 CFR 1518.400(c)) (emphasis added)

In this case an employee spliced a live electrical power line, a line neither owned nor controlled by his employer, and in performing this job he protected himself from electric shock by placing a piece of plywood on the ground upon which to stand while he made the splice. Even though the means he chose were successful, since he suffered no shock or other ill effects, OSHA charged his employer with a violation of the standard because the splice was allegedly made in a manner inconsistent with the requirements of the safety regulation. This charge, of course, was the result of hindsight. OSHA gave no hint in advance that plywood was not a means of obtaining effective insulation when splicing wire.

It is my view that when a standard simply lists "other means" as an acceptable criterion for meeting its requirements and does not precisely list or limit the "other means" contemplated, OSHA must accept as compliance the method chosen by the employer. If it doesn't do this, it clearly fails to provide the guidance which is essential so that employers can know what it is OSHA expects them "voluntarily" to do. If we don't get more specific, no one will know what will and what won't prevent the existence of the hazard. In addition, the employer is left at the mercy of the inspector whose interpretation of what constitutes "other means" is never known in advance and will, of course, vary from inspector to inspector. In this particular case OSHA, in effect, claimed that this standard means that the guarding shall be by effective insulation or other means as determined in each individual case by the particular OSHA inspector who happens to investigate the matter. There is no way under the sun an employer can voluntarily comply with a standard which is applied in this manner.

It seems to me that OSHA ought to pay some attention to Judge Cardozo who ruled in a decision issued over 50 years ago that "A prohibition so indefinite as to be unintelligible is not a prohibition by which conduct can be governed. It is not a rule at all; it is merely exhortation and entreaty."

Let me turn now to one of OSHA's favorite standards. It must be one of their favorites for it turns up in so many of our cases. This particular standard is so nebulous that almost anything is covered by its umbra. I apologize for reading it in full, but one has to hear it all to appreciate its all-encompassing richness:

Protective equipment, including personal protective equipment for eyes, face, head, and extremities, protective clothing, respiratory devices and protective shields and barriers, shall be provided, used and maintained in a sanitary and reliable condition wherever it is necessary by reason of hazards of processes or environment, chemical hazards, radiological hazards, or mechanical irritants encountered in a manner capable of causing injury or impairment in the function of any part of the body through absorption, inhalation or physical contact. (29 CFR 1910.132 (a)).

Its vague constituent parts coalesce in a masterpiece of indefiniteness. (I suppose there are some who would substitute "nightmare" for "masterpiece" depending upon whether one is on the side that makes the charge or is charged under it.)

Take "protective equipment," for example. This protean concept, depending on who's defining it, can include everything from sun glasses or flowered parosol as protection from the sun, to a case-hardened steel capsule with contained individual life support system. "Hazards of processes or environment" excludes even less, covering at least everything under the sun. I suppose it could cover the sun, as well, since there are indications that skin cancer may be more prevalent among people, such as farmers, merchant seamen, and muscle-beach lifeguards, who are exposed to its rays for prolonged periods.

What do you think it tells you to do? I have no idea and I don't think OSHA could tell you, either, before an inspection, citation, complaint, hearing, and post hearing brief.

Let's take a press room as a hypothetical example, and see what a few possibilities are. ("Hazards of process or environment" from which employees must be protected "wherever . . . necessary" could include noise, oil mists, ink mists, mechanical presses, perhaps heat, maybe electrical equipment, dust from newsprint, airborne toxic metal particles, the rope or wire used to bind up stacks of newspapers, or anything else that might be the particular favorite of whichever compliance officer is making the inspection.

"Protective equipment" to shield employees from these "hazards" could range, depending on who has the say, through the whole gamut of anyone's imagination, perhaps starting with a hairnet or earmuffs, or gloves, or a surgical mask. Maybe a steel helmet or rubber boots or safety glasses? How about steel-toed shoes, shin guards or rubber apron? The point is: you don't know and I don't know and no one can tell you what the OSHA inspector thinks the term "protective equipment" means until he looks your workplace over and issues the citation. It is sad but true that the language of this standard does not circumscribe the conduct of the inspector in any way, which may explain why it is such a big favorite with OSHA people.

This standard would be almost funny were it not for the fact that it has been successfully enforced by OSHA, although no one knows what will happen if an aggrieved party exercises his right to appeal an affirmed action under it to the U.S. Court of Appeals. I personally think it is unconstitutionally vague but the Courts are going to have to say so, I think, before OSHA stops using it or decides to make it more specific.

A non-hypothetical application of this particular standard occurred in a case decided by the Commission less than two months ago. An OSHA inspector looked at a freight loading operation at one employer's terminal and made an *ad hoc* and, I think, purely subjective determination, that there was such "a hazard of environment" (boxes of freight that might be dropped and wheels of various kinds of material-handling equipment that could possibly roll over someone's toes) for which "extremities" (feet) required "protective equipment" (he said that meant safety shoes but although there are many different kinds of safety shoes he didn't get more specific). Thus, although "freight" and "wheels," "feet" and "safety shoes" are nowhere men-

tioned in the standard, OSHA charged that the employer violated its requirements because the employees did not have their feet covered by safety shoes so that their toes wouldn't get hurt if freight was accidentally dropped.

Now you've all heard about the due process clause of the Constitution. It requires that a potential offender have fair warning that the conduct he engages in is a violation of law. To me, the substance of this regulation simply does not afford any advance notice of the conduct which it either requires or prohibits.

To permit the enforcement of so vague a standard is to subject the employer to the unbridled discretion of the OSHA inspectors in the determination of what constitutes compliance. How can an employer voluntarily comply with standards that he could not possibly understand until after he has been cited for a particular *inspector-determined* infraction? And what must he do to satisfy the interpretations of the next inspector? There are many kinds of protective equipment for one's feet. For example, stockings may guard against infections such as athlete's foot and sandals will protect you against picking up cuts on the bottom of the foot, but neither will help your toes if they come in contact with a dropped brick or an immovable object. One inspector could say that neither stockings nor sandals constitute protective equipment for extremities but that only leather shoes with iron toes meet the requirements of this occupational safety and health standard. The next could specify that only shoes with certain nonskid soles would suffice. Another could say that only shoes purchased from a named manufacturer or retailer could meet the requirements of this standard. I think you can see the danger in this type of standard. The inspector tells you what the hazard of the environment is—then he tells you what protective equipment your employees should have been wearing when he made his inspection.

Before anyone says that it is up to the Review Commission and its Judges to interpret whether any particular charge constitutes a violation of this standard, let me quote from the Supreme Court's 1966 decision in the case of *Giaccio v. Pennsylvania:*

It is established that a law fails to meet the requirement of the Due Process Clause if it is so vague and standardless that it leaves the public uncertain as to the conduct it prohibits or leaves judges and jurors free to decide, without any legally fixed standard, what is prohibited and what is not in each particular case.

One of the principal evils of vague regulations is that they leave the definition, and therefore the creation of crimes, to the unbridled discretion of cops on the beat or local inspectors or trial-court judges.

I submit that this is one reason why OSHA has been criticized for police state tactics. The generally accepted definition of the term "police state" is a place where the police decide what the law is—and the law may vary from policeman to policeman and from victim to victim. We have always prided ourselves on having a government of laws—not of men. This means the law must be exact enough so they cannot be improvised or amplified by the police. Until all occupational safety and health standards are thus, employers are likely to be at the mercy of the inspectors and cries of police state will no doubt continue.

But let's forget the employer's plight for the moment. The purpose of this law is to protect employees. This will be accomplished by providing safe and healthful working conditions for all. Unfortunately, however, such a state of affairs can never be achieved until employers are regulated by job safety standards which set forth meaningful and clearly discernible requirements by which they can guide their conduct; and the full scope of these requirements must be obvious upon a reading of the standard to every ordinary prudent employer.

Presenting employers with the quicksilver of standards such as the ones I've described to you today cannot save a limb and will not save a life. Indeed, such standards may serve to delay improvements in job safety and health conditions, as puzzled employers either await clarification of what is expected of them or think they are presently doing all that such standards require. In the meantime, I am afraid that any hoped-for trend toward voluntary compliance must also await clarification and revision of the existing requirements.

It is my firm conviction that so long as the heart of the Act—the standards—remain shrouded in ambiguousness, the gains we make in job safety and health will be equally ambiguous.

SUPPORT FOR THE VOLUNTEER ARMY

Mr. CRANSTON. Mr. President, the All-Volunteer Army is in a crucial stage of growth. Dedicated men and women are planning, testing and evaluating its progress.

The President and the Congress cooperated in ending the draft because the country does not want it and does not need it. For this country a peacetime draft was the exception, not the rule. Those who want to see the draft restored are misjudging the mood of the country, it seems to me, and exaggerating the problems associated with the phase of transition.

The new Secretary of the Army, Howard H. Callaway, recently made a speech before the Association of the U.S. Army at a meeting in Washington. In it he outlines the steps the Army is taking to make the all-volunteer concept work. I heartily recommend the speech to the Senate to counteract some of the premature pessimism that has appeared in print. The Volunteer Army is working and will continue to work, but it needs our support.

I ask unanimous consent that Mr. Callaway's speech together with a letter he sent to me dated October 17, be printed in the RECORD.

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

ADDRESS BY HON. HOWARD H. CALLAWAY, SECRETARY OF THE ARMY

Ladies and Gentlemen, distinguished guests: I'm delighted to have this opportunity to be with you this afternoon. We in the Army are aware of your long-standing support for a strong National defense and we feel that the Nation owes you a debt of gratitude.

It is an exciting time for me to be Secretary of the Army. We are entering a historic time, a time of basic change, as we try to do what has never been done before. The Army has set out to provide security for this great country, to keep our global commitments, to stand ready to face an aggressor on a moment's notice—and to do all this with an Army of volunteers. No nation in history has tried to meet such massive and complex commitments without compelling people to serve, through one form of conscription or another. It is a challenge—a great challenge, one which I assure you we are doing our utmost to meet. Today I want to address this question with you—this question of meeting the need for an Army with a volunteer force.

Unfortunately, discussions of the volunteer Army are usually accompanied by emotional considerations about the value of the draft or of Universal Military Training. There are many, both in the military and out, who genuinely feel that the maintenance of a draft is important to our country, and so the debate continues. But the debate is on the wrong subject.

Those who continue to hold out the false hope that the Army can or ought to simply dodge the problems of the volunteer environment by quick return to the draft are not facing up to today's realities. The country doesn't want a draft today. The Congress doesn't want a draft today. The alternative then is a successful volunteer Army or failure for the Army. The US Army has never failed this country. It has always turned the hard challenges of history into success. So today, the challenge for all of us who support the Army is clear. We must set our minds to making the volunteer Army work.

And the volunteer Army is working! It is working because there are still young men and women in America who want to serve their country—this is "an idea whose time remains" for all Americans, young and old, of every race, color, and creed. And it is working because the Army offers to young men and women a satisfying life and solid benefits in conjunction with their service. There are those who feel we are trying to buy an Army. This is not the case. We are giving young men and women who serve in the Army a standard of living that is roughly comparable to the standard of living they might get in the civilian community for doing a similar job. This means higher pay; paid annual leave; complete, superb medical and dental care; life in much improved barracks, and more.

All of these measures are necessary. I support them wholeheartedly. But let me emphasize that we are not trying to buy an Army! We will get the Army that the Nation needs only by appeal to sacrifice and service.

And this brings me to the second, most important way that we are making the volunteer Army work, by insuring that service to the country is a meaningful part of the young man or woman's life. We are making Army service a step forward in their lives, not an interruption. And to do this we are putting a great emphasis on education and training, and on insuring that our soldiers' jobs are important and useful.

We are doing this by making each soldier's job relate to the Army's mission, because this makes Army service mean something. Our young people want value from their lives. They want a job that matters and we've got that job. We are also working to eliminate unnecessary irritants. We think this will make the Army more attractive, and our surveys have borne this out.

We have developed a very attractive package of education and training. To the high school dropout who has the ability and motivation, we offer work toward a high school diploma, as an adjunct to training. To the high school graduate, an opportunity for college training, part of which may be as an adjunct to training. To junior college and college students, the possibility of further training, and even this may be as an adjunct to training. And to all of them, the Army offers vocational training that will be useful when the soldier returns to civilian life.

With a meaningful job, a decent standard of living, and real opportunities for continued education and training, young men and women can look upon a period of service to

the country as a genuine step forward in their lives. And when they leave the Service, they will realize other very important advantages. For one thing, under the GI Bill, they are entitled to more education, provided by the government to its veterans. And they're more mature. The Army has trained them, giving them each a mission, and then held them responsible for professional results. This responsibility develops maturity. Thus, both the education and experience of military service prepare them for better jobs when they leave the Army for civilian careers.

All of these benefits are pointed toward the first term volunteer. For those who choose to reenlist for the volunteer Army, however, more opportunities for education, maturity, and service accrue.

We have, today, the finest noncommissioned officer leadership training we have ever had, with progressive career steps going from the recruit right on through our top command sergeant major. Our men and women enjoy the benefits of our new Noncommissioned Officer Education System, a system which offers to the noncommissioned officer a progressive, professional military education roughly comparable to the superb system of schooling we have always offered to our officers. The system trains, educates, and motivates our NCO leaders for the progressive challenges of an Army career.

Some of our strongest supporters don't fully understand today's Army. They think the Army lost something important when we initiated, for example, the idea of hiring civilian help—KPs—to work in the kitchens and dining rooms. They think that eliminating such irritants as KP has made the Army soft. But the Army's mission is not to peel potatoes; its mission is to fight. Peeling potatoes does not improve discipline or combat efficiency. So changes to some things held traditional in the past are in the wind, but if you look at them, you will see that each turns harder than ever on mission. We are not retreating from the Army's real business. The volunteer Army is ready to fight.

We do not have and we shall not have a permissive Army. We have and we shall have a disciplined Army, responsive to authority, and able to perform its mission in the service of the country. You expect it; the country deserves it; and I'm going to do my level best to see that it happens!

In brief, that's the program we have undertaken to attract young people, to encourage them to enter the Army. And once they're in, I know that many of them will choose to stay beyond their initial commitment, because they will see that the Army has a very fine career progression system.

I believe Americans will agree, then, that we have a package that is appealing to today's young people, appealing not only in terms of benefits, but in the opportunity for service to country. And the beauty of this is that it appeals to everyone in America. Service to country appeals equally to rich and poor, Northerner and Southerner, educated and uneducated. Pride in America and willingness to sacrifice for her is an ideal which knows no cultural or economic boundaries. In this fact lies the very strength of the Nation. I count on this appeal to give us an Army which mirrors America. It's not going to be a mercenary Army, it's going to be an all-American Army.

This then is our plan. It is not only our plan for the future, it is also a description of today's Army. For practical purposes, the draft ended for us on December 29, 1972, when the last draftee entered the Army. (Although a few deferred draftees entered later.) So we have had about 10 months' experience now in a volunteer environment, and I think it is appropriate that we review some of the results.

Because each month we openly discuss our goals and quotas, many have a distorted picture of our progress. They feel we are hopelessly short of recruiting goals, trying to make up the gap by lowering quality, and as a consequence, ending up with nothing worthwhile whatever. It is true that we have missed our goals during the past 10 months. But it is important to remember that our goals are akin to the salesman's goals—realistic, but difficult to meet.

What are the facts? During these past months, we have recruited into the volunteer Army some 124,000 young men and women; further, over 34,000 men and women have reenlisted during this period. In fact we have been running about 84 percent of our recruiting objective ever since December 29, 1972, when we abandoned the draft. And those who have come into the Army are of high quality. We have had a higher percentage of high school graduates entering the Army since the draft ended—about 10 percent higher—than we had in the 6 months before the end of the draft. As a result, we now have an Active Army of over 794,000 and this is 97 percent of our programed strength. Total accessions, then, have fallen somewhat short of our goals, but we are still filled far above any level of concern, and quality is high.

And we have many encouraging signs. Last year we decided to reactivate the 9th Infantry Division at Fort Lewis, Washington, but the manpower was not at hand. So we told the commander, General Fulton, that if he wanted a division, to take his cadre, the Division colors, and go out and recruit a division. General Fulton and his recruiters did just that. They began a vigorous recruiting campaign and today that Division stands at 102 percent strength, essentially filled with enlisted volunteer soldiers. Now, this is a real success story, a living example which illustrates concretely that the volunteer Army program is not an impossible dream, but a workable idea, and it is typical of many other units with similar successes.

We do not minimize our recruiting problems; we spend our time and energy working on them. We are trying many new approaches to recruiting, which stress quality together with quantity—such as increasing the number of recruiters, expanding our unit-of-choice and station-of-choice options, screening out poor soldiers in our reenlistments, administering new entrance tests, and even weeding out misfits in basic training. These efforts will continue.

Some also have expressed concern that the volunteer Army was doomed to failure because it would bring a decline in discipline. That has not been the case. If we compare discipline trends for FY 72 with FY 73, a period which includes both draft and volunteer Army experience, we find that rates for AWOL, desertion, crimes of violence, crimes against property, courts-martial, and separations under less than honorable conditions, are down.

Virtually every major indicator of discipline except drug offenses has, in fact, remained or turned positive in the volunteer Army. Whatever factors contribute to this picture, it is clear that today's volunteer soldier is not causing an increase in disciplinary problems.

Many also had expected the volunteer Army to herald the demise of our National Guard and Army Reserve as viable outfits. No such demise is in sight, although we do face problems here. We have seen modest reductions in the strengths of both our Reserve components from the December 1972 levels, a trend in fact dating from mid-1971. But current indications give us some encouragement that we may be able to restrain this decline. We have in the past several months, for example, been successful in recruiting trained, experienced, prior-service personnel into our Reserve components to offset some of our shortfall. As you know, Reserve component strength remains critically important, so we are very much concerned that it continue to receive close attention. Under the total force policy any future emergency buildup will have to rely upon the National Guard and Reserve rather than a draft for initial and primary augmentation of our Active forces. I expect the improving image of the volunteer Army to have the positive effect on the health of our Reserve component recruitment that is needed.

Finally, combat readiness, which is the heart of our business, has shown significant improvement. When the draft ended, we had 13 divisions on the books, but only 10 fully formed. Of the 13 divisions, only 4 met the Army's stringent readiness standards and were considered ready for combat. By contrast, we now have all 13 divisions fully operational and 10 ready for combat. Thus, our divisions today, judged by the stringent standards reported to the Joint Chiefs of Staff, much more nearly meet their goals in terms of authorized strength, personnel job qualification, unit training, equipment on hand, and equipment serviceability than they did at the end of the draft. Six months to a year from now, I believe our readiness posture will be even better.

These simple facts and figures point to one conclusion—the Army is better today than it was at the end of the draft. But the figures are not nearly so meaningful as the subjective feel of those in the Army. I certainly don't pretend to be an expert on this, but by the end of this month I will have visited all 13 of the Army's active divisions, as well as many other posts and stations. During every visit I have talked with new soldiers, with senior noncommissioned officers, with junior officers, with senior officers and commanders. I can tell you that without any question, today's Army is a far better Army, far more prepared for combat than it was at the end of the draft I can just feel it everywhere I go. It's in the air. Discipline is better, morale is better, training is better, and equipment is better. The Army's future is indeed now.

And, what is more important, all of our vital trends, with the possible exception of drug abuse (and we are working hard and effectively on that one), are in the right direction today. Let me emphasize—your Army is good now, ready to fight, and getting better with the passage of time. I foresee no doom ahead. Six months from today we will be better, and after that, better still.

This picture that I give you of today's Army is enthusiastic and optimistic, and purposely so. I am extremely proud of today's Army and what has been done to make it work in the volunteer atmosphere. But I recognize our challenges. Benjamin Franklin once said that, "the man who expects nothing ... shall never be disappointed." I believe he would share my belief that men who do expect something worthwhile and are willing to work hard for it, are apt to achieve it, even if the task is difficult and unfamiliar.

We are daily working on new, innovative, and exciting ideas to insure that we get the right number of qualified men and women to man our Army. It will not be easy. It will perhaps be the toughest job that the U.S. Army has ever been called upon to do, but I am certain that today's Army will be equal to the challenge.

We in the Army have always needed the active support of the American people. Today, we need it even more than ever before. Even our strongest critics have recognized that the one vital element necessary for the success of the volunteer Army lies beyond the Army itself. I'm talking about public support. We need your help as we plow new

ground, as we steer an uncharted course to give the country the best Army it has ever had. Without your help, we cannot succeed; with it, we cannot fail. Together, we can meet the challenges and prove worthy of the Nation's trust.

Thank you.

OCTOBER 17, 1973.

Hon. ALAN CRANSTON,
U.S. Senate,
Washington, D.C.

DEAR SENATOR CRANSTON: The purpose of this letter is to solicit your support at a time when the Army faces one of its most serious challenges: the achievement and success of an all volunteer concept.

When President Nixon outlined the plan for an all volunteer force in 1968, several months before he took office, the Army immediately took up the challenge and began making plans for this eventuality. We attacked the problem on three fronts; strengthening professionalism, improving Army life, and modernizing our accession system. Much has been done in these areas and we were able to terminate inductions in December 1972—six months ahead of schedule.

As the draft expired, we found ourselves embarked on an enterprise that our society has never successfully accomplished in modern times. Accordingly, imagination and innovation became foremost in our management philosophy. We explored new approaches and techniques, rejecting unsuccessful ones and exploiting success where we found it. In this regard, you can expect to see more management changes and adjustments as we go along.

Our goal is to man the volunteer Army with highly motivated, trainable personnel, without lowering educational and mental category standards. We are going after the quality prospect in many new ways. For example, in May we began using the recently developed Army Classification Battery. This test measures aptitude for training and provides a more accurate measure of a man's potential as a soldier than did the WWII Armed Forces Qualification Test. Too, we believe that the quality of a man is realistically tested by his overall performance in training, and we have adopted procedures which will determine each volunteer's motivation and self-discipline during basic and advanced individual training. Men who do not display the qualities desired of a soldier will be released prior to 180 days of service. We are also employing the "whole person" concept in our quest for the quality accession, and we are experimenting with a system which would enable us to determine an individual's probability for success in the Army based on certain background data. Thus, contrary to the opinion expressed by some, the Army is not lowering quality standards but rather developing more and better ways to identify men who should make good soldiers.

The fact that we have fallen short of our recruiting goals in recent months has been widely reported. Because of this, some have concluded that the all volunteer Army is going to fail, but I do not accept this at all. It would be unwise for anyone to jump to such conclusions on the results of the last six months. For the Army there is no alternative; we are totally committed to assuring success of the all volunteer concept.

We face a most difficult challenge. However, we feel confident that with the training, educational opportunities, and improved living conditions available in the Army today, we will be able to attract and retain those individuals whom we need. Above all, we believe that the Army offers young peocomes from service to one's country.
and gain that inner satisfaction which only ple an opportunity to grow and mature,

On 15 October I spoke on this matter before the Association of the United States Army at their annual meeting here in Washington. Enclosed for your information is a copy of my remarks.

I am confident that with your continued support, and that of the American people, we will make the all volunteer force a reality.

Should you desire, we are prepared to provide you with a 15 minute briefing, at your convenience, on our plans and programs for the volunteer Army. This can be arranged by calling LTC McKinney of my office at 697-5258.

Sincerely,

HOWARD H. CALLAWAY.

MIDDLE EAST CONFLICT

Mr. McCLURE. Mr. President, the future peace of the world depends on a just solution to the present Middle East conflict. During my recent visit to five Arab nations, I was told repeatedly that only the United States holds the key to this solution. Whether we want to be or not, circumstances have thrust upon us the role of peacemaker—again.

This does not mean that the United States should attempt to impose a peace settlement upon the parties directly involved. Only they can achieve a lasting, mutually agreeable treaty. Our responsibility is to conduct our foreign policy in a manner serving the best interests of the United States—that is, to say, a manner that will bring all concerned parties to the bargaining table with the shortest possible delay.

One essential element of any successful American foreign policy is public support. And this, in turn, requires public understanding. I am pleased to see that the news media has begun a more balanced reporting of Middle East events and positions. A recent article by Mr. William Raspberry, printed in the Washington Post on December 3, 1973, is illustrative of this new awakening to the need for more facts and less bias. As Mr. Raspberry so accurately states:

Both Arabs and Jews have come to take for granted a pro-Israel bias in the nation's press, and in its government.

I believe that Mr. Raspberry's column signals a change in that dangerous policy. Hopefully, more newspapers and broadcasters will adopt similar attitudes, so that public opinion, so essential to effective foreign policy, be based on facts and not prejudices.

Mr. President, I ask unanimous consent that Mr. Raspberry's article be printed in the RECORD:

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

[From the Washington Post. Dec. 3, 1973]

PRO-ISRAEL BIAS

(By William Raspberry)

Let a newspaper columnist write an even-handed commentary on the Arab-Israeli conflict—not a pro-Arab piece, just reasonably balanced—and I virtually guarantee two results:

He will be engulfed with a heart-rending, tear-tinged and more-than-slightly embarrassing messages of gratitude from Arab readers. And he will be denounced as anti-Semitic by a number of Jewish readers.

He will hear from other readers, of course, with a wide range of attitudes, depending on the specifics of his report or the nature of the current crisis. But the two main reactions are sadly predictable.

It is theoretically conceivable, I suppose, that Israel could be totally right in the continuing Mideast dispute and the Arabs totally wrong. But it is unlikely. And yet, simply to say that maybe the Arabs have a just grievance or two is enough to trigger the twin reactions of gratitude and outrage.

The reason, I suspect, is that both Arabs and Jews have come to take for granted a pro-Israel bias in the nation's press, and in its government. Not that there is anything wrong with being pro-Israel. A nation is, of course, free to choose its allies.

But there is something wrong with adopting a one-sided policy and pretending even-handedness. There is something wrong with being willing to accept as gospel one side's view of things and at the same time pretending to care about honorable settlement of differences. What is wrong with trying to do it that way is that it can't work.

And since Israel, for reasons of geography and arithmetic, has more need of a mutually acceptable peace than the Arabs, America's one-sidedeness may actually be doing Israel a disservice. It almost certainly is giving the Soviet Union an unnecessarily large and dangerous influence in the Mideast. With the United States so obviously in the role of Israel's sponsor, the Arabs naturally must turn to the only other world power capable of offering some semblance of balance. In fact, as Freda Utley suggested in a recent article in the conservative Human Events, only Moscow stands to gain from any long-term failure to work out a secure peace in the area. "Russia demands and gets cash on the barrelhead for arms supplied to the Arabs. Cash provided by the oil-rich Arab states; cash which enables Moscow to pay America for the food and technological aid it needs, while we continue to be squeezed by the Arab oil states."

Miss Utley said something else, this time in The Washington Star-News: "The Zionists have succeeded in convincing the United States that our interests are identical with Israel's in the struggle for the world against the Soviet Empire, despite Israel's transgressions against all our fine principles against aggression, conquests of territory by force, and our professed belief in equal justice for all. Equal justice is a principle which most Americans tend to disregard when it comes to Arabs: perhaps it's fear of being accused of anti-Semitism and identified with Nazism, reaction, racism and all things vile."

The point is not that only Israel has played the aggressor's role, but that Israel has not been alone, either in virtue or in sin. The point, further, is that it isn't very helpful for America to try to figure out which side should get most of the blame.

It would be a most helpful beginning if America would simply accept, publicly, that both the Arabs and the Israelis have very real, deeply felt grievances and fears; that in both cases these fears and grievances are complicated by emotion, and that there will have to be major concessions by both sides if there is to be a lasting peace. Once the United States adopts such a posture, it will be in position to influence Israel toward realistic terms—or at least toward honest negotiation—at pain of being left alone.

It will be clear, here as well as throughout the Mideast, that what is to be negotiated is not the continued existence of the state of Israel, though that is what some people will try to make you believe. Of course there are Palestinians who will never be content as long as Israel exists, just as there are Israelis who will not be content as long as Arabs have the power to make war. But those who hold such extreme views are mostly without major influence.

What is needed now is for the United States and the Soviet Union to exert the kind of pressure-cum-statesmanship that will be necessary for peace in the Mideast. America will be accused of doing so in exchange for Arab oil, but that is a risk worth taking.

THE STATE OF THE ECONOMY

Mr. NUNN. Mr. President, my colleague, the senior Senator from Georgia delivered an excellent address earlier this month to the National Conference of Bankruptcy Judges meeting in Atlanta.

Senator TALMADGE'S remarks on the state of the economy and his comments on the people's responsibility to their Government are particularly noteworthy. I recommend a thorough reading of the entire text by all Members of Congress, and I ask unanimous consent that the speech be printed in the RECORD.

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

REMARKS OF U.S. SENATOR HERMAN E. TALMADGE

It is a great privilege for me to be here tonight for this important meeting. I appreciate the invitation of your President and my good friend, Homer Drake. The state of Georgia and the city of Atlanta are honored to have the National Conference of Bankruptcy Judges choose our capital city as the site of your convention this year. I understand this banquet will conclude your convention activities. I hope you have enjoyed your stay in Atlanta . . . and we urge you to come back to see us whenever you can.

* * * * *

Bankruptcy Courts serve an important role, both in our system of justice and in the functioning of our economy. A great deal has happened in the field of bankruptcy law during the past year alone. For example, new bankruptcy rules have been adopted, and I understand you have been operating under them now for about a month. These rules, which were the product of a dedicated group of bankruptcy experts who worked on them for some 12 years should have actually improved the operations of your courts.

You have now been given the official title, "Bankruptcy Judge." Even though you have been judges since you have been on the bench, they have given you many of the other things which characterize the office of a federal judge. And, I want to say this to each of you: Even more elevation of the office of bankruptcy judge needs to take place in recognition of the crucial role of the Bankruptcy Court in meeting the social and economic needs of our increasingly complex society.

As all of you know, numerous areas for improvement could be listed. They are all vital to the efficient functioning of your courts. For example, further progress must be made in clerical personnel available to the Bankruptcy Court, in library and office facilities, and in the tenure and salary of Bankruptcy Judges.

I know there is growing concern and interest in this area by many of my colleagues in the Congress. I am confident the Senate will work diligently to elevate the Bankruptcy Court and to better meet the needs of judges who sit in that court. In fact, as all of you know, a comprehensive new Bankruptcy Act has been proposed, and has been introduced in the 93rd Congress.

While I am not familiar with all of the terms of this legislation and do not serve on the Senate Judiciary Committee which will have initial responsibility and conduct hearings on this bill, I do understand that it contains many improvements over existing bankruptcy law procedures—as well as providing for substantial elevation of the status of bankruptcy judges.

There are some provisions in the new act about which, very frankly, I am skeptical. One of them is the proposal to detach from the Federal Court system all administrative functions insofar as the Bankruptcy Court is concerned, and to place these functions in the Executive Branch of government. The Executive agency would be referred to, as I understand it, as the Bankruptcy Administration. In other words, the Administration in control of bankruptcy cases would be in one branch of government—the Executive Branch. The Bankruptcy Court would be relegated to deciding only adversarial matters.

I have not made up my mind about many aspects of this legislation, and would not attempt to do so until I had the benefit of the Judiciary Committee's report and recommendations. However, I can tell you this evening without equivocation that I have very serious reservations about splitting the administrative functions away from the Judicial Branch of government.

One of my primary concerns is the creation of yet another government bureaucracy, which no doubt would cost the taxpayers of this country countless millions of dollars.

Many of you know me personally, and you know how I feel about proliferation of departments and agencies in federal government. I'm opposed to it. We've had far too much of that already, and the result has been a vast army of faceless bureaucrats in executive departments and agencies which, in many instances, virtually personify the Peter principle of waste and inefficiency.

I might add, instead of creating new departments and administrations, we ought to be taking a closer look at some of them we have now—to see if they're doing the job they're supposed to be doing.

So far as I am able to tell, the taxpayers of this country are getting fed up with government that has gotten so big and so complex that not even people who work in it know what is going on half the time. The government has lost touch with the people, and people have lost touch with the government.

As a United States Senator, I presume there are certain prerogatives that go with that office. Yet, I find it very hard to reach government officials by telephone, and written communications take several weeks. If that happens to me as a Senator, I can certainly understand the frustration that must be experienced by some poor, hard-working taxpayer from Attapulgus, Georgia, or River City, Iowa, who is trying to carry on business with government that is supposed to be representing him in Washington.

I understand it has been estimated that the new Bankruptcy Administration, if it is set up, would cost between $30 and $90 billion. But, based on the reliability of estimates when other government bureaus have been established in the past, we could look for the cost to run two or three times that amount.

Being the fiscal conservative that I am, I always favor using the existing clerical personnel which we already have in any agency to administer new laws—unless there is a compelling reason to establish a new agency. Personally, I see no need at this time to set up a new administration for the Bankruptcy Court system.

The fact is, that we need to restrain what seems to be an unrestrainable impulse to create a new agency every time the opportunity presents itself. Otherwise, we may come to the day when the entire federal government could be appropriately referred to as "the Bankruptcy Administration."

In any event, I assure you that not only these points I have mentioned, but also all other recommendations which are contained in this new proposal will receive a thorough, searching examination by me, my staff, and my colleagues in the Senate, before any of it is put to a vote.

It is difficult for me to come to Georgia and not to comment at least to some degree on the Watergate case and related matters. I remember very well how I got to be on the Select Committee on Presidential Campaign Activities.

The Senate Majority Leader, Mike Mansfield, called me up and said, "Herman, I would like for you to serve on the Watergate committee."

I said, "Mike, I am Chairman of the Agriculture Committee, Vice Chairman of the Finance Committee, Vice Chairman of the Veterans Committee, Vice Chairman of the Ethics Committee, I serve on the Democratic Policy Committee and several other committees as well. My responsibilities are already rather burdensome."

Senator Mansfield replied: "Herman, will you serve on the Watergate Committee?" In sum and substance, the Majority Leader made me an offer I couldn't refuse.

In any event, I went on the Committee with one fundamental thought in mind: that was, to try to get to the truth and to sit as an impartial judge and juror. I have endeavored to maintain that position through every phase of the investigation so far, including the sensational Watergate break-in and cover-up.

As judges, I know you will understand what I mean when I say that it is not appropriate for me to discuss the investigation while it is still in motion, before all the evidence is in, and before our report has been submitted to the Senate.

Nonetheless, I have sat on the Committee since last May, for hundreds of hours. I have listened to and read millions of words of evidence and material related to the case. I have seen my office virtually swamped by a veritable tidal wave of letters and telegrams, not just from Georgia but all over the nation.

Under these conditions, it would be impossible for me to avoid coming to some conclusions—not especially about the Watergate case in particular, but more about the nature of our government and the people of this country.

First of all, I realize more strongly than ever the importance of the sanctity of the trust the American people put in their elected leaders. We have begun to see some signs of what can happen to a great nation when this trust is betrayed. Consequently, I believe people who hold public office have an enormous responsibility to restore the confidence of the people in the government by demonstrating integrity at all levels—from the court house to the White House.

We all have an important job ahead of us to reassert the strength and rebuild the dignity of America that has been damaged. How we, as elected officials, conduct ourselves in these trying times will in large part determine the future security of our nation. We in public office cannot do it alone.

Secondly, we need a rejuvenation of the spirit of the people of the United States. The American people must go back to the ideal that the individual must accept responsibility for himself and for his government, if ours is to remain a strong and free society.

I am often asked, how could anything as high-handed as Watergate happen in American government. I respond in this way: Anything can happen in our society, if the people allow it to happen.

Government will respond to the people. Let me put that another way. People will always get the kind of government they want. All they need to do is let their voices be heard in strong enough numbers . . . or conversely, to remain silent and apathetic.

According to the readings that I get, people are virtually turned off about politics and government. No matter what the reason, no matter what the disillusionment, there can be no justification for losing interest in government.

When people say they no longer care . . . when the governed no longer seem to give much thought to who is doing the governing . . . or the kind of government they are getting . . . freedom and security will eventually be lost—jut as surely as night follows day.

I concede that the government at every level has gotten bigger . . . more complex . . . and more powerful. Personally, I am opposed to that . . . but we have it just the same. Moreover, because government has gotten so big and so complicated and so powerful is all the more reason for vigilance and participation by the people.

I am not just talking about the Watergate case. As a matter of fact, I do not happen to believe that Watergate is the most important problem facing our nation today. Let me turn our thoughts away from Watergate, and still pursue the point that I am trying to make here tonight.

I am personally convinced that inflation and the deplorable state of the American economy is the number one issue facing us today. As a matter of fact, a Gallup poll last month showed that 89 per cent of the American people rank it at the top of their problems. That's up from 59 per cent in February, and up from 62 per cent in May of this year. Just as the state of our economy has worsened over these months, public concern has intensified.

Yet, the American people have yet to make their voices heard or their votes felt in a way that will create a climate for corrective action. Personally, I am surprised that the American people have not risen up in righteous indignation to protest what the government has been doing with their tax dollars over the past quarter of a century.

Here we have runaway inflation that robs working people of their hard-earned wages, the elderly of their savings, and hangs future indebtedness about the necks of children yet unborn.

People are concerned, and more so now than ever before. But they are not yet angry enough about it to demand that something be done to correct it. The world over, we are being out-worked, out-produced, and out-negotiated. Hence, a trade deficit of $6.4 billion last year.

We are continuing to funnel money abroad in military and foreign aid, including the $17-billion-a-year maintenance of 300,000 troops and dependents in Western Europe 28 years after the end of World War II. Hence, we have multibillion dollar balance of payment deficits, going in the red $10 billion in 1972 alone.

We have balanced the budget only six times in the past 43 years. Hence, we have a national debt that is fast approaching $500 billion—more than the indebtedness of all other nations of the world combined. Hence, we have seen the American dollar decline abroad, and officially devalued twice and unliterally on several other occasions.

I for one would like to see the American people get as excited about excessive federal spending as they do about the price of eggs or milk at the supermarket. People worry about paying car notes and house notes and complain about high food prices, and they ought to.

But I have yet to see the American people get exercised enough to get to the heart of the matter and protest what brought all this along in the first place—and that is, irresponsible federal fiscal policies. After years and years of reckless spending policies . . . of trying to be all things to all people, all over the world with American dollars . . . what we have now is a nation that has lost its preeminence in the world's economy.

West Germany and Japan have more monetary reserves, and in Western Europe alone there are some 83 billion American dollars held by the central banks that those countries neither need nor want, nor any longer have any respect for.

It has always been ironic to me that the two nations that were left in devastation after World War II are now calling the plays and are taking a leading role in virtually every area of international economics.

West Germany and Japan have more monetary reserves than the United States, more gold reserves, favorable trade balances, and economies which are growing much faster than our own. What then have these two countries, and other prospering nations been doing? In short, they have been practicing good business. They have been looking after themselves. They have been putting their own national interests first—which is precisely what we should have been doing over all these years, but have not.

I was always an admirer of the late President Charles DeGaulle of France. I know he often rankled his fellow nations in the European community and the United States' government as well. For example, he chased NATO troops out of France. He refused to sign the Nuclear Test Ban Treaty. He fought to restrict membership in the Common Market and to erect trade barriers against outsiders. The fact is, he was not a very pleasant fellow to deal with at the international level.

But, whether he was dealing with friend or foe, his main concern was his own country, and its welfare, and the welfare of the French people. He was a nationalist, a French nationalist.

That's what we need in our country today: A policy of American nationalism. We need to stop playing policeman, banker, and Santa Claus for the whole world, and start serving the economic interests of our own nation first.

I do not advocate a policy of isolationism. I do not favor rigid protectionism. I do not say we ought to ignore the needs of our foreign friends.

But, I do contend that the United States government ought to look after our own national interests above all others. That's what the other nations have been doing. It's high time that the United States started doing the same thing.

SHEIKH AHMED ZAKI YAMANI OF SAUDI ARABIA

Mr. PERCY. Mr. President, with the arrival in the United States this week of the Saudi Arabian Oil Minister, Sheikh Ahmed Zaki Yamani, it is well for all of us to know more about him and his life. Therefore, I wish to share with my colleagues an interesting article about the Sheikh which appeared in the Christian Science Monitor on November 29, 1973. I ask unanimous consent to have it printed in the RECORD.

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

SAUDI ARABIA'S WESTERN-ORIENTED OIL CHIEF

Saudi Arabian Oil Minister Sheikh Ahmed Zaki Yamani, who directs King Faisal's militant oil-cutback policy, is equally at home in a New York board room or a palace ceremony in the Saudi capital of Riyad, writes Monitor correspondent John K. Cooley.

Sheikh Yamani is one of the most cultivated and articulate of the group of American-educated Saudi technocrats who now shape their kingdom's development and foreign policies, including oil restrictions and embargos on Western friends of Israel.

He has homes in many Mideast and European cities, has European-educated children, and friends on all continents. He himself studied at New York University (NYU) and earned a law degree from Harvard University. The sheik is thus well equipped for the tours of Western capitals he has been making to explain reasons behind his country's oil embargo.

Mr. Yamani, with his broad knowledge of Western society and thinking, once appeared to have reservations about the use of oil as a political weapon. But he has worked vigorously to carry out the embargo ordered by his King. "We in the Cabinet can debate, discuss, and make our views known," he told a visitor in his new mountain home in Taif, the Saudi summer capital. "But once King Faisal makes a decision, that is it and all our energy and resources will be applied to carry it out," he added.

That is what is happening now with the oil cuts. Mr. Yamani's well-trained, computer-equipped staff of experts, posted in oil ports around the world, is making sure no oil goes where King Faisal does not want it to go.

Born in 1930 in an upper-class Saudi family, Sheikh Yamani studied in Cairo and the American University of Beirut before attending school in the U.S. He speaks English almost like an Oxford don or a Boston Brahmin. He also knows French and has a working command of several other European languages.

Mr. Yamani relaxes to stereo recordings of European classical music and progressive jazz at home.

Recently one of the sheikh's grown daughters, just back from school in Switzerland, entertained her father's luncheon guests in Taif with guitar and some folksongs of her own composition. While she sang the sheikh told his guests: "Our natural inclinations are Western. Your interests and ours lie in working together for the betterment of all. We live together in the same world.

"But you will have to meet us, the Arabs, halfway. Perhaps if you do, we will all discover interesting things about one another and it will be a better world."

STATE DEPARTMENT LEGAL INTERPRETATION OF THE WAR POWERS RESOLUTION

Mr. EAGLETON. Mr. President, during the debate over the war powers resolution, I pointed out that section 2(c) was not legally binding and that there was no requirement in the bill for the President to receive the prior authorization of Congress before committing the Nation to war. After the resolution was enacted, I asked the State Department for a legal interpretation. Following is the most telling statement in the State Department response to my inquiry about section 2(c):

Section 2 does not contain language which requires or prohibits any particular action.

Mr. President, I ask unanimous consent that my exchange of correspondence with the State Department be printed in the RECORD.

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

NOVEMBER 9, 1973.

Hon. HENRY KISSINGER,
Secretary of State,
Washington, D.C.

DEAR MR. SECRETARY: I would appreciate receiving at the earliest possible time your Department's legal evaluation of the effect of the recently-passed War Powers Resolution (H.J. Res. 542) on the President's ability to deploy U.S. forces into hostile situations or into areas where hostilities may be imminent. Would you, for example, consider the definition of authority contained in Section 2(c) of the Resolution to be a legally binding definition of the President's power as Comander-in-Chief under the Constitution?

I would also like to be informed as to what measures will be taken by the Executive Branch to implement the War Powers Resolution. As you know, the Resolution requires a written notification of any commitment of American forces within 48 hours after deployment. In addition, there are other requirements which had not been previously levied on the Executive Branch concerning the deployment of forces into hostilities. I would appreciate being informed in the future of any changes to internal Executive Branch procedures which would reflect these new statutory requirements.

Thank you very much for your assistance in this matter.

Sincerely,

THOMAS F. EAGLETON,
U.S. Senator.

NOVEMBER 30, 1973.

Hon. THOMAS F. EAGLETON,
U.S. Senate,
Washington, D.C.

DEAR SENATOR EAGLETON: Secretary Kissinger has asked me to respond to your letter of November 9, 1973 concerning the War Powers Resolution, H.J. Res. 542. The Department is currently reviewing with other appropriate Executive Branch agencies the implications of that joint resolution and although we have not yet decided what changes in Executive Branch procedures might be required, we will be pleased to inform you of any such decisions when they are made.

I can respond now, however, to your particular question about Section 2(c) of the Resolution. It is the Department's opinion that Section 2(c) does not constitute a legally binding definition of the President's Constitutional power as Commander-in-Chief. It is our opinion that this subsection is at most a declaratory statement of policy. The title and language of the entire Section, "Purpose and Policy," support this reading as does the text of the subsection itself. Section 2 does not contain language which requires or prohibits any particular action, which is characteristic of mandatory and binding provisions. In addition, the report of the House and Senate conferees itself states that "Subsequent sections of the joint resolution are not dependent upon the language of this subsection, as was the case with a similar provision of the Senate bill (section 3)." If Section 2(c) were a binding definition, it presumably would govern the rest of the resolution, as would have Section 3 of the Senate bill, S. 440.

There are, of course, fundamental questions whether such legislation could, even if so intended, limit the Constitutional authority of the President. Certainly the precedent of past practice supports a wider scope of Presidential authority than that contained in Section 2(c).

I hope this is responsive to your particular question on that section; our replies on the other points of your inquiry will be forthcoming as soon as possible.

Sincerely,

MARSHALL WRIGHT,
Assistant Secretary for Congressional Relations.

EDITORIALS BROADCAST BY WSPA TELEVISION AND RADIO IN SPARTANBURG, S.C.

Mr. THURMOND. Mr. President, my attention was called recently to transcripts of three editorials broadcast by WSPA television and radio in Spartanburg, S.C. They deal with the energy crisis and I found them to be both informative and helpful in putting the energy crisis in proper perspective.

I would like to share these editorials with my colleagues.

Therefore, Mr. President, I ask unanimous consent that the three editorials on the energy crisis, broadcast on WSPA radio and television, November 28, 29, and 30, 1973, be printed in the RECORD at the conclusion of my remarks.

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

EDITORIAL, NOVEMBER 28—ENERGY

There is an old saying that people are living "high on the hog' when their standard of living enables them to enjoy the many luxuries of life.

Three can be no doubt that a vast majority of Americans in recent years have been living high on the hog; and if the energy crisis is to be solved without a serious economic recession, then some readjustments in the way our people live must be made.

This nation was headed for an energy crisis long before the Arab countries put an embargo on oil exports to the United States.

The United States has been producing 11 million barrels of petroleum liquids a day and consuming 17 million. The Arab curtailment amounts only to two or three million barrels.

The United States has only about six per cent of the world's population, but we consume about one-third of the world's energy.

It has been said that what the American people throw away from their tables would feed a large percentage of the hungry people in the world.

There can be no doubt that in oil, as in food, the American people have been wasteful. In food we have a sufficiency, but in oil we are at the mercy of the Arabs and other exporting nations unless we cut down on consumption.

It has become obvious that the environmentalists and the nation's economy are on a collision course. All the clean air proposals, however desirable, cannot be put into effect immediately and at the same time make this nation independent of foreign oil supplies.

The time has come for the American people to realize that there is an energy crisis and it is their duty to quit wasting gasoline, fuel oil and electricity. Also, it is time for the environmentalists to realize that they cannot have Utopia in their demands for clean air until such time as this nation can develop its own enregy sources and be free and independent of foreign powers like the Arab countries.

We cannot have our cake and eat it too.

EDITORIAL, NOVEMBER 29—ENERGY

In a speech last week before the Atlanta Rotary Club, Maurice F. Granville, head of Texaco, Inc., made the most comprehensive analysis of the present energy crisis that has come to the attention of WSPA.

Here are some of the significant facts Mr. Granville brought to the attention of his Georgia audience.

The United States consumes 17 million barrels of liquid petroleum a day but produces only 11 million.

If the President's program which he announced last Sunday night is fully supported, it would offset only 10 per cent of an anticipated 17 percent shortage of oil products.

The average American uses eight times as much energy as the average of his world neighbors.

A review of statistics back to 1920 revealed that the amount of energy used by the United States is directly related to total gross national product.

Economists estimate that when one production job is lost, two or three service type jobs will disappear and production jobs are dependent upon an adequate supply of energy.

Petroleum liquids are used in this country in this fashion: 20 per cent for household and commercial use (mostly heating); industrial 18 per cent; electric power 8 per cent; transportation, buses, trucks, trains, homes, passenger cars 53 per cent.

Passenger cars alone consume 30 per cent of liquid petroleums.

In a subsequent editorial WSPA will discuss some of Mr. Granville's proposals to deal with the energy crisis.

EDITORIAL, NOVEMBER 30—ENERGY PROPOSALS

In a previous editorial WSPA commented on a speech by the head of Texaco, Inc., Maurice F. Granville, before the Atlanta Rotary Club in pointing up the causes of the present energy crisis. Mr. Granville did not pretend to have all the cures for the petroleum shortage, but here are some of his proposals which he believes would alleviate the problem.

The greatest potential for petroleum liquids' conservation lies in the transportation sector which consumes 53%.

Mandatory allocations and even rationing are justifiable in this emergency but a return to a free market status as soon as possible to provide incentives for production is a necessity.

Modify Clean Air Act to ease, within limits, sulfur and automotive emissions until present emergency is ended.

Restriction of wasteful use of energy through economic measures rather than by government regulation.

A Government-sponsored program to develop alternative energy sources, such as nuclear fusion, geothermal, solar and some phases of coal, tar sands, and shale conversion.

Anyone with any doubt about there being an energy crisis, which, unless properly handled, could jettison this nation into an economic recession, needs only to read Mr. Granville's provocative speech in Atlanta.

While WSPA does not agree with all of the Texaco chief's proposals to deal with the energy shortage problem, he has certainly hit the nail squarely on the head in most instances, and it would be well for government as well as the public to heed his advice.

THE "PANAMANIAN POWDER KEG"

Mr. CRANSTON. Mr. President, from time to time I have tried to draw the attention of the Senate to the situation surrounding the U.S. role in Panama.

A recent article in the Los Angeles Times, written by a former Ambassador to Panama and Assistant Secretary of State for Latin America, criticizes the Pentagon's attitude toward Panama. In his words:

Panama continues to be the Pentagon's southern security blanket.

His comments are revealing.

I ask unanimous consent that the article, entitled "United States Is Clinging to a Panamanian Powder Keg," be printed in the RECORD.

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

UNITED STATES IS CLINGING TO A PANAMANIAN POWDER KEG—OUR NATIONAL SECURITY USED AS THE RATIONALE

(By Jack Hood Vaughn)

Early in the first Nixon Administration there were signs that a new general policy for Latin America was in the offing. "Mature partnership" and "low profile" were two expressions coined by the White House to describe the changing U.S. position.

However vague, these concepts seemed to promise the Latins a welcome respite from the coercion for collective security begun by John Foster Dulles in the 1950s and from a decade of bureaucratic pursuit of higher gross national products glamorized by President Kennedy as the Alliance for Progress.

Now the United States has finally abandoned its blanket emphasis on security and Pan-American solidarity; all the nations of the Americas have responded by concentrating on doing their own thing—economically, politically, and militarily.

All, that is, except Panama. Still a U.S. colony in many important respects, Panama continues to be the Pentagon's southern security blanket. From the start, the American military has helped make Panama what it is today. In 1902 Teddy Roosevelt willed the nation into existence by recognizing its "independence" from Colombia after disturbances in which the U.S. Marine Corps played a major role.

The grateful Panamanians quickly negotiated a treaty giving the United States perpetual sovereignty over the Canal Zone. Since then, U.S. policy towards Panama has been formulated and independently carried out by the U.S. Army.

The U.S. military command in Panama is made of two parts: a major general from the Corps of Engineers who governs the Panama Canal Co. from Balboa Heights, and a four-star general from the Army who directs Canal Zone military operations from an underground complex at Quarry Heights.

Their overriding common objective is to maintain the status quo, and over the years they have been largely immune to the precepts and changes of U.S. foreign policy. Today there could hardly be greater contrast between President Nixon's policy for Latin America and his armed forces' policy for operating in Panama.

While the Administration's policy has led to a reduction in all U.S. military missions assigned to other Latin nations, the Pentagon has maintained its top-heavy command intact in the zone.

While the U.S. military in all other Latin nations is under the direct supervision of the U.S. ambassador, in Panama independent policy control is exercised by the Pentagon.

I confess that my unsuccessful efforts at reasoning with Pentagon brass on Canal Zone issues. has caused me considerable frustration and disillusionment over the years. My last failure occurred one very hot afternoon in 1966, when as assistant secretary of state I was visiting the U.S. Embassy in Panama.

My innocuous objective was to convince the general in charge of the Southern Command that it was hardly in the U.S. interest to continuing teaching napalm bombing to Latin American pilots. I pointed out that the first time a Latin pilot dropped napalm on his own people—napalm he had been trained to mix and launch at a Canal Zone training course—the United States would be in a totally indefensible position, not just with God and Bill Fulbright, but with the world as well. I made not a dent.

Ever since he helped seize power in 1968, Panama's military leader Brig. Gen. Oman Torrijos Herrera, has been trying to force the United States to remove the Southern Command, its multiple bases, dozen generals, and 10,000 troops from the Canal Zone. Although he and most of his officers have been trained in the zone. Torrijos feels that such a dominant foreign military presence in the middle of Panama is anachronistic and colonial.

He stresses that the "Vietnam mentality" of U.S. military leadership makes close relationsips impossible and a renegotiation of the canal treaty out of the question. Intransigence on the treaty can only inflame the Panamanians, for they now feel grossly abused by it.

Although the United States made some concessions and increased its annual payments to the Panamians through treaty amendments in 1936 and 1955, the important clause about perpetual sovereignty remains. With the end of the cold war and the virtual elimination of the canal's strategic importance, Torrijos suspects that the reason the Pentagon is so interested in keeping the canal and deploying its gringo troops is to defend against the Panamanians.

To Torrijos, his National Guard, and his people, there are two major issues to be resolved immediately: whether the United States will continue to be sovereign in the Canal Zone, and how long the Pentagon will remain there en masse.

From the U.S. side, especially for congressional and military leaders, the most important issues are related to the defense of the Western Hemisphere, to U.S. prestige, to the Russian, Cuban, or Chilean menace, and to Panama's immaturity and unreliability as a partner. ("Can't you just imagine how those Panamanians would operate the canal during carnival?")

Some American congressmen recently reasoned that since certain Panamanian officials were reportedly involved in drug trafficking, it would be inappropriate to conclude a new treaty with a government which contained such irresponsible elements. Shortly thereafter, Panamanians floated the theory that no responsible government should stoop to dealing with a country capable of a Vietnam or with an Administration mired in a Watergate.

But the thoughts always return to "national security" as the reason for the U.S. presence in the Canal Zone. As the American public has learned through Watergate, a multitude of sins—and sinners—can huddle together under the shelter of this vague phrase. Panamanians believe the national security rationale is used to obscure rank colonialism in their country. The best job in the zone, for example, is piloting ships through the canal. No Panamanian has ever been allowed to become a pilot.

The U.S. military preeminence in Panama, which has not been well publicized inside this country, is largely perpetuated by help from the Pentagon's friends in Congress. Inveterate supporters of the military such as Sen. Strom Thurmond, together with senior House members of the Panama Canal subcommittee, have traditionally echoed the blunt phrases of Pennsylvania's Democratic Rep. Daniel Flood. Over the years, Flood has outspokenly maintained that to make any concession to Panama would be to give away the "American birthright."

The success of our congressional-military complex has experienced in thwarting all manner of assaults on its Panamanian *cordon sanitaire* is downright brilliant, President's orders have been reversed, diplomatic maneuvers and decisions brushed aside, and the United Nations told to go to hell.

But if it has encountered few problems at home, the Pentagon's monumental lack of sensitivity to the Panamanian point of view and its reluctance to consult with the Panamanians in important matters has yielded a crop of mistrust and ill will in Panama.

Pressures against the U.S. military presence in the Canal Zone began to mount after the serious riots of 1964. President Johnson, sensing a need for greater civilian influence on U.S. policy in Panama and at least an equal role for the State Department, created the Panama Review Committee. It had three members: the U.S. ambassador as chairman, the zone's U.S. military commander, and the governor of the zone. As ambassador at the time, I found myself consistently outvoted on the important issues, and my two very capable successors have continued to represent the minority view of one.

Shortly after the riots, Johnson set the stage for the ultimate showdown with the Pentagon. In mid-1964 he agreed to undertake bilateral negotiations with Panama aimed at drafting a completely new canal treaty and revising the military base rights agreement.

The U.S. military quickly countered by introducing a third element into the negotiations: the study of a possible sea-level canal in Panama. This third issue has clouded, complicated, and prolonged negotiations to the point where, nine years later, the two sides seem as far apart as ever.

The most recent canal confrontation occurred in March, 1973, at a special U.N. Security Council meeting in Panama City. The Panamanians may have imagined that the United States, faced with worldwide pressure and even humiliation, would be forced to agree officially to negotiate a "prompt and equitable" settlement of its treaty differences with Panama. In a manner which has become traditional in Panama-U.S. negotiations, the United States made it clear to all present that it was very, very unhappy at being pressured to discuss its Panamanian affairs with anyone else in the room.

When a resolution urging a new treaty settlement came up, the United States cast its third veto in U.N. history as the Pentagon again prevailed over both common sense and the State Department in setting American policy. Worse still, the performance of both the accused and the accuser struck observers as behavior unbecoming two civilized friendly nations.

When the council had adjourned, Panama seemed to have gained nothing—as usual—save reconfirmation of the fact that virtually every member of the United Nations (all of whom remember the decisively anticolonial and pro-Egyptian stance of the United States during the takeover in the Suez Canal in 1956) agrees with Panama's aspirations.

Meanwhile, back at the Pentagon, there is renewed confidence that the Army's Panamanian policy and apparatus are as impregnable as a mothballed battleship, at least as long as the Constitution does not provide for separation of military and legislative powers.

Yet on the Panamanian side, all the elements needed to propel a classic colonial stalemate beyond peaceful negotiation are in place: an overflowing measure of nationalism, a people in full support of their tough and charismatic leader on the Big Issue, strictly controlled media, virtually nonexistent communications with Canal Zone military leadership, and the widely held Panamanian conviction that the U.S. Army does not believe in evolution. The tinder awaits the spark.

DEATH OF DAVID BEN-GURION

Mr. HATFIELD. Mr. President, David Ben-Gurion, the father of modern Israel,

and a giant of our age, is dead. His passing is a source of genuine sorrow to those of us who respected and admired his vision, spirit, and contribution to human liberty.

In reading the many accounts, both published and unpublished which have appeared concerning Ben-Gurion's life and accomplishments, I was particularly impressed with a eulogy written by a talented rabbinical student, Mark S. Miller. Mr. Miller's remarks will speak for themselves and I commend them to the attention of my colleagues.

Mr. President, I ask unanimous consent that Mr. Miller's comments be printed in the RECORD.

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

DAVID BEN-GURION

David Ben-Gurion, the son of the lion cub, died last week at age 87. For over 7 decades, beginning with his immigration from Russia in 1906, he participated in and led the drive toward the fulfillment of the Jewish dream of a national homeland based on Jewish freedom.

Though he had his enemies, and many Israelis referred to him as "that man", over his single minded decisiveness, most simply called him "the man". He feared neither Arab nor Jew as he left his stamp on the infant state, and was the embodiment of the Biblical injunction from Deuteronomy "you shall not fear any man."

Ben-Gurion understood, as did few others, the central message of the two other great Zionist leaders of this century. Theodore Herzel has said in 1897 "If you will it, it is no dream", predicting that in 50 years, a Jewish homeland would be established. Almost to the day, Ben-Gurion arose in Tel Aviv to pronounce the first Jewish state in 2000 years and called upon Jews to come home and realize their prayers uttered throughout their forced exile. But he also realized that Chaim Weizmann had warned "A state is not given to a people on a silver platter" and he proceeded to declare the state facing 5 Arab armies massed on its insecure borders.

Ben-Gurion was the heir of the Biblical prophets who balanced their vision of a Messianic Age with political realism. He synthesized both and never lost sight of either. He asked to be buried in a simple ceremony true to his life on the Kibbutz in the rugged wilderness he so loved. He lies next to his beloved wife Paula in the earth which welcomed the bodies of the prophets, for he was one with them in realizing that the Jewish people is more than a political entity. Both understood them as a people of unique moral and spiritual quality and historic mission.

It is fitting that Ben-Gurion died just before the Jewish festival of Chanuka, which celebrates the last Jewish state before the establishment of present day Israel. Two thousand years separate Ben-Gurion from those ancient leaders, but as he was united with their vision and determination in life as he bestrode the land of Israel, so he is with them in it.

GOVERNMENT SECRECY

Mr. CHILES. Mr. President, on December 3, Lou Harris presented a report to the Subcommittee on Intergovernmental Relations, which as far as I know is the first survey of public opinion commissioned for a Senate subcommittee.

It is a fascinating study, a sampling of public and expert attitudes about our Government that documents the growing cynicism but offers with that documentation the "good news" that Americans are not really turned off to their system of Government. Despite their discontents, their sense of their own impotence and their low regard for Government and its contribution to their lives, Americans still believe that Government can be well run.

Of particular interest to me was the finding by the Harris survey that Americans are confident that our democratic "system" can be reformed. In the words of Mr. Harris before the subcommittee Monday:

The American people desperately want a condition in the country in which Government secrecy can no longer be excused as an operational necessity, since it can exclude the participation of the people in their Government, and, indeed, can be used as a screen for subverting their freedom.

David S. Broder's column in yesterday's Washington Post, dealt with the Harris survey, emphasizing that Americans have a clear perception of the changes needed to restore their Government to health.

Because of my interest in more openness in Government, and the bill I have introduced to accomplish that end, the Federal Government in the Sunshine proposal, I found both the Harris survey and the Broder article very valuable. I recommend them to my colleagues, and ask unanimous consent that Mr. Broder's column be printed in the RECORD at the conclusion of my remarks.

Mr. Harris reported in his study that State and local leaders "neither sense nor advocate this public mood for opening up Government at all levels." He says:

The public has lost faith, but not confidence. But the "promise of this America is as bright to the people as it has ever been. Skepticism in its achievement abounds because the people feel they have been cut off and because their leadership has failed them."

We as lawmakers must keep the faith, and restore the lost confidence. I am hopeful that my Federal Government in the Sunshine bill will help that effort.

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

THE CASE AGAINST SECRECY

(By David S. Broder)

It is a bit unusual for a congressional committee to spend $25,000 of the taxpayers' money to hire a private pollster to tell it what public opinion is. Congressmen are, like journalists, self-appointed experts on everything, and especially on public opinion. Such wisdom, it is believed, goes with the job.

But after reading the 300 page report pollster Lou Harris provided to Sen. Edmund S. Muskie's Intergovernmental Relations Subcommittee on the "citizens" view of American government, the conclusion has to be that the legislators got their money's worth.

The headline-grabber in the study released earlier this week was the finding that the public has more faith in the competence of the people who run local trash collection than it does in those who control television or the press, the Supreme Court, Congress, state and local government or the White House—which finished dead last in the confidence race.

The news that the large and visible institutions of this country—government, the press, corporations, unions, churches and schools—are suffering from a hemorrhage of public confidence is not news at all in the autumn of 1973.

What is news, after years of deepening public cynicism, is that Americans are really not turned off on their "system," but have a clear perception of the changes that are needed to restore it to health.

To quote from Harris's conclusion, "Fundamentally, the American people in this survey are trying to articulate two profoundly held sentiments:

"1. That government secrecy no longer can be excused as an operational necessity, since it can exclude the participation of the people in their own government, and, indeed, can be used as a screen for subverting their freedom.

"2. That the key to any kind of successful future leadership must be iron bound integrity."

Harris argues that "once these pre-conditions of openness and integrity have been fulfilled, then the time may well come when the people can be approached to make the sacrifices necessary to solve the common problems of the country."

This hopeful conclusion rests on his finding that despite the growing disillusionment of recent years, the public continues to hold a view of government that is skeptical, shrewd, sophisticated—but essentially positive.

Asked if they believe with Jefferson that the less government, the better, most people say no. On the contrary, most approve the proposition that "we need a strong federal government to get this country moving again," perhaps because the rhetoric carries a Kennedyesque connotation of trustworthiness and high purpose.

However, on the question of the distribution of power in the federal system, large majorities say they want state and local government strengthened, while the portion of authority allotted to Washington is reduced.

What this means, essentially, is that despite the disillusionments of the past year, the voters have not forgotten or abandoned what they thought they were voting for in last year's election. That was a vigorous but not all-powerful President who was committed to a deliberate effort, through New Federalism programs like revenue-sharing, to strengthen state and local government.

What they have also said, unmistakably, in this survey and in every other, is that they will not tolerate political leaders at any level who abuse the public trust by secretive manipulations.

If this finding were well understood by all political leaders—let alone the President—the survey might be of no great moment.

But when a cross-section of state and local officials were asked these same questions by Muskie's subcommittee staff, a majority of them rejected the view that secrecy in government is a serious problem. Harris concluded that "state and local leaders . . . neither sense nor advocate this public mood for opening up government at all levels. . . ."

That is damning news, because the lesson of this study for the officeholders of both parties may well be a lesson of political survival. Indifference to the moral and political imperative for "opening up government at all levels" could well cause the greatest house cleaning of incumbent politicians this country has seen in two generations.

The politicians cannot say they have not been warned. The warning is there in black and white—all $25,000 worth of it—and it is doubtful the taxpayers will spend much

more money to "send them this message." Next come the votes.

THE WATERGATE AFFAIR

Mr. THURMOND. Mr. President, an article written by my good friend, George Todt, was recently called to my attention. It has to do with the Watergate affair and Mr. Todt makes some rather poignant observations.

I would like to share this article with my colleagues.

Accordingly Mr. President, I ask unanmous consent that the article entitled "Watergate Who," which appeared in the September/October issue of Trunkline, be printed in the RECORD at the conclusion of my remarks.

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

WATERGATE WHO?

(By George Todt)

Hanson W. Baldwin—Reader's Digest, November, 1971: "What Josef Goebbels, Hitler's propaganda minister, enshrined as 'The Big Lie' has become part of our daily fare in the United States."

Watergate, who indeed!

In his eloquent article contained in Nov. 1971 Reader's Digest and called "Vietnam—The Facts and the Falsehoods," from which we have just quoted, the eminent military analyst (formerly of the New York Times) writes further:

"The Nazis operated on the psychological principle, long familiar to the Communists, that if a statement, no matter how outrageous, is repeated often enough, it will be believed by a tremendous number of people."

The hydra-headed Watergate monster has come a long way today from that point in time when a dozen minor GOP election officials—give or take a few—found themselves curious about what was going on in the Democratic Party national headquarters.

This is par for the course in the case of all political parties.

Practically the only thing of note which was shockingly different in this particular case of the Watergate break-in was the bungling ineptitude and bad judgment of the incredibly third rate burglars. One is sorely tempted to think there might have been a double-agent among them. But hardly a James Bond type.

While the public has been heavily propagandized in recent months to believe this is a matter of fabulous, even fantastic, wrongdoing on the part of selfish win-at-any-cost politicians—specifically the President, his White House staff and indirectly the whole Republican party—such is not actually the case.

No, really. For, as a matter of fact, the Watergate bumblers came up with absolutely nothing in the way of documents or any other kind of informational data which harmed the candidacy of Sen. George McGovern even one scintilla. Not at all.

Not daring to make such a ridiculous false charge because it is untrue—actually Watergate was well-known at the time of the election and might perhaps have gained Sen. McGovern a few extra votes he would not have gotten otherwise—many media propagandists are seldom found loathe to make the unfounded point by innuendo.

They have conditioned some of us by now almost to believe that the 18-million plurality, the greatest in American political history, which was gained by Richard Nixon in 1972 was a fluke, all occasioned by the indignity of Watergate not having been spelled out sufficiently to the public.

All of which is not really Watergate, but simply Balderdash!

In my talks with competent double agents who operated successfully behind the political scenes over many past years, I have been informed that Watergate-type intelligence activities have been considered merely routine in the past.

Particularly have they been quite routine since the invention of high-class electronic equipment for eavesdropping operations since nearly 20 years ago.

Actually, such clandestine activities were not even illegal until recent times when statutes were designed legally to prevent them. But for many years in the United States, "intelligence operations" have been a way of life. Not only in politics, but industry—management and labor, alike—and in many other related areas.

One of the typical stories related to me by a very successful "007" type agent, who never got caught like a youthful freshman, was one which is perhaps bound to cause good Democrats some great reluctance at pointing the finger of scorn at the GOP over this controversial Watergate matter.

The tale, which I believe to check out with known facts, was that a financier of the opposite political faith bought a suite at the Mark Hopkins Hotel in San Francisco prior to the Republican National Convention in 1964, carefully bugging it in the process, and then—through some shrewd manipulations on his part—managed to have it presented to Sen. Barry Goldwater, our Republican candidate.

If this were true, as I believe it to be, we may readily see that the information received by the Goldwater opponents was perhaps more than a thousand times as important to the campaign to re-elect Lyndon B. Johnson in 1964 than any much-ado-about-nothing information received from Watergate might have been in 1972 to President Nixon.

The travesty that Watergate has become today cannot be, in all honesty, simply laid at the doors of the much-ballyhooed Ervin Committee. Sure, Bible-quoting Senator Ervin likes to ham it up and play his dominating role before the television cameras, as do most of the others who have gotten into the act. Where could they get so much free and very valuable TV time?

It is understandable that the Senators have gone along perhaps in thinking, with the bait egged upon them by the television networks and the balance of the communications media. Most of whom are liberally inclined in the ideological direction of Sen. McGovern and diametrically opposed to President Nixon. Everyone who can do so is playing the game now. What is it?

Why, simply to bring about the destruction of Mr. Nixon by the big lie technique. The real danger is now revealed to thoughtful observers as not being Watergate itself. Instead, it is the cunning propaganda attack from the numerically overwhelmingly liberal elements of the media. Somehow they know exactly how to gravitate and consolidate their cumulative efforts most effectively each day this travesty has gone on. Like their devastating attack on Sen. Goldwater in the 1964 Presidential campaign.

Now, I do not for a moment believe that this is the result of any secret conspiracy behind the scenes where the liberals in the media got together and plotted to crush Richard Nixon if they could do so. It is more subtle than that!

The real tragedy of Watergate has been that the liberal bodies in the media—which may range up to 80 or 90 percent of the overall total—can all fall unfailingly into place without any inordinate fanfare or planning against their natural enemy.

While the President has made some accommodations with liberals from time to time, as behooves any adept politician and statesman, the real fact is that he has always been highest on the "enemy list" of the liberals since the day when he helped Whittaker Chambers expose Alger Hiss. They consider him, along with Barry Goldwater, and Ronald Reagan to be the most respected voices of moderately conservative Americans. And just observe what they unmercifully have done to them!

These strong men are still standing high in the saddle, fortunately, but no credit may be given to the media liberalissimos who will always fire their volleys before they even see the whites of their conservative opponents' eyes. It is a heavy and telling cascade of thunder from the left.

Watergate is not the main issue now, except for the nitpickers. But it has exposed use of the big lie technique to hurt the President. It must stop now. It is our public duty to get on with the business of our American Republic.

NASA AND PROJECT INDEPENDENCE

Mr. ALLEN. Mr. President, in 1958 Congress passed legislation establishing the National Aeronautics and Space Administration to direct America's efforts in its conquest of space. Fifteen years later, the United States can boast a numerous space-oriented scientific achievements. However, the arrival of the long predicted energy crisis has now given man an earth-oriented challenge.

In his energy message last month, the President spoke of the need to bring the Nation's invaluable pool of scientists and engineers with their considerable technological expertise to bear on a "crash" program to end our dependency on uncertain foreign energy sources. The President referred to such a program as "Project Independence."

Mr. President, I believe that NASA's level of scientific expertise, which was so effective in achieving the goals of the space program, could and should now be used in support of "Project Independence." Contrary to some portrayals of technology as the villain in the deterioration of our environment, a properly applied technology could provide solutions to the energy problem. In fact, technological advancement may be our sole source for a solution. NASA, which has already demonstrated its great prowess in technical problem-solving, is the logical agency to harness and direct technology to meet our pressing need for new sources of energy.

There are often close relationships between terrestrial energy technologies and their aerospace counterparts. For example, the conversion of heat energy to mechanical and ultimately electrical energy, as needed in electric generating plants, requires the same technologies of turbomachinery, thermodynamics, fluid mechanics, and heat transfer that are fundamental to aerospace propulsion and power applications. Solar cells and fuel cells, which were developed specifically for space flight programs, provide direct conversion of radiant and chemical energy to electrical energy and have potential for terrestrial use. Power processing and cryogenic technologies, used in space flights, could have applications to the processing and transmission of electrical energy on earth.

NASA is already involved in a number of energy-related projects. One example is a technical program for designing a low-cost jet engine which will lead to improvements in powerplant turbines,

heat exchangers, and combusters, all of which lead toward greater fuel savings. Another area in which NASA is involved is the generation of electricity by wind power. Winds are remarkably repeatable and predictable over a period of time. Wind systems have been used to generate electric power for at least 55 years in many countries. Accurate and detailed information is needed on the availability of wind and the effect of large numbers of closely spaced windmills, to help determine desirable sites. An ongoing NASA program is focused on a design study of a small system for possible use on the Island of Culebra, near Puerto Rico.

NASA is also involved in solar energy research. The potential of solar energy for earth application is tremendous. It is as inexhaustible as the sun and readily available almost everywhere in the world in enormous quantities, and as you know, its use is free from harmful environmental effects. On the other hand, it is a low-density source of energy which is costly to exploit, requires the use of large land areas, and because of its variability, night versus day, bright versus overcast day, summer versus winter, requires the use of some means for energy storage.

NASA programs are aimed at solving these technical problems. Their objectives are to reduce the costs of solar heat collecting systems; to increase the lifetime of components, raise the efficiency of collectors, devise new energy storage systems and improve heat transfer methodology.

New space technology programs are creating ways to increase the efficiency and reduce the cost of solar cells which convert solar energy directly into electricity. Other NASA research seeks methods of harnessing the 30° to 40° difference in temperature between the surface and bottom of the ocean to drive large slow-speed turbo-alternators.

NASA, in conjunction with the National Science Foundation, is working on the heating and cooling of buildings which could lead to the first large-scale use of solar energy. The NASA/NSF solar energy panel estimated that solar heating systems are now competitive with electric heating systems and, with anticipated improvements, will soon be competitive with heating systems using oil and gas. The trend will be accelerated by the rising costs forecast for fossil fuels.

Mr. President, at its Marshall Space Flight Center in Huntsville, Ala., NASA is conducting an experimental heating and cooling engineering demonstration and research program. The program will use the thermal coating developed for Skylab. It will also apply Marshall's own methodologies taken from their spacecraft environmental control systems. A highly advanced 1,500-square foot solar collector designed at Marshall Space Flight Center will be installed as a "roof" over three surplus trailers which simulate a living area.

Other, more speculative, but important studies include economic and technical considerations for large surface located solar powered generating stations, large orbital stations and remote nuclear stations which could use satellite reflection systems for power distribution.

I regret to say that the funding levels of NASA's energy research, is quite low. Despite this, steady progress is being made. But, Mr. President, I repeat, NASA represents this Nation's greatest asset in organized research and development. As we have reduced our efforts in space, we have failed to give fresh and equally challenging assignments to NASA. Instead, I see us taking a foolish and potentially disastrous path. We are breaking up the teams of scientists, the laboratories, the technicians. We turn our physicists out to drive cabs and sell real estate and even draw unemployment compensation at a time our country's need for them becomes more critical by the hour.

Mr. President, I ask that we recognize NASA for what it is—our best hope for this Nation's success in meeting a challenge that exceeds space flight in its complexity and perhaps also in its importance. If it can be done at all, NASA can give us the new science and technology to pull us out of our energy crisis.

I ask that the fact be recognized through prompt action on our part. I ask that we revitalize this priceless asset we have built over the past 15 years. NASA should be assigned the charter for our energy research and funded in accordance with the gravity of the situation and in accordance with our desperate need for solutions.

THE NCOA AND ITS ASSISTANCE TO VETERANS

Mr. THURMOND. Mr. President, recently I commented on an Information Day in the Capitol sponsored by the National Committee, Jobs for Veterans, and complimented that committee for the good work it has done on behalf of our veterans.

Since then, it has been brought to my attention that the Non-Commissioned Officers Association of the United States of America, headquartered in San Antonio, Tex., has an aggressive program to assist veterans who are seeking employment.

With the assistance of the National Alliance of Businessmen, the National Committee—Jobs for Veterans, the Texas Employment Commission, military transition offices from nearby military installations, the Education Board, the Veterans Administration and other veterans' groups, the NCOA sponsored the first veterans' job fair in San Antonio, Tex., during last October.

Entitled "SAVOS"—San Antonio Veterans Opportunity Seminar—the fair attracted 85 companies from throughout the Nation and nearly 3,000 veterans or soon-to-be veterans from the south central area of Texas.

The net results of the 2-day event were impressive. I am told that nearly 800 veterans were matched with jobs at the end of the first day, and one-third of those in attendance were either placed in jobs, or were asked by the companies to return for more detailed interviews.

On hand to participate in the proceedings were the following dignitaries: Assistant Secretary of Defense William P. Clements; Congressman HENRY B. GONZALEZ; former Congressman William H. Ayres, Special Assistant to the National Chairman, National Committee—Jobs for Veterans, and many others.

Another program of this type is planned by the NCOA in Houston, Tex., on February 18–19, 1974, at the Astro World Hotel Complex. Over 100 employers are expected to participate, with some 3,000 or more veterans on hand to seek employment.

What is so interesting to me, and should be to the Members of Congress and the veterans of this Nation, is that a quasi-military association—not a veterans' group per se—is doing something positive for our veterans.

The NCOA is over 150,000 members strong and nearly 85 percent of its membership is still on active duty as career-oriented noncommissioned and petty officers of the U.S. armed services. These are the men and women who recruited, trained, and supervised our veterans during the Vietnam conflict.

Mr. President, I commend the NCOA for its efforts on behalf of our veterans.

The Special Assistant to the National Chairman, Jobs for Veterans, former Congressman Bill Ayres, recently wrote to the president of the NCOA concerning the work of this fine organization on behalf of our veterans. I ask unanimous consent that this letter be printed in the RECORD at the conclusion of my remarks.

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

NATIONAL COMMITTEE,
JOBS FOR VETERANS,
Arlington, Va., October 16, 1973.

Mr. JAMES O. DUNCAN,
President, NCO Association of the U.S.A., San Antonio, Tex.

DEAR MR. PRESIDENT: As an honorary member of the NCO Association, recently inducted, I am pleased to note that "my" organization has once again delivered to its membership, other military personnel, and veterans what other organizations continue to describe as a problem . . . assisting the veteran in his transition into civilian life.

It was a rare privilege to meet the President of such an organization whose objectives are keenly on target to the needs of all veterans; whose competence is unsurpassed, as it is comprised of noncommissioned officers; whose enthusiastic dedication suggests that when it is too tough for the Chaplain, it's just right for us; and whose "Strength in Unity" is demonstrated by its accomplishments and service to our country.

I am proud to be a member of the outstanding veterans and military association, the Non-Commissioned Officers Association of the United States of America, and have placed the plaque you presented me next to a presentation made to me by the President of the United States.

I look forward to meeting with you and your staff again. The impact and reverberations of your inordinately successful San Antonio Veterans Opportunity Days strongly suggests that what this country really needs are non-commissioned officers doing what they do naturally—translating rhetoric into effective action.

Congratulations on a superb contribution to the President's Jobs for Veterans Program.

Sincerely,

WILLIAM H. AYRES,
Special Assistant to the National Chairman.

THE CHRISTMAS HONORS LIST

Mr. CLARK. Mr. President, in troubled times like these, it is important to remember that many Americans, both in and out of Government, have recognized the problems of this country and are doing something about them. In an article in the December issue of the Harper's magazine, John Fischer discusses 10 such people. It is worth noting that two of them, Betty Kitzman and Jon Crews, are from Iowa.

As the article points out, Betty Kitzman, board member of the Iowa Chapter of Common Cause, deserves major credit for significant political reform. She led the effort to persuade the Iowa Legislature to pass a law—the first in the country—to provide public financing for State political campaigns. From now on, Iowa taxpayers can stipulate that $1 of their annual income tax be turned over to a candidate for State office. The same law requires candidates to disclose the names of private contributors, and the size of their donations.

Jon Crews, the second Iowan, is the 26-year-old mayor of Cedar Falls, Iowa, one of the youngest municipal executives in the Nation. The job of mayor is the only one he has ever held. He started running for it while he was a graduate student at the University of Northern Iowa, and won it with 40 percent of the vote in a four-man race in 1971. As the article says:

He persuaded the city to hire its first planning officer, started a waste-recycling project, and is pushing for housing for the elderly and a network of bicycle paths. If the youth of America is discouraged with politics, Crews hasn't heard about it.

Both Betty Kitzman and Jon Crews are a credit to the State and to the country. We need more like them.

I ask unanimous consent to print the complete article in the RECORD.

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

THE EASY CHAIR—THE CHRISTMAS HONORS LIST

(By John Fischer)

Our annual wassail awards to some underappreciated people who have been enlivening, remodeling, or at least stirring up some corner of the world around them.

1. A premature nomination for a Pulitzer Prize to Wallace Stegner of Stanford University for what I expect to be the best biography of 1974—The Uneasy Chair: A Biography of Bernard DeVoto.

For twenty years before his death in 1955, DeVoto wrote this column, but in his own eyes that was almost the least of his endeavors. He called himself "a literary department store" because he sold everything in the writing line except poetry and drama. As a historian he won both Bancroft and Pulitzer Prizes. As a critic he was one of the most influential voices of his time. He wrote novels, edited (briefly and unhappily) The Saturday Review of Literature, served as literary executor of the Mark Twain estate, helped Adlai Stevenson with speeches in his first Presidential campaign, taught at major universities, became linchpin of the Breadloaf Writers' Conference, and provided endless encouragement and advice to younger writers, among them Arthur Schlesinger, Jr. and Stegner himself. DeVoto also taught marksmanship to Army recruits in World War I, smuggled liquor across the Canadian border during Prohibition, and offended both the Mormon church and the FBI beyond all forgiveness. Incidentally, he was the ultimate authority on the martini, and his instructions on the Only Proper Way to compound it are still in print.

But Stegner suggests that DeVoto's major contribution was as a conservationist. Decades before ecology became a household word, he was fighting cattle barons, sheepmen, landgrabbers, highway departments, lumber companies, and Congressmen in what often seemed a hopeless one-man campaign to save the American landscape. Stegner's account of those battles—and of DeVoto's belligerent forays on a dozen lesser crusades—is a remarkably stirring one. It will be published by Doubleday early in '74.

2. To His Grace the Duke of Leinster, for the most audacious real-estate promotion since 1066.

The Duke and his associates in Historic Estates, Ltd. are trying to sell, to Americans only, plots of ground in Anderita Park. This is a thirteen-acre patch of ground just outside the walls of Pevensey Castle near the south coast of England. For only $675 you can get a plot five feet long by five feet wide—enough to lie down on, if you curl up. But you can't do that, because the tract is being planted with trees and shrubbery so it can be used as a park by the respectful (to the Duke) peasantry of two nearby villages. For the same reason, you can't be buried there. In fact, you can't actually do anything with your land, except think about it with pride.

For what you get for your money—in the words of His Grace's four-color brochure—is a chance to "share in history." Your place in the chronicle of England will be certified by a title deed, "printed on the highest-quality parchment" and "signed personally by the Duke," attesting that you own a patch of soil which may once have been trodden by Roman soldiery, William the Conqueror, and any number of medieval knights. After all, there was a Roman camp not far away, and William did land nearby on his way to the Battle of Hastings.

Given the American penchant for buying underwater acreage in Florida and lots in the Arizona desert, His Grace probably will get away with it. If my calculations are correct, he can expect to take in $15,286,050, or well over a million an acre—less, of course, the cost of the brochures and parchment.

3. Speaking of real-estate deals, the California Fish and Game Department should be memorialized for spending $85,000 to preserve the habitat of the long-toed Santa Cruz salamander.

For that sum, it got thirty acres in Santa Cruz County, more or less infested with lizard-like amphibians about five inches long, decorated with orange and gold spots on a black background. This gaudy and endangered species is unknown anywhere else in the world except for one other small site in the same county, still in private ownership. Until a salamander census is taken, the cost per creature of preserving it is also unknown.

4. To B. D. Wadhwa, a member of the New Delhi municipal council, for realism rare in India.

Pointing out that all efforts to halt corruption among the city's officials had "miserably failed," he introduced a resolution demanding that "corruption and bribery be legalized and suitable limits be fixed for different levels and for different kinds of work." Thus every citizen would at least know how much he would have to pay for a building permit, import license, or audience with a bureaucrat. (When I worked in New Delhi some years ago, you had to pay a rupee to the chiprasee, or messenger, who stood outside the door of every government office, to pursuade him to let you in to see the man with whom you had an appointment. As a result of inflation, I understand, the price is now considerably higher.)

5. For a more hopeful political reform, much of the credit belongs to Betty Kitzman, board member of the Iowa chapter of Common Cause.

She led her fellow Common Causers in persuading the Iowa legislature to pass a law—the first in the country—to provide public financing for state political campaigns. From now on Iowa taxpayers can, if they choose, direct that one dollar of their annual income tax be turned over to a candidate for state office. The same law requires candidates to disclose the names of private contributors, and the size of their donations.

6. To Paul Laune of Phoenix, Arizona, for his book, America's Quarter Horses, the first definitive treatise on the most popular—and most typically American—of the saddle breeds.

So called because of its speed in the quarter-mile sprint races of the Old West, the quarter horse was the standard mount for cowboys and for the Plains Indians. Nimble, a quick learner, hardy, and usually good-tempered, he was far more efficient in working cattle than such Eastern breeds as the Thoroughbred and Morgan. When Americans became affluent enough to ride for fun, the same traits made him a favorite with Eastern stables and Western dude ranches. Besides he was, until a few decades ago, cheap. I once bought a pretty fair, though elderly, quarter horse for $25; today his counterpart would fetch $1,500.

There are now about eight million horses in this country, twice the population of a decade ago, and the quarter horse far outnumbers any other breed. Yet relatively little has been written about him in comparison with, say, the Thoroughbred. Laune's book is the only one I know of that traces the history of the breed, through all the famous stud lines, back to Spain and ultimately to the Arab and Barb horses of North Africa. It also gives you all you need to know about how to care for, train, and ride a quarter horse Western style—a technique quite different from that taught in most Eastern stables. Laune knows what he is talking about, since he grew up with the breed on ranches in Oklahoma, and has been for many years one of the best-known Western artists specializing in horse pictures.

7. To the Right Reverend Msgr. Francis J. Lally, chairman of the Boston Redevelopment Authority, and his colleagues, for a masterpiece of civic rejuvenation: the Government Center now nearing completion.

Urban renewal has a bad name these days, because so many projects have turned out to be failures or eyesores. In Boston it worked, magnificently. Twelve years ago the Scollay Square district was a sixty-acre disaster area, covered with tattoo parlors, cheap bars, bawdy houses, and crumbling tenements. Today it is the focal point of downtown Boston, giving the city an architectural distinction—and, yes, charm—that I have seen equaled only in San Francisco and Philadelphia.

The area has been developed on a human scale, for human convenience and enjoyment, not merely to produce the maximum income for real estate operators. Its key feature is a nine-acre square surrounding the new city hall; broad stairways, benches, and fountains make it an inviting place for a stroll or a picnic lunch, as hundreds of workers from nearby office buildings have discovered. Grouped around the square are about thirty other structures, housing city, state, and federal agencies, business firms, and such institutions as the Boston Press Club and Quincy Market. Historic buildings, including Faneuil Hall and the Old State House, have been lovingly incorporated into the site plan; and plenty of room has been

provided for shops, restaurants, coffeehouses, and outdoor cafes.

You can best explore the Government Center on foot, since it was designed for pedestrian rather than automobile traffic. Besides it is within easy walking distance of the Public Gardens, Beacon Hill, and most of the colonial churches and monuments. Boston has now become, in fact, one of the few American cities where a stroll through the downtown business district is a pleasure rather than an ordeal.

8. To the Chattanooga Choo Choo Company, and its board chairman, B. A. Casey, for a different but equally successful architectural adventure.

The company is a group of twenty-four businessmen who got together to save the old Southern Railway Terminal in Chattanooga from demolition. The terminal is a Victorian monument, with a dome eighty-five feet high and an entrance framed by one of the world's largest brick arches; but with the decline of railway passenger service, it was abandoned to dust and pigeons.

At a cost of $4 million, the company has remodeled the building into a combination of museum, pleasure dome, and city center. A restaurant accommodating two thousand people has already opened; it will be followed by a gaslit Victorian ballroom, a small theater, a model-railway museum, and a garden with fountains. A fleet of ancient sleeping cars has been assembled on the tracks and converted into hotel rooms with Victorian decor. The baggage area beside the tracks is being developed as a shopping arcade.

Results: the salvage of a minor architectural treasure; a likely profit, eventually, for the Chattanooga Choo Choo Company; and a promising start toward the revival of the inner city, without a penny's cost to the taxpayer.

9. To Connie B. Gay, originally of Lizard Lick, North Carolina, now of McLean, Virginia, for bringing country music to the big city and turning it into a multi-million-dollar industry.

Back in the Forties, he held a series of minor jobs in the Department of Agriculture. One of them was emcee for the National Farm and Home Hour, a network radio program carrying the department's news and advice to farmers and their wives together with a little light music. One day Connie put on a record of hill-billy songs, of the kind he had loved in his North Carolina boyhood.

"The reaction was astonishing," he told me. "I got a bigger response than I had ever pulled with any other program. And a lot of mail was from city people, asking for more of that country music they had never heard before."

The same thing happened every time he repeated the experiment—and Connie decided that such music might have some money in its future. Until that time, it had been practically unknown on commercial radio, except for Nashville Station WSM and a few others beamed to rural audiences.

In 1948 he took his $1,000 savings and started a country disc jockey show of his own, over WARL in suburban Washington, D.C., the first ever aimed at metropolitan listeners. The station's management was so skeptical it paid him no salary, but promised him a cut of the revenue from any advertisers he could attract. To everybody's surprise but Connie's, sponsors began to hand over their money in large, green bundles. Practically every kid in Washington seemed to be listening to Connie's hillbilly records.

He parlayed that beginning into network TV shows, country-music festivals in Constitution Hall, moonlight cruises down the Potomac with guitar accompaniment, and a series of road shows. Jimmy Dean went to work for Gay for $60.18 a week; for Johnny Cash, who already had a fledgling reputation, he had to go as high as $150 a day. Thanks at least in part to Gay's promotion work, Cash now gets something like $20,000 for a single performance.

In those days the smart media people were getting out of radio and into television. Connie didn't believe that radio was dying, so he bought up every station that came on the market until he owned nine of them, including WGAY in Washington. They all thrived on country music, and by 1960 Connie was a millionaire several times over.

He is pretty much retired now, to his Virginia estate and his winter home in the Virgin Islands, but he is delighted to see a whole new generation reveling in the music he brought up from Lizard Lick and Nashville. As for himself, Connie still can't play any instrument or carry a tune.

10. And finally, to Jon Crews, the twenty-six-year-old mayor of Cedar Falls, Iowa—one of the youngest municipal executives in the nation.

The job of mayor is the only one he has ever held. He started running for it while he was a graduate student at the University of Northern Iowa, and won it with 40 percent of the vote in a four-man race in 1971. Apparently he is doing fine. He persuaded the city to hire its first planning officer, started a waste-recycling project, and is pushing for housing for the elderly and a network of bicycle paths. If the youth of America is discouraged with politics, Crews hasn't heard about it. May he enjoy his Christmas as much as he enjoys his job.

DISTINGUISHED SERVICE AWARD TO SENATOR HARRY F. BYRD, JR.

Mr. ROBERT C. BYRD. Mr. President, I am pleased to report to the Senate that our colleague, the senior Senator from Virginia (Mr. HARRY F. BYRD, JR.), Wednesday night was presented the Distinguished Public Service Award of the Tax Foundation at a banquet in New York City.

The Tax Foundation, which is headquartered in New York and has an office in Washington, is a research and educational organization interested in the field of Government fiscal affairs and management. The foundation issues studies in this area, which are extensively used by public officials.

The Tax Foundation is 36 years old. Its chairman is W. Allen Wallis, chancellor of the University of Rochester.

The text of the citation to Senator BYRD is as follows:

Presented to the Honorable Harry Flood Byrd, Jr., United States Senator from Virginia, Member, Virginia Senate, 1947–1965, Editor, Winchester Evening Star, in recognition of his distinguished service to his state and nation, his independence in thought and action and his leadership in the cause of economical and efficient government.

By the Tax Foundation, New York, December 5, 1973.

Certainly this is a well-deserved award. All of his colleagues appreciate and respect the work done by the Senator from Virginia, during his 8 years in the Senate, in the field of Government finance.

Senator BYRD is an untiring advocate of fiscal integrity and sound Government financial policies. And he is an arch enemy of waste and excessive spending.

The Tax Foundation could not have selected a more appropriate recipient for its award this year. I congratulate the foundation on its judicious choice, and Senator BYRD for this well-deserved recognition.

A RECENT COLUMN BY JAMES J. KILPATRICK

Mr. THURMOND. Mr. President, I recently noticed a heart-warming column which, in the midst of millions of words describing tragedy and turmoil, stands out as something very special.

The most profound thoughts are often wrapped in simple language, for the beauty of such thoughts can be readily perceived without excessive use of verbal ornamentation.

In a recent column, James J. Kilpatrick, writing from his country home in Scrabble, Va., captured a reflective mood felt by, I am sure, millions of people across the country.

The column is in the form of a letter to his new grandson, Douglas Stone Kilpatrick, and I believe that my colleagues will also find his letter touching

Therefore, Mr. President, I ask unanimous consent that the article entitled "Love From a Doting Grandfather," which appeared in the Charleston Evening Post, Charleston, S.C., December 3, 1973, be printed in the RECORD at the conclusion of my remarks.

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

LOVE FROM A DOTING GRANDFATHER

(By James J. Kilpatrick)

SCRABBLE, VA.

DEAR DOUGLAS: I have been writing columns of grandfatherly wisdom off and on for several years in the form of letters to your older sister Heather, but in the thought that grandfatherly wisdom should be expended sparingly, there not being much of it to begin with, I had not intended to make you a literary figure also.

Yet the fairness doctrine applies. Heather, at three, has everything going for her: she can run like a colt, talk in big words and make herself a sammich. She is getting old, Heather is, and until you are 18 and she is 21, she is going to seem positively ancient. Big sisters are that way.

By contrast, beloved grandson, you have very little going for you now. You are ten tiny fingers and ten tiny toes, a soft pink tongue, and a pair of awesome lungs. Your dark Irish eyes are just beginning to focus on the world of 1973, which you entered two months ago, and all of discovery still lies ahead. But you do have this: with your christening last Sunday, you are now officially and formally a member of the family—a family that embraces a billion brothers, sisters and cousins of every race, color and nationality around the world. Onward, my small Christian soldier, howling as you go!

You were sworn into the Christian brotherhood, renouncing the devil and all his works in a little white-steepled church in Washington, Va. Ecclesiastically speaking, you are thus domiciled in Rappahannock County, in the Commonwealth of Virginia, in the United States of America, on the North American continent, on the planet Earth, spinning in a galaxy somewhere in the eternity of space. In the presence of a congregation of 22, mostly aunts and uncles, you, Douglas Stone Kilpatrick, human being, were thereby enrolled.

It is the custom of grandfathers, on such occasions, to wonder what grandsons will do, and what they will find, in the years ahead. I am not so concerned with material things—with space travel and new communications and miracles of medicine and science. These will come. By 2036, when you are my age, you and Heather may be looking forward, matter of factly, to reaching 97 and

100 respectively. In your late 20s, around the turn of the century, the two of you may be traveling around the world as casually as your mother and father now drive from Williamsburg to Richmond.

I wonder instead about the things that matter. What will you discover about the great families of mankind, the families identified by race and religion and nationality? Will they learn in your lifetime to live at peace with one another? Will you grow up, Douglas, to a world of love and charity and compassion, a world in which human beings do not seek to hurt, or to kill, or to enslave other families?

Your grandfather has read too much history and covered too many wars. Your grandfather gravely doubts that your world, in these respects, will be significantly better than this world has ever been. It is altogether probable that the hatreds, jealousies and passions of mankind will still be around, and you and Heather, dwelling on an increasingly crowded planet, may not be able to do much about it.

But you can try, Douglas. You can try. That is all any of us can do, in any age, in any universe. We can try to live up to the good and Godly concepts of the family you have joined. You were born of love. As you grow older you will know hurt and pain and frustration—of course you will—but you will know love also, and you will love many things.

I hope you will come to love this church and this community and these wooded hills, for such a love, as Burke said, is the first link in the series by which we proceed toward a love to our country, and to mankind. You have, my grandson, a long and loving way to go.

GRANDFATHER.

THE TOBACCO PRICE SUPPORT PROGRAM

Mr. COOK. Mr. President, on occasion after occasion I, and my colleagues, and our predecessors, have stood here in the Senate Chamber and extolled the success of the tobacco price support program as administered by the U.S. Department of Agriculture through farmer cooperative associations.

The impetus for such remarks has usually been attacks on tobacco as a costly, unnecessary drain on the public treasury and has been brought forth by the opponents of tobacco and tobacco products who are either unaware of the financial aspects of the federally assisted tobacco loan program, or do not want to let fact interfere with their demagoguery.

Today I would like to add one more chapter to this often repeated success story, particularly as it encompasses a Kentucky cooperative, namely the Burley Tobacco Growers Cooperative Association, Lexington, Ky., as reported to me by the U.S. Department of Agriculture.

The Senate is aware price support for tobacco is made available for farmers through producer associations in accordance with loan agreements which the associations enter into with CCC for each year's crop. All funds advanced to an association on a year's crop including funds for advances to farmers, transportation, processing, storage, and administrative expenses are considered one loan payable from the sale proceeds of the tobacco of the year's crop which is collateral for the loan. As the loan tobacco is sold, the proceeds are applied towards repayment of the loan. If the proceeds from the sale of all the loan tobacco of a year's crop are not sufficient to repay the loan in full, the remaining principal balance is charged off as a realized program cost.

I am pleased to inform the Senate that during fiscal year 1973 the Kentucky cooperative disposed of the remaining portion of the 1963 crop which had been placed under loan by the growers, realizing a net gain of approximately $850,000 after repayment to the Commodity Credit Corporation of the principal, interest on the loan for the 9 years, all storage charges and overhead expenses. The magnitude of the accomplishment is better recognized when it is realized that over 200 million pounds of the 1963 crop were placed under loan. In addition to this total repayment approximately $424,000 of the net gain was applied by CCC against the indebtedness of other crop years, in this instance unpaid interest on the 1951 and 1953 crops loans. Although full repayment of tobacco crop loans is perfectly normal instead of an exception, as the record will show, I felt it should once again be emphasized in view of charges constantly leveled by tobacco opponents to the effect that excessive expenditures by the Federal Government have accrued in the administration of the tobacco price support program.

In closing I would point out that since the inception of the tobacco price support program in 1933 over $3,775,500,000 has been advanced to growers in order to maintain price stability. Of this total amount less than $400 million is currently outstanding, with every indication that this balance will be repaid in the very near future due to the increasing demand by the manufacturers, both export and domestic for the balance of the tobacco remaining under loan. In this same time frame—1933–73—the realized cost to the Federal Government for the program was $58.9 million, about one-seventh of 1 percent of the cost of all farm commodity price support programs, an enviable record.

With Federal, State, and local excise taxes of over $5 billion yearly on tobacco products, it is indeed a remarkable achievement in Federal participation. To paraphrase an old cliche: It would appear that what is good for the tobacco grower is also a financial bonanza for the Federal Government.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there any morning business? If not, morning business is closed.

DEPARTMENTS OF LABOR, AND HEALTH, EDUCATION, AND WELFARE APPROPRIATIONS, 1974—CONFERENCE REPORT

The PRESIDING OFFICER (Mr. ABOUREZK). Under the previous order the Senate will now proceed to consideration of the conference report on H.R. 8877 which the clerk will state.

The legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 8877) making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, 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 this report, signed by all the conferees.

The PRESIDING OFFICER. Is there objection to the consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

(The conference report is printed in the House proceedings of the CONGRESSIONAL RECORD of Friday, November 30, 1973, at pp. 38795–38796.)

Mr. MANSFIELD. Mr. President, I ask unanimous consent to suggest the absence of a quorum with the time to be taken out of neither side.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I suggest the absence of a qourum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MAGNUSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MAGNUSON. Mr. President, I ask unanimous consent that a summary of the bill as agreed to by the conferees and adopted by both bodies be printed in the RECORD.

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

DECREASES FROM SENATE

	House	Senate	Conference	Decreas
Department of Labor	$827,535,000	$830,682,000	$787,690,000	—$42,992,000
Health, Education, and Welfare:				
Health Services and Mental Health Administration	2,261,833,000	2,359,397,000	2,305,278,000	—54,119,000
National Institutes of Health	2,499,895,000	2,665,730,000	2,576,478,000	—89,252,000
Education Division	6,164,411,000	6,444,106,000	6,210,986,000	—233,120,000
Social and Rehabilitation Service	13,647,999,000	13,581,939,000	13,564,839,000	—17,100,000

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1973 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1974 IN THE BILL FOR 1974

Appropriation/activity	New budget (obligational) authority, fiscal year 1973 enacted to date	1973 operating level	Budget estimates of new (obligational) authority, fiscal year 1974	New budget (obligational) authority recommended in the House bill	New budget (obligational) authority recommended in the Senate bill	Conference agreement	Conference agreement compared with— New budget (obligational) authority, fiscal year 1973 enacted to date	Budget estimates of new (obligational) authority, fiscal year 1974	House bill	Senate bill
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
TITLE I—DEPARTMENT OF LABOR										
MANPOWER ADMINISTRATION										
Salaries and expenses	($70,192,500)	($69,580,500)	($67,830,000)	$41,032,000	(1)	(1)			−$41,032,000	
Trust fund transfer	(1)	(1)	(1)	*(26,090,000)*	(1)	(1)			*(−26,090,000)*	
Manpower revenue sharing	(1,589,416,000)	(1,260,000,000)	(1,340,000,000)	(1)	(1)	(1)				
Manpower training services					$40,000,000					−$40,000,000
EMERGENCY EMPLOYMENT ASSISTANCE										
Emergency employment assistance	1,237,850,000	1,237,850,000					−$1,237,850,000			
Federal support	12,150,000	12,150,000					−12,150,000			
Total	1,250,000,000	1,250,000,000					−1,250,000,000			
FEDERAL UNEMPLOYMENT BENEFITS AND ALLOWANCES										
Payments to Federal employees	121,100,000	121,100,000	83,500,000	83,500,000	83,500,000	$83,500,000	−37,600,000			
Payments to ex-servicemen	263,900,000	308,900,000	238,200,000	238,200,000	238,200,000	238,200,000	−25,700,000			
Trade adjustment assistance	90,000,000	45,000,000	43,300,000	43,300,000	43,300,000	43,300,000	−46,700,000			
Total	475,000,000	475,000,000	365,000,000	365,000,000	365,000,000	365,000,000	−110,000,000			
ADVANCES TO EXTENDED UNEMPLOYMENT COMPENSATION ACCOUNT										
Extended unemployment compensation benefits	120,000,000	120,000,000					−120,000,000			
Total	120,000,000	120,000,000					−120,000,000			
FEDERAL GRANTS TO STATES FOR EMPLOYMENT SERVICES										
Employment services	65,556,500	65,556,500	64,400,000	64,400,000	64,400,000	64,400,000	−1,156,500			
Total	65,556,500	65,556,500	64,400,000	64,400,000	64,400,000	64,400,000	−1,156,500			
LIMITATION ON GRANTS TO STATES FOR UNEMPLOYMENT INSURANCE AND EMPLOYMENT SERVICES										
Unemployment Insurance Services	*(460,782,000)*	*(429,267,000)*	*(423,000,000)*	*(423,600,000)*	*(423,600,000)*	*(423,600,000)*	*(−37,182,000)*			
Employment Services	*(355,518,000)*	*(337,933,000)*	*(365,800,000)*	*(365,800,000)*	*(365,800,000)*	*(365,800,000)*	*(+10,282,000)*			
Contingency Fund	*(24,000,000)*	*(24,000,000)*	*(28,000,000)*	*(28,000,000)*	*(28,000,000)*	*(28,000,000)*	*(+4,000,000)*			
Total	*(840,300,000)*	*(791,200,000)*	*(817,400,000)*	*(817,400,000)*	*(817,400,000)*	*(817,400,000)*	*(−22,900,000)*			
Manpower Administration:										
Federal Funds	1,910,556,500	1,910,556,500	429,400,000	470,432,000	469,400,000	429,400,000	−1,481,156,500		−41,032,000	−40,000,000
Trust Funds	*(840,300,000)*	*(791,200,000)*	*(817,400,000)*	*(843,490,000)*	*(817,400,000)*	*(817,400,000)*	*(−22,900,000)*		*(−26,090,000)*	
Total, Manpower Administration	2,750,856,500	2,701,756,500	1,246,800,000	1,313,922,000	1,286,800,000	1,246,800,000	−1,504,056,500		−67,122,000	−40,000,000
LABOR MANAGEMENT SERVICES ADMINISTRATION										
Labor-management relations services	1,008,300	1,008,300	945,000	945,000	945,000	945,000	−63,300			
Labor-management policy development	1,716,700	1,716,700	1,993,000	1,993,000	1,993,000	1,993,000	+276,300			
Administration of reporting and disclosure laws	14,957,500	14,432,500	13,276,000	13,276,000	13,276,000	13,276,000	−1,681,500			
Veterans' reemployment rights	2,419,300	2,410,300	2,121,000	2,121,000	2,121,000	2,121,000	−298,300			
Federal labor-management relations	4,035,600	4,399,600	3,623,000	3,623,000	3,623,000	3,623,000	−412,600			
Executive direction and administrative services	1,540,300	1,527,300	1,542,000	1,542,000	1,542,000	1,542,000	+1,700			
Total	25,677,700	25,494,700	23,500,000	23,500,000	23,500,000	23,500,000	−2,177,700			

Footnotes at end of table.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1973 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1974—Continued

Appropriation/activity	New budget (obligational) authority, fiscal year 1973 enacted to date	1973 operating level	Budget estimates of new (obligational) authority, fiscal year 1974	New budget (obligational) authority recommended in the House bill	New budget (obligational) authority recommended in the Senate bill	Conference agreement	Conference agreement compared with— New budget (obligational) authority, fiscal year 1973 enacted to date	Budget estimates of new (obligational) authority, fiscal year 1974	House bill	Senate bill
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
TITLE I—DEPARTMENT OF LABOR—Continued										
EMPLOYMENT STANDARDS ADMINISTRATION										
SALARIES AND EXPENSES										
Improving and protecting wages	$27,870,300	$28,029,300	$24,833,000	$24,833,000	$24,833,000	$24,833,000	−$3,037,300			
Elimination of discrimination	7,740,200	7,719,200	7,651,000	7,651,000	7,651,000	7,651,000	−89,200			
Workmen's compensation	9,454,800	9,250,800	15,175,000	15,535,000	15,535,000	15,535,000	+6,080,200	+$360,000		
Program development and administration	5,684,200	5,664,200	4,391,000	4,391,000	4,391,000	4,391,000	−1,293,200			
Total	50,749,500	50,663,500	52,050,000	52,410,000	52,410,000	52,410,000	+1,660,500	+360,000		
SPECIAL BENEFITS										
Federal civilian employees benefits	93,948,000	91,131,000	91,950,000	91,950,000	91,950,000	91,950,000	−1,998,000			
Armed Forces reservists benefits	8,186,000	8,000,000	7,500,000	7,500,000	7,500,000	7,500,000	−686,000			
War Claims Act benefits	423,000	400,000	400,000	400,000	400,000	400,000	−23,000			
Other benefits	3,435,000	3,400,000	3,600,000	3,600,000	3,600,000	3,600,000	+165,000			
Longshoremen's and Harbor Workers' Compensation Act benefits	2,300,000	2,300,000	1,800,000	1,800,000	1,800,000	1,800,000	−500,000			
Black lung compensation benefits			36,000,000	36,000,000	36,000,000	36,000,000	+36,000,000			
Total	108,292,000	105,231,000	141,250,000	141,250,000	141,250,000	141,250,000	+32,958,000			
Total, Employment Standards Administration	159,041,500	155,894,500	193,300,000	193,660,000	193,660,000	193,660,000	+34,618,500	+360,000		
OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION										
Safety and health standards	2,983,400	2,983,400	2,955,000	2,955,000	2,955,000	2,955,000	−28,400			
Enforcement	24,695,800	24,193,800	24,939,000	24,421,000	28,503,000	25,511,000	+815,200	+572,000	+$1,090,000	−$2,992,000
Training, education, and information	6,516,400	6,516,400	3,491,000	3,491,000	3,491,000	3,491,000	−3,025,400			
State programs	27,098,400	27,098,400	30,080,000	30,080,000	30,080,000	30,080,000	+2,981,600			
Safety and health statistics	4,814,000	4,814,000	4,841,000	4,841,000	4,841,000	4,841,000	+27,000			
Executive direction and administration	3,766,800	3,766,800	3,530,000	3,530,000	3,530,000	3,530,000	−236,800			
Total	69,874,800	69,372,800	69,836,000	69,318,000	73,400,000	70,408,000	+533,200	+572,000	+1,090,000	−2,992,000
BUREAU OF LABOR STATISTICS										
Manpower and employment	13,235,000	13,235,000	14,146,000	14,146,000	14,146,000	14,146,000	+911,000			
Prices and cost of living	5,654,000	5,654,000	6,893,000	6,893,000	6,893,000	6,893,000	+1,239,000			
Wages and industrial relations	5,994,000	5,994,000	5,667,000	5,667,000	5,667,000	5,667,000	−327,000			
Productivity and technology	1,443,000	1,443,000	1,873,000	1,873,000	1,873,000	1,873,000	+430,000			
Economic research	1,177,000	1,177,000	1,183,000	1,183,000	1,183,000	1,183,000	+6,000			
Executive direction and staff services	7,521,000	7,188,000	7,539,000	7,539,000	7,539,000	7,539,000	+18,000			
Revision of the Consumer Price Index	9,760,000	9,760,000	10,099,000	10,099,000	10,099,000	10,099,000	+339,000			
Total	44,784,000	44,451,000	47,400,000	47,400,000	47,400,000	47,400,000	+2,616,000			
DEPARTMENTAL MANAGEMENT										
SALARIES AND EXPENSES										
Executive direction	$5,168,000	$5,168,000	5,226,000	5,226,000	5,226,000	5,226,000	+58,000			
Legal services	7,664,000	7,642,000	7,170,000	7,170,000	7,170,000	7,170,000	−494,000			
Trust fund transfer	(157,000)	(157,000)	(157,000)	(157,000)	(157,000)	(157,000)	(----------)	(----------)	(----------)	(----------)
International labor affairs	2,178,000	2,178,000	2,164,000	2,164,000	2,164,000	2,164,000	−14,000			
Administration and management	8,094,000	8,094,000	7,629,000	7,629,000	7,629,000	7,629,000	−465,000			
Trust fund transfer	(640,000)	(640,000)	(640,000)	(640,000)	(640,000)	(640,000)	(----------)	(----------)	(----------)	(----------)
Appeals from determination of Federal employee claims	202,000	202,000	192,000	192,000	192,000	192,000	−10,000			
Promoting employment of the handicapped	890,000	890,000	844,000	844,000	941,000	941,000	+51,000	+97,000	+97,000	
Total	24,196,000	24,174,000	23,225,000	23,225,000	23,322,000	23,322,000	−874,000	+97,000	+97,000	
Total, trust funds	(797,000)	(797,000)	(797,000)	(797,000)	(797,000)	(797,000)	(----------)	(----------)	(----------)	(----------)

Footnotes at end of table.

Appropriation/activity	New budget (obligational) authority, fiscal year 1973 enacted to date	1973 operating level	Budget estimates of new (obligational) authority, fiscal year 1974	New budget (obligational) authority recommended in the House bill	H New budget (obligational) authority recommended in the Senate bill	Conference agreement	Conference agreement compared with— New budget (obligational) authority, fiscal year 1973 enacted to date	Budget estimates of new (obligational) authority, fiscal year 1974	House bill	Senate bill
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
TITLE I—DEPARTMENT OF LABOR—Continued										
DEPARTMENTAL MANAGEMENT—Continued										
SPECIAL FOREIGN CURRENCY PROGRAM										
Overseas labor conference support	$100,000	$100,000	$200,000				−$100,000	−$200,000		
Total	100,000	100,000	200,000				−100,000	−200,000		
Total, Departmental management	24,296,000	24,274,000	23,425,000	$23,225,000	$23,322,000	$23,322,000	−974,000	−103,000	+$97,000	
Total, new budget (obligational) authority, Department of Labor	2,234,230,000	2,230,043,500	786,861,000	827,535,000	830,682,000	787,690,000	−1,446,540,500	+829,000	−39,845,000	−$42,992,000
Total, trust funds	*841,097,000*	*791,997,000*	*818,197,000*	*844,197,000*	*818,187,000*	*818,197,000*	*−22,900,000*		*−26,000,000*	
TITLE II—DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE										
HEALTH SERVICES AND MENTAL HEALTH ADMINISTRATION										
MENTAL HEALTH										
1. General mental health:										
(a) Research	90,676,000	79,576,000	80,489,000	89,289,000	89,289,000	89,289,000	−1,387,000	+8,800,000		
(b) Training	110,009,000	81,841,000	71,876,000	110,000,000	110,000,000	110,000,000	−9,000	+38,124,000		
(c) Community programs:										
(1) Construction of centers	20,000,000			15,000,000	20,000,000	15,000,000	−5,000,000	+15,000,000		−5,000,000
(2) Staffing of centers	165,100,000	125,100,000	472,000,000	163,698,000	163,698,000	163,698,000	−1,402,000	−308,302,000		
(3) Mental health of children	20,000,000	8,600,000	46,000,000	20,000,000	20,000,000	20,000,000		−26,000,000		
Subtotal	205,100,000	133,700,000	518,000,000	198,698,000	203,698,000	198,698,000	−6,402,000	319,302,000		5,000,000
(d) Management and information	20,800,000	20,800,000	21,355,000	21,355,000	21,355,000	21,355,000	+555,000			
Subtotal	426,585,000	315,917,000	691,720,000	419,342,000	424,342,000	419,342,000	−7,243,000	−272,378,000		−5,000,000
2. Drug abuse:										
(a) Research	35,528,000	35,528,000	36,739,000	36,739,000	36,739,000	36,739,000	+1,211,000			
(b) Training	12,582,000	12,582,000	15,182,000	15,182,000	15,182,000	15,182,000	+2,600,000			
(c) Community programs:										
(1) Projects grant and contracts	152,302,000	152,302,000	365,970,000	160,770,000	160,770,000	160,770,000	+8,468,000	−205,200,000		
(2) Grants to States	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000				
Subtotal	167,302,000	167,203,000	380,970,000	175,770,000	175,770,000	175,770,000	+8,468,000	−205,200,000		
(d) Management and information	14,907,000	14,907,000	15,578,000	15,578,000	15,578,000	15,578,000	+671,000			
Subtotal	230,319,000	230,319,000	448,469,000	243,269,000	243,269,000	243,269,000	+12,950,000	−205,200,000		
3. Alcoholism:										
(a) Research	11,582,000	6,882,000	6,901,000	8,901,000	8,901,000	8,901,000	−2,681,000	+2,000,000		
(b) Training	8,946,000	3,546,000	3,763,000	4,763,000	9,763,000	7,263,000	−1,683,000	+3,500,000	+2,500,000	−2,500,000
(c) Community programs:										
(1) Project grants and contracts	83,736,000	44,427,000	87,000,000	65,322,000	85,322,000	75,322,000	−8,414,000	−11,678,000	+10,000,000	−10,000,000
(2) Grants to States	60,000,000	30,000,000	30,000,000	40,000,000	60,000,000	48,000,000	−12,000,000	+18,000,000	+8,000,000	−12,000,000
Subtotal	143,736,000	74,427,000	117,000,000	105,322,000	145,322,000	123,322,000	−20,414,000	+6,322,000	+18,000,000	−22,000,000
(d) Management and information	6,524,000	5,319,000	5,435,000	5,435,000	5,435,000	5,435,000	−1,089,000			
Subtotal	170,788,000	90,174,000	133,099,000	124,421,000	169,421,000	144,921,000	−25,867,000	+11,822,000	+20,500,000	−24,500,000
4. Program direction	8,532,000	8,532,000	8,443,000	8,443,000	8,443,000	8,443,000	−89,000			
Total	836,224,000	644,942,000	[1] 1,281,731,000	795,475,000	845,475,000	815,975,000	−20,249,000	−465,756,000	+20,500,000	−29,500,000
ST. ELIZABETHS HOSPITAL (indefinite)	36,941,000	36,941,000	38,000,000	38,000,000	38,000,000	38,000,000	+1,059,000			
HEALTH SERVICES PLANNING AND DEVELOPMENT										
1. Health services research and development	78,554,000	52,123,000	60,278,000	64,778,000	64,778,000	64,778,000	−13,776,000	+4,500,000		
2. Comprehensive health planning	41,713,000	34,827,000	38,327,000	38,327,000	38,327,000	38,327,000	−3,386,000			
3. Regional medical programs	134,625,000	58,344,000		81,953,000	81,953,000	81,953,000	−52,672,000	+81,953,000		

Footnotes at end of table.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1973 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1974—Continued

Appropriation/activity	New budget (obligational) authority, fiscal year 1973 enacted to date	1973 operating level	Budget estimates of new (obligational) authority, fiscal year 1974	New budget (obligational) authority recommended in the House bill	New budget (obligational) authority recommended in the Senate bill	Conference agreement	Conference agreement compared with— New budget (obligational) authority, fiscal year 1973 enacted to date	Budget estimates of new (obligational) authority, fiscal year 1974	House bill	Senate bill
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
TITLE II—DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—Con.										
HEALTH SERVICES AND MENTAL HEALTH ADMINISTRATION—Con.										
HEALTH SERVICES PLANNING AND DEVELOPMENT—Con.										
4. Medical facilities construction:										
(a) Construction grants:										
(1) Hospitals and public health centers	$41,400,000			$41,400,000	$41,400,000	$41,400,000		+$41,400,000		
(2) Long-term care facilities	20,800,000			20,800,000	20,800,000	20,800,000		+20,800,000		
(3) Outpatient facilities	70,000,000			70,000,000	70,000,000	70,000,000		+70,000,000		
(4) Rehabilitation facilities	15,000,000	$2,000,000		15,000,000	15,000,000	15,000,000		+15,000,000		
(5) Modernization	50,000,000			50,000,000	50,000,000	50,000,000		+50,000,000		
Subtotal	197,200,000	2,000,000		197,200,000	197,200,000	197,200,000		+197,200,000		
(b) Interest subsidies	2,500,000	2,500,000					−$2,500,000			
(c) Special medical facilities	17,000,000						−17,000,000			
(d) Direct operations	3,272,000	3,176,000	$2,476,000	3,272,000	3,272,000	3,272,000		+796,000		
Subtotal	219,972,000	7,676,000	2,476,000	200,472,000	200,472,000	200,472,000	−19,500,000	+197,996,000		
5. Program direction	2,990,000	2,927,000	2,000,000	2,990,000	2,990,000	2,990,000		+990,000		
Total	477,854,000	155,897,000	103,081,000	388,520,000	388,520,000	388,520,000	−89,334,000	+285,439,000		
HEALTH SERVICES DELIVERY										
1. Comprehensive health services:										
(a) Grants to States	90,000,000	90,000,000	90,000,000	90,000,000	90,000,000	90,000,000				
(b) Project grants	116,200,000	110,200,000	211,100,000	211,100,000	220,100,000	211,100,000	+94,900,000			−$9,000,000
(c) Migrant health grants	23,750,000	23,750,000	23,750,000	23,750,000	25,000,000	25,000,000	+1,250,000	+1,250,000	+$1,250,000	
(d) Direct operations	19,662,000	19,662,000	22,133,000	22,133,000	22,133,000	22,133,000	+2,471,000			
Subtotal	249,612,000	243,612,000	346,983,000	346,983,000	357,233,000	348,233,000	+98,621,000	+1,250,000	+1,250,000	−9,000,000
2. Maternal and child health:										
(a) Grants to States	125,678,000	125,678,000	217,951,000	217,951,000	125,678,000	125,678,000		−92,273,000	−92,273,000	
(b) Project grants	98,496,000	88,024,000			92,273,000	92,273,000	−6,223,000	+92,273,000	+92,273,000	−2,000,000
(c) Research and training	21,917,000	21,917,000	21,917,000	21,917,000	23,917,000	21,917,000				
(d) Direct operations	4,325,000	4,325,000	4,340,000	4,340,000	4,340,000	4,340,000	+15,000			
Subtotal	250,416,000	239,944,000	244,208,000	244,208,000	246,208,000	244,208,000	−6,208,000			−2,000,000
3. Family planning services:										
(a) Grants and contracts	135,024,000	104,615,000	119,615,000	119,615,000	119,615,000	119,615,000	−15,409,000			
(b) Direct operations	2,065,000	2,032,000	2,610,000	2,610,000	2,610,000	2,610,000	+545,000			
Subtotal	137,089,000	106,647,000	122,225,000	122,225,000	122,225,000	122,225,000	−14,864,000			
4. National Health Service Corps	10,558,000	10,558,000	11,000,000	11,000,000	13,000,000	13,000,000	+2,442,000	+2,000,000	+2,000,000	
5. National Health Service Scholarships			3,000,000	3,000,000	3,000,000	3,000,000	+3,000,000			
6. Patient care and special health services	95,821,000	95,821,000	98,961,000	98,961,000	128,061,000	116,961,000	+21,140,000	+18,000,000	+18,000,000	−11,100,000
7. Regional office, central staff	5,630,000	5,630,000	5,602,000	5,602,000	5,602,000	5,602,000	−28,000			
8. Program direction	6,258,000	6,080,000	5,470,000	5,470,000	5,470,000	5,470,000	−788,000			
Less: Trust fund transfer	−4,719,000	−4,719,000	−5,419,000	−5,419,000	−5,419,000	−5,419,000	−700,000			
Total	750,665,000	703,573,000	832,030,000	832,030,000	875,380,000	853,280,000	+102,615,000	+21,250,000	+21,250,000	−22,100,000
PREVENTIVE HEALTH SERVICES										
1. Disease control:										
(a) Infectious diseases:										
(1) Research grants	2,215,000	2,215,000			1,215,000		−2,215,000			−1,215,000
(2) Project grants	39,300,000	34,850,000	31,000,000	31,000,000	31,585,000	31,585,000	−7,715,000	+585,000	+585,000	
(3) Direct operations	38,661,000	38,661,000	34,667,000	36,667,000	36,667,000	36,667,000	−1,994,000	+2,000,000		
Subtotal	80,176,000	75,726,000	65,667,000	67,667,000	69,467,000	68,252,000	−11,924,000	+2,585,000	+585,000	−1,215,000
(b) Nutritional and chronic diseases	5,761,000	4,291,000	900,000	900,000	900,000	900,000	−4,861,000			
(c) Laboratory improvement	9,359,000	8,054,000	7,892,000	7,892,000	8,092,000	8,092,000	−1,267,000	+200,000	+200,000	
Subtotal	95,296,000	88,071,000	74,459,000	76,459,000	78,459,000	77,244,000	−18,052,000	+2,785,000	+785,000	−1,215,000

Footnotes at end of table.

Appropriation/activity	New budget (obligational) authority, fiscal year 1973 enacted to date	1973 operating level	Budget estimates of new (obligational) authority, fiscal year 1974	New budget (obligational) authority recommended in the House bill	New budget (obligational) authority recommended in the Senate bill	Conference agreement	Conference agreement compared with— New budget (obligational) authority, fiscal year 1973 enacted to date	Budget estimates of new (obligational) authority, fiscal year 1974	House bill	Senate bill
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
TITLE II—DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—Con.										
HEALTH SERVICES AND MENTAL HEALTH ADMINISTRATION—Con.										
PREVENTIVE HEALTH SERVICES—continued										
2. Community environmental management:										
(a) Grants	$26,000,000	$21,500,000	$19,600,000	$19,600,000	$21,500,000	$20,500,000	−$5,500,000	+$900,000	$+900,000	−$1,000,000
(b) Direct operations	5,229,000	5,229,000	1,500,000	1,500,000	2,300,000	2,300,000	−2,929,000	+800,000	+800,000	
Subtotal	31,229,000	26,729,000	21,100,000	21,100,000	23,800,000	22,800,000	−8,429,000	+1,700,000	+1,700,000	−1,000,000
3. Occupational health:										
(a) Grants	4,414,000	2,902,000	2,252,000	2,252,000	2,252,000	2,252,000	−2,162,000			
(b) Direct operations	24,428,000	21,779,000	23,348,000	23,348,000	33,348,000	28,348,000	+3,920,000	+5,000,000	+5,000,000	−5,000,000
Subtotal	28,842,000	24,681,000	25,600,000	25,600,000	35,600,000	30,600,000	+1,758,000	+5,000,000	+5,000,000	−5,000,000
4. Program direction	4,385,000	4,289,000	3,921,000	3,921,000	3,921,000	3,921,000	−464,000			
Total	159,752,000	143,770,000	125,080,000	127,080,000	141,780,000	134,565,000	−25,187,000	+9,485,000	+7,485,000	−7,215,000
NATIONAL HEALTH STATISTICS	19,335,000	19,164,000	22,821,000	22,821,000	19,335,000	19,335,000		−3,486,000	−3,486,000	
RETIREMENT PAY AND MEDICAL BENEFITS FOR COMMISSIONED OFFICERS (indefinite)	29,163,000	29,163,000	34,103,000	34,103,000	34,103,000	34,103,000	+4,940,000			
BUILDINGS AND FACILITIES	19,457,000	12,550,000	12,000,000	9,500,000	9,500,000	9,500,000	−9,957,000	−2,500,000		
OFFICE OF THE ADMINISTRATOR	13,712,000	13,712,000	14,304,000	14,304,000	7,304,000	12,000,000	−1,712,000	−2,304,000	−2,304,000	+4,696,000
Total, Health Services and Mental Health Administration	2,343,103,000	1,759,712,000	2,463,150,000	2,261,833,000	2,359,397,000	2,305,278,000	−37,825,000	−157,872,000	+43,445,000	−54,119,000
NATIONAL INSTITUTES OF HEALTH										
NATIONAL CANCER INSTITUTE	485,317,000	427,234,000	500,000,000	522,383,000	580,000,000	551,191,500	+65,874,500	+51,191,500	+28,808,500	−28,808,500
NATIONAL HEART AND LUNG INSTITUTE	290,728,000	247,578,000	265,000,000	281,415,000	320,000,000	302,915,000	+12,187,000	+37,915,000	+21,500,000	−17,085,000
NATIONAL INSTITUTE OF DENTAL RESEARCH	45,797,000	40,465,000	38,452,000	44,131,000	47,000,000	45,565,500	−231,500	+7,113,500	+1,434,500	−1,434,500
NATIONAL INSTITUTE OF ARTHRITIS, METABOLISM, AND DIGESTIVE DISEASES	158,082,000	140,218,000	133,608,000	155,894,000	163,000,000	159,447,000	+1,365,000	+25,839,000	+3,553,000	−3,553,000
NATIONAL INSTITUTE OF NEUROLOGICAL DISEASES AND STROKE	124,434,000	105,830,000	101,198,000	120,073,000	125,000,000	125,000,000	+566,000	+23,802,000	+4,927,000	
NATIONAL INSTITUTE OF ALLERGY AND INFECTIOUS DISEASES	107,640,000	101,067,000	98,693,000	112,744,000	114,000,000	114,000,000	+6,360,000	+15,307,000	+1,256,000	
NATIONAL INSTITUTE OF GENERAL MEDICAL SCIENCES	175,281,000	151,614,000	138,573,000	175,778,000	183,500,000	176,778,000	+1,497,000	+38,205,000	+1,000,000	−6,722,000
NATIONAL INSTITUTE OF CHILD HEALTH AND HUMAN DEVELOPMENT	125,949,000	109,866,000	106,679,000	125,254,000	135,254,000	130,254,000	+4,305,000	+23,575,000	+5,000,000	−5,000,000
NATIONAL EYE INSTITUTE	36,792,000	33,842,000	32,092,000	36,631,000	46,631,000	41,631,000	+4,839,000	+9,539,000	+5,000,000	−5,000,000
NATIONAL INSTITUTE OF ENVIRONMENTAL HEALTH SCIENCES	30,364,000	26,600,000	25,263,000	28,879,000	28,879,000	28,879,000	−1,485,000	+3,616,000		
RESEARCH RESOURCES	136,791,000	99,060,000	88,632,000	133,322,000	134,000,000	133,472,000	−3,319,000	+44,840,000	+150,000	−528,000
JOHN E. FOGARTY INTERNATIONAL CENTER	4,666,000	3,957,000	3,586,000	4,767,000	4,767,000	4,767,000	+101,000	+1,181,000		
Total, Research Institutes	1,721,841,000	1,486,731,000	1,531,776,000	1,741,271,000	1,882,031,000	1,813,900,000	+92,059,000	+282,124,000	+72,629,000	−68,131,000
HEALTH MANPOWER										
1. Health professions support:										
(a) Institutional assistance:										
(1) Capitation grants	165,900,000	52,200,000	152,500,000	187,277,000	187,277,000	187,277,000	+21,377,000	+34,777,000		
(2) Start-up and conversion assistance	11,700,000	6,300,000	6,000,000	6,000,000	6,000,000	6,000,000	−5,700,000			
(3) Financial distress grants	15,000,000	9,210,000	10,000,000	10,000,000	10,000,000	10,000,000	−5,000,000			
(4) Special projects	63,000,000	39,899,000	34,000,000	53,000,000	55,000,000	53,500,000	−9,500,000	+19,500,000	+500,000	−1,500,000
Subtotal	255,600,000	207,600,000	202,500,000	256,277,000	258,277,000	256,777,000	+1,177,000	+54,277,000	+500,000	−1,500,00

Footnotes at end of table.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1973 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1974—Continued

Appropriation/activity	New budget (obligational) authority, fiscal year 1973 enacted to date	1973 operating level	Budget estimates of new (obligational) authority, fiscal year 1974	New budget (obligational) authority recommended in the House bill	New budget (obligational) authority recommended in the Senate bill	Conference agreement	Conference agreement compared with—			
							New budget (obligational) authority, fiscal year 1973 enacted to date	Budget estimates of new (obligational) authority, fiscal year 1974	House bill	Senate bill
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	
TITLE II—DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—Con.										
NATIONAL INSTITUTES OF HEALTH—Con.										
HEALTH MANPOWER—con.										
Health professions support—con.										
(b) Student assistance:										
(1) Direct loans	$36,000,000	$36,000,000	$36,000,000	$36,000,000	$36,000,000	$36,000,000	----------	----------	----------	----------
(2) Scholarships	17,500,000	17,500,000	10,000,000	15,500,000	17,500,000	17,500,000	----------	+$7,500,000	+$2,000,000	----------
(3) Loan repayments	----------	----------	400,000	400,000	400,000	400,000	+$400,000	----------	----------	----------
Subtotal	53,500,000	53,500,000	46,400,000	51,900,000	53,900,000	53,900,000	+400,000	+7,500,000	+2,000,000	----------
(c) Construction assistance:										
(1) Grants	100,000,000	----------	----------	100,000,000	100,000,000	100,000,000	----------	+100,000,000	----------	----------
(2) Interest subsidies	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	----------	----------	----------	----------
Subtotal	101,000,000	1,000,000	1,000,000	101,000,000	101,000,000	101,000,000	----------	+100,000,000	----------	----------
(d) Dental health activities	14,979,000	13,070,000	12,991,000	14,979,000	14,979,000	14,979,000	----------	+1,988,000	----------	----------
(e) Educational assistance	19,954,000	8,905,000	5,000,000	9,320,000	14,320,000	10,000,000	−9,954,000	+5,000,000	+680,000	−$4,320,000
(f) Direct operations	3,329,000	3,329,000	3,313,000	3,313,000	3,313,000	3,313,000	−16,000	----------	----------	----------
Subtotal	448,362,000	287,404,000	271,204,000	436,789,000	445,789,000	439,969,000	−8,393,000	+168,765,000	+3,180,000	−5,820,000
2. Nursing support:										
(a) Institutional assistance:										
(1) Capitation grants	38,500,000	16,800,000	----------	33,800,000	38,500,000	36,150,000	−2,350,000	+36,150,000	+2,350,000	−2,350,000
(2) Start-up assistance	2,000,000	----------	----------	----------	----------	----------	−2,000,000	----------	----------	----------
(3) Financial distress grants	10,000,000	170,000	----------	5,000,000	10,000,000	5,000,000	−5,000,000	+5,000,000	----------	−5,000,000
(4) Special projects	22,600,000	11,430,000	15,000,000	20,000,000	22,600,000	20,000,000	−2,600,000	+5,000,000	----------	−2,600,000
Subtotal	73,100,000	28,400,000	15,000,000	58,800,000	71,100,000	61,150,000	−11,950,000	+46,150,000	+2,350,000	−9,950,000
(b) Student assistance:										
(1) Direct loans	24,000,000	21,000,000	21,000,000	24,000,000	24,000,000	24,000,000	----------	+3,000,000	----------	----------
(2) Scholarships	21,500,000	19,500,000	11,000,000	19,500,000	21,500,000	20,500,000	−1,000,000	+9,500,000	+1,000,000	−1,000,000
(3) Traineeships	15,900,000	15,900,000	----------	11,500,000	15,900,000	13,700,000	−2,200,000	+13,700,000	+2,200,000	−2,200,000
(4) Loan repayments	----------	----------	1,600,000	1,600,000	1,600,000	1,600,000	+1,600,000	----------	----------	----------
Subtotal	61,400,000	56,400,000	33,600,000	56,600,000	63,000,000	59,800,000	−1,600,000	+26,200,000	−3,200,000	+3,200,000
(c) Construction assistance:										
(1) Grants	20,000,000	----------	----------	20,000,000	20,000,000	20,000,000	----------	+20,000,000	----------	----------
(2) Interest subsidies	1,000,000	----------	1,000,000	1,000,000	1,000,000	1,000,000	----------	----------	----------	----------
Subtotal	21,000,000	----------	1,000,000	21,000,000	21,000,000	21,000,000	----------	+20,000,000	----------	----------
(d) Educational assistance	9,720,000	5,665,000	----------	7,569,000	9,720,000	7,569,000	−2,151,000	+7,569,000	----------	−2,151,000
(e) Direct operations	4,214,000	4,214,000	3,348,000	4,119,000	4,119,000	4,119,000	−95,000	+771,000	----------	----------
Subtotal	169,434,000	94,679,000	52,948,000	148,088,000	168,939,000	153,638,000	−15,796,000	+100,690,000	+5,550,000	−15,301,000
3. Public health support:										
(a) Institutional assistance	12,000,000	8,770,000	----------	12,000,000	12,000,000	12,000,000	----------	+12,000,000	----------	----------
(b) Student assistance	9,600,000	6,170,000	----------	9,600,000	9,600,000	9,600,000	----------	+9,600,000	----------	----------
(c) Direct operations	1,031,000	631,000	----------	631,000	631,000	631,000	−400,000	+631,000	----------	----------
Subtotal	22,631,000	15,571,000	----------	22,231,000	22,231,000	22,231,000	−400,000	+22,231,000	----------	----------
4. Allied health support:										
(a) Institutional assistance	31,714,000	15,745,000	----------	31,745,000	31,745,000	31,745,000	+31,000	+31,745,000	----------	----------
(b) Student assistance	3,091,000	3,091,000	----------	3,750,000	3,750,000	3,750,000	+659,000	+3,750,000	----------	----------
(c) Educational assistance	1,359,000	1,359,000	----------	1,359,000	1,359,000	1,359,000	----------	+1,359,000	----------	----------
(d) Direct operations	2,543,000	2,543,000	----------	1,851,000	1,851,000	1,851,000	−692,000	+1,851,000	----------	----------
Subtotal	38,707,000	22,738,000	----------	38,705,000	38,705,000	38,705,000	−2,000	+38,705,000	----------	----------
5. Special educational programs:										
(a) Educational initiative awards	42,000,000	12,000,000	46,500,000	46,500,000	46,500,000	46,500,000	+4,500,000	----------	----------	----------
(b) Computer technology and educational assistance	6,000,000	----------	----------	3,000,000	3,000,000	3,000,000	−3,000,000	+3,000,000	----------	----------
(c) Direct operations	3,298,000	1,717,000	2,752,000	2,752,000	2,752,000	2,752,000	−546	----------	----------	----------
Subtotal	51,298,000	13,717,000	49,252,000	52,252,000	52,252,000	52,252,000	+954,000	+3,000,000	----------	----------
6. Program direction and manpower analysis	11,150,000	8,798,000	8,776,000	8,776,000	4,000,000	4,000,000	−7,150,000	−4,776,000	−4,776,000	----------
Total	741,582,000	442,907,000	382,180,000	706,841,000	731,916,000	710,795,000	−30,787,000	+328,615,000	+3,954,000	−21,121,000

Footnotes at end of table.

Appropriation/activity	New budget (obligational) authority, fiscal year 1973 enacted to date	1973 operating level	Budget estimates of new (obligational) authority, fiscal year 1974	New budget (obligational) authority recommended in the House bill	New budget (obligational) authority recommended in the Senate bill	Conference agreement	Conference agreement compared with— New budget (obligational) authority, fiscal year 1973 enacted to date	Budget estimates of new (obligational) authority, fiscal year 1974	House bill	Senate bill
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
TITLE II—DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—Con.										
NATIONAL INSTITUTES OF HEALTH—Con.										
HEALTH MANPOWER—con.										
NATIONAL LIBRARY OF MEDICINE	$28,488,000	$25,150,000	$24,994,000	$25,871,000	$25,871,000	$25,871,000	−$2,617,000	+$877,000		
BUILDINGS AND FACILITIES	8,500,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	−500,000			
OFFICE OF THE DIRECTOR	12,618,000	12,256,000	12,000,000	12,000,000	12,000,000	12,000,000	−618,000			
SCIENTIFIC ACTIVITIES OVERSEAS (Special foreign currency program)	25,619,000	25,619,000	1,912,000	1,912,000	1,912,000	1,912,000	−23,707			
PAYMENT OF SALES INSUFFICIENCIES AND INTEREST LOSSES	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000				
Total, National Institutes of Health	2,547,648,000	2,004,363,000	1,964,862,000	2,499,895,000	2,065,730,000	2,576,478,000	+33,830,000	+611,616,000	+$76,583,000	−$89,252,000
EDUCATION DIVISION										
ASSISTANT SECRETARY FOR EDUCATION										
Salaries and expenses	1,543,000	1,543,000	1,852,000	1,722,000	1,722,000	1,722,000	+179,000	−130,000		
Postsecondary innovation	10,000,000	10,000,000	15,000,000	10,000,000	10,000,000	10,000,000		−5,000,000		
Total, Assistant Secretary for Education	11,543,000	11,543,000	16,852,000	11,722,000	11,722,000	11,722,000	+179,000	−5,130,000		
OFFICE OF EDUCATION										
ELEMENTARY AND SECONDARY EDUCATION										
1. Aid to school districts:										
(a) Educationally deprived children	1,810,000,000	1,585,185,000	1,585,185,000	1,810,000,000	1,810,000,000	1,810,000,000		+224,815,000		
(b) Supplementary services:										
(1) State plan programs	145,084,000	126,306,000	126,306,000	126,306,000	126,306,000	126,306,000	−19,378,010			
(2) Special programs and projects	25,709,000	20,086,000	20,087,000	20,087,000	20,087,000	20,087,000	−5,623,000			
Subtotal	171,393,000	146,392,000	146,393,000	146,393,000	146,393,000	146,393,000	−25,000,000			
Subtotal	1,981,393,000	1,731,577,000	1,731,578,000	1,956,393,000	1,956,393,000	1,956,393,000	−25,000,000	+224,815,000		
2. Strengthening State departments of education:										
(a) General support	43,000,000	33,000,000		33,000,000	40,000,000	36,500,000	−6,500,000	+36,500,000	+3,500,000	−3,500,000
(b) Comprehensive planning and evaluation	10,000,000	4,964,000		5,000,000	5,000,000	5,000,000	−5,000,000	+5,000,000		
Subtotal	53,000,000	37,964,000		38,000,000	45,000,000	41,500,000	−11,500,000	+41,500,000	+3,500,000	−3,500,000
3. Bilingual education	44,950,000	35,080,000	35,000,000	45,000,000	55,000,000	53,000,000	+8,050,000	+18,000,000	+8,000,000	−2,000,000
4. Follow Through	57,700,000	57,700,000	41,030,000	41,000,000	41,000,000	41,000,000	−16,700,000			
5. Equipment and minor remodeling	50,000,000	2,000,000		25,000,000	42,500,000	30,000,000	−20,000,000	+30,000,000	+5,000,000	−12,500,000
Total	2,187,043,000	1,864,321,000	1,807,578,000	2,105,393,000	2,139,893,000	2,121,893,000	−65,150,000	+314,315,000	+16,500,000	−18,000,000
SCHOOL ASSISTANCE IN FEDERALLY AFFECTED AREAS										
1. Maintenance and operations:										
(a) Payments to local educational agencies	603,995,000	593,995,000	232,000,000	549,500,000	573,200,000	549,500,000	−54,495,000	+317,500,000		−23,700,000
(b) Payments to other Federal agencies	41,500,000	41,500,000	41,500,000	41,500,000	41,500,000	41,500,000				
Subtotal	645,495,000	635,495,000	273,500,000	591,000,000	614,800,000	591,000,000	−54,495,000	+317,500,000		−23,800,000
2. Construction	25,910,000	15,910,000	19,000,000	19,000,000	19,000,000	19,000,000	−6,910,000			
Total	671,405,000	651,405,000	292,500,000	610,000,000	633,800,000	610,000,000	−61,405,000	+317,500,000		−23,800,000

Footnotes at end of table.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1973 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1974—Continued

Appropriation/activity	New budget (obligational) authority, fiscal year 1973 enacted to date	1973 operating level	Budget estimates of new (obligational) authority, fiscal year 1974	New budget (obligational) authority recommended in the House bill	New budget (obligational) authority recommended in the Senate bill	Conference agreement	Conference agreement compared with— New budget (obligational) authority, fiscal year 1973 enacted to date	Budget estimates of new (obligational) authority, fiscal year 1974	House bill	Senate bill
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
TITLE II—DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—Con.										
OFFICE OF EDUCATION—Continued										
EMERGENCY SCHOOL AID										
1. Special projects:										
(a) Metropolitan area projects	$11,397,000	$11,397,000	$12,447,000				−$11,397,000	−$12,447,000		
(b) Bilingual education projects	9,117,000	9,117,000	9,958,000	$9,958,000	$9,958,000	$9,958,000	+841,000			
(c) Educational television	6,838,000	6,838,000	7,468,000	7,468,000	7,468,000	7,468,000	+630,000			
(d) Special programs and projects	11,397,000	11,397,000	12,447,000	12,447,000	12,447,000	12,447,000	+1,050,000			
(e) Evaluation	2,280,000	2,280,000	2,489,000	2,489,000	2,489,000	2,489,000	+209,000			
Subtotal	41,029,000	41,029,000	44,809,000	32,362,000	32,362,000	32,362,000	−8,667,000	−12,447,000		
2. State apportionment:										
(a) Pilot programs	34,191,000	34,191,000	37,341,000	37,341,000	37,341,000	37,341,000	+3,150,000			
(b) Special programs and projects	18,235,000	18,235,000	19,915,000	19,915,000	19,915,000	19,915,000	+1,680,000			
(c) General grants to LEA's	134,485,000	134,485,000	146,875,000	146,875,000	146,875,000	146,875,000	+12,390,000			
Subtotal	186,911,000	186,911,000	204,131,000	204,131,000	204,131,000	204,131,000	+17,220,000			
3. Training and advisory services	21,700,000	21,700,000	21,700,000	21,700,000	21,700,000	21,700,000				
4. Emergency school assistance activities	21,000,000	21,000,000					−21,000,000			
Total	270,640,000	270,640,000	270,640,000	258,193,000	258,193,000	258,193,000	−12,447,000	−12,447,000		
EDUCATION FOR THE HANDICAPPED										
1. State grant program	50,000,000	37,500,000	37,500,000	50,000,000	50,000,000	50,000,000		+12,500,000		
2. Special target programs:										
(a) Deaf-blind centers	15,795,000	10,000,000	10,000,000	10,000,000	15,795,000	14,795,000	−1,000,000	+4,795,000	+$4,795,000	−$1,000,000
(b) Early childhood projects	16,354,000	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000	−4,354,000			
(c) Specific learning disabilities	3,250,000	3,250,000	3,250,000	3,250,000	5,000,000	3,250,000				−1,750,000
(d) Regional resource centers	7,243,000	7,243,000	7,243,000	7,243,000	7,243,000	7,243,000				
Subtotal	42,642,000	32,493,000	32,493,000	32,493,000	40,038,000	37,288,000	−5,354,000	+4,795,000	+4,795,000	−2,750,000
3. Innovation and development	9,916,000	9,916,000	9,916,000	9,916,000	9,196,000	9,916,000				
4. Technology and communications:										
(a) Media services and captioned films	13,000,000	13,000,000	13,000,000	13,000,000	13,000,000	13,000,000				
(b) Recruitment and information	500,000	500,000	500,000	500,000	500,000	500,000				
Subtotal	13,500,000	13,500,000	13,500,000	13,500,000	13,500,000	13,500,000				
5. Special education and manpower development	41,261,000	37,610,000	37,700,000	37,700,000	45,615,000	41,700,000	+439,000	+4,000,000	+4,000,000	−3,915,000
Total	157,319,000	131,019,000	131,109,000	143,609,000	159,069,000	152,404,000	−4,915,000	−21,295,000	+8,795,000	−6,665,000
OCCUPATIONAL, VOCATIONAL, AND ADULT EDUCATION										
1. Grants to States for vocational education:										
(a) Basic vocational education programs:										
(1) Annual appropriation	426,682,000	376,682,000	376,682,000	426,682,000	450,000,000	426,682,000		+50,000,000		−23,318,000
(2) National advisory councils	330,000	330,000	330,000	330,000	330,000	330,000				
Subtotal	427,012,000	377,012,000	377,012,000	427,012,000	450,330,000	427,012,000		+50,000,000		−23,318,000
(b) Programs for students with special needs	29,898,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	−9,898,000			
(c) Consumer and homemaking education	38,322,000	25,625,000	25,625,000	25,625,000	40,000,000	32,625,000	−5,697,000	+7,000,000	+7,000,000	−7,375,000
(d) Work-study	10,524,000	6,000,000	6,000,000	6,000,000	10,524,000	8,262,000	−2,262,000	+2,262,000	+2,262,000	−2,262,000
(e) Cooperative education	19,500,000	19,500,000	19,500,000	19,500,000	19,500,000	19,500,000				
(f) State advisory councils	3,204,000	2,690,000	2,690,000	3,204,000	3,204,000	3,204,000		+514,000		
Subtotal	528,460,000	450,827,000	450,827,000	501,341,000	543,558,000	510,603,000	−17,857,000	+59,776,000	+9,262,000	−32,955,000

Footnotes at end of table.

Appropriation/activity	New budget (obligational) authority, fiscal year 1973 enacted to date	1973 operating level	Budget estimates of new (obligational) authority, fiscal year 1974	New budget (obligational) authority recommended in the House bill	New budget (obligational) authority recommended in the Senate bill	Conference agreement	Conference agreement compared with— New budget (obligational) authority, fiscal year 1973 enacted to date	Budget estimates of new (obligational) authority, fiscal year 1974	House bill	Senate bill
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
TITLE II—DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—Con.										
OFFICE OF EDUCATION—Continued										
OCCUPATIONAL, VOCATIONAL, AND ADULT EDUCATION—con.										
2. Vocational research:										
(a) Innovation	$16,000,000	$16,000,000	$16,000,000	$16,000,000	$16,000,000	$16,000,000				
(b) Curriculum development	6,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	−$2,000,000			
(c) Research—Grants to States	18,000,000	18,000,000	18,000,000	18,000,000	18,000,000	18,000,000				
Subtotal	40,000,000	38,000,000	38,000,000	38,000,000	38,000,000	38,000,000	−2,000,000			
3. Career education	14,000,000		14,000,000				−14,000,000	−$14,000,000		
4. Adult education:										
(a) Grants to States	75,000,000	51,300,000	51,300,000	51,300,000	60,000,000	56,300,000	−18,700,000	+5,000,000	+$5,000,000	−$3,700,000
(b) Special projects	7,000,000	7,000,000	7,000,000	7,000,000	7,000,000	7,000,000				
(c) Teacher training	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000				
Subtotal	85,000,000	61,300,000	61,300,000	61,300,000	70,000,000	66,300,000	−18,700,000	+5,000,000	+5,000,000	−3,700,000
Total	667,460,000	550,127,000	564,127,000	600,641,000	651,558,000	614,903,000	−52,557,000	+50,776,000	+14,262,000	−36,655,000
HIGHER EDUCATION										
1. Student assistance:										
(a) Grants and work-study:										
(1) Basic opportunity grants	122,100,000	122,100,000	959,000,000	440,500,000	600,000,000	500,000,000	+377,900,000	−459,000,000	+59,500,000	−100,000,000
(2) Supplemental opportunity grants	210,300,000	210,300,000		210,300,000	210,300,000	210,300,000				
(3) State student incentive grants					30,000,000	20,000,000	+20,000,000	+20,000,000	+20,000,000	−10,000,000
(4) Work-study	270,000,000	270,200,000	250,000,000	270,200,000	270,200,000	270,200,000		+20,200,000		
Subtotal	602,600,000	602,600,000	1,209,000,000	921,000,000	1,110,500,000	1,000,500,000	+397,900,000	−208,500,000	+79,500,000	−110,000,000
(b) Cooperative education	10,750,000	10,750,000	10,750,000	10,750,000	10,750,000	10,750,000				
(c) Subsidized insured loans:										
(1) Interest on insured loans	245,000,000	245,000,000	310,000,000	310,000,000	310,000,000	310,000,000	+65,000,000			
(2) Reserve fund advances										
Subtotal	245,000,000	245,000,000	310,000,000	310,000,000	310,000,000	310,000,000	+65,000,000			
(d) Direct loans:										
(1) Federal capital contributions	548,400,000	548,400,000		286,000,000	286,000,000	286,000,000	−262,400,000	+286,000,000		
(2) Loans to institution	3,970,000	3,970,000		2,000,000	2,000,000	2,000,000	−1,970,000	+2,000,000		
(3) Teacher cancellations	10,000,000	10,000,000	5,000,000	5,000,000	5,000,000	5,000,000				
Subtotal	562,370,000	562,370,000	5,000,000	293,000,000	293,000,000	293,000,000	−269,370,000	+288,000,000		
Subtotal	1,420,720,000	1,420,720,000	1,534,750,000	1,534,750,000	1,724,250,000	1,614,614,000	+193,250,000	+79,500,000	+79,500,000	−110,000,000
2. Special programs for the disadvantaged:										
(a) Talent search	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000				
(b) Special services in college	23,000,000	23,000,000	26,000,000	26,000,000	26,000,000	26,000,000	+3,000,000			
(c) Upward bound	38,331,000	38,331,000	38,331,000	38,331,000	38,331,000	38,331,000				
Subtotal	67,331,000	67,331,000	70,331,000	70,331,000	70,331,000	70,331,000	+3,000,000			
3. Institutional assistance:										
(a) Strengthening developing institutions	87,492,000	87,492,000	99,992,000	99,992,000	99,992,000	99,992,000	+12,500,000			
(b) Construction:										
(1) Subsidized loans	14,069,000	14,069,000	31,425,000	31,425,000	31,425,000	31,425,000	+17,356,000			
(2) Grants										
Subtotal	14,069,000	14,069,000	31,425,000	31,425,000	31,425,000	31,425,000	+17,356,000			
(c) Language training and area studies	13,860,000	2,360,000	1,360,000	12,360,000	13,860,000	13,360,000	−500,000	+12,000,000	+1,000,000	−500,000
(d) University community services	15,000,000	15,000,000		15,000,000	15,000,000	15,000,000				
(e) Aid to land-grant colleges:										
(1) Annual appropriation	10,000,000	10,000,000		10,000,000	10,000,000	10,000,000				
(2) Lump sum payment—Virgin Is. and Guam	6,000,000	6,000,000					−6,000,000			
Subtotal	16,000,000	16,000,000		10,000,000	10,000,000	10,000,000	−6,000,000			

Footnotes at end of table.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1973 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1974—Continued

Appropriation/activity	New budget (obligational) authority, fiscal year 1973 enacted to date	1973 operating level	Budget estimates of new (obligational) authority, fiscal year 1974	New budget (obligational) authority recommended in the House bill	New budget (obligational) authority recommended in the Senate bill	Conference agreement	Conference agreement compared with—			
							New budget (obligational) authority, fiscal year 1973 enacted to date	Budget estimates of new (obligational) authority, fiscal year 1974	House bill	Senate bill
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
TITLE II—DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—Con.										
OFFICE OF EDUCATION—Continued										
HIGHER EDUCATION—con.										
(f) State post secondary education commissions	$3,000,000	$3,000,000	$3,000,000	$3,000,000	$4,000,000	$3,000,000				−$1,000,000
(g) Veterans cost-of-instruction	25,000,000	25,000,000		25,000,000	50,000,000	25,000,000				−25,000,000
Subtotal	174,421,000	162,921,000	135,777,000	196,777,000	224,277,000	197,777,000	+$23,356,000	+$62,000,000	+$1,000,000	−26,500,000
4. College personnel development:										
(a) College teacher fellowships	20,000,000	20,000,000	5,806,000	5,806,000	5,806,000	5,806,000	−14,194,000			
(b) Fellowships for disadvantaged			750,000	750,000	750,000	750,000	+750,000			
(c) Allen J. Ellender fellowships	500,000	500,000	500,000	500,000	500,000	500,000				
Subtotal	20,500,000	20,500,000	7,056,000	7,056,000	7,056,000	7,056,000	−13,444,000			
Total	1,682,972,000	1,671,472,000	1,747,914,000	1,808,914,000	2,025,914,000	1,889,414,000	+206,442,000	+141,500,000	+80,500,000	−136,500,000
LIBRARY RESOURCES										
1. Public libraries:										
(a) Services	69,500,000	32,730,000		49,209,000	49,209,000	49,209,000	−20,291,000	+49,209,000		
(b) Construction	15,000,000			9,500,000			−15,000,000		−9,500,000	
Subtotal	84,500,000	32,730,000		58,709,000	49,209,000	49,209,000	−35,291,000	+49,209,000	−9,500,000	
2. School library resources	100,000,000	90,000,000		90,000,000	100,000,000	95,000,000	−5,000,000	+95,000,000	+5,000,000	−5,000,000
3. College library resources:										
(a) College library resources	12,500,000	12,500,000		10,500,000	10,500,000	10,500,000	−2,000,000	+10,500,000		
(b) Librarian training	3,572,000	3,572,000		3,000,000	3,000,000	3,000,000	−572,000	−3,000,000		
(c) Library demonstrations	1,785,000	1,785,000		1,500,000	1,500,000	1,500,000	−285,000	+1,500,000		
Subtotal	17,857,000	17,857,000		15,000,000	15,000,000	15,000,000	−2,857,000	+15,000,000		
4. Undergraduate instructional equipment	12,500,000			12,500,000	12,500,000	12,500,000		+12,500,000		
Total	214,857,000	140,587,000		176,209,000	176,709,000	171,709,000	−43,148,000	+171,709,000	−4,500,000	−5,000,000
EDUCATIONAL DEVELOPMENT										
1. Educational professions development:										
(a) Teacher Corps	37,500,000	37,500,000	37,500,000	37,500,000	37,500,000	37,500,000				
(b) State grants										
(c) Long-term training:										
(1) Bilingual	2,965,000	2,965,000					−2,965,000			
(2) Other	2,965,000	2,965,000					−2,965,000			
Subtotal	5,930,000	5,930,000					−2,935,000			
(d) Elementary and secondary development:										
(1) Urban-rural	12,135,000	12,135,000	9,522,000	12,135,000	12,135,000	12,135,000		+2,613,000		
(2) Career opportunities	23,572,000	23,572,000	21,353,000	23,572,000	23,572,000	23,572,000		+2,219,000		
(3) Categorical programs	13,841,000	13,841,000		13,841,000	8,841,000	8,841,000	−5,000,000	+8,841,000	−5,000,000	
(4) Exceptional children	4,112,000	4,112,000		4,112,000	4,112,000	4,112,000		+4,112,000		
(5) Undergraduate preparation of educational personnel	1,000,000	1,000,000					−1,000,000			
Subtotal	54,660,000	54,660,000	30,875,000	53,660,000	48,660,000	48,660,000	−6,000,000	+17,785,000	−5,000,000	
(e) Vocational education	11,860,000	11,860,000		6,900,000	11,860,000	11,860,000		+11,860,000	+4,960,000	
(f) New careers in education	500,000	500,000		300,000	300,000	300,000	−200,000	+300,000		
(g) Higher education:										
(1) Institutes	5,828,000	5,828,000			3,000,000		−5,828,000			−3,000,000
(2) Fellowships	2,172,000	2,172,000	2,100,000	2,100,000	2,100,000	2,100,000	−72,000			
Subtotal	8,000,000	8,000,000	2,100,000	2,100,000	5,100,000	2,100,000	−5,900,000			−3,000,000
Subtotal	118,450,000	118,450,000	70,475,000	100,460,000	103,420,000	100,420,000	−18,030,000	+29,945,000	−40,000	−3,000,000

Footnotes at end of table.

Appropriation/activity	New budget (obligational) authority, fiscal year 1973 enacted to date	1973 operating level	Budget estimates of new (obligational) authority, fiscal year 1974	New budget (obligational) authority recommended in the House bill	New budget (obligational) authority recommended in the Senate bill	Conference agreement	Conference agreement compared with— New budget (obligational) authority, fiscal year 1973 enacted to date	Budget estimates of new (obligational) authority, fiscal year 1974	House bill	Senate bill
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
TITLE II—DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—Con.										
OFFICE OF EDUCATION—Continued										
EDUCATIONAL DEVELOPMENT—con.										
2. National priority programs:										
(a) Educational technology demonstrations:										
(1) Educational broadcasting facilities	$13,000,000	$13,000,000	$13,000,000	$13,000,000	$20,000,000	$16,500,000	+$3,500,000	+$3,500,000	+$3,500,000	−$3,500,000
(2) Sesame Street-Electric Company	7,000,000	6,000,000	3,000,000	3,000,000	5,000,000	3,000,000	−4,000,000			−2,000,000
Subtotal	20,000,000	19,000,000	16,000,000	16,000,000	25,000,000	19,500,000	−500,000	+3,500,000	+3,500,000	−5,500,000
(b) Drug abuse education	12,400,000	12,400,000	3,000,000	12,400,000	3,000,000	6,000,000	−6,400,000	+3,000,000	−6,400,000	+3,000,000
(c) Right to Read	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000				
(d) Environmental education	4,000,000	3,180,000		4,000,000	2,000,000	2,000,000	−2,000,000	+2,000,000	−2,000,000	
(e) Nutrition and health	2,500,000	2,000,000		2,000,000	2,000,000	2,000,000	−500,000	+2,000,000		
(f) Dropout prevention	10,000,000	8,500,000	4,000,000	4,000,000	4,000,000	4,000,000	−6,000,000			
(g) Ethnic heritage studies					5,000,000	2,500,000	+2,500,000	+2,500,000	+2,500,000	−2,500,000
Subtotal	60,900,000	57,080,000	35,000,000	50,400,000	53,000,000	48,000,000	−12,900,000	+13,000,000	−2,400,000	−5,000,000
3. Data systems improvement:										
(a) Educational statistics:										
(1) Surveys and special studies	6,900,000	4,250,000	7,400,000	4,250,000	4,250,000	4,250,000	−2,650,000	−3,150,000		
(2) Common core of data			500,000					−500,000		
Subtotal	6,900,000	4,250,000	7,900,000	4,250,000	4,250,000	4,250,000	−2,650,000	−3,650,000		
(b) National achievement study	7,000,000	6,000,000	7,000,000	6,000,000	3,000,000	4,500,000	−2,500,000	−2,500,000	−1,500,000	+1,500,000
Subtotal	13,900,000	10,250,000	14,900,000	10,250,000	7,250,000	8,750,000	−5,150,000	−6,150,000	−1,500,000	+1,500,000
Total	193,250,000	185,780,000	120,375,000	161,110,000	163,670,000	157,170,000	−36,080,000	+36,795,000	−3,940,000	−6,500,000
EDUCATIONAL ACTIVITIES OVERSEAS (SPECIAL FOREIGN CURRENCY PROGRAM)	3,000,000	3,000,000	3,000,000	2,000,000	1,000,000	1,000,000	−2,000,000	−2,000,000	−1,000,000	
STUDENT LOAN INSURANCE FUND	46,640,000	46,640,000	57,883,000	57,883,000	57,883,000	57,883,000	+11,243,000			
HIGHER EDUCATION FACILITIES LOAN AND INSURANCE FUND										
1. Participation sales insufficiencies	2,921,000	2,921,000	2,948,000	2,948,000	2,948,000	2,948,000	+27,000			
SALARIES AND EXPENSES										
1. Program administration	78,642,000	78,642,000	76,366,000	76,366,000	79,166,000	79,166,000	+524,000	−200,000	−200,000	
2. Planning and evaluation	10,455,000	10,455,000	10,205,000	5,205,000	5,205,000	5,205,000	−5,250,000	−5,000,000		
3. General program dissemination	750,000	750,000	750,000	750,000			−750,000	−750,000	−750,000	
4. Advisory committees	524,000	524,000	797,000	797,000	524,000	524,000		−273,000	−273,000	
5. Indian education					1,852,000	1,852,000	+1,852,000	+1,852,000	+1,852,000	
Total	90,371,000	90,371,000	88,118,000	83,118,000	86,747,000	86,747,000	−3,624,000	−1,371,000	+3,629,000	
Subtotal, Office of Education	6,187,868,000	5,608,284,000	5,086,192,000	6,010,018,000	6,357,384,000	6,124,264,000	−63,604,000	+1,038,072,000	+114,246,000	−233,120,000
NATIONAL INSTITUTE OF EDUCATION	142,671,000	142,671,000	162,197,000	142,671,000	75,000,000	75,000,000	−67,671,000	−87,871,000	−67,671,000	
Total, Education Division	6,342,082,000	5,762,498,000	5,265,241,000	6,164,411,000	6,444,106,000	6,210,986,000	−131,096,000	+945,745,000	+46,575,000	−233,120,000

Footnotes at end of table.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1973 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1974—Continued

Appropriation/activity	New budget (obligational) authority, fiscal year 1973 enacted to date	1973 operating level	Budget estimates of new (obligational) authority, fiscal year 1974	New budget (obligational) authority recommended in the House bill	New budget (obligational) authority recommended in the Senate bill	Conference agreement	Conference agreement compared with— New budget (obligational) authority, fiscal year 1973 enacted to date	Budget estimates of new (obligational) authority, fiscal year 1974	House bill	Senate bill
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
TITLE II—DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—Con.										
SOCIAL AND REHABILITATION SERVICE										
GRANTS TO STATES FOR PUBLIC ASSISTANCE										
1. Maintenance assistance	$6,488,006,000	$6,488,006,000	$5,528,546,000	$5,528,546,000	$5,486,777,000	$5,486,777,000	−$1,001,229,000	−$41,769,000	−$41,769,000	----------
2. Medical assistance	4,727,649,000	4,727,649,000	5,271,862,000	5,271,862,000	5,271,862,000	5,271,862,000	+544,213,000	----------	----------	----------
3. Social services	2,654,932,000	2,654,932,000	2,000,000,000	2,000,000,000	2,000,000,000	2,000,000,000	−654,932,000	----------	----------	----------
4. State and local training	42,183,000	42,183,000	44,640,000	44,640,000	44,640,000	44,640,000	+2,457,000	----------	----------	----------
5. Child welfare services	46,000,000	46,000,000	46,000,000	46,000,000	61,000,000	50,000,000	+4,000,000	+4,000,000	+4,000,000	−$11,000,000
Total	13,958,770,000	13,958,770,000	12,891,048,000	12,891,048,000	12,864,279,000	12,853,279,000	−1,105,491,000	−37,769,000	−37,769,000	−11,000,000
WORK INCENTIVES										
1. Training	185,198,000	204,200,000	329,534,000	293,991,000	240,000,000	240,000,000	+35,800,000	−89,534,000	−53,991,000	----------
2. Child care	155,300,000	86,720,000	204,900,000	90,443,000	100,443,000	100,443,000	+13,723,000	−104,457,000	+10,000,000	----------
Total	340,498,000	290,920,000	534,434,000	384,434,000	340,443,000	340,443,000	+49,523,000	−193,991,000	−43,991,000	----------
SOCIAL AND REHABILITATION SERVICES										
1. Rehabilitation services and facilities:										
(a) Basic State grants	(560,000,000)	(560,000,000)	(610,000,000)	(1)	(1)	(1)				
(b) Service projects:										
(1) Expansion grants	(35,736,000)	(35,786,000)	(30,000,000)	(1)	(1)	(1)				
(2) Projects with industry	(1,000,000)	(1,000,000)	(1,000,000)	(1)	(1)	(1)				
(3) New career opportunities	(2,000,000)	(2,000,000)	(----------)	(1)	(1)	(1)				
(4) Rehabilitation facility improvement grants	(11,050,000)	(11,050,000)	(9,000,000)	(1)	(1)	(1)				
Subtotal	----------	----------	----------	(1)	(1)	(1)				
2. Grants for the developmentally disabled:										
(a) State grants	21,715,000	21,715,000	21,715,000	32,500,000	32,500,000	32,500,000	+10,785,000	+10,785,000	----------	----------
(b) Service projects	9,500,000	9,500,000	6,000,000	6,000,000	6,000,000	6,000,000	−3,500,000	----------	----------	----------
(c) University affiliated facilities	4,250,000	4,250,000	4,250,000	4,250,000	4,250,000	4,250,000	----------	----------	----------	----------
Subtotal	35,465,000	35,465,000	31,965,000	42,750,000	42,750,000	42,750,000	+7,285,000	+10,785,000	----------	----------
3. Special programs for the aging:										
(a) Planning and operations	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000	----------	----------	----------	----------
(b) Areawide projects	16,000,000	16,000,000	16,000,000	16,000,000	16,000,000	16,000,000	----------	----------	----------	----------
(c) Community programs	68,000,000	68,000,000	68,000,000	68,000,000	68,000,000	68,000,000	----------	----------	----------	----------
(d) Nutritional programs	99,600,000	99,600,000	99,600,000	99,600,000	110,000,000	104,800,000	+5,200,000	+5,200,000	+5,200,000	−5,200,000
Subtotal	195,600,000	195,600,000	195,600,000	195,600,000	206,000,000	200,800,000	+5,200,000	+5,200,000	+5,200,000	−5,200,000
4. Youth development and delinquency prevention	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	----------	----------	----------	----------
5. Research:										
(a) Research and demonstrations	14,417,000	14,417,000	15,467,000	15,467,000	15,467,000	15,467,000	+1,050,000	----------	----------	----------
(b) Income maintenance projects	11,200,000	11,000,000	11,000,000	11,000,000	11,000,000	11,000,000	−200,000	----------	----------	----------
(c) Special centers	(12,241,000)	(12,241,000)	(10,941,000)	(1)	(1)	(1)				
Subtotal	25,617,000	25,417,000	26,467,000	26,467,000	26,467,000	26,467,000	+850,000	----------	----------	----------
6. Training:										
(a) Rehabilitation	(27,700,000)	(27,700,000)	(17,000,000)	(1)	(1)	(1)	----------	----------	----------	----------
(b) Community services	8,900,000	8,900,000	----------	8,900,000	10,000,000	8,900,000	----------	+8,900,000	----------	−1,100,000
(c) Aging	8,000,000	8,000,000	----------	8,000,000	12,000,000	10,000,000	+2,000,000	+10,000,000	+2,000,000	−2,000,000
Subtotal	16,900,000	16,900,000	----------	16,900,000	22,000,000	18,900,000	+2,000,000	+18,900,000	+2,000,000	−3,100,000
Total	283,582,000	283,382,000	264,032,000	291,717,000	307,217,000	298,917,000	+15,335,000	+34,885,000	+7,200,000	−8,300,000
RESEARCH AND TRAINING ACTIVITIES OVERSEAS (SPECIAL FOREIGN CURRENCY PROGRAM)	8,000,000	8,000,000	4,000,000	2,000,000	----------	----------	−8,000,000	−4,000,000	−2,000,000	----------
SALARIES AND EXPENSES	66,867,000	64,867,000	79,400,000	79,400,000	70,600,000	72,800,000	+5,933,000	−6,600,000	−6,600,000	+2,200,000
Less: trust and transfer	−600,000	−600,000	−600,000	−600,000	−600,000	−600,000	----------	----------	----------	----------
Total	66,267,000	64,267,000	78,800,000	78,800,000	70,000,000	72,200,000	+5,933,000	−6,600,000	−6,600,000	+2,200,000
Total, Social and Rehabilitation Service	14,657,117,000	14,605,339,000	13,772,314,000	13,647,999,000	13,581,939,000	13,564,839,000	−1,042,700,000	−207,475,000	−83,160,000	−17,100,000

Footnotes at end of table.

Appropriation/activity	New budget (obligational) authority, fiscal year 1973 enacted to date	1973 operating level	Budget estimates of new (obligational) authority, fiscal year 1974	New budget (obligational) authority recommended in the House bill	New budget (obligational) authority recommended in the Senate bill	Conference agreement	Conference agreement compared with— New budget (obligational) authority, fiscal year 1973 enacted to date	Budget estimates of new (obligational) authority, fiscal year 1974	House bill	Senate bill
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
TITLE II—DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—Con.										
SOCIAL SECURITY ADMINISTRATION										
PAYMENTS TO SOCIAL SECURITY TRUST FUNDS										
1. Matching payments for SMI	$1,434,015,000	$1,421,799,000	$2,031,000,000	$2,031,000,000	$2,031,000,000	$2,031,000,000	+$596,985,000			
2. Hospital Insurance for the uninsured	467,825,000	381,415,000	537,393,000	537,393,000	537,393,000	537,393,000	+69,568,000			
3. Military service credits	237,000,000	237,000,000	239,000,000	239,000,000	239,000,000	239,000,000	+2,000,000			
4. Retirement benefits for uninsured persons	336,645,000	336,645,000	302,788,000	302,788,000	302,788,000	302,788,000	−33,857,000			
Total	2,475,485,000	2,376,859,000	3,110,181,000	3,110,181,000	3,110,181,000	3,110,181,000	+634,696,000			
Special benefits for disabled coal miners	1,520,222,000	1,520,222,000	967,868,000	967,868,000	967,868,000	967,868,000	−552,354,000			
Supplemental security income	77,207,000	77,207,000	2,211,636,000	2,211,636,000	2,211,636,000	2,211,636,000	+2,134,429,000			
Limitation on salaries and expenses	*(1,403,047,000)*	*(1,403,047,000)*	*(1,887,898,000)*	*(1,887,898,000)*	(1,887,898,000)	*(1,887,898,000)*	*(+484,851,000)*			
Limitation on construction	*(1,000,000)*	*(1,000,000)*					*(−1,000,000)*			
Total, Social Security Administration	4,072,914,000	3,974,288,000	6,289,685,000	6,289,685,000	6,289,685,000	6,289,685,000	+2,216,771,000			
SPECIAL INSTITUTIONS										
AMERICAN PRINTING HOUSE FOR THE BLIND	1,696,500	1,696,500	1,817,000	1,817,000	1,817,000	1,817,000	+120,500			
NATIONAL TECHNICAL INSTITUTE FOR THE DEAF										
1. Academic program	4,694,000	4,694,000	5,087,000	5,087,000	5,087,000	5,087,000	+393,000			
2. Construction	1,915,000	1,915,000	1,400,000	1,400,000	1,400,000	1,400,000	−515,000			
Total	6,609,000	6,609,000	6,487,000	6,487,000	6,487,000	6,487,000	−122,000			
MODEL SECONDARY SCHOOL FOR THE DEAF										
1. Academic program	3,625,000	3,625,000	3,975,000	3,962,000	3,975,000	3,975,000	+350,000		+$13,000	
2. Construction	1,000,000	1,000,000					−1,000,000			
Total	4,625,000	4,625,000	3,975,000	3,962,000	3,975,000	3,975,000	−650,000		−13,000	
GALLAUDET COLLEGE										
1. Academic program	7,081,000	7,081,000	8,607,000	8,500,000	8,607,000	8,607,000	+1,526,000		+107,000	
2. Construction	4,710,000	5,460,000					−4,710,000			
3. Kendall School	2,655,000	1,905,000	1,992,000	1,992,000	1,992,000	1,992,000	−663,000			
Total	14,446,000	14,446,000	10,599,000	10,492,000	10,599,000	10,599,000	−3,847,000		+107,000	
HOWARD UNIVERSITY										
1. Academic program	35,348,000	35,548,000	42,948,000	43,208,000	43,664,000	43,664,000	+8,316,000		+456,000	
2. Construction	8,408,000	8,408,000					−8,408,000			
3. Freedmen's Hospital	15,125,000	14,925,000	14,925,000	14,665,000	15,120,000	15,120,000	−5,000		+455,000	
Total	58,881,000	58,881,000	56,873,000	57,873,000	58,784,000	58,784,000	−97,000		+911,000	
Total, special institutions	86,257,500	86,258,500	81,662,000	80,631,000	81,662,000	81,662,000	−4,595,500		+1,031,000	
OFFICE OF CHILD DEVELOPMENT										
CHILD DEVELOPMENT										
1. Research and demonstrations	15,700,000	15,700,000	24,200,000	15,200,000	15,200,000	15,200,000	−500,000	−$9,000,000		
2. Head Start:										
(a) Full-year to summer programs	373,392,000	373,392,000	373,392,000	357,692,000	388,692,000	373,192,000	−200,000	−200,000	+15,500,000	−$15,500,000
(b) Experimental programs	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000				
(c) Career development and technical assistance	19,150,000	19,150,000	19,150,000	19,150,000	19,150,000	19,150,000				
(d) Evaluation	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000				
(e) Parent and child centers	6,258,000	6,258,000	6,258,000	6,258,000	6,258,000	6,258,000				
Subtotal	407,800,000	407,800,000	407,800,000	392,100,000	423,100,000	407,600,000	−200,000	−200,000	+15,500,000	−15,500,000

Footnotes at end of table.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1973 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1974—Continued

Appropriation/activity	New budget (obligational) authority, fiscal year 1973 enacted to date	1973 operating level	Budget estimates of new (obligational) authority, fiscal year 1974	New budget (obligational) authority recommended in the House bill	New budget (obligational) authority recommended in the Senate bill	Conference agreement	Conference agreement compared with— New budget (obligational) authority, fiscal year 1973 enacted to date	Budget estimates of new (obligational) authority, fiscal year 1974	House bill	Senate bill
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
TITLE II—DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—Con.										
OFFICE OF CHILD DEVELOPMENT—Con.										
CHILD DEVELOPMENT—continued										
3. Salaries and expenses	$11,577,000	$11,577,000	$11,800,000	$11,800,000	$11,800,000	$11,800,000	+$223,000			
Total, Office of Child Development	435,077,000	435,077,000	443,800,000	419,100,000	450,100,000	434,600,000	−477,000	−$9,200,000	+$15,500,000	−$15,500,000
OFFICE OF THE SECRETARY										
OFFICE FOR CIVIL RIGHTS	15,994,000	14,224,000	19,196,000	19,196,000	19,196,000	19,196,000	+3,202,000			
Less: trust fund transfer	−1,180,000	−1,049,000	−1,253,000	−1,253,000	−1,253,000	−1,253,000	−73,000			
Total	14,814,000	13,175,000	17,943,000	17,943,000	17,943,000	17,943,000	+3,129,000			
DEPARTMENTAL MANAGEMENT										
1. Executive direction	10,018,000	10,018,000	9,983,000	9,345,000	9,503,000	9,503,000	−804,000	−769,000	−131,000	
2. Public information	1,565,000	1,565,000	1,692,000	1,642,000	1,342,000	1,342,000	−223,000	−350,000	−300,000	
3. Community and field services	9,411,000	9,411,000	10,903,000	10,903,000	10,585,000	10,585,000	+722,000	−770,000	−770,000	
4. Legal services	6,141,000	6,141,000	7,450,000	6,794,000	6,916,000	6,916,000	+522,000	−787,000	−131,000	
5. Financial management:										
(a) Audit	18,330,000	18,330,000	20,396,000	20,396,000	20,109,000	20,109,000	+1,526,000	−540,000	−540,000	
(b) Other	3,790,000	3,761,000	4,180,000	4,180,000	3,966,000	3,966,000	+176,000	−214,000	−214,000	
Subtotal	22,120,000	22,091,000	24,576,000	24,576,000	24,075,000	24,075,000	+1,702,000	−754,000	−754,000	
6. Administrative management	18,416,000	18,416,000	20,674,000	20,018,000	18,557,000	18,557,000	−112,000	−2,370,000	−1,714,000	
7. Policy Research	20,854,000	20,845,000	22,710,000	22,710,000	22,710,000	22,710,000	+1,856,000			
8. Indian program	22,400,000	22,400,000	32,100,000	32,100,000	32,100,000	32,100,000	+9,700,000			
Less: departmental public affairs reduction					−10,000,000	−10,000,000	−10,000,000	−10,000,000	−10,000,000	
Less: trust fund transfer	−6,875,000	−6,875,000	−7,890,000	−7,890,000	−7,890,000	−7,890,000	−1,015,000			
Total	104,050,000	104,012,000	122,198,000	120,198,000	107,898,000	107,898,000	+3,848,000	−14,300,000	−12,300,000	
Total, Office of the Secretary	118,864,000	117,187,000	140,141,000	138,141,000	125,841,000	125,841,000	+6,977,000	−14,300,000	−12,300,000	
Total new budget (obligational) authority, Department of Health, Education, and Welfare	30,598,062,500	28,745,031,500	30,420,855,000	31,501,695,000	31,998,460,000	31,589,369,000	+1,040,884,500	+1,168,514,000	+87,674,000	−409,091,000
Consisting of:										
Definite appropriations	30,531,958,500	28,678,927,500	30,348,752,000	31,429,592,000	31,926,357,000	31,517,266,000	1,034,855,500	+1,168,514,000	+87,674,000	−409,091,000
Indefinite appropriations	66,104,000	66,104,000	72,103,000	72,103,000	72,103,000	72,103,000	+5,999,000			
TITLE III—RELATED AGENCIES										
Action (domestic programs)	42,788,260	42,788,260	43,004,000	43,004,000	43,004,000	43,004,000	+215,740			
Cabinet Committee on Opportunities for Spanish-speaking People	(1,000,000)	(1,000,000)	(1,000,000)	(1)	(1)	(1)				
Corporation for Public Broadcasting	35,000,000	35,000,000	45,000,000	(1)	55,000,000	50,000,000	+15,000,000	+5,000,000	+50,000,000	−5,000,000
Federal Mediation and Conciliation Service	10,818,000	10,818,000	10,960,000	10,960,000	10,960,000	10,960,000	+142,000			
National Commission on Libraries and Information Science	406,000	406,000	406,000	406,000	406,000	406,000				
National Labor Relations Board	50,456,000	50,456,000	55,050,000	55,050,000	55,050,000	55,050,000	+4,594,000			
National Mediation Board	2,888,000	2,888,000	2,867,000	2,867,000	2,867,000	2,867,000	−21,000			
Occupational Safety and Health Review Commission	5,979,000	5,979,000	4,890,000	4,890,000	4,890,000	4,890,000	−1,089,000			
Office of Economic Opportunity	625,176,000	625,176,000	[3] 143,800,000	333,800,000	358,800,000	346,300,000	−443,900,000	+202,500,000	+12,500,000	−12,500,000
Railroad Retirement Board:										
Payments for military service credits	21,645,000	21,645,000	22,478,000	22,478,000	22,478,000	22,478,000	+833,000			
Limitation on salaries and expenses	*(20,982,000)*	*(20,982,000)*	*(21,330,000)*	*(21,330,000)*	*(21,330,000)*	*(21,330,000)*	*(+348,000)*	( )	( )	( )

Footnotes at end of table.

Appropriation/activity	New budget (obligational) authority, fiscal year 1973 enacted to date	1973 operating level	Budget estimates of new (obligational) authority, fiscal year 1974	New budget (obligational) authority recommended in the House bill	New budget (obligational) authority recommended in the Senate bill	Conference agreement	Conference agreement compared with— New budget (obligational) authority, fiscal year 1973 enacted to date	Budget estimates of new (obligational) authority, fiscal year 1974	House bill	Senate bill
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
TITLE III—RELATED AGENCIES—Con.										
Soldiers' and Airmen's Home (trust fund appropriation):										
Operation and maintenance	$12,276,000	$12,276,000	$13,326,000	$13,326,000	$13,326,000	$13,326,000	+$1,050,000			
Capital outlay	2,309,000	2,309,000	456,000	456,000	456,000	456,000	−1,853,000			
Total, new budget (obligational) authority, related agencies	809,741,260	809,741,260	342,237,000	487,237,000	567,237,000	549,737,000	−425,028,260	+$207,500,000	+$62,500,000	−$17,500,000
Grand total, new budget (obligational) authority	33,642,034,260	31,784,816,260	31,549,953,000	32,816,467,000	33,396,379,000	32,926,796,000	−715,238,260	+1,376,843,000	+110,329,000	−469,583,000
Consisting of— Definite appropriations	33,575,930,260	31,718,712,260	31,483,849,000	32,744,364,000	33,324,276,000	32,854,693,000	−721,237,260	+1,370,844,000	+110,329,000	−469,583,000
Indefinite appropriations	66,104,000	66,104,000	72,103,000	73,103,000	72,103,000	72,103,000	+5,999,000			

[1] Not considered due to lack of authorizing legislation.
[2] The budget estimate contains $636,180,000 for out-year costs to phase out the community health centers program.
[3] This item consists of the following:

Legal Services Corporation (proposed for later transmittal)	$71,500,000
Special impact program (proposed for transfer to Department of Commerce)	39,300,000
General Services Administration (proposed for O.E.O. liquidation activities)	33,300,000
Total	143,800,000

Mr. MAGNUSON. Mr. President, I shall make only a few brief remarks. The total appropriations agreed to in the first conference on H.R. 8877 for the Departments of Labor and Health, Education, and Welfare and related agencies was $32.9 billion. This was an increase of $1.1 billion over what the administration actually spent last year.

This includes impoundment and other matters. But it was also $715 million lower than what we in Congress provided for these programs last year.

In comparison, the first conference agreement was $470 million below what the Senate recommended and $110 million above the amount allowed by the House. These figures—at first glance—might give the appearance that we were not very successful with the House. But I must remind my colleagues that this year the Senate made some decreases as well as increases. In an effort to hold down the Senate figure, we cut out $274 million worth of what we thought were nonessential, or low priority expenditures. In conference, 96 percent of the Senate reduction was sustained.

On the other side of the coin, the conferees agreed to sustain 44 percent of the Senate increases.

In total then, when we count all the changes—both increases and decreases—over half—56 percent, to be precise—of the Senate changes were sustained in the first conference.

When compared with the budget estimate, the first conference figure was $1.4 billion above the amount recommended in the budget. But here we must remind ourselves that the budget request was $2.1 billion below what Congress provided last year. The conference figure merely restores a portion of that cut. Overall, this bill is more than $800 million below the target ceiling set by the Senate Appropriations Committee earlier this year.

In terms of outlays, the first conference agreement was $32 million below the amount recommended by the House. That fact alone ought to convince those who doubt our sincerity just how hard the Senate and the conferees worked to provide what we thought, after considered judgment, to be essential.

As we all know, our first report was recommitted. There were some House Members who, together with the administration, insisted that this bill was too large. They held out the possibility of a Presidential signature—if only the bill could be reduced.

This was a tough pill to swallow after all the work that had gone into this—on both sides of the aisle.

Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Chair reminds the Senator from Washington that the time for debate on this conference report is limited to 2 hours, to be equally divided between and controlled by the Senator from Washington (Mr. MAGNUSON) and the Senator from New Hampshire (Mr. COTTON), and debate on any motion or appeal relating to the conference report is limited to 20 minutes.

Mr. MAGNUSON. As I said, this was a tough pill to swallow, after all the work that had gone into this, on both sides of the aisle. I think that in our conference there was less partisanship than in any conference I have attended.

The one thing we do not want, though, is to put all these programs on another continuing resolution. They have already been on a resolution for 1½ years. May I say that there has been considerable argument between how the administration and HEW interpret the continuing resolution vis-a-vis Congress. This has been the source of some very serious problems—and it only adds to the confusion.

So, rather than take devastating cuts against a few programs, the conferees agreed to compromise language which, in essence, states the following:

First. If he so chooses, the President can withhold up to $400 million of the amounts agreed to in conference.

Second. No appropriation, activity, program, or project within such appropriation may be reduced by more than 5 percent. The House unanimously agreed with this provision. The Senator from New Hampshire and myself were involved in some of the negotiations on this provision.

I want to emphasize that this provision is permissive, not mandatory. It does not require the withholding of any of the funds contained in this bill. If the President does choose to exercise this authority, the cuts must be distributed on a pro rata basis—not against any particular appropriation. To further protect congressional and Senate priorities, the conferees specified that the departments and agencies provided for in this bill will be expected to be guided by the instructions, directions, and suggestions contained in the House and Senate reports.

A table in the conference report shows exactly where these cuts must be taken should the President choose to take the full cut.

Mr. President, I ask unanimous consent to have printed in the RECORD the table to which I have referred.

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

TITLE I—DEPARTMENT OF LABOR

	1974 Budget request	1974 House allowance	1974 Senate allowance	1974 Conference agreement	Effect of $400,000,000 reduction
Total, new budget (obligational) authority, Department of Labor	$786,861,000	$827,535,000	$830,682,000	$787,690,000	$787,690,000

TITLE II—DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

HEALTH SERVICES AND MENTAL HEALTH ADMINISTRATION

Mental health:					
1. General mental health:					
(a) Research	$80,489,000	$89,289,000	$89,289,000	$89,289,000	$84,824,000
(b) Training	71,876,000	110,000,000	110,000,000	110,000,000	104,500,000
(c) Community programs:					
(1) Construction of centers		15,000,000	20,000,000	15,000,000	14,250,000
(2) Staffing of centers	472,000,000	163,698,000	163,698,000	163,698,000	155,513,000
(3) Mental health of children	46,000,000	20,000,000	20,000,000	20,000,000	19,000,000
Subtotal	518,000,000	198,698,000	203,698,000	198,698,000	188,763,000
(d) Management and information	21,355,000	21,355,000	21,355,000	21,355,000	21,355,000
Subtotal	691,720,000	419,342,000	424,342,000	419,342,000	399,442,000
2. Drug abuse:					
(a) Research	36,739,000	36,739,000	36,739,000	36,739,000	36,739,000
(b) Training	15,182,000	15,182,000	15,182,000	15,182,000	15,182,000
(c) Community programs:					
(1) Project grants and contracts	365,970,000	160,770,000	160,770,000	160,770,000	160,770,000
(2) Grants to States	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000
Subtotal	380,970,000	175,770,000	175,770,000	175,770,000	175,770,000
(d) Management and information	15,578,000	15,578,000	15,578,000	15,578,000	15,578,000
Subtotal	448,469,000	243,269,000	243,269,000	243,269,000	243,269,000
3. Alcoholism:					
(a) Research	6,901,000	8,901,000	8,901,000	8,901,000	8,456,000
(b) Training	3,763,000	7,763,000	9,763,000	7,263,000	6,900,000
(c) Community programs:					
(1) Project grants and contracts	87,000,000	65,322,000	85,322,000	75,322,000	71,556,000
(2) Grants to States	30,000,000	40,000,000	60,000,000	48,000,000	45,600,000
Subtotal	117,000,000	105,322,000	145,322,000	123,322,000	117,156,000
(d) Management and information	5,435,000	5,435,000	5,435,000	5,435,000	5,435,000
Subtotal	133,099,000	124,421,000	169,421,000	144,921,000	137,947,000
4. Program direction	8,443,000	8,443,000	8,443,000	8,443,000	8,443,000
Total	1,281,731,000	795,475,000	845,475,000	815,975,000	789,101,000
St. Elizabeths Hospital	38,000,000	38,000,000	38,000,000	38,000,000	38,000,000
Health services planning and development:					
1. Health services research and development	60,278,000	64,778,000	64,778,000	64,778,000	61,540,000
2. Comprehensive health planning	38,327,000	38,327,000	38,327,000	38,327,000	38,327,000
3. Regional medical programs		81,953,000	81,953,000	81,953,000	77,855,000
4. Medical facilities construction:					
(a) Construction grants:					
(1) Hospitals and public health centers		41,400,000	41,400,000	41,400,000	39,330,000
(2) Long-term care facilities		20,800,000	20,800,000	20,800,000	19,760,000
(3) Outpatient facilities		70,000,000	70,000,000	70,000,000	66,500,000
(4) Rehabilitation facilities		15,000,000	15,000,000	15,000,000	14,250,000
(5) Modernization		50,000,000	50,000,000	50,000,000	47,500,000
Subtotal		197,200,000	197,200,000	197,200,000	187,340,000
(b) Direct operations	2,476,000	3,272,000	3,272,000	3,272,000	3,109,000
Subtotal	2,476,000	200,472,000	200,472,000	200,472,000	190,449,000
5. Program direction	2,000,000	2,990,000	2,990,000	2,990,000	2,840,000
Total	103,081,000	388,520,000	388,520,000	388,520,000	371,011,000
Health services delivery:					
1. Comprehensive health services:					
(a) Grants to States	90,000,000	90,000,000	90,000,000	90,000,000	90,000,000
(b) Project grants	211,100,000	211,100,000	220,100,000	211,100,000	211,100,000
(c) Migrant health grants	23,750,000	23,750,000	25,000,000	25,000,000	23,750,000
(d) Direct operations	22,133,000	22,133,000	22,133,000	22,133,000	22,133,000
Subtotal	346,983,000	346,983,000	357,233,000	348,233,000	346,983,000
2. Maternal and child health:					
(a) Grants to States	217,951,000	217,951,000	125,678,000	125,678,000	125,678,000
(b) Project grants			92,273,000	92,273,000	92,273,000
(c) Research and training	21,917,000	21,917,000	23,917,000	21,917,000	21,917,000
(d) Direct operations	4,340,000	4,340,000	4,340,000	4,340,000	4,340,000
Subtotal	244,208,000	244,208,000	246,208,000	244,208,000	244,208,000
3. Family planning services:					
(a) Grants and contracts	119,615,000	119,615,000	119,615,000	119,615,000	119,615,000
(b) Direct operations	2,610,000	2,610,000	2,610,000	2,610,000	2,610,000
Subtotal	122,225,000	122,225,000	122,225,000	122,225,000	122,225,000
4. National Health Service Corps	11,000,000	11,000,000	13,000,000	13,000,000	12,350,000
5. National Health Service Scholarships	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
6. Patient care and special health services	98,961,000	98,961,000	98,961,000	98,961,000	98,961,000
7. Public Health Service hospital construction			29,100,000	18,000,000	17,100,000
8. Regional office, central staff	5,602,000	5,602,000	5,602,000	5,602,000	5,602,000
9. Program direction	5,470,000	5,470,000	5,470,000	5,470,000	5,470,000
Less: Trust fund transfer	−5,419,000	−5,419,000	−5,419,000	−5,419,000	−5,419,000
Total	832,030,000	832,030,000	875,380,000	853,280,000	850,480,000

TITLE II—DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—Continued

	1974 Budget request	1974 House allowance	1974 Senate allowance	1974 Conference agreement	Effect of $400,000,000 reduction
HEALTH SERVICES AND MENTAL HEALTH ADMINISTRATION—Continued					
Preventive health services:					
1. Disease control:					
(a) Infectious diseases:					
(1) Research grants			$1,215,000		
(2) Project grants	$31,000,000	$31,000,000	31,585,000	$31,585,000	$31,000,000
(3) Direct operations	34,667,000	36,667,000	36,667,000	36,667,000	34,834,000
Subtotal	65,667,000	67,667,000	69,467,000	68,252,000	65,834,000
(b) Nutritional and chronic diseases	900,000	900,000	900,000	900,000	900,000
(c) Laboratory improvement	7,892,000	7,892,000	8,092,000	8,092,000	7,892,000
Subtotal	74,459,000	76,459,000	78,459,000	77,244,000	74,626,000
2. Community environmental management:					
(a) Grants	19,600,000	19,600,000	21,500,000	20,500,000	19,600,000
(b) Direct operations	1,500,000	1,500,000	2,300,000	2,300,000	2,300,000
Subtotal	21,100,000	21,100,000	23,800,000	22,800,000	21,900,000
3. Occupational health:					
(a) Grants	2,252,000	2,252,000	2,252,000	2,252,000	2,252,000
(b) Direct operations	23,348,000	23,348,000	33,348,000	28,348,000	26,930,000
Subtotal	25,600,000	25,600,000	35,600,000	30,600,000	29,182,000
4. Program direction	3,921,000	3,921,000	3,921,000	3,921,000	3,921,000
Total	125,080,000	127,080,000	141,780,000	134,565,000	129,629,000
National health statistics	22,821,000	22,821,000	19,335,000	19,335,000	19,335,000
Retirement pay and medical benefits for commissioned officers	34,103,000	34,103,000	34,103,000	34,103,000	34,103,000
Buildings and facilities	12,000,000	9,500,000	9,500,000	9,500,000	9,500,000
Office of the Administrator	14,304,000	14,304,000	7,304,000	12,000,000	12,000,000
Total, Health Services and Mental Health Administration	2,463,150,000	2,261,833,000	2,359,397,000	2,305,278,000	2,253,159,000
NATIONAL INSTITUTES OF HEALTH					
National Cancer Institute	500,000,000	522,383,000	583,000,000	551,191,500	523,632,000
National Heart and Lung Institute	265,000,000	281,415,000	320,000,000	302,915,000	287,770,000
National Institute of Dental Research	38,452,000	44,131,000	47,000,000	45,565,500	43,288,000
National Institute of Arthritis, Metabolism and Digestive Diseases	133,608,000	155,894,000	163,000,000	159,447,000	151,475,000
National Institute of Neurological Diseases and Stroke	101,198,000	120,073,000	125,000,000	125,000,000	118,750,000
National Institute of Allergy and Infectious Diseases	98,693,000	112,744,000	114,000,000	114,000,000	108,300,000
National Institute of General Medical Sciences	138,573,000	175,778,000	183,500,000	176,778,000	167,940,000
National Institute of Child Health and Human Development	106,679,000	125,254,000	135,254,000	130,254,000	123,742,000
National Eye Institute	32,092,000	36,631,000	46,631,000	41,631,000	39,550,000
National Institute of Environmental Health Sciences	25,263,000	28,879,000	28,879,000	28,879,000	27,436,000
Research Resources	88,632,000	133,322,000	134,000,000	133,472,000	126,800,000
John E. Fogarty International Center	3,586,000	4,767,000	4,767,000	4,767,000	4,530,000
Total, Research Institutes	1,531,776,000	1,741,271,000	1,882,031,000	1,813,990,000	1,723,213,000
Health manpower:					
1. Health professions support:					
(a) Institutional assistance:					
(1) Capitation grants:					
(i) MOD	152,500,000	152,500,000	152,500,000	152,500,000	152,500,000
(ii) VOPP		34,777,000	34,777,000	34,777,000	33,038,000
(2) Start-up and conversion assistance	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000
(3) Financial distress grants	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
(4) Special projects	34,000,000	53,000,000	55,000,000	53,500,000	50,826,000
Subtotal	202,500,000	256,277,000	258,277,000	256,777,000	252,364,000
(b) Student assistance:					
(1) Direct loans	36,000,000	36,000,000	36,000,000	36,000,000	36,000,000
(2) Scholarships	10,000,000	15,500,000	17,500,000	17,500,000	16,626,000
(3) Loan repayments	400,000	400,000	400,000	400,000	400,000
Subtotal	46,400,000	51,900,000	53,900,000	53,900,000	53,026,000
(c) Construction assistance:					
(1) Grants		100,000,000	100,000,000	100,000,000	95,000,000
(2) Interest subsidies	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Subtotal	1,000,000	101,000,000	101,000,000	101,000,000	96,000,000
(d) Dental health activities	12,991,000	14,979,000	14,979,000	14,979,000	14,231,000
(e) Educational assistance	5,000,000	9,320,000	14,320,000	10,000,000	9,500,000
(f) Direct operations	3,313,000	3,313,000	3,313,000	3,313,000	3,313,000
Subtotal	271,204,000	436,789,000	445,789,000	439,969,000	428,434,000
2. Nursing support:					
(a) Institutional assistance:					
(1) Capitation grants		33,800,000	38,500,000	36,150,000	34,343,000
(2) Financial distress grants		5,000,000	10,000,000	5,000,000	4,750,000
(3) Special projects	15,000,000	20,000,000	22,600,000	20,000,000	19,000,000
Subtotal	15,000,000	58,800,000	71,100,000	61,150,000	58,093,000
(b) Student assistance:					
(1) Direct loans	21,000,000	24,000,000	24,000,000	24,000,000	22,800,000
(2) Scholarships	11,000,000	19,500,000	21,500,000	20,500,000	19,476,000
(3) Traineeships		11,500,000	15,900,000	13,700,000	13,016,000
(4) Loan repayments	1,600,000	1,600,000	1,600,000	1,600,000	1,600,000
Subtotal	33,600,000	56,600,000	63,000,000	59,800,000	56,892,000
(c) Construction assistance:					
(1) Grants		20,000,000	20,000,000	20,000,000	19,000,000
(2) Interest subsidies	1,000,000	1,000,000	1,000,000	1,0000,00	1,000,000
Subtotal	1,000,000	21,000,000	21,000,000	21,000,000	20,000,000
(d) Educational assistance		7,569,000	9,720,000	7,569,000	7,191,000
(e) Direct operations	3,348,000	4,119,000	4,119,000	4,119,000	3,914,000
Subtotal	52,948,000	148,088,000	168,939,000	153,638,000	146,090,000

TITLE II—DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—Continued

	1974 Budget request	1974 House allowance	1974 Senate allowance	1974 Conference agreement	Effect of $400,000,000 reduction
NATIONAL INSTITUTES OF HEALTH—Continued					
Health manpower—Continued					
3. Public health support:					
(a) Institutional assistance		$12,000,000	$12,000,000	$12,000,000	$11,400,000
(b) Student assistance		9,600,000	9,600,000	9,600,000	9,120,000
(c) Direct operations		631,000	631,000	631,000	600,000
Subtotal		22,231,000	22,231,000	22,231,000	21,120,000
4. Allied health support:					
(a) Institutional assistance		31,745,000	31,745,000	31,745,000	30,158,000
(b) Student assistance		3,750,000	3,750,000	3,750,000	3,563,000
(c) Educational assistance		1,359,000	1,359,000	1,359,000	1,292,000
(d) Direct operations		1,851,000	1,851,000	1,851,000	1,759,000
Subtotal		38,705,000	38,705,000	38,705,000	36,772,000
Special educational programs:					
(a) Educational initiative awards	$46,500,000	46,500,000	46,500,000	46,500,000	46,500,000
(b) Computer technology and educational assistance		3,000,000	3,000,000	3,000,000	2,850,000
(c) Direct operations	2,752,000	2,752,000	2,752,000	2,752,000	2,752,000
Subtotal	49,252,000	52,252,000	52,252,000	52,252,000	52,102,000
6. Program direction and manpower analysis	8,776,000	8,776,000	4,000,000	4,000,000	4,000,000
Total	382,180,000	706,841,000	731,916,000	710,795,000	688,518,000
National Library of Medicine	24,994,000	25,871,000	25,871,000	25,871,000	24,994,000
Buildings and facilities	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000
Office of the Director	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000
Scientific activities overseas	1,912,000	1,912,000	1,912,000	1,912,000	1,912,000
Payment of sales insufficiencies and interest losses	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
Total, National Institutes of Health	1,964,862,000	2,499,895,000	2,665,730,000	2,576,478,000	2,462,637,000
EDUCATION DIVISION					
Assistant Secretary for Education:					
1. Improvement of post-secondary education	15,000,000	10,000,000	10,000,000	10,000,000	10,000,000
2. Salaries and expenses	1,852,000	1,722,000	1,722,000	1,722,000	1,722,000
Subtotal	16,852,000	11,722,000	11,722,000	11,722,000	11,722,000
OFFICE OF EDUCATION					
Elementary and secondary education:					
1. Aid to school districts:					
(a) Educationally deprived children	1,585,185,000	1,810,000,000	1,810,000,000	1,810,000,000	1,719,500,000
(b) Supplementary services:					
(1) State plan programs	126,306,000	126,306,000	126,306,000	126,306,000	126,306,000
(2) Special programs and projects	20,087,000	20,087,000	20,087,000	20,087,000	20,087,000
Subtotal	146,393,000	146,393,000	146,393,000	146,393,000	146,393,000
Subtotal	1,731,578,000	1,956,393,000	1,956,393,000	1,956,393,000	1,865,893,000
2. Strengthening State departments of education:					
(a) General support		33,000,000	40,000,000	36,500,000	34,675,000
(b) Comprehensive planning and evaluation		5,000,000	5,000,000	5,000,000	4,750,000
Subtotal		38,000,000	45,000,000	41,500,000	39,425,000
3. Bilingual education	35,000,000	45,000,000	55,000,000	53,000,000	50,350,000
4. Follow Through	41,000,000	41,000,000	41,000,000	41,000,000	41,000,000
5. Equipment and minor remodeling		25,000,000	42,500,000	30,000,000	28,500,000
Total	1,807,578,000	2,105,393,000	2,139,893,000	2,121,893,000	2,025,168,000
School assistance in Federally affected areas:					
1. Maintenance and operations:					
(a) "A" Category payments	232,000,000	217,820,000	217,820,000	217,820,000	217,820,000
(b) "B" Category and other payments		331,680,000	355,480,000	331,680,000	315,096,000
(c) Payments to other Federal agencies	41,500,000	41,500,000	41,500,000	41,500,000	41,500,000
Subtotal	273,500,000	591,000,000	614,800,000	591,000,000	574,416,000
2. Construction	19,000,000	19,000,000	19,000,000	19,000,000	19,000,000
Total	292,500,000	610,000,000	633,800,000	610,000,000	593,416,000
Emergency school aid:					
1. Special projects:					
(a) Metropolitan area projects	12,447,000				
(b) Bilingual education projects	9,958,000	9,958,000	9,958,000	9,958,000	9,958,000
(c) Educational television	7,468,000	7,468,000	7,468,000	7,468,000	7,468,000
(d) Special programs and projects	12,447,000	12,447,000	12,447,000	12,447,000	12,447,000
(e) Evaluation	2,489,000	2,489,000	2,489,000	2,489,000	2,489,000
Subtotal	44,809,000	32,362,000	32,362,000	32,362,000	32,362,000
2. State apportionment:					
(a) Pilot programs	37,341,000	37,341,000	37,341,000	37,341,000	37,341,000
(b) Special programs and projects	19,915,000	19,915,000	19,915,000	19,915,000	19,915,000
(c) General grants to local educational agencies	146,875,000	146,875,000	146,875,000	146,875,000	146,875,000
Subtotal	204,131,000	204,131,000	204,131,000	204,131,000	204,131,000
3. Training and advisory services	21,700,000	21,700,000	21,700,000	21,700,000	21,700,000
Total	270,640,000	258,193,000	258,193,000	258,193,000	258,193,000
Education for the handicapped:					
1. State grant program	37,500,000	50,000,000	50,000,000	50,000,000	47,500,000
2. Special target programs:					
(a) Deaf-blind centers	10,000,000	10,000,000	15,795,000	14,795,000	14,055,000
(b) Early childhood projects	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000
(c) Specific learning disabilities	3,250,000	3,250,000	5,000,000	3,250,000	3,250,000
(d) Regional resource centers	7,243,000	7,243,000	7,243,000	7,243,000	7,243,000
Subtotal	32,493,000	32,493,000	40,038,000	37,288,000	36,548,000
3. Innovation and development	9,916,000	9,916,000	9,916,000	9,916,000	9,916,000
4. Technology and communications:					
(a) Media services and captioned films	13,000,000	13,000,000	13,000,000	13,000,000	13,000,000
(b) Recruitment and information	500,000	500,000	500,000	500,000	500,000
Subtotal	13,500,000	13,500,000	13,500,000	13,500,000	13,500,000
5. Special education and manpower development	37,700,000	37,700,000	45,615,000	41,700,000	39,615,000
Total	131,109,000	143,609,000	159,069,000	152,404,000	147,079,000

	1974 Budget request	1974 House allowance	1974 Senate allowance	1974 Conference agreement	Effect of $400,000,000 reduction
OFFICE OF EDUCATION—Continued					
Occupational, vocational and adult education:					
1. Grants to States for vocational education:					
(a) Basic vocational education programs:					
(1) Annual appropriation	$376,682,000	$426,682,000	$450,000,000	$426,682,000	$405,347,000
(2) National advisory councils	330,000	330,000	330,000	330,000	330,000
Subtotal	377,012,000	427,012,000	450,330,000	427,012,000	405,677,000
(b) Programs for students with special needs	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000
(c) Consumer and homemaking education	25,625,000	25,625,000	40,000,000	32,625,000	30,994,000
(d) Work-study	6,000,000	6,000,000	10,524,000	8,262,000	7,849,000
(e) Cooperative education	19,500,000	19,500,000	19,500,000	19,500,000	19,500,000
(f) State advisory councils	2,690,000	3,204,000	3,204,000	3,204,000	3,044,000
Subtotal	450,827,000	501,341,000	543,558,000	510,603,000	487,064,000
2. Vocational research:					
(a) Innovation	16,000,000	16,000,000	16,000,000	16,000,000	16,000,000
(b) Curriculum development	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
(c) Research—Grants to States	18,000,000	18,000,000	18,000,000	18,000,000	18,000,000
Subtotal	38,000,000	38,000,000	38,000,000	38,000,000	38,000,000
3. Career education	14,000,000				
4. Adult education:					
(a) Grants to States	51,300,000	51,300,000	60,000,000	56,300,000	53,485,000
(b) Special projects	7,000,000	7,000,000	7,000,000	7,000,000	7,000,000
(c) Teacher training	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Subtotal	61,300,000	61,300,000	70,000,000	66,300,000	63,485,000
Total	564,127,000	600,641,000	651,558,000	614,903,000	588,549,000
Higher education:					
1. Student assistance:					
(a) Grants and work-study:					
(1) Basic opportunity grants	959,000,000	440,500,000	600,000,000	500,000,000	475,000,000
(2) Supplementary opportunity grants		210,300,000	210,300,000	210,300,000	210,300,000
(3) Work-study	250,000,000	270,200,000	270,200,000	270,200,000	270,200,000
(4) State student incentive grants			30,000,000	20,000,000	19,000,000
Subtotal	1,209,000,000	921,000,000	1,110,500,000	1,000,500,000	974,500,000
(b) Cooperative education	10,750,000	10,750,000	10,750,000	10,750,000	10,750,000
(c) Subsidized insured loans: Interest on insured loans	310,000,000	310,000,000	310,000,000	310,000,000	310,000,000
(d) Direct loans:					
(1) Federal capital contributions		285,000,000	285,000,000	285,000,000	285,000,000
(2) Loans to institutions		2,000,000	2,000,000	2,000,000	2,000,000
(3) Teacher cancellations	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Subtotal	5,000,000	293,000,000	293,000,000	293,000,000	293,000,000
Subtotal	1,534,750,000	1,534,750,000	1,724,250,000	1,614,250,000	1,588,250,000
2. Special programs for the disadvantaged:					
(a) Talent Search	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000
(b) Special services in college	26,000,000	26,000,000	26,000,000	26,000,000	26,000,000
(c) Upward Bound	38,331,000	38,331,000	38,331,000	38,331,000	38,331,000
Subtotal	70,331,000	70,331,000	70,331,000	70,331,000	70,331,000
3. Institutional assistance:					
(a) Strengthening developing institutions	99,992,000	99,992,000	99,992,000	99,992,000	99,992,000
(b) Construction:					
(1) Subsidized loans	31,425,000	31,425,000	31,425,000	31,425,000	31,425,000
(c) Language training and area studies	1,360,000	12,360,000	13,860,000	13,360,000	12,693,000
(d) University community services		15,000,000	15,000,000	15,000,000	14,250,000
(e) Aid to land-grant colleges:					
(1) Annual appropriation		10,000,000	10,000,000	10,000,000	9,500,000
(f) State post-secondary education commissions	3,000,000	3,000,000	4,000,000	3,000,000	3,000,000
(g) Veterans cost-of-instruction		25,000,000	50,000,000	25,000,000	23,750,000
Subtotal	135,777,000	196,777,000	224,277,000	197,777,000	194,610,000
4. College personnel development:					
(a) College teacher fellowships	5,806,000	5,806,000	5,806,000	5,806,000	5,806,000
(b) Fellowships for disadvantaged	750,000	750,000	750,000	750,000	750,000
(c) Ellender fellowships	500,000	500,000	500,000	500,000	500,000
Subtotal	7,056,000	7,056,000	7,056,000	7,056,000	7,056,000
Total	1,747,914,000	1,808,914,000	2,025,914,000	1,889,414,000	1,860,247,000
Library resources:					
1. Public libraries:					
(a) Services		49,209,000	49,209,000	49,209,000	46,749,000
(b) Construction		9,500,000			
Subtotal		58,709,000	49,209,000	49,209,000	46,749,000
2. School library resources		90,000,000	100,000,000	95,000,000	90,250,000
3. College library resources:					
(a) College library resources		10,500,000	10,500,000	10,500,000	9,975,000
(b) Librarian training		3,000,000	3,000,000	3,000,000	2,850,000
(c) Library demonstrations		1,500,000	1,500,000	1,500,000	1,425,000
Subtotal		15,000,000	15,000,000	15,000,000	14,250,000
5. Undergraduate instructional equipment		12,500,000	12,500,000	12,500,000	11,875,000
Total		176,209,000	176,709,000	171,709,000	163,124,000
Educational development:					
1. Education professions development:					
(a) Teacher corps	37,500,000	37,500,000	37,500,000	37,500,000	37,500,000

TITLE II—DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—Continued

	1974 Budget request	1974 House allowance	1974 Senate allowance	1974 Conference agreement	Effect of $400,000,000 reduction
OFFICE OF EDUCATION—Continued					
Educational development—Continued					
1. Education professions development—Continued					
(b) Elementary and secondary development:					
(1) Urban-rural	$9,522,000	$12,135,000	$12,135,000	$12,135,000	$11,529,000
(2) Career opportunities	21,353,000	23,572,000	23,572,000	23,572,000	22,394,000
(3) Categorical programs		13,841,000	8,841,000	8,841,000	8,399,000
(4) Exceptional children		4,112,000	4,112,000	4,112,000	3,907,000
Subtotal	30,875,000	53,660,000	48,660,000	48,660,000	46,229,000
(c) Vocational education		6,900,000	11,860,000	11,860,000	11,268,000
(d) New careers in education		300,000	300,000	300,000	286,000
(e) Higher education:					
(1) Institutes			3,000,000		
(2) Fellowships	2,100,000	2,100,000	2,100,000	2,100,000	2,100,000
Subtotal	2,100,000	2,100,000	5,100,000	2,100,000	2,100,000
Subtotal	70,475,000	100,460,000	103,420,000	100,420,000	97,383,000
2. National priority programs:					
(a) Educational technology demonstrations:					
(1) Educational broadcasting facilities	13,000,000	13,000,000	20,000,000	16,500,000	15,675,000
(2) Sesame Street-Electric Company	3,000,000	3,000,000	5,000,000	3,000,000	3,000,000
Subtotal	16,000,000	16,000,000	25,000,000	19,500,000	18,675,000
(b) Drug abuse education	3,000,000	12,400,000	3,000,000	6,000,000	5,700,000
(c) Right to read	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000
(d) Environmental education		4,000,000	2,000,000	2,000,000	1,900,000
(e) Nutrition and health		2,000,000	2,000,000	2,000,000	1,900,000
(f) Dropout prevention	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
(g) Ethnic heritage studies			5,000,000	2,500,000	2,375,000
Subtotal	35,000,000	50,400,000	53,000,000	48,000,000	46,550,000
3. Data systems improvement:					
(a) Educational statistics:					
(1) Surveys and special studies	7,400,000	4,250,000	4,250,000	4,250,000	4,250,000
(2) Common core of data	500,000				
Subtotal	7,900,000	4,250,000	4,250,000	4,250,000	4,250,000
(b) National achievement study	7,000,000	6,000,000	3,000,000	4,500,000	4,500,000
Subtotal	14,900,000	10,250,000	7,250,000	8,750,000	8,750,000
Total	120,375,000	161,110,000	163,670,000	157,170,000	152,683,000
Educational activities overseas: Special foreign currency program	3,000,000	2,000,000	1,000,000	1,000,000	1,000,000
Student loan insurance fund	57,883,000	57,883,000	57,883,000	57,883,000	57,883,000
Higher educational facilities loan & insurance fund:					
1. Participation sales insufficiencies	2,948,000	2,948,000	2,948,000	2,948,000	2,948,000
Salaries and expenses:					
1. Program administration	76,366,000	76,366,000	79,166,000	79,166,000	79,166,000
2. Planning and evaluation	10,205,000	5,205,000	5,205,000	5,205,000	5,205,000
3. General program dissemination	750,000	750,000			
4. Advisory committees	797,000	797,000	524,000	524,000	524,000
5. Indian Education			1,852,000	1,852,000	1,759,000
Total	88,118,000	83,118,000	86,747,000	86,747,000	86,654,000
Subtotal, Office of Education	5,086,192,000	6,010,018,000	6,357,384,000	6,124,264,000	5,936,944,000
National Institute of Education	162,197,000	142,671,000	75,000,000	75,000,000	75,000,000
Total, Education Division	5,265,241,000	6,164,411,000	6,444,106,000	6,210,986,000	6,023,666,000
SOCIAL AND REHABILITATION SERVICE					
Grants to States for public assistance:					
1. Maintenance assistance	5,528,546,000	5,528,546,000	5,486,777,000	5,486,777,000	5,486,777,000
2. Medical assistance	5,271,862,000	5,271,862,000	5,271,862,000	5,271,862,000	5,271,862,000
3. Social services	2,000,000,000	2,000,000,000	2,000,000,000	2,000,000,000	2,000,000,000
4. State and local training	44,640,000	44,640,000	44,640,000	44,640,000	44,640,000
5. Child welfare services	46,000,000	46,000,000	61,000,000	50,000,000	47,500,000
Total	12,891,048,000	12,891,048,000	12,864,279,000	12,853,279,000	12,850,779,000
Work incentives:					
1. Training	329,534,000	293,991,000	240,000,000	240,000,000	240,000,000
2. Child care	204,900,000	90,443,000	100,443,000	100,443,000	100,443,000
Total	534,434,000	384,434,000	340,443,000	340,443,000	340,443,000
Social and rehabilitation services:					
1. Grants for the developmentally disabled:					
(a) State grants	21,715,000	32,500,000	32,500,000	32,500,000	30,875,000
(b) Service projects	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000
(c) University affiliated facilities	4,250,000	4,250,000	4,250,000	4,250,000	4,250,000
Subtotal	31,965,000	42,750,000	42,750,000	42,750,000	41,125,000
2. Special programs for the aging:					
(a) Planning and operations	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000
(b) Areawide projects	16,000,000	16,000,000	16,000,000	16,000,000	16,000,000
(c) Community programs	68,000,000	68,000,000	68,000,000	68,000,000	68,000,000
(d) Nutrition programs	99,600,000	99,600,000	110,000,000	104,800,000	99,600,000
Subtotal	195,600,000	195,600,000	206,000,000	200,800,000	195,600,000
3. Youth development and delinquency prevention	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
4. Research:					
(a) Research and demonstrations	15,467,000	15,467,000	15,467,000	15,467,000	15,467,000
(b) Income maintenance projects	11,000,000	11,000,000	11,000,000	11,000,000	11,000,000
Subtotal	26,467,000	26,467,000	26,467,000	26,467,000	26,467,000
5. Training:					
(a) Community services		8,900,000	10,000,000	8,900,000	8,450,000
(b) Aging		8,000,000	12,000,000	10,000,000	9,500,000
Subtotal		16,900,000	22,000,000	18,900,000	17,950,000
Total	264,032,000	291,717,000	307,217,000	298,917,000	291,142,000

	1974 Budget request	1974 House allowance	1974 Senate allowance	1974 Conference agreement	Effect of $400,000,000 reduction
SOCIAL AND REHABILITATION SERVICE—Continued					
Research and training activities overseas	$4,000,000	$2,000,000			
Salaries and expenses	79,400,000	79,400,000	$70,600,000	$72,800,000	$72,800,000
Less: Trust fund transfer	−600,000	−600,000	−600,000	−600,000	−600,000
Total	78,800,000	78,800,000	70,000,000	72,200,000	72,200,000
Total, Social and Rehabilitation Service	13,772,314,000	13,647,999,000	13,581,939,000	13,564,839,000	13,554,564,000
SOCIAL SECURITY ADMINISTRATION					
Payments to Social Security Trust Funds:					
1. Matching payments for SMI	2,031,000,000	2,031,000,000	2,031,000,000	2,031,000,000	2,031,000,000
2. Hospital insurance for the uninsured	537,393,000	537,393,000	537,393,000	537,393,000	537,393,000
3. Military service credits	239,000,000	239,000,000	239,000,000	239,000,000	239,000,000
4. Retirement benefits for uninsured persons	302,788,000	302,788,000	302,788,000	302,788,000	302,788,000
Total	3,110,181,000	3,110,181,000	3,110,181,000	3,110,181,000	3,110,181,000
Special benefits for disabled coal miners	967,868,000	967,868,000	967,868,000	967,868,000	967,868,000
Supplemental security income	2,211,636,000	2,211,636,000	2,211,636,000	2,211,636,000	2,211,636,000
Limitation on salaries and expenses	(1,887,898,000)	(1,887,898,000)	(1,887,898,000)	(1,887,898,000)	(1,887,898,000)
Total Social Security Administration	6,289,685,000	6,289,685,000	6,289,685,000	6,289,685,000	6,289,685,000
SPECIAL INSTITUTIONS					
American Printing House for the Blind	1,817,000	1,817,000	1,817,000	1,817,000	1,817,000
National Technical Institute for the Deaf:					
1. Academic program	5,087,000	5,087,000	5,087,000	5,087,000	5,087,000
2. Construction	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000
Total	6,487,000	6,487,000	6,487,000	6,487,000	6,487,000
Model Secondary School for the Deaf:					
1. Academic program	3,975,000	3,962,000	3,975,000	3,975,000	3,975,000
Total	3,975,000	3,962,000	3,975,000	3,975,000	3,975,000
Gallaudet College:					
1. Academic program	8,607,000	8,500,000	8,607,000	8,607,000	8,607,000
2. Kendall School	1,992,000	1,992,000	1,992,000	1,992,000	1,992,000
Total	10,599,000	10,492,000	10,599,000	10,599,000	10,599,000
Howard University:					
1. Academic program	43,664,000	42,948,000	43,664,000	43,664,000	43,664,000
2. Freedmen's Hospital	15,120,000	14,925,000	15,120,000	15,120,000	15,120,000
Total	58,784,000	57,873,000	58,784,000	58,784,000	58,784,000
Total, Special Institutions	81,662,000	80,631,000	81,662,000	81,662,000	81,662,000
OFFICE OF CHILD DEVELOPMENT					
Child development:					
1. Research and demonstrations	24,200,000	15,200,000	15,200,000	15,200,000	15,200,000
2. Head Start:					
(a) Full-year to summer programs	373,392,000	357,692,000	388,692,000	373,192,000	357,692,000
(b) Experimental programs	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000
(c) Career development and technical assistance	19,150,000	19,150,000	19,150,000	19,150,000	19,150,000
(d) Evaluation	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
(e) Parent and child centers	6,258,000	6,258,000	6,258,000	6,258,000	6,258,000
Subtotal	407,800,000	392,100,000	423,100,000	407,600,000	392,100,000
3. Salaries and expenses	11,800,000	11,800,000	11,800,000	11,800,000	11,800,000
Total, Office of Child Development	443,800,000	419,100,000	450,100,000	434,600,000	419,100,000
OFFICE OF THE SECRETARY					
Office for Civil Rights	19,196,000	19,196,000	19,196,000	19,196,000	19,196,000
Less: trust fund transfer	−1,253,000	−1,253,000	−1,253,000	−1,253,000	−1,253,000
Total	17,943,000	17,943,000	17,943,000	17,943,000	17,943,000
Departmental management:					
1. Executive direction	9,983,000	9,345,000	9,503,000	9,503,000	9,503,000
2. Public information	1,692,000	1,642,000	1,342,000	1,342,000	1,342,000
3. Community and field services	10,903,000	10,903,000	10,585,000	10,585,000	10,585,000
4. Legal services	7,450,000	6,794,000	6,916,000	6,916,000	6,916,000
5. Financial management:					
(a) Audit	20,396,000	20,396,000	20,109,000	20,109,000	20,109,000
(b) Other	4,180,000	4,180,000	3,966,000	3,966,000	3,966,000
Subtotal	24,576,000	24,576,000	24,075,000	24,075,000	24,075,000
6. Administrative management	20,674,000	20,018,000	18,557,000	18,557,000	18,557,000
7. Policy research	22,710,000	22,710,000	22,710,000	22,710,000	22,710,000
8. Indian program	32,100,000	32,100,000	32,100,000	32,100,000	32,100,000
9. Less: Public affairs reduction			−10,000,000	−10,000,000	−10,000,000
Less: Trust fund transfer	−7,890,000	−7,890,000	−7,890,000	−7,890,000	−7,890,000
Total	122,198,000	120,198,000	107,898,000	107,898,000	107,898,000
Total, Office of the Secretary	140,141,000	138,141,000	125,841,000	125,841,000	125,841,000
Total, new budget (obligational) authority, Department of Health, Education, and Welfare	30,420,855,000	31,501,695,000	31,998,460,000	31,589,369,000	31,210,314,000

TITLE III—RELATED AGENCIES

	1974 Budget request	1974 House allowance	1974 Senate allowance	1974 Conference agreement	Effect of $400,000,000 reduction
Action (domestic programs)	$43,004,000	$43,004,000	$43,004,000	$43,004,000	$43,004,000
Corporation for Public Broadcasting	45,000,000	(1)	55,000,000	50,000,000	47,500,000
Federal Mediation and Conciliation Service	10,960,000	10,960,000	10,960,000	10,960,000	10,960,000
National Commission on Libraries and Information Science	406,000	406,000	406,000	406,000	406,000
National Labor Relations Board	55,050,000	55,050,000	55,050,000	55,050,000	55,050,000
National Mediation Board	2,867,000	2,867,000	2,867,000	2,867,000	2,867,000
Occupational Safety and Health Review Commission	4,890,000	4,890,000	4,890,000	4,890,000	4,890,000
Office of Economic Opportunity	143,800,000	333,800,000	358,800,000	346,300,000	328,985,000
Railroad Retirement Board:					
Payments for military service credits	22,478,000	22,478,000	22,478,000	22,478,000	22,478,000
Limitation on salaries and expenses	(21,330,000)	(21,330,000)	(21,330,000)	(21,330,000)	(21,330,000)
Soldiers' and Airmen's Home (trust fund appropriation):					
Operation and maintenance	13,326,000	13,326,000	13,326,000	13,326,000	13,326,000
Capital outlay	456,000	456,000	456,000	456,000	456,000
Total, new budget (obligational) authority, related agencies	342,237,000	487,237,000	567,237,000	549,737,000	529,922,000
Grand total, new budget (obligational) authority	31,549,953,000	32,816,467,000	33,396,379,000	32,926,796,000	32,527,926,000

(1) Not considered.

Mr. MAGNUSON. Mr. President, the conferees, at the insistence of the House, also modified the distribution of funds for title I, elementary and secondary education. The new formula provides that the allotment of title I–A grants be made as follows: States shall receive no less than 100 percent and no more than 120 percent of the amounts they received in fiscal year 1973. Within the State allocation, local education agencies—and this was a source of great discussion and some controversy—will receive no less than 90 percent of the amounts they received in 1973, with no ceiling.

The conferees also state in the strongest possible language that no title I–A funds will be considered in next year's appropriation bill until the present inequities—and I underline the word "inequities"—in the law are corrected. Over the last several years every effort by the Appropriations Committee to enact early education appropriations has been frustrated by a lack of timely passage of authorizing legislation. It is clear that funds for all health and education programs have been put in increased jeopardy because authorizing committees have acted with less than alacrity.

Mr. President, in my judgment, this is an acceptable bill. The first conference report is my preference, but I am realistic. The amounts provided for some items are not entirely to my satisfaction; however, in the main, there will be adequate funds to meet necessary expenses and to conduct most—but not all—high priority programs of the departments involved.

Mr. President, I ask unanimous consent to place in the RECORD a table showing major items that were increased by the Senate and were reduced in conference and a more detailed explanation of the conference action, including our customary table relating to all of the comparative figures. I would also like to insert a State-by-State breakdown of title I–A grants as well as a tabulation of student aid programs.

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

DECREASES FROM SENATE

	House	Senate	Conference	Decrease
Department of Labor	$827,535,000	$830,682,000	$787,690,000	—$42,992,000
Health, Education, and Welfare:				
Health Services and Mental Health Administration	2,261,833,000	2,359,397,000	2,305,278,000	—54,119,000
National Institutes of Health	2,499,895,000	2,665,730,000	2,576,478,000	—89,252,000
Education Division	6,164,411,000	6,444,106,000	6,210,986,000	—233,120,000
Social and Rehabilitation Service	13,647,999,000	13,581,939,000	13,564,839,000	—17,100,000

ESTIMATED COMPARATIVE DISTRIBUTIONS FOR LOCAL EDUCATIONAL AGENCY GRANTS, PART A OF TITLE I OF THE ELEMENTARY AND SECONDARY EDUCATION ACT

State	Fiscal year 1972 allocation	Fiscal year 1973 allocation	Existing continuing resolution (local education agency at 90 percent of fiscal year 1973 allocation, no greater than 115 percent of fiscal year 1973, State at 90 percent of fiscal year 1972 allocation)		Conference agreement after recommital (local education agency at 90 percent of fiscal year 1973 allocation State at 100 percent of fiscal year 1973 allocation and no more than 120 percent of fiscal year 1973 allocation)		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Total amount for all parts of Title I	$1,597,000,000	$1,585,000,000	$1,629,000,000	$1,810,000,000	$1,629,000,000	$1,810,000,000	[1] $1,719,500,000
Total for States and District of Columbia part A, local grants	1,364,707,215	1,316,037,468	1,305,203,418	1,444,116,298	1,327,399,995	1,465,299,995	1,396,199,995
Alabama	40,257,134	34,549,166	36,231,421	36,231,421	34,549,166	34,549,166	34,549,166
Alaska	2,054,974	2,145,064	2,396,946	2,777,324	2,705,489	2,898,078	2,898,078
Arizona	8,648,415	8,134,242	7,783,574	9,354,378	8,134,242	9,221,148	8,222,691
Arkansas	24,214,456	20,963,618	21,793,010	21,793,010	20,963,618	20,963,618	20,963,618
California	122,028,439	111,618,375	118,267,550	128,361,130	111,618,372	133,942,050	121,364,098
Colorado	10,100,532	10,237,378	9,530,951	11,772,985	10,237,378	12,134,830	10,931,405
Connecticut	11,813,005	11,747,931	12,582,635	13,510,121	13,319,907	14,097,517	14,097,517
Delaware	2,242,296	2,323,748	2,117,579	2,672,310	2,323,748	2,561,564	2,323,748
Florida	26,445,029	24,111,072	23,800,526	27,727,733	24,111,072	27,863,443	25,295,587
Georgia	39,947,788	40,573,812	36,516,431	36,516,431	40,573,812	40,573,812	40,573,812
Hawaii	3,250,669	3,715,263	3,626,989	4,272,552	3,732,067	4,458,315	4,107,065
Idaho	2,730,118	2,719,220	2,457,106	3,127,103	2,719,220	2,719,220	2,719,220
Illinois	63,243,090	69,554,901	65,555,777	79,988,136	70,518,720	83,465,881	77,374,236
Indiana	16,999,801	18,773,439	16,896,095	21,589,455	18,773,439	19,114,125	18,773,439
Iowa	15,464,659	14,601,661	13,918,193	13,918,193	14,601,661	14,601,661	14,601,661
Kansas	10,427,273	9,147,430	9,384,546	10,519,544	9,147,429	10,412,343	9,632,773
Kentucky	37,131,906	32,212,788	33,418,715	33,418,715	32,212,788	32,212,788	32,212,788
Louisiana	34,683,312	31,322,489	31,214,981	33,117,401	31,322,489	31,322,489	31,322,489
Maine	5,607,754	5,633,673	5,070,306	6,478,724	5,633,673	6,204,892	5,641,865
Maryland	19,423,141	19,380,669	18,546,513	22,287,769	20,757,632	23,256,803	22,691,090
Massachusetts	23,858,101	24,893,505	25,293,979	28,627,531	25,230,992	29,872,206	28,110,264
Michigan	47,708,517	51,768,916	47,491,650	59,534,253	53,298,915	62,122,699	58,920,765
Minnesota	21,120,043	20,897,155	19,008,039	23,204,280	20,897,155	21,981,080	20,897,155
Mississippi	42,074,152	35,922,629	37,866,737	27,866,737	35,922,628	35,922,628	35,922,628
Missouri	25,579,100	23,367,302	23,021,190	24,352,345	23,367,302	23,745,069	23,367,302

State	Fiscal year 1972 allocation	Fiscal year 1973 allocation	Existing continuing resolution (local education agency at 90 percent of fiscal year 1973 allocation, no greater than 115 percent of fiscal year 1973, State at 90 percent of fiscal year 1972 allocation)		Conference agreement after recommital (local education agency at 90 percent of fiscal year 1973 allocation State at 100 percent of fiscal year 1973 allocation and no more than 120 percent of fiscal year 1973 allocation)		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Montana	$3,013,338	$2,865,542	$2,712,004	$3,295,373	$2,865,542	$2,942,790	$2,865,542
Nebraska	7,523,056	7,187,530	6,770,750	7,905,410	7,187,530	7,187,530	7,187,530
Nevada	883,771	923,899	1,062,484	1,062,484	1,070,437	1,108,679	1,108,679
New Hampshire	1,908,409	2,007,413	1,898,450	2,308,525	2,043,929	2,408,895	2,274,208
New Jersey	44,860,594	44,232,287	45,998,194	50,867,130	47,410,980	53,078,744	52,911,404
New Mexico	9,629,504	7,393,185	8,502,163	8,502,163	7,393,185	7,912,076	7,393,185
New York	193,459,929	196,835,764	205,136,640	226,361,130	198,168,018	236,202,917	218,053,725
North Carolina	56,260,988	51,556,663	50,634,889	50,634,889	51,556 663	51,556,663	51,556,663
North Dakota	5,271,181	4,101,267	3,844,063	3,884,063	4,101,267	4,101,267	4,101,267
Ohio	41,269,978	42,248,122	38,023,310	48,585,340	42,248,122	50,088,400	45,285,416
Oklahoma	18,199,914	16,649,246	16,379,923	17,243,236	16,649,246	16,649,246	16,649,246
Oregon	9,382,231	8,421,321	8,444,008	9,684,519	8,421,321	9,731,012	8,710,600
Pennsylvania	67,113,702	64,998,125	60,402,332	74,747,844	64,998,125	76,635,107	69,652,301
Rhode Island	5,189,238	4,873,849	4,670,314	5,604,926	4,873,849	5,693,943	5,032,815
South Carolina	34,313,120	29,853,231	30,881,808	30,881,808	29,853,231	29,853,231	29,853,231
South Dakota	6,266,048	5,470,551	5,639,443	5,639,443	5,470,551	5,470,551	5,470,551
Tennessee	36,288,395	31,273,191	32,659,556	32,659,556	31,273,191	31,273,191	31,273,191
Texas	69,566,731	67,675,754	62,610,058	67,124,681	67,675,754	67,675,754	67,675,754
Utah	3,593,198	3,894,921	3,784,313	4,479,159	4,043,700	4,673,905	4,462,760
Vermont	2,107,682	2,093,957	1,896,914	2,408,051	2,093,957	2,093,957	2,093,957
Virginia	33,803,541	31,522,692	30,423,187	30,423,187	31,522,692	31,522,692	31,522,692
Washington	12,255,022	13,445,639	13,592,353	15,462,485	13,759,483	16,134,766	15,136,917
West Virginia	20,524,496	17,319,813	18,472,046	18,472,046	17,319,813	17,319,813	17,319,813
Wisconsin	16,546,374	17,340,875	15,606,788	19,942,006	17,459,310	20,370,940	18,711,212
Wyoming	1,235,793	1,170,817	1,112,214	1,346,440	1,170,817	1,280,860	1,186,478
District of Columbia	8,187,278	10,096,368	10,253,775	11,610,823	10,096,368	12,115,641	11,196,398

[1] After 5 percent reduction.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

ANALYSIS OF HIGHER EDUCATION STUDENT AID PROGRAMS

	1973 comparable	1974 budget	House allowance	Senate allowance	Conference agreement	Effect of $400,000,000 reduction
Basic opportunity:						
Grants (BOG's)	$122,100,000	$959,000,000	$440,500,000	$600,000,000	$500,000,000	$475,000,000
(Students assisted)	(425,000)	(1,577,000)	(1,577,000)	(1,050,000)	(1,050,000)	(1,050,000)
(Average grant)	($260)	($592)	($262)	($570)	($476)	($452)
Supplemental opportunity:						
Grants (EOG's)	210,300,000		210,300,000	210,300,000	210,300,000	210,300,000
(Students assisted)	(304,000)		(304,000)	(304,000)	(304,000)	(304,000
State student:						
Incentive grants				30,000,000	20,000,000	19,000,000)
(Students assisted)				(120,000)	(80,000)	(76,000)
Work study	270,200,000	250,000,000	270,200,000	270,200,000	270,200,000	270,200,000)
(Students assisted)	(560,000)	(545,000)	(560,000)	(560,000)	(560,000)	(560,000
Cooperative education	10,750,000	10,750,000	10,750,000	10,750,000	10,750,000	10,750,000
(Students assisted)	(250,000)	(250,000)	(250,000)	(250,000)	(250,000)	(250,000)
Insured loans	245,000,000	31,0000,000	310,000,000	310,000,000	310,000,000	310,000,000
(Students assisted)	(1,256,000)	(1,533,000)	(1,533,000)	(1,533,000)	(1,533,000)	(1,533,000)
Direct loans/defense loans	548,400,000		286,000,000	286,000,000	286,000,000	286,000,000
(Students assisted)	(301,500)	(259,000)	(682,000)	(682,000)	(682,000)	(682,000)
Total	1,406,750,000	1,529,750,000	1,527,750,000	1,717,250,000	1,607,250,000	1,581,250,000

Mr. MAGNUSON. Mr. President, in the first conference, it was necessary for the Senate to recede from its increases in five major areas. The full amount of these funds is still available under the provisions of the second conference report, although the President is permitted to withhold some of these funds. We compromised with the House by:

First. Reducing programs of the Department of Labor by $42,992,000;

Second. Reducing programs providing medical and mental health care by $54,119,000;

Third. Reducing programs of medical research and health manpower by $89,252,000;

Fourth. Reducing education programs by $233,120,000;

Fifth. Reducing programs for the rehabilitation of the handicapped by $17,100,000.

I do not have to say that these reductions were strongly resisted by the Senate, but we had to make them if we were to get a bill.

Mr. President, as usual these were difficult conferences—and Senator COTTON, the ranking Republican, and I worked hard—as did all the Senate conferees—in providing as much of the Senate increases in health and education programs as were possible. In most cases, we faced House conferees who were very adamant in pressing for figures that were much lower than ours. We were trying to arrive at a total figure that should be acceptable to the President, a figure that the President should sign and not veto, as he has done with four of the last five Labor-HEW bills passed by the Congress.

So that there is no misunderstanding, let me say that we understand the problems confronting the President with regard to budget deficits and the economy. We are aware that it is his privilege to make budget recommendations to the Congress. But under our democratic form of Government, it is the responsibility of the Congress to evaluate those recommendations, to take into account the needs of our citizens and then to make a determination of just how our hard-earned tax dollars ought to be spent—a battle of priorities, so to speak. In this bill, we have simply redirected some of these tax dollars toward the betterment of this Nation's health and well-being.

We recognize that increased funding alone is not the only answer—it is not a panacea. But we are equally persuaded that the President's budget, with few exceptions, shows a year-to-year decline in real dollars and levels of effort, and fails to deal effectively with the magnitude of the problem.

In all fairness, this is not the first administration that has submitted inadequate budget requests for the Department of Health, Education, and Welfare. The Congress in the exercise of its responsibilities, has historically added to the President's budget request for this Department. However, this administration is distinguished in that it is the first that has seen fit to veto these bills that help provide better health care and educational opportunities to all the American people.

The conference bill without a $400 million reduction includes approximately $32.9 billion which is $1.4 billion over the budget estimates. Although that is a very significant sum, it should not be considered a budget-busting extravagance, or termed "inflationary." We are not a credit card Congress. It should be carefully noted that only about one-third of the congressional increase over

the budget estimates would actually be spent in fiscal year 1974, with the remaining two-thirds being spent in subsequent years.

It is not extraordinary, but rather reflects the necessary timelag between appropriations and expenditures. The point to be made here is that it is the expenditure increase over the budget that will have an impact on the economy—not the appropriation figures—for a given fiscal year.

Thus, the bill before us will increase the January budget expenditures by about $450 million if the entire amount is spent for these programs. When compared to a trillion dollar economy and a $268.7 billion Federal budget, $450 million hardly seems too high a price to pay on too large an investment to make, in the health and well-being of the American people.

There seems to be no hesitation at the White House in recommending additional billions for the Mideast or Cambodia. We also read news reports of another $2 or $3 billion defense supplemental in the pipeline. Yet in the second conference, we were told we must compromise further and give the President the discretionary authority to reduce the bill by up to $400,000,000 if we are to have any hope of getting a signed bill.

I am not necessarily against the administration's recommendation for some of our problems abroad, but if they have to be put into the context of whether we do that or take care of our needs at home, then we have to make the kind of decisions that are reflected in this bill.

It should again be noted that the authority to withhold is permissive, not mandatory. The conferees felt that the President ought to have the opportunity if he chooses, to spend the full amount of the first conference—the full amount in the bill. We would, of course, expect to be informed if he chooses to make reductions. The White House has recently indicated that tax receipts for fiscal year 1974 will be $10 billion more than their own January's estimate. The approach recommended by the Congress is intended to afford the President the opportunity to reevaluate his spending plans and encourage him to spend the full amount agreed to in conference. Surely, the $450 million outlay increase provided under this bill—if the entire amount is spent—can be well spent on meeting the needs of our citizens without causing economic harm or shaking any fiscal foundations.

Certainly a nation as wealthy as ours can afford the increase we provided in this bill.

Simply stated, it is the belief of the conferees that the citizens of the United States, with its great abundance, should have the best, within our capabilities, in health care and educational opportunities.

Mr. President, in closing, we believe the President should sign this bill, so we can get on about the business of providing additional job opportunities, better health care to millions of Americans, vital health research, more doctors and nurses to help staff our overburdened health facilities, a stronger educational system, and a decent and dignified life for our senior citizens.

Finally, let me say that after we adopt this conference report today—it, along with the bill that provides for all these human needs, will be sent to the White House. The bill will lie on the President's desk awaiting his decision. That will be the moment of truth. Millions will be looking for an answer to their question—is anybody there, does anybody care.

I yield the floor to the distinguished ranking minority member.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. COTTON. Mr. President, I shall be very brief.

First, I want to reiterate, as I have on many occasions in the last few years, my admiration and appreciation for the way the chairman of the Subcommittee on Health, Education, and Welfare handles these very crucial and important bills. The Senate, I am sure, realizes—if there is any Senator who does not realize it, he should, and the RECORD should so show—that the Senate, the Congress, and the people of this country who have various handicaps, mental and physical, the young people of this country who need educational opportunities, those who are interested in research for the present and future health of this country, are all greatly indebted to WARREN MAGNUSON, the distinguished Senator from Washington.

It has been my pleasure to serve with the distinguished Senator as the ranking minority member of the subcommittee throughout the tenure of his office as chairman as, indeed, I served some time with the beloved Senator Lister Hill of Alabama. It is due much to the chairman of the committee that we have, I believe, resolved what was to be another impasse.

While I am on the subject I want to mention how fortunate we are to have such an efficient staff. Harley Dirks is one of the ablest and the most experienced appropriation staff man on the Hill. He has worked long and hard and faithfully through the years. He has never drawn a line once, as the chairman has never drawn a line once, between the side of the committee we sat on or whether it was being helpful to a Democrat or a Republican. He has rendered valuable service. The new staff member representing the minority, Warren Kane, has proved to be very hard-working, effective, and efficient. I think we are fortunate in having such a staff.

Mr. President, I shall not go into the details of this bill, which have been amply covered by the chairman. We all know the unfortunate situation we have had the last 2 years. Last year we had the first bill which went to the President. The bill was vetoed. The veto was sustained. Frankly, I think there was some justification for that. Considering the situation we faced last year, I think there was much justification for the veto.

We then worked long and hard and sent a second bill to the President, and I am going to be equally frank and say that bill should have been signed. It met all the possible objections that I could find that could be met, but it was not signed. It was pocketvetoed. So we never had a chance to vote on that. If we had, it would have been one of the few occasions when I would have voted to override a Presidential veto. But we never got that chance.

For the last fiscal year and a half, which means, in effect, the last couple of years, we have been using our money in this vital field in somewhat outmoded methods, because we have had to offer it on continuing resolutions.

This bill, when it first came out of conference, quite apparently had the hostility of many in the administration. The Secretary of Health, Education, and Welfare, Mr. Weinberger, warned us that it would be vetoed. He recommended that it be vetoed. The head of the Office of Management and Budget said it should be vetoed, and he recommended that it be vetoed.

Mr. President, I want to express deep appreciation to the President's adviser on domestic matters, Mr. Melvin Laird, who spent years in the House on the Appropriations Committee and on this bill. He knows this bill and knows its problems.

Mr. President, I was able to sit down with Mr. Laird and, because of his cooperation, was able later to sit down with Secretary Weinberger and Mr. Ash. In turn, Mr. Ash came up and conferred with the distinguished chairman of the committee, the senior Senator from Washington.

No one can speak for the President of the United States. None of these gentlemen have the authority to promise that. However, I am completely satisfied that for the first time in the last several years we are as near to an agreement on the part of the White House to sign this bill as we have ever been. The House and Senate have met certain requirements exacted by the White House, and at last we will have a bill signed and in operation in fiscal year 1973–74. We will have an up-to-date bill, even though no one could get all that he wanted in the bill.

Mr. President, frankly I am critical of my own administration regarding this bill. I do not talk about post offices any more, because we have put the Post Office Department into a separate corporation. However, I used to say that I did not have much patience with an administration that could not see a significant difference between a cancer center or a mental health center and a post office. I now change that to any other physical objects that are contained in the public works bill and in the budget.

This bill is the bill in which we deal with mental health. This bill is the bill in which we deal with medical research. This bill is the bill in which the Government puts its shoulder to the wheel in the matter of trying to get a breakthrough in the cure of cancer and in the reduction of fatilities and incapacities from heart disease.

This bill is the bill in which we provide, as far as the Federal Government is concerned, the help in providing educational opportunities for the future

citizens of this country, people of all colors and creeds, and coming from all kinds of homes and environments.

This is a most vital appropriations bill, and I consider it an honor to sit on the committee. As I near the end of my service in the Senate, the one service which I shall look back on with a good deal of satisfaction after I have retired will be the opportunity I have had to work on the HEW Appropriations Committee.

This is a good bill. It is not a perfect bill. It cannot satisfy everyone. However, I have every confidence that the President will sign it, and we will be back in business again.

Mr. President, I again commend the Senator from Washington and every other member of the Appropriations Committee, because they have all taken a very deep interest in this bill. And we have come up with the best possible solution we could.

The House was a little more conservative than we were. We had to exercise some pretty stiff pressure to have everyone give a little in order to reach a compromise so that we could be back in business once more.

Mr. President, I hope the conference report will be agreed to.

Mr. MAGNUSON. I thank the distinguished Senator from New Hampshire. I thoroughly agree with him, and I think that members of the subcommittee and the full committee also will agree that this is one of the most complex bills in the entire Congress. I think we hear, on the average, 500 witnesses before we even get down to our deliberations. That takes a lot of work, not only by the Senator from New Hampshire and myself; but we would not be able to do it if we did not have a really competent staff made up of Harley Dirks, Gloria Butland, Domenic Ruscio, Jim Sourwine, Terrence Sauvain, and Warren Kane. I want to compliment them, and I am sure that the Senator from New Hampshire will agree with me.

Mr. COTTON. I certainly do agree with the Senator. It is a long, hard road, as the Senator from Washington well knows. Every member of the Committee on Appropriations is on several subcommittees. The chairman of the subcommittee (Mr. MAGNUSON) and I, as the ranking member, are the ones who are really expected to attend all the hearings. I have sat with the distinguished Senator from Washington day after day, week after week, month after month, and year after year. The Senator happens to be chairman of the other committee of which I am the ranking minority member, namely, the Committee on Commerce. So I think it is safe to say that I have got to get along with two people. One is my wife; and the other is "MAGGIE," as we call the chairman. It seems that he is the chairman of every committee on which I am privileged to serve. It has been a fine opportunity for me, and I thank the Senator from Washington for all the kindnesses I have received at his hand.

Mr. MAGNUSON. I thank the Senator from New Hampshire.

It really isn't a chore to hear that many witnesses. I think, probably, that some of the most interesting stories we have ever been told have come in that committee. Those who read the testimony will find stories about exciting things that have happened in the field of health and welfare. They come particularly from the people at NIH. Twenty-two Nobel Prize winners have been among our witnesses. Sometimes it is hard to break away from their testimony, because it is so interesting and exciting. The bill is only a part of the process.

Over the last two decades, the longevity of the average American has been increased by 17 years. That fact alone would make it worth while, would it not, despite the fact that we are still trying to solve the problem of two dread diseases, cancer and heart attack?

Federal participation in the health of the country has been worth all the money we have put into it. We are eager to do more, and we can do more. That is why we are so happy to be able to say that we have given them the help that they want and have backed them up in doing the things they are doing.

I believe the average American would agree that the portion of his tax dollar which goes into the bill is spent for worthwhile purpose.

Mr. President, may I suggest the absence of a quorum? I shall take about 2 minutes. I suggest the absence of a quorum.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered. The clerk will call the roll.

Mr. MAGNUSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered. Who yields time?

Mr. BEALL. Will the Senator yield me 2 minutes?

Mr. MAGNUSON. I yield 2 minutes to the Senator from Maryland.

Mr. BEALL. Mr. President, I am sure those of us who do not serve on the Appopriations Committee have great respect for and are appreciative of the great job the Senator from Washington and the Senator from New Hampshire do in completing each year the monumental task of putting the Labor-HEW appropriation bill together, and particularly this year, in putting it in a shape where there is no reason why it cannot be signed into law by the President of the United States, because it deals with human needs, and thus affects all the people of this country.

The Senators deal with this budget with great sensitivity, and I for one am grateful, and particularly grateful for the fact that the Senate conferees persisted in maintaining the Senate position with regard to the funding of the physician shortage area scholarship program, which we developed a couple of years ago, and for which money has been offered on the Senate side for a couple of years. This is the first time we have gotten it all the way through the legislative mill. I think this program will go a long way, over the long pull, in providing doctors where there are now no primary care physicians available.

Since I was the author of the proposal, I am most grateful that $2 million is provided in this conference report for this program. I thank the Senators for their efforts in our behalf in obtaining this program.

Mr. MAGNUSON. Although this is a new program, the return on our investment will far outweigh the costs involved.

Mr. COTTON. Mr. President, may I say that I think the distinguished Senator from Maryland deserves a great deal of credit for not only following and sponsoring this project, but for being so persistent in pushing it. He has at last got his foot in the tent, and I hope that his own people will realize how much he has done for them in this particular area.

Mr. BEALL. I thank the Senator from New Hampshire.

Mr. KENNEDY. Mr. President, will the Senator from Washington yield?

Mr. MAGNUSON. I yield to the Senator from Massachusetts. Before the Senator asks his question, I want to say again that no one has been more helpful to the Appropriations Committee in establishing these priorities, which are very difficult. There are a lot of problems between the people who are involved, all trying to pursue their own projects and their own views, and we have to make some very sensitive decisions.

No one has been more helpful to us than the chairman of the Legislative Subcommittee on Health. He usually appears before the committee when we start to mark up the bill, after we have gotten through with some of the witnesses, and submits a list which he thinks reflects the opinions of the members of the legislative committee. That is very helpful to us, I have said this before when this bill came up, but I want to repeat it: Some of the guidelines the Senator has suggested have helped us make some of these sensitive decisions.

Mr. KENNEDY. I thank the Senator from Washington, the chairman of this Appropriations Subcommittee, for his kind and generous remarks. I commend the chairman, the Senator from Washington (Mr. MAGNUSON), for bringing this appropriations measure through the conference and for making these recommendations to the Senate.

I feel, as one who has followed these appropriations closely over the years, that this measure represents a very important and major step forward in meeting many of the human resource needs of the people of this country. I commend the chairman and the ranking minority member (Mr. COTTON), who has time and again shown tremendous sensitivity toward many of these problems. As I have stated before, we are going to miss the distinguished Senator from New Hampshire for many reasons; but I think that those who benefit from the programs covered by this appropriations measure, are going to miss him most of all.

He has been in the vanguard of allocating the resources of this country for social programs and has tried to make sure that they are going to benefit the areas of greatest need. I think that this appropriations measure reflects the continuing concern of the chairman and the ranking Republican member, and I again

commend both of them for their efforts, which have been long, tedious, and tiring, but, nonetheless, in the great interest of the American people.

I have one specific question to ask the ranking member and the chairman of the subcommittee. It springs out of the language in the report that provides for a 5-percent discretionary cut for a particular program. As the Senator would understand, we have been making some important progress toward our goal of restructuring and strengthening the biomedical research fellowship and training programs of this country. We are getting close to getting agreement with the House in these areas. These programs are sponsored by NIH. What I am very much concerned about is, the interpretation of the 5-percent cut—if it permits a 5-percent cut in any Institute of Health, and if these cuts are then directed toward the biomedical fellowship and training grant programs, the actual result would be much greater than 5 percent. This would seriously impair these vital programs and is not what I understand as being consistent with the intent of the members of the conference.

So I would like to establish clearly that the 5 percent is an aggregate 5 percent for a given activity, which I think is unfortunate but, nonetheless, perhaps is, from a legislative viewpoint, necessary. But I want to establish clearly the legislative intention of the conferees, so that these specific programs, the biomedical research training programs will not be cut more than 5 percent in the aggregate.

Mr. COTTON. I may say that we took this matter up because we had the same apprehension the Senator from Massachusetts has that the President could cut an appropriation 5 percent and then in doing so he could cut programs in that appropriation by more than 5 percent as long as the aggregate was 5 percent. I think the chairman of the committee was present and will bear me out, that we have an absolute declaration on the part of Mr. Laird and on the part of the Secretary, that they recognized our apprehension and that they would not use the power to cut 5 percent by eradicating specific programs that we authorized within the line items. Is that not the understanding of the chairman?

Mr. MAGNUSON. Yes, and in this particular field the Senator from Massachusetts is talking about, it would have to be an aggregate of 5 percent. That is our understanding and I am glad the Senator from Massachusetts brought it up because it will clear the legislative intent.

Mr. KENNEDY. The line item may be a figure indicated in the appropriation for each of the various National Institutes of Health. They may make a 5-percent reduction in each institute but the total cut, overall for the fellowship programs will not aggregate to more than 5 percent.

Mr. MAGNUSON. If he chose to make these cuts, we specify that they may not exceed 5 percent against any particular program. I would hope that no reductions will be made.

Mr. KENNEDY. The Senator understands the apprehension where, with the programs spread over the various Institutes, and if the 5-percent cuts in each institute are applied against the fellowship and traineeship programs, the total aggregate would be above the 5-percent cut for these programs, as I understand it.

Mr. MAGNUSON. That is right.

Mr. KENNEDY. So this provision cannot be employed to circumvent what is the clear intention of the language.

Mr. MAGNUSON. I want to say to the Senator from Massachusetts that the Senator from New Hampshire and I, and others, deplore the fact that all the training programs, which you are working on now, had their budgets cut severely. We restored them to an adequite level. We did the best we could along these lines.

Mr. KENNEDY. Again, I want to thank both the ranking minority member and the chairman of the committee for these assurances. I would urge all my colleagues who are concerned about the program to support this matter when we come to a vote.

Mr. COTTON. Mr. President, in order to nail down this point, my attention has been called by the staff to the report on the conferees.

On page 7 it states:

> The managers on the part of the House will move to recede and concur in the Senate amendment with an amendment which will provide that sums appropriated in the bill shall be made available for expenditure except that not to exceed $400,000,000.

And this is the important language—

> including not more than 5 per centum of the amount specified in any appropriation provision contained in this Act or any activity, program or project within such appropriation may be withheld from obligation and expenditure.

So that language which I have just read pretty clearly nails this down on the subject on which the Senator from Massachusetts was apprehensive.

Mr. KENNEDY. I thank the Senator from New Hampshire. That language plus the interpretation the Senator from New Hampshire and the Senator from Washington have given that language, gives me all the assurances we need in this area.

Mr. President, I yield the floor.

Mr. MAGNUSON. Mr. President, unless there are no further questions, I understand some Senators are away from the Chamber on official business but will be back shortly, I move that the Senate recess until 12:40 p.m.——

Mr. JAVITS. Mr. President, will the Senator from Washington withhold that? I want to say a word on the report.

The PRESIDING OFFICER (Mr. BIDEN). Does the Senator from Washington withhold his motion?

Mr. MAGNUSON. I withhold the motion.

Mr. JAVITS. Mr. President, will the Senator from New Hampshire yield me some time?

Mr. COTTON. Will 5 minutes be enough?

Mr. JAVITS. Yes.

The PRESIDING OFFICER. The Senator from New York is recognized for 5 minutes.

Mr. JAVITS. Mr. President, it is with considerable regret but yet out of a sense of necessity that I will support the conference report. It will be noted that the reason for my interest is twofold.

One, my State is so large and has so many problems which are so intimately related to matters covered in this report as to give us a burning interest in how it comes out.

Two, I am the ranking member of the Committee on Labor and Public Welfare, and a great part of this report deals with matters of health, education, and various aspects of welfare which fall within the jurisdiction of that committee.

Before going into some of the details of the matters which are here covered which are of deep concern to us and on which there is a close decision for many as to whether we should or we should not agree to support these reports, I express the hope that the President will, in this particular case, have the same spirit which was obivously manifested by the conferees in their efforts, notwithstanding their own deep feelings about the provisions in the bill in each House, many in a deep humanitarian context—to have given him the very broad authority to cut the various items by $400 million without, of course, actually destroying any activity or, by cutting it, destroying it.

This not only runs counter to deep feelings about many of these provisions which may be cut but also runs counter to our desire more and more to do our own homework in terms of either cutting or increasing or dealing with the overall budgetary situation in a way which has a managerial responsibility on our part, too.

This kind of a lump sum cut authority runs counter to my views and those of many others on the issue of impoundment, on which we are in the process of legislating and on which the courts have held so strongly in favor of Congress.

This is especially true of the Health Services Administration and health research, in which, at my suggestion, provisions were included in the legislative authorizations which have been the basis for court holdings with us, on the ground the President simply could not impound the money and not spend it.

I hope very much, therefore, that this tremendous gesture of effort to agree, of good faith, and of compromise on the part of Congress will be fully recognized at the White House, for all it means.

The other matter to which I should like to invite attention is a so-called stop loss provision regarding treatment of various States. This was the subject of extremely strong dispute both in the other body and here, with many formulae suggested. I wish to pay a special tribute to Senator COTTON and Senator MAGNUSON, who, notwithstanding a relatively minor interest of their own States in this matter, took a very deep interest in trying to solve it and, with the aid of Senator MCCLELLAN, brought about some solution. I do not want to be committed

to that solution as a permanent one, but certainly it got us by this particular tough spot of trying, at long last, to turn out an HEW appropriation.

Mr. President, I wish to comment upon a number of other matters here, but I understand that the Senate is very close to being ready to vote on this matter, and I do not wish to detain the Senate on that score.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. MAGNUSON. I appreciate the Senator's concern about the matter of the formula. In the report, we have very strong language that the members of the Legislative Committee ought to set a formula, that it is not the business of the Appropriations Committee to do this. No matter what we did, somebody would not like it. We only have so much in the bill.

I hope that the Senator's committee, under his leadership and that of Senator PELL and Senator WILLIAMS, will establish a formula. When that is done, the Appropriations Committee will see that adequate funds are provided. This caused a 2-month delay in this bill.

Mr. JAVITS. I realize that, and I take very seriously to heart everything the Senator has said.

Mr. MAGNUSON. I had to look every once in a while to see whether we were minus or plus in my own State. It turned out that we were sort of in between. The real problem was the small States and the larger States. They have a bigger problem than ever.

Mr. JAVITS. I appreciate the attitude of Senator MAGNUSON and Senator CORTON on this score.

Mr. President, we are carrying improperly an item for the Office of Economic Opportunity—that is, the continuing war on poverty—and I wish to make it very clear in that regard, because it has been questioned so much, that community action organizations throughout the country are still functioning and rendering yeoman service, including service in programs extremely popular with Congress, such as Headstart and programs for the aged. In a very great measure, we have squeezed the water out of many of those agencies. They are justifying themselves, standing on their own.

The two injunctions that I have constantly given them are being taken into consideration. One of those injunctions is that staffing should represent but a very modest part of their costs.

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

Mr. JAVITS. Mr. President, will the Senator yield 1 additional minute?

Mr. MAGNUSON. I yield .

Mr. JAVITS. That staffing should be but a modest percentage of what they cost, and that they are not agencies established for the purpose of training the poor or welfare clients in the arts of management, but of using their talents where they measure up to reasonable criteria of skill, ability, and dedication.

Second, they have to establish their community relations by usefulness to the community so strongly that it is community support which brings them the backing and the ability to function, which they so dearly seek and which they should have.

Mr. President, I am prepared to yield the floor.

Mr. MONDALE. Mr. President, I wish to address a question to the distinguished manager of the bill. I am concerned that the Headstart program, funded under both OEO and HEW, may be subjected to the 5-percent reduction under both agencies, and that the result may be cutbacks greater than those intended by the conference committee.

Mr. MAGNUSON. I agree that we are faced with a very unique problem here. It was certainly not our intent to cut back on any of the very important Headstart activities. Senator BROOKE and others on the committee fought hard for these programs, as I know you have. I think the best solution to this problem is to have the staff sit down with HEW, and maybe OEO, and work out a more equitable level for Headstart.

Mr. DOLE. Mr. President, I wish to indicate my support for the conference report on the 1974 Labor-HEW appropriations which is now before us. I feel the Appropriations Committee members have done an excellent job taking into consideration all the divergent interests and needs which are met by these Labor and Health, Education, and Welfare funds. At the same time, due consideration has been given the need to balance the budget and limit Federal spending. Spending for the Labor-HEW programs supported by this appropriations bill could be at a level which exceeds the administration's budget request by less than $980 million. Yet, the majority of the programs are sustained at 1972 funding levels. The committee has done an excellent job setting priorities given the budget restrictions they confronted, and I commend them for their effort in this regard.

I am sure all of my colleagues are aware of the problems their constituents have experienced over the past several years as a result of Labor-HEW programs being funded under a continuing resolution. No one can plan or budget in advance if they are dependent to any degree on Federal funds. Everyone has a different interpretation of what the continuing resolution means. The result is an inefficient use of the tax dollars that are made available. I, therefore, feel that it is important that we get a Labor-HEW appropriations bill signed into law this year, and I commend the conference committee for their efforts in reporting a bill which I feel can become law.

CONSTRUCTION FUND AMENDMENT TO ASSIST INDIAN CHILDREN

I would like to address some of the specific provisions in the bill and what they will mean to Kansas. First of all, the conference report includes an amendment I offered which will provide a 50–50 distribution of construction funds between schools for Indian children and children of uniformed services personnel. This amendment will mean a substantial increase in funds for construction of Indian schools across the country. The need for the increase was demonstrated by the large number of high priority Indian school applications which were pending approval in HEW and which often had to remain unfunded for many years, because of a lack of money. With a 50–50 division in the Public Law 815 construction moneys which is directed by my amendment, nearly twice as much money will be available for Indian school construction.

In Kansas, this will permit construction to begin this year on a school project in the Powhattan community. The Powhattan School is located adjacent to the Kickapoo Indian Reservation in northeast Kansas. Because of Federal housing construction on the reservation, the number of Indian students attending the Powhattan schools has increased, and the Powhattan School has adjusted its programs to meet the particular educational needs of the Indian students.

The old school building, however, has now been condemned and unless Federal funds are made available, the Indian students will be denied the opportunity to continue to attend the Powhattan School which is conveniently close to their reservation and has developed programs to meet the particular needs of the Indian children. Thus, the funds made available under this amendment will insure convenient quality education for the Kickapoo Indians in the area. I am sure similar situations exist in other communities, and I, therefore, appreciate the approval given this amendemnt by the conference committee.

IMPORTANT HEALTH PROGRAMS SUSTAINED

Other provisions in the bill will make available funds for Kansas programs which have been a topic of much discussion in the last year and which I feel should be sustained. Funds for the Community Mental Health Center program that has been so successful across the State are included in the bill. Funding for all aspects of the alcoholism program are included in the bill and should help several communities in Kansas who have expressed an interest in project grants and research proposals. Funding is restored for the National Institutes of Health and the various basic and biomedical research programs which are essential to our Nation's health effort.

The health manpower programs will have adequate funds to assist students and institutions providing health education and training. These programs are important to the efforts in Kansas to improve quality health care and make it available to all residents of the State, in particular, those in rural areas, and I wish to add my support for the committee's action on these matters.

CONFERENCE SUPPORTS OTHER VITAL SERVICES

In the area of education, the bill provides funds to restore the library resources program and the vocational education programs which are popular across the State and are providing what I consider vital services.

Funds are available in the bill for the handicapped and developmentally dis-

abled programs which I strongly support, and $195 million are appropriated for the older Americans programs which I feel can provide vital services to the elderly in the State of Kansas.

These are only a few of the items in the bill which have proven to be of special importance to Kansas and which I feel are vital to the State. I feel the conference report makes adequate funds available for these programs and yet keeps the total appropriation at a responsible level. I, therefore, wish to announce my support for the measure and am hopeful the bill can be signed into law in the near future.

I might also mention briefly the most controversial issue considered by the conference committee—the allocation of title I ESEA moneys. It is my understanding that the allocation formula for ESEA title I funds in the conference report provides that local education agencies would receive not less than 90 percent of their 1973 allocations and States would receive 100 percent but not to exceed 120 percent of their 1973 allocation.

In 1973, Kansas LEA's received a total of $9,147,430 under title I. According to a chart I have been provided outlining the impact of the conference report, Kansas LEA's could receive no less than $9,147,429 and no more than $10,412,343 in 1974. I am hopeful that these figures are definite and these funds will be available. The hardship and confusion many Kansas schools faced last year when the title I formula allocations were changed in the middle of a school year should be avoided at all costs.

Mr. BROOKE. Mr. President, the Labor-HEW appropriations bill for fiscal year 1974 represents the determination of the House and the Senate Appropriations Committees and the conference committee that the departments and programs funded under this appropriation bill not be forced to operate for a second consecutive year under continuing resolutions, with all the chaos and conflict which that entails.

H.R. 8877 appropriates $32,926,796,000 for the operation of the great majority of our Federal education, health, labor, and social welfare programs. The programs funded under this bill probably affect more Americans, of all ages, geographic areas, and economic groups, than any other.

To be sure H.R. 8877 is $1,376,843,000 over the President's budget requests, but this is a misleading comparison. The President's budget proposals requested no funds at all for many needed programs—and greatly reduced funding for many others. The elimination or curtailment of most of these programs could not be justified under congressional scrutiny.

I would have preferred increased funding for many programs funded by this bill. Such funding is needed and warranted. But the Congress has gone over half-way in an effort to compromise with the President and avoid a Presidential veto. In a final conciliatory gesture—which I opposed—the conference committee authorized the President to cut any program by up to 5 percent, up to an overall limit of $400 million. By any standard H.R. 8877 is a fiscally responsibile bill, particularly at a time when our economy faces the possibilities of serious dislocations caused by the energy crisis. I urge the President to sign this bill. Should he not, I would hope that Congress would override that veto. All members of the Senate and House Appropriations Committee, whatever their party affiliation or their liberal or conservative persuasion, know how far the committees have gone in good faith efforts to reach a compromise which the administration could accept and yet which would not neglect our domestic needs in this, our first full year of peace. This bill represents the long work which attempts, successfully I believe, that compromise.

The positive aspects of this bill are many. To name but a few, funding for Project Head Start, still our one national commitment to day care and child development, was modestly increased. Hopefully, this small increase will enable existing Headstart programs, unfortunately not to expand their programs, but to continue serving at least the 3½ million children which they now serve and which represent only 10 to 15 percent of eligible children. The last Congress mandated that Headstart now serve 10 percent handicapped children. Considering the greater cost of caring for handicapped children, Congress would have forced a reduction either in existing services or in the number of children now served had it not voted this small increased. This was an obligation which the Congress in good faith had to fulfill.

H.R. 8877 increases the funds for education of the handicapped $21 million above the administration's budget requests. One of the saddest facts in this affluent and child-oriented Nation is that tens of thousands of handicapped children are still hidden from our sight, unable to attend school and receive the education and training which will enable them to live useful and happy adult lives. As a result, many of these children will, as adults, be forced into custodial institutions, again largely hidden from our sight as they live in too many instances only half lives. Until a comprehensive bill providing for the education of all handicapped children, such as S. 3, of which I am a cosponsor, is enacted into law, the funds authorized for education of the handicapped in the Labor-HEW appropriations bill symbolize our main concern for these children who most need our help. Again, although the increases for this program in H.R. 8877 are not large, increased funding is made in key areas: A program of direct grants to the States, a program of preschool education, a network of regional resource centers, a network of centers to serve the deaf-blind, a very much needed program of personnel training, a program of research and demonstration, a program of media services and captioned films, and a special emphasis program for children with specific learning disabilities.

H.R. 8877 also insures that Federal education aid to impacted areas will not be precipitately ended with little thought of the effect on thousands of American communities.

The bill continues the Federal commitment to higher education. In particular I would call attention to the fact that the new program of basic opportunity grants for college freshmen and sophomores has now reached a funding level of $500 million. One of our top priorities in this area in succeeding years will be to increase the funds of this program so that it can truly provide the aid needed to students who could not otherwise obtain a higher education.

H.R. 8877 assures the continuation of medical research and training grants at responsible if not desirable levels. There is no excuse for terminating or curtailing these training grants at a time when there is a national shortage of medical personnel in so many fields.

The National Institutes of Health, where our hopes for immediate medical breakthroughs as well as our equally important basic biomedical research are centered, are to receive appropriations of $1,813,900,000; $66 million are added for cancer research anc. $12 million for heart—our two major medical problems.

The Labor-HEW appropriations bill is our second largest appropriations bill. The bill this year has been one of the most difficult to write. In particular, I would like to note the achievement, the long hours of work and the impossible task successfully accomplished which the Senate assigned to the chairman of the Senate Labor-HEW Appropriations Subcommittee, the senior Senator from Washington (Mr. MAGNUSON) and to the senior Senator from New Hampshire (Mr. COTTON), the ranking Republican member. The same recognition is more than deserved by the subcommittee's staff headed by Mr. Harley Dirks. Surely no subcommittee staff on the Hill performs a more Herculean task with more endless patience, and I am sure that I speak for all members of the subcommittee in commending both their diligence and great competence. The Senate as well as the subcommittee owe them not only our recognition but our gratitude.

Mr. President, H.R. 8877 represents the considered and the best judgement of the House and Senate committees as worked out in many conferences and exchanges of opinion It represents the one chance for all interested groups to be openly heard. H.R. 8877 is a responsible and a compassionate measure. It funds not only our pressing immediate needs but equally important, it makes necessary provision for America's future. I urge the Senate to accept H.R. 8877 and the President to sign it into law.

Mr. SCHWEIKER. Mr. President, at long last the Senate is passing upon an appropriations bill or the Departments of Labor and Health, Education, and Welfare which I understand, hopefully, will not be subject to a Presidential veto. After rejection of this conference report by the House and discussions with the administration, the conferees convened a second time and have submitted a report which, I believe, merits the approval of this body. As my colleagues know, the two issues which confronted the conference were the formula for funding under

title I of the Elementary and Secondary Education Act and the overall level of spending in the bill. The compromises which emerged from the conference on these two issues, in my judgment, are reasonable. The title I formula protects the States, while at the same time not causing financial injury to school districts predominately in the Nation's urban areas, which have large eligible student populations.

The authority granted to the President to reduce obligations and expenditures of not more than 5 percent in any single activity, program, or project, also represents a workable compromise.

Mr. President, I have a particular interest in the problem of diabetes. I have authored legislation to deal with this serious disease and offered in the Appropriations Committee several amendments to this bill designed to focus greater attention to the problem by the National Institutes of Health. As a conferee I am pleased that the conference retained these proposals. Specifically, the conferees in the statement regarding the appropriations for the National Institutes of Health stated that—

The earmarkings included in the Senate committee report should be used as a guideline in allocating the increases over the amounts proposed by the House . . .

Mr. President, I wish to point out to my colleagues that the Senate bill recommends that the Director of the National Institute of Arthritis, Metabolism, and Digestive Diseases create a position for an associate director of diabetes. Also, the Senate committee, in its report, commented:

It is felt that because of the wide range of side affects from diabetes, that there should be programs on an interinstitute basis to research the affects within the appropriate institute.

Further, the committee recommended that the associate director for diabetes chair the Inter-Institute Committee.

Mr. President, I also wish to point out that the committee stated in its report:

Research in diabetes is focused on the prevention of such complications of the disease as accelerated hardening of the arteries, premature heart disease, kidney failure and blindness. Diabetic retinopathy afflicts about one-third of the long-term diabetes patients and is the second leading cause of blindness in the United States today. Because of the national impact of all aspects of diabetes, the Institute is embarking on a program of support for Diabetes Research Centers. It also supports a wide range of other metabolic diseases, including cystic fibrosis. The Committee supports this new initiative and has provided additional funds for the establishment of Diabetes Centers throughout the Nation to aid in treating and caring for a condition that has such wide ranging social and economic effects.

Recognizing the importance of these recommendations, the conferees included in their report the following statement:

The conferees are aware that diabetes is a prime example of a disease which affects the work of many of the Institutes. It may afflict the eyes, heart, brain, and muscular and vascular systems. The conference urges the NIH to establish mechanisms to assure a coordinated program of research by the Institutes concerned with the various aspects of diabetes.

Mr. President, for some time I have felt that there has been insufficient attention by the Federal Government to the problem of diabetes. I think that this appropriations bill is an excellent beginning to a reallocation of some of our resources to deal with this serious problem. I will continue to do all I can to insure that the past pattern of neglect is changed and that we can sustain the attention and priority for diabetes which this bill inaugurates.

Mr. YOUNG. Mr. President, I rise to add my endorsement to this conference report and want to commend the managers of this bill, the distinguished Senator from Washington (Mr. MAGNUSON) and the distinguished Senator from New Hampshire (Mr. COTTON); as well as the chairman of the full committee, the distinguished Senator from Arkansas (Mr. MCCLELLAN), for their leadership during the long and gruelling sessions with the managers from the House of Representatives to work out this compromise.

This bill totals $32,926,796,000 and is $1,376,843,000 over the budget estimates. However, in the additional session of the conference committee, after the other body had recommitted the original conference report, the enacting clause of the bill was amended to authorize the withholding from obligation and expenditure of not to exceed $400 million.

The bulk of this increase represents the reinstitution of certain programs for which no funds were requested in the budget. These programs, including the Hill-Burton hospital construction program, the impacted-areas aid program, and the library resources program have widespread support. While there are undoubtedly many places that have the financial capability to take over these programs. I know firsthand of many communities in my own State that are absolutely dependent upon this Federal assistance. I certainly support the administration's goal of reforming certain features of these programs, but until we can obtain the necessary corrective legislation from the authorizing committees, the Appropriations Committee's hands are tied.

Hopefully the adoption of this conference report will mark the end of congressional consideration of this bill and the President can join us in finding this to be a reasonable bill in light of the circumstances.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the statement of the distinguished Senator from Rhode Island (Mr. PELL) in support of the conference report be printed at this point in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT BY SENATOR PELL

While I congratulate the Appropriations Committee on a job well done with regard to the funding of education programs found in the pending measure, I regret the action taken by the conferees with regard to the anti-decentralization language which was contained in the Senate bill but which was not adopted by the conference. I understand, however, the problems that the language, affecting salaries and expenses for the Department of HEW, would create for individuals not directly related to the policy of decentralization, and note with approval the language contained in the conference report. Nevertheless, I still regret the fact that the wise decision of the Senate in adopting the anti-decentralization language was not joined by the House conferees.

The Subcommittee on Education of the Senate Committee on Labor and Public Welfare, of which I am Chairman, has heard much testimony with regard to the consolidation of and, indirectly, the decentralization of education programs presently operated by the Department of HEW. Not one witness supported the decentralization moves supported by the Department. Indeed, during his recent nomination hearing, Congressman (Vice President Designate) Gerald Ford, in answer to my question about regionalization, put it very succinctly when he said, "I think I would do away with the regional organization. . . . I think regional offices are a top-heavy layer of bureaucracy that I could hopefully get rid of" It was for this reason that I urged adoption of the conference language in a letter I sent to each conferee. This letter succinctly states my position in that, while I do not oppose decentralization, I would like it to be brought before the Senate as an official proposal so that we can discuss it and then either adopt it or reject it. The letter states:

"OCTOBER 10, 1973.

"The conference on the Labor-HEW Appropriations Bill, will soon consider the anti-decentralization language passed in the Senate. I would like to call this language to your attention and very much urge you to support retention of it.

"The Department of HEW has proposed the decentralization of the majority of the education programs presently authorized by law. While supporting the concept of decentralization to the *State* level, it is my view that the decentralization as proposed by the Administration to the *regional* level, would change the impact of those programs, while at the same time interposing another layer of bureaucracy between the State and Federal governments. Moreover, the regional officials are far removed from the State officials representing those directly affected, and even further removed from us in the Congress representing their interests in Washington. My own personal experience with decentralization under HUD, EDA, and OEO has been negative.

"My own State people would rather deal directly with Washington than sift their views through a regional office, especially in light of the highly-charged political atmosphere of the regional offices.

"In addition, I find it much harder to serve my constituents, since, for example, an inquiry made about a certain grant is shifted to a regional office which then shifts the inquiry back to Washington. In the meantime a grant is made with nobody taking responsibility.

"Finally, I believe that decentralization as proposed by the Administration will have so great an impact that it should be passed upon by those committees having legislative authority. I have offered the Department of HEW a swift hearing before the Education Subcommittee in order to look at the decentralization proposal. They would have the opportunity to prove their case and to demonstrate how decentralization will benefit our nation's schoolchildren. Therefore, I think it of great import that the anti-decentralization language be in the final measure sent to the President.

"Ever sincerely,

"CLAIBORNE PELL,
"Chairman, Subcommittee on Education."

I would urge the Department of HEW to read the language in the conference committee report and follow its suggestion to hold up consolidation plans. There is presently pending in the Subcommittee on Education an omnibus measure which will be enacted

during this Congress as the Education Amendments. It will cover the whole gamut of elementary and secondary education programs, adult education programs, impact aid, and those concepts so supported by the Administration, such as consolidation and the change in the title I program. It is very likely that the bill, when passed and sent to the President, could well include decentralization language which would not only stop future decentralization but also roll back any action taken from June 1, 1973, the date contained in the Senate-passed appropriations language.

In conversations with Mr. Frank Carlucci, Under Secretary of Health, Education and Welfare, we on the Education Subcommittee have been urged to cooperate with the Administration in the writing of this omnibus bill. The Administration asks for our cooperation. To my mind, any action by HEW in furthering its decentralization plans would be a breach of faith and, indeed, an evidence of bad faith which would negate any cooperative effort we may be engaged in on the pending omnibus bill. Perhaps this Administration should consider sending up to the Hill a decentralization proposal which could be included as part of the omnibus legislation if it found favor with the Congress.

Again, Mr. President, I congratulate the Appropriations Committee on the sums appropriated for education programs and, indeed, great tribute should be paid to the conference for its recognition that a change in national priorities is necessary.

Thank you, Mr. President.

Mr. TUNNEY. Mr. President, on November 27, 1973, three members of the Judiciary Subcommittee on Representation of Citizen Interests, Senators ERVIN and BAYH, and myself, as chairman, wrote to Senator MAGNUSON, chairman, Appropriations Subcommittee on Labor, and HEW, and Related Agencies, urging the Senate conferees to vigorously resist the administration's impoundment proposal. It pleases me to note that the conferees by and large rejected the proposal.

The compromise adopted abandons the far-flung administration scheme to condition receipt of funds on dropping impoundment suits. Instead, the House amendment to Senate amendment No. 1 set forth on page 7 of the conference report would allow the President limited discretion to impound up to $400 million from funds appropriated for the Labor-HEW budget—fiscal year 1974. However, no impoundment of any specified appropriations provision contained in the act may exceed 5 percent of the amount appropriated therein. The President must spend all other appropriated funds.

In view of the dogged adherence of this administration to its position that the President has inherent constitutional powers to impound funds appropriated by Congress, despite an overwhelming number of court cases to the contrary, I feel compelled to comment on the effect of the compromise. Far from recognizing any inherent power of the President to impound appropriated funds, this provision is an exercise of Congress' constitutional power to determine what funds may be impounded and under what conditions. No inference to the contrary should be drawn.

I am grateful that we have, in large measure, a bill before us now, as desirable as the one originally passed by the Senate. At this time, I ask unanimous consent of the Senate to place in the RECORD, our letter to Senator MAGNUSON.

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

U.S. SENATE,
Washington, D.C., November 27, 1973.

Hon. WARREN G. MAGNUSON,
Chairman, Subcommittee on Labor, and Health Education, and Welfare and Related Agencies, Committee on Appropriations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: We have read with alarm the Administration-sponsored amendment to H.R. 8877, known as the Laird Proposal, which would require that groups and governments cannot receive 1974 HEW funds unless they agree to abandon their claims to receive 1973 HEW funds for which they have brought anti-impoundment suits in the courts.

As members of the Judiciary Subcommittee on Representation of Citizens Interests, mandated with safeguarding the ability of Americans to have their interests effectively represented, we are seriously concerned with the wisdom and constitutionality of the Laird Proposal. The Laird Proposal flies in the face of the objective of the Subcommittee and penalizes those citizens who have sought redress of grievances through the judicial process. It makes the abandonment of judicial remedies a condition of continued funding of organizations. It is a dangerous precedent for the Congress even to appear to prescribe terms which would force a litigant seeking redress against the United States to compromise his suit.

In addition to charting an unwise course, the Laird Proposal raises serious constitutional questions such as whether the Congress may, by legislation, interfere with the orderly judicial management of a suit for which Federal courts have jurisdiction; the proposal may be a penalty on the exercise of the First Amendment right to petition the Government for a redress of grievances. It may violate the constitutional limitation that Congress' spending power be used for the general welfare and be reasonably related to the purposes of the enactment. (*United States v. Butler*, 297 U.S. 1 (1936)) The abandonment of suits respecting funds impounded in 1973 is not related to the effective functioning of the Department of Health, Education and Welfare in 1974. Further, the proposal may constitute a taking of property without due process of law in violation of the Fifth Amendment, since thirty out of thirty-six courts which have ruled on the issue have held that litigants have a vested expectation in the 1973 funds.

Whatever the resolution of these constitutional questions, the most important thing is that we should not discourage the participation of citizens in the vindication of their rights, nor, as the Administration would have it, foreclose the possibility of the Supreme Court determining the respective powers of the Congress and the President. This is precisely what this proposal does.

We would hope that the Senate conferees would vigorously resist this proposal and report a bill as desirable as the one passed by the Senate.

Sincerely.

JOHN V. TUNNEY,
U.S. Senator, Chairman Subcommittee on Representation of Citizens Interests.
SAM J. ERVIN, Jr.,
U.S. Senator.
BIRCH BAYH,
U.S. Senator.

Mr. BAYH. Mr. President, the Labor-HEW appropriations bill has, again this year, proved enormously difficult to enact. And even if we pass this conference report today, as I certainly hope we will, we still have no assurance that the President will see fit to sign it.

The very fact that we can be hopeful that he will is a tremendous tribute to the diligence, dedication, and legislative skills of the bill's manager, the distinguished senior Senator from Wasington, and of the able ranking minority member of the subcommittee, the senior Senator from New Hampshire. Indeed, all the members of the subcommittee on both sides have earned our gratitude for their great work. Not only in the Senate committee stage and here on the floor, but more especially in two long, difficult conferences with Members of the other body, the Senate conferees labored heroically to come out with a bill that would both meet the Nation's needs and stand some chance of not being vetoed.

In my judgment, Congress has no more important piece of legislation to deal with than this Labor-HEW appropriations bill. Not only does it fund those activities of the Federal Government of greatest significance to the lives of all our people; in a very real sense it defines our whole philosophy of popular, responsible government and the Federal principle.

Certainly, Mr. President, there was a time when the Federal Government's role in health and education was minimal. No doubt there are still a few people in the country who wish that that were still the case. But the plain fact is, we simply could not educate our children decently without the $6.2 billion Federal contribution included in this bill. Our States and local governments simply do not have the revenue-generating capacity to meet the funding level we require for public education today.

Such programs as aid to elementary and secondary education, education for the handicapped, vocational and adult education, and a significant level of help for students and institutions of higher education are all included in this vital piece of legislation. No doubt each of these programs can and will be strengthened and improved. But here today, within the limits set by present authorizations, the appropriations provided in this bill constitute a measure of the obligation we owe to our children and to America's future.

By the same token, in the critically important area of medical research of the kind conducted by the National Institutes of Health, it is inconceivable that our universities, foundations, and the private sector generally could take up the slack—or, more accurately, fill the chasm—that would be created by our failure to provide the $2.5 billion funding for NIH.

In this connection, Mr. President, let me state that, as a member of the Appropriations Committee, I proposed a number of amendments to the House bill in the area of medical research. The acceptance of so many of these by the committee and the Senate as a whole was one of the truly fulfilling experiences of my 11 years here. And I want again to express my particular thanks to the distinguished chairman and ranking minority member of the subcommittee.

I ask unanimous consent, Mr. President, that a table depicting the House, Senate, and conference action on the medical research programs of the National Institutes of Health be printed in the RECORD at this point.

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

NATIONAL INSTITUTES OF HEALTH

NEW INITIATIVES AND HIGH PRIORITY PROGRAMS AND SPECIAL EMPHASIS PROGRAMS

[In thousands]

Institute and program	1972 actual	1973 1st House allowance [1]	1973 actual	1974 President's budget request	1974 House allowance	1974 Senate allowance	1974 conference allowance
NCI:							
Cancer treatment	$51,964	$63,163	$58,803	$70,0000	$70,000	$74,500	$73,000
Special virus cancer program	48,199	51,138	49,239	53,955	53,955	56,955	55,955
Chemical carcinogenesis	23,366	27,797	27,879	30,002	30,002	33,002	32,002
Cancer task forces	9,763	20,032	15,195	25,350	25,350	27,850	26,850
Smoking and health	5,241	6,900	6,567	7,500	7,500	9,000	8,000
Cancer research centers	50,203	66,542	67,510	84,065	84,065	97,978	85,456
3d national cancer survey	2,210	2,730	1,846	525	525	525	525
Nutrition	2,198	2,290	2,595	2,700	2,700	2,700	2,700
Cancer control		30,000	5,222	34,000	34,000	34,000	34,000
NHLI:							
Arteriosclerosis	88,895	115,000	97,568	102,127	107,074	137,884	121,274
Pulmonary diseases	24,030	45,000	13,565	28,903	32,857	39,232	39,007
National blood resources and thrombosis program	23,607	30,000	29,455	29,912	31,919	33,319	33,069
Medical devices	12,449	13,100	10,419	13,100	13,100	13,100	13,100
Heart cooperative drug study	3,938	5,400	5,054	5,400	5,400	5,400	5,400
Sickle cell disease	10,192	16,700	14,414	16,000	16,000	16,000	16,000
NIDR:							
Dental caries	9,795	9,821	7,569	8,709	9,609	9,609	9,609
Periodontal disease	5,238	6,093	5,185	4,809	5,327	7,027	6,177
Dental research institutes	6,500	6,200	6,200	5,850	5,850	5,850	5,850
Ulcers of the lips and mouth	949	949	848	823	977	977	977
Pain control	518	518	592	487	621	621	621
NIAMDD:							
Arthritis	14,374	14,973	13,747	13,545	14,344	15,934	15,047
Diabetes	8,182	9,176	7,859	7,100	11,414	13,054	12,414
Digestive diseases	16,404	20,537	16,380	16,409	21,546	23,572	22,246
Kidney disease	18,127	19,400	17,915	15,582	18,064	19,264	18,564
Artificial kidney and chronic uremia program	(5,286)	(5,040)	(4,948)	(3,495)	(3,495)	(4,095)	(3,995)
Hormone development and distribution program	490	590	580	590	590	590	590
Nutrition	7,887	8,378	7,807	7,359	9,713	9,713	9,713
Cystic Fibrosis	2,777	3,067	2,624	2,553	2,743	2,743	2,743
NINDS:							
Stroke	6,791	9,891	7,024	8,804	9,890	10,140	10,140
Epilepsy	5,007	4,190	4,122	3,989	4,465	5,065	5,065
Infectious disorders of the nervous system	4,076	4,100	4,165	4,207	4,308	4,908	4,908
Parkinsonism	3,339	4,129	3,367	2,838	3,400	3,400	3,400
Trauma and injury	4,665	8,039	5,544	7,142	11,142	11,642	11,642
Communicative disorders	11,446	12,145	10,338	9,884	11,672	12,122	12,122
Multiple sclerosis	3,611	4,679	4,179	3,059	4,293	4,493	4,493
Collaborative perinatal project	6,804	7,181	5,513	4,140	4,140	4,140	4,140
Cerebral palsy	13,992	16,247	13,213	11,352	12,169	12,825	12,825
Muscular dystrophy	6,355	7,794	5,841	5,394	5,839	5,939	5,939
NIAID:							
Immunoprophylaxis	6,522	7,110	6,038	6,368	7,210	7,410	7,410
Hepatitis	709	2,800	1,562	1,922	2,800	2,856	2,856
Allergy	6,960	7,982	5,752	6,500	7,360	7,860	7,860
Interferon and other antiviral substances	6,881	6,457	6,200	6,004	6,800	6,800	6,800
Cellular and transplantation immunology	8,278	9,040	7,110	7,460	8,450	8,450	8,450
Venereal disease	455	900	1,085	1,000	2,200	2,700	2,700
NIGMS:							
Anesthesiology and diagnostic radiology	9,789	8,780	8,622	6,683	9,764	9,991	9,764
Automated clinical laboratories and biomedical engineering	16,516	17,578	14,261	12,400	18,155	19,531	18,655
Cellular and molecular basis of disease	67,244	73,606	58,692	52,752	61,338	63,667	61,838
Genetics	40,428	43,000	40,073	37,614	45,682	47,988	45,682
Pharmacology-toxicology	18,456	20,183	15,901	15,308	20,768	21,081	20,768
Trauma	6,221	3,936	6,100	4,880	8,635	8,806	8,635
Minority access to research careers	151		112	[1] 144	3,000	4,000	3,000
NICHD:							
Child health	55,759	59,219	53,149	51,226	59,134	65,059	62,184
Perinatal biology and infant mortality	(16,112)	(16,780)	(16,186)	(14,821)	(17,926)	(21,576)	(19,826)
Sudden infant death syndrome	(3,550)	(3,500)	(4,106)	(3,500)	(4,000)	(6,300)	(5,200)
Mental retardation	(19,750)	(21,625)	(19,218)	(18,644)	(20,341)	(21,341)	(20,841)
Growth and development	(19,897)	(20,814)	(17,745)	(17,761)	(20,867)	(22,142)	(21,517)
Aging	12,505	13,036	12,650	11,838	15,435	16,460	15,985
Population research	39,973	45,915	39,805	39,241	46,311	49,361	47,711
NEI: [1]							
Glaucoma	5,560	5,230	3,545	4,435	5,000	6,894	6,150
Retinal and choroidal diseases	6,132	3,800	4,704	4,990	5,158	7,012	6,308
Diabetic retinopathy and other vascular diseases	2,000	2,200	3,524	1,600	3,520	4,505	4,270
Corneal diseases	3,670	3,296	4,153	3,420	3,816	5,468	4,816
Cataracts	2,950	3,150	1,963	2,570	3,021	4,272	3,812
NIEHS:							
Principles of safety testing	3,407	3,940	3,369	3,060	3,140	3,140	3,140
EHS centers	3,389	3,550	3,753	4,000	4,000	4,000	4,000
Synergisms	5,043	5,640	4,928	4,790	4,870	4,870	4,870
Other core research	11,412	13,272	11,054	9,620	12,499	12,499	12,499
Mutagenesis and reproduction	693	2,010	1,874	2,010	2,460	2,460	2,460
Physical factors	2,409	2,544	1,207	1,810	1,910	1,910	1,910
Research resources:							
Biotechnology resources	10,924	10,864	10,500	10,500	13,176	13,304	13,176
Primate centers	11,107	11,607	10,847	10,847	11,872	11,872	11,872
General clinical research centers	42,181	42,181	41,300	40,674	42,847	43,274	42,847
Laboratory animal sciences	6,230	6,230	5,700	5,523	6,100	6,100	6,100
Minority schools biomedical support	2,000	6,000	5,000	7,000	7,000	7,000	7,000

[1] As provided by continuing resolution.

Mr. BAYH. Mr. President, as I understand the conference report, the full amounts indicated in that report are appropriated, but the conferees agreed to language that would allow the President to withhold up to $400 million if he chooses. The authority is permissive, not mandatory. I understand, too, that such language was included at the insistence of the House conferees as an inducement to the President to sign the bill instead of vetoing it.

Granted the Senate conferees had no choice but to acquiesce in this unprecedented dilution of the appropriations power of Congress. I feel constrained to point out that it comes at the worst possible time in our effort to reassert Congress' proper constitutional authority. Just when we had begun to understand how dangerously far the balance of institutional power had shifted toward the Presidency, in a way that threatens to revolutionize the American political system, and just when we had begun to take steps to restore some semblance of balance, we risk undoing the whole year's gain by telling the President, in effect, that his judgment, after all, is better than ours on spending priorities for the Nation.

The Constitution of the United States specifically grants the appropriation authority to the Congress. We should utilize it and not pass the buck to the President. If the President disagrees with our judgment on priorities, he can veto our decisions. If this happens, a number of options are available including renegotiating a new and acceptable appropriations bill, overriding the President's veto, and the President's ultimate impounding of funds. If the President pursues this latter course, recourse through the courts is available and has proven remarkably successful in a big majority of the instances litigated. But Congress should look for ways to reassert its constitutional authority, strengthen itself as a separate institution of our Government, not voluntarily delegate congressional authority to the executive branch.

I am sure the conferees did not intend to make a freewill offering to an executive branch already bloated with power and arrogance. But I am very much afraid that that is how the Chief Executive will read it. And it is not so much we in Congress but rather those whom we represent who will have to pay the price in a further distortion of our national priorities and constitutional response.

Nevertheless, as regards this year's Labor-HEW Appropriations Act, we need to let the people know that the burden of decision as to the impounding of these funds still rests squarely on the President. If he chooses to withhold funds—as much as $187.3 million—from the critical needs of education, or if he chooses to withhold as much as $113.8 million from these enormously important medical research programs, it is he who will have to explain to the American people why he does so. And that purported explanation will have to come in the context of his own insistence on adding nearly a billion to the foreign aid bill that was passed by the Senate—$200 million of which is earmarked for arms aid to the ravaged and war-weary nation of Cambodia.

Let the American people then judge whether we can truly afford an extra billion dollars for foreign aid but cannot afford an additional $400 million for the health, education, and well-being of Americans.

CHILDREN'S TELEVISION WORKSHOP

Mr. TUNNEY. Mr. President, today the Senate is considering passage of a most vital piece of appropriations legislation that more closely touches the day-to-day lives of the American people than any other—the appropriation for the Departments of Labor and Health, Education, and Welfare. The Senate on October 4, passed a bill well within the ceiling established by this body. As the sums appropriated by the two Houses greatly conflicted, the conferees sought and reached a fair compromise.

During the extensive consideration of this bill, I made numerous attempts to secure an increase in funding for the children's television workshop, which produces "Sesame Street" and "Electric Company." The $3 million sum passed by the House simply would not keep the workshop out of debt. I was deeply gratified when the Senate recognized the need for a higher level of funding and increased this amount to $5 million. Most regrettably, the conferees cut back the appropriation to the $3 million level.

This entire appropriation bill is essential, and must be passed and signed by the President, and nothing further should delay this action. As for the children's television workshop, it is a sad day when the Government of the American people will not accept its responsibility to its future leaders. We must now rely upon private persons to offer the necessary funds to continue the invaluable work being done by the workshop to educate our children.

IMPOUNDMENT OF FUNDS

Mr. ERVIN. Mr. President, today the Senate votes on a budget bill for the Departments of Labor and Health, Education, and Welfare. This vote comes after considerable compromise on the part of all interested parties. The House of Representatives yesterday approved H.R. 8877 by a vote of 371 to 33.

One particular concern about this appropriation bill has been the administration's insistence upon an inherent Presidential authority to impound funds duly appropriated by the Congress. In the bill on which we vote today there is a provision which gives the President authority to reduce by a total of up to $400 million the $33 billion appropriation for these two Departments. The bill restricts this authority by prohibiting the President from withholding more than 5 percent of the appropriation made for any one program.

In view of the continuing assertions of Presidential power to impound congressional appropriated funds by this administration, I think it is important to emphasize the fact that in granting the President authority to exercise discretion with respect to the withholding of up to $400 million of these funds, the Congress in no way stamps with approval these assertions of inherent Presidential power to impound. The President's authority to withhold the amounts set forth in H.R. 8877 is based entirely upon a congressional determination that the President under present economic circumstances should be in a position to exercise a limited degree of discretion in the administration of the programs for which funds are appropriated under H.R. 8877.

RECESS UNTIL 12:40 P.M.

Mr. MAGNUSON. Mr. President, I move that the Senate stand in recess until 20 minutes to 1.

The PRESIDING OFFICER. Is the time to come out of the time on the conference report, or is it not to be counted?

Mr. GRIFFIN. Mr. President, will the distinguished Chairman yield?

Mr. MAGNUSON. I yield.

Mr. GRIFFIN. Would it be the understanding that we would vote at 12:45?

Mr. MAGNUSON. Yes; the reason is that several Members are on official business, and they will not be back until about that time.

Mr. GRIFFIN. Mr. President, I ask unanimous consent that we vote at 12:45 p.m.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered. The vote will occur at 12:45.

Without objection, the motion to recess is agreed to.

At 12:17 p.m. the Senate took a recess until 12:40 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. BIDEN).

Mr. HUGHES. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. COTTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Under the previous unanimous-consent agreement, the Senate will now proceed to vote on the adoption of the conference report on H.R. 8877. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Arkansas (Mr. FULBRIGHT), the Senator from New Hampshire (Mr. MCINTYRE), and the Senator from Mississippi (Mr. STENNIS) are necessarily absent.

I further announce that the Senator from Rhode Island (Mr. PELL) is absent on official business.

I also announce that the Senator from Missouri (Mr. SYMINGTON) is absent because of illness.

I further announce that, if present and voting, the Senator from New Hampshire (Mr. MCINTYRE), the Senator from Missouri (Mr. SYMINGTON) and the Senator

from Rhode Island (Mr. PELL) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BAKER), the Senator of Tennessee (Mr. BROCK), the Senator from New York (Mr. BUCKLEY), and the Senator from Florida (Mr. GURNEY) are necessarily absent.

The Senator from Arizona (Mr. GOLDWATER) is absent by leave of the Senate on official business.

The Senator from Nebraska (Mr. CURTIS) is absent by leave of the Senate.

The Senator from Oregon (Mr. PACKWOOD) is absent on official business.

If present and voting, the Senator from Nebraska (Mr. CURTIS) and the Senator from Florida (Mr. GURNEY) would each vote "yea."

The result was announced—yeas 85, nays 3, as follows:

[No. 559 Leg.]

YEAS—85

Abourezk	Fong	Montoya
Aiken	Gravel	Moss
Allen	Griffin	Muskie
Bartlett	Hansen	Nelson
Bayh	Hart	Nunn
Beall	Hartke	Pastore
Bellmon	Haskell	Pearson
Bennett	Hatfield	Percy
Bentsen	Hathaway	Proxmire
Bible	Hollings	Randolph
Brooke	Hruska	Ribicoff
Burdick	Huddleston	Roth
Byrd, Harry F., Jr.	Hughes	Saxbe
	Humphrey	Schweiker
Byrd, Robert C.	Inouye	Scott, Hugh
Cannon	Jackson	Scott, William L.
Case	Javits	
Church	Johnston	Sparkman
Clark	Kennedy	Stafford
Cook	Long	Stevens
Cotton	Magnuson	Stevenson
Cranston	Mansfield	Taft
Dole	Mathias	Talmadge
Domenici	McClellan	Thurmond
Dominick	McClure	Tower
Eagleton	McGee	Tunney
Eastland	McGovern	Weicker
Ervin	Metcalf	Williams
Fannin	Mondale	Young

NAYS—3

Biden	Chiles	Helms

NOT VOTING—12

Baker	Fulbright	Packwood
Brock	Goldwater	Pell
Buckley	Gurney	Stennis
Curtis	McIntyre	Symington

So the conference report was agreed to.

Mr. MAGNUSON. Mr. President, I move that the vote by which the conference report was agreed to be reconsidered.

Mr. ROBERT C. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENTS IN DISAGREEMENT

Mr. MAGNUSON. Mr. President, I move that the Senate concur in the amendments of the House to the amendments of the Senate numbered 1, 11, 16, 32, 51, 57, 62, and 79.

The motion was agreed to.

The amendments in disagreement are as follows:

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 1 to the aforesaid bill, and concur therein with an amendment, as follows:

In lieu of the matter inserted by said amendment, insert "and shall be made available for expenditure except that not to exceed $400,000,000, including not more than 5 per centum of the amount specified in any appropriation provision contained in this Act or any activity, program, or project within such appropriation may be withheld from obligation and expenditure".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 11 to the aforesaid bill, and concur therein with an amendment, as follows:

In lieu of the sum named in said amendment, insert "$15,000,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 16 to the aforesaid bill, and concur therein with an amendment, as follows:

In lieu of the sum named in said amendment, insert "$25,000,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 32 to the aforesaid bill, and concur therein with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert "That the aggregate amounts made available to each State under title I–A of the Elementary and Secondary Education Act for grants to local educational agencies within that State shall not be more than 120 per centum of, nor less than, such amounts as were made available for that purpose for fiscal year 1973, and the amount made available to each local educational agency under said title I–A shall not be less than 90 per centum of the amount made available for that purpose for fiscal year 1973".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 51 to the aforesaid bill, and concur therein with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert "$171,709,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 57 to the aforesaid bill, and concur therein with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert "$157,170,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 62 to the aforesaid bill, and concur therein with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert "$12,853,279,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 79 to the aforesaid bill, and concur therein with an amendment, as follows:

In lieu of the sum "$50,000,000" proposed by said amendment, insert "$45,000,000".

Mr. CHILES. Mr. President, I voted today not to accept the conference report, H.R. 8877, the Labor-HEW appropriations bill, for fiscal year 1974.

The overriding reason for my vote, is the provision in the report which permits the President to withhold up to $400 million of the appropriations. No matter how detailed and specific the conferees were in deciding the programs to be cut, in my opinion, their action abbrogates the role of Congress in the appropriation process. This action by the conferees, whether technically correct or not, amounts to Congress sanctioning the impoundment of up to $400 million of HEW funds.

It seems to me that with all of the congressional outcry about what many believe to be illegal impoundments by the President and the many court suits now challenging the legality of certain impoundments, that for us to come in on an appropriations bill and say in effect, here is our total figure to this President, "but you can cut it down up to $400 million if you choose."

Certainly there are many fine programs being funded under this bill, many that are vitally needed throughout the country. But Congress should be the one to determine how much the funding should be and the Executive should carry this mandate out. I sincerely believe we should not set the precedent of going any further of giving any air of credence to the President's broad, self-asserted authority to impound congressionally appropriated funds. We are starting down the road toward licensing Presidential impoundments.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Heiting, one of his secretaries.

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.)

ORDER OF BUSINESS

The PRESIDING OFFICER. Without objection, the unfinished, S. 1868, will be temporarily laid aside until the disposition of S. 1283, or whichever is the earlier.

NATIONAL ENERGY RESEARCH AND DEVELOPMENT POLICY ACT OF 1973

The PRESIDING OFFICER (Mr. HATHAWAY). Under the previous order, the Senate will now resume the consideration of S. 1283, which the clerk will state.

The legislative clerk read as follows:

(S. 1283) to establish a national program for research, development, and demonstration in fuels and energy and for the coordination and financial supplementation of Federal energy research and development; to establish development corporations to demonstrate technologies for shale oil development, coal gasification development, advanced power cycle development, geothermal steam development, and coal liquefaction development; to authorize and direct the Secretary of the Interior to make mineral resources of the public lands available for said development corporations; and for other purposes.

The Senate resumed the consideration of the bill.

Mr. HART. Mr. President, I ask unanimous consent, during the consideration of S. 1283, that Bernie Nash, of my staff be permitted the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HART. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. METCALF. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 768

Mr. METCALF. Mr. President, I call up my amendment No. 768 and ask that it be stated.

The PRESIDING OFFICER. The clerk will read the amendment.

The legislative clerk read as follows:

On page 67, line 6, insert the following new section, and renumber the succeeding sections accordingly:

SEC. 105. The National Science Foundation shall give particular attention to the evaluation of all promising energy-related inventions, particularly those submitted by individual inventors and small companies for the purpose of obtaining direct grants. The National Science Foundation is authorized to promulgate regulations in the furtherance of this section.

Mr. METCALF. Mr. President, I offer an amendment to S. 1283—amendment No. 768—the national Energy Research and Development Policy Act of 1973, which would insure that small businesses, individual inventors, and entrepreneurial companies are given particular attention when they compete with the multienergy conglomerates for a share of the $800 million the management project chairman will have in 1974 to give out in Federal assistance in the form of grants, price guarantees, federally guaranteed loans, contracts, and joint corporations.

One major reason for the energy crisis today is the lack of commercially available applied technology. Throughout the hearings on S. 1283, members of the Interior Committee were told that the major research efforts have been done, and that we need now to get "on the shelf technology" on the line.

The management project could initiate its study of available inventions by requiring a comprehensive report from the Patent Office on all patents in the energy field which have not been developed.

It is crucial that the doors of opportunity are not shut to the small businesses and the innovative companies who simply do not have the resources to compete against the large and highly profitable investor-owned corporations for government-financed projects. The Small Business Act recognized that research and development are major factors in the growth of the economy and the competitive free enterprise system. Acknowledging that small businesses are at a competitive disadvantage, Congress, through the Small Business Act, requested assistance be given to small business concerns. My amendment asks simply that the management project transfer a sufficient amount of its $10 million annual operating expenses to the Director of the National Science Foundation so that he may create an in-house facility for the review of all submitted promising energy-related inventions. Those inventions deemed worth pursuing would be forwarded to the management project for financial consideration, especially in the form of direct grants.

There are precedents for an office of innovations. During World War II, the War Department, as it was then candidly called, had an inventor evaluation office. The staff of less than 10 specialists processed the thousands of ideas that came in; some of them were very viable and were implemented to the hardware stage. The inventions dealt with the furtherance of the war effort. Again, during the Vietnam war, the U.S. Army Materiel Command created a Limited Warfare Laboratory. Geared to take chances, the laboratory solicited ideas, inventions, and processes from all Government personnel. Some of the ideas were simple ideas on troop clothing; others were more complex.

Why does a war effort always seem to incite the Government to make an all-out search for useful inventions? My hope is that during peacetime we can use the same zeal and motivation to achieve energy self-sufficiency.

The Commerce Department and the Federal Trade Commission have both issued reports proving that substantially more than 50 percent of inventions in use today come from small inventors and small businesses.

What we need, Mr. President, is assurance that such innovations and energy-related inventions will not be stifled by a lack of funding and will not be shoved aside for lack of a voice. In the interests of a competitive free enterprise system, we need to encourage all promising technological innovations if we are to meet the energy crisis head on.

Mr. President, I have discussed this amendment, and it has been discussed with members on both sides of the committee. It was not offered in the committee because of an inadvertence that probably is my fault.

It seems to me that it is crucial that the doors of opportunity should not be closed to small inventors and people who at home have discussed their inventions and have something to offer to the National Science Foundation or to energy resources. So I offer this amendment at this time. I am informed that it is agreeable to both sides.

Mr. JOHNSTON. Mr. President, we believe this is a very good amendment. We support it and endorse it. Essentially, it recognizes the importance that individual inventors play in the total scheme of things.

This is a recognition by Senator METCALF of the need to encourage individual inventors, to give them some degree of encouragement and help, as well as the big corporations.

So we accept the amendment gladly and congratulate the Senator for the amendment.

Mr. McCLURE. Mr. President, the minority has had an opportunity to examine the amendment, and it is acceptable to us.

I join in the commendation to the Senator from Montana for the attention that is paid by him to this particular need, and I am glad that he has offered the amendment.

Mr. METCALF. I thank both my colleagues.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Montana.

The amendment was agreed to.

The PRESIDING OFFICER. Are there further amendments?

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HART. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 766

Mr. HART. Mr. President, on behalf of Senator LONG and myself, I call up amendment No. 766, which would amend the patent provisions of section 112.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. HART. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

On page 84, line 1, strike everything commencing with the word "PATENT" on page 84, line 1 through and including the word "found." on page 88, line 2, and insert the following:

PATENT POLICY AND MANDATORY LICENSING

SEC. 112. (a)(1) All research, development, demonstration, or projects contracted for, sponsored, or cosponsored by the Government pursuant to this Act, shall require as a condition of Federal participation that all information—whether patented or unpatented, in the form of trade secrets, know-how, proprietary information or otherwise—resulting in whole or in part from federally assisted research shall be made available at the earliest possible date to the general public, including, but not limited to, nongovernmental United States interests capable of bringing about further development, utilization, and commercial applications of such results.

(2) The Chairman, in administering patents pursuant to this Act, shall make a determination, case by case, in an on-the-record proceeding conducted in accordance with the provisions of the Administrative Procedure Act, as to whether patent licenses shall be granted on a royalty-free basis or upon a basis of charges designed to recover part or all of the costs of the Federal research. He shall make Government patent rights and technological and scientific know-how available on nonexclusive and nondiscriminatory terms to qualified applicants.

(3)(A) Whenever a participant in any program, contract, or energy research and development project pursuant to this Act holds background patents trade secrets, know-how, or proprietary information which will be employed in the proposed program, contract, or research and development project, the Chairman shall enter into an

agreement which will provide equitable protection to the rights of the public and the participant: *Provided, however,* That any such agreement shall provide that when the program, contract, or energy research and development project reaches the stage of possible commercial application, any of the participant's previously developed background patents trade secrets, know-how, or proprietary information reasonably necessary to possible commercial application of the energy process or system developed under this title will be made available to any qualified applicant on reasonable and nondiscriminatory license terms or in other forms which shall take into account that the commercial viability of the total energy process or system was achieved with the assistance of public funds.

(B) As employed herein, the term "background patent" means a United States patent owned or pending by a contractor, grantee, participant, or other party conducting research or development work, or both, pursuant to this Act for or under the sponorship or cosponsorship of the chairman of a corporation established pursuant to this Act which would be infringed by the practice of any new technology developed under the research or development work, or both, contracted for, sponsored or cosponsored pursuant to this Act, or any demonstration-type or commercial-size facility authorized by any corporation thereunder.

(b) (1) Any corporation established pursuant to this Act, and any other Government agency or instrumentality, shall receive a royalty-free unrestricted license to practice any invention or discovery made or employed in connection with any demonstration-type or commercial-size facility provided for hereinafter. Such license shall include the right to make, use, and sell. As used herein, the term "research" includes "development" within its scope.

(2) Any net royalty income from the licensing of patents shall accrue to such corporation during its existence for use by the corporation in the advancement of its purposes. On and after the dissolution of the corporation, the Administrator of General Services shall administer such patent and shall have the sole right to issue licenses thereunder, in accordance with the provisions of this section: *Provided,* That participants in the corporation shall receive a royalty-free license during and after the life of the corporation: *And provided further,* That the Chairman may recommend variations from this policy which he believes to be in the public interest for the consideration of the Congress when specific corporations are proposed for authorization.

(c) Whenever the Chairman determines that—

(1) (A) in the implementation of the requirements of this Act a right under any United States patent, which is not otherwise reasonably available, is reasonably necessary to the development or demonstration of an energy system or technology pursuant to this Act, and

(B) there are no reasonably equivalent methods to accomplish such purpose, and

(2) the unavailability of such right may result in a substantial lessening of competition or tendency to create a monopoly in any line of commerce in any section of the country,

the Chairman shall so certify to a district court of the United States, which shall review the Chairman's determination. If the district court upholds such determination, the court shall issue an order requiring the person who owns such patent, or rights thereunder, to license it on such reasonable and nondiscriminatory terms and conditions as the court, after hearing, may determine. Such certification may be made to the district court for the district court in which the person owning the patent resides, does business, or is found.

(d) The Chairman shall, in determining license terms, duly consider and give weight to the effects of such terms on competition and small business.

RELATIONSHIP TO ANTITRUST LAWS

SEC. 113. (a) Nothing in this Act shall be deemed to convey to any individual, corporation, or other business organization immunity from civil or criminal liability, or to create defenses to actions, under the antitrust laws.

(b) As used in this section, the term "antitrust laws" means—

(1) the Act entitled "An Act to protect trade and commerce against unlawful restraints and monopolies", approved July 2, 1890 (15 U.S.C. 1 et seq.), as amended;

(2) the Act entitled "An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes", approved October 15, 1914 (15 U.S.C. 12 et seq.), as amended;

(3) the Federal Trade Commission Act (15 U.S.C. 41 et seq.), as amended;

(4) sections 73 and 74 of the Act entitled "An Act to reduce taxation, to provide revenue for the Government, and for other purposes", approved August 27, 1894 (15 U.S.C. 8 and 9), as amended; and

(5) the Act of June 19, 1936, chapter 592 (15 U.S.C. 13, 13a, 13b, and 21a).

Mr. HART. Mr. President, I ask unanimous consent that the name of the Senator from Wisconsin (Mr. NELSON) be added as a cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HART. Mr. President, the principal thrust of the amendment is to change section 112 in two important respects:

First. The amendment makes clear that patents arising out of the possible $20 billion to be expended under this bill will be available to the American public on nonexclusive and equal terms. Exclusive licenses are forbidden.

Second. The amendment explicitly states that this act does not convey any immunity from the antitrust laws. This provision is identical to the provision contained in the Automotive Transport Research and Development Act—which is title 6 to S. 2176—the National Energy Conservation Act. It is also consistent with the rejection by the Senate of an amendment to provide blanket immunity to the petroleum industry in the Emergency Energy bill (S. 2589). This provision is necessary to make clear that merely because the Government funds a research and development project, that action does not convey immunity to the participants if they take action—as has happened before—to prevent technological innovation.

Without exception, the Congress has consistently required that patents resulting from Government financed research and development be made available for licensing to all qualified applicants on nonexclusive and nondiscriminatory terms.

Thus, Congress has compelled licensing on a nonexclusive basis in the Coal Research Act, the Helium Act amendments, the Saline Water Conservation Act, the Water Resources Research Act, the Appalachian Regional Development Act, the Solid Waste Disposal Act, the Tennessee Valley Authority Act, the Atomic Energy Act, and the Agricultural Research Act.

The distinguished cosponsor of this amendment, Senator LONG, over the years has himself offered approximately 13 amendments to various pieces of legislation to prevent the grant of exclusive licenses of patents resulting from Government financed research and development. All have been accepted by the Congress and enacted into law.

Under the present section 112, however, President Nixon's 1971 and 1973 Government patent policy regulations are adopted and codified. Those regulations directly contradict the totality of congressional action in this area. They contradict executive branch policy under Presidents Eisenhower and Kennedy. They would allow the exclusive licensing of patents. Moreover, the 1973 regulations are only proposed, and have not yet been adopted. I have been informed that the Department of Justice has advised that the President's regulations are unconstitutional and conflict with explicit congressional and executive branch policy.

The regulations which section 112 would adopt are also the subject of a pending lawsuit filed by 18 distinguished Congressmen and Public Citizen, Inc.

When public funds are used to finance in whole or in part research and development underlying an invention, simple fairness demands that its utilization and benefits be available to all on nonexclusive equal terms. It would be manifestly unfair to allow an important patent to be licensed to General Motors, for example, on an exclusive basis, thereby excluding the use of that patent by Ford, Chrysler, and American Motors. Similarly, no justification can exist for granting an exclusive license to Exxon, for example, and excluding the rest of the energy industry from the patent.

Nonexclusive licensing would allow the greatest benefits to the public arising from competition in the manufacture and sale of the product; and further improvements and new inventions would be encouraged as firms vie for business in the marketplace.

I urge acceptance of this amendment to section 112.

Mr. President, this amendment is one in which the Senator from Louisiana (Mr. LONG) has joined, and it reflects his longstanding attitude with respect to insuring that patents developed through the use of Federal assistance shall be available on nonexclusive and equal terms to the public, that exclusive licenses under the circumstances be forbidden.

We are talking about the expenditure of $20 billion, looking to the development of energy sources. Surely, in the pursuit of that effort, there will be instances when patents and know-how will emerge; and, surely, consistent with the position Congress has taken in many areas, we want to assure that those breakthroughs are not fenced off. Also, the amendment explicitly states that the act does not extend immunity from antitrust laws.

Mr. President, it is my understanding that the able Senator from Washington

(Mr. JACKSON) is fully informed with respect to this proposal. I realize that he is not able to be on the floor at the moment, but I think I can represent that he is familiar with it and has made some preliminary judgment, at least, with respect to it.

I move the adoption of the amendment.

Mr. JOHNSTON. Mr. President, this amendment would replace the patent provisions of S. 1283. It would also provide a savings clause on antitrust laws.

In general, the amendment follows the patent approach of the reported bill. However, the bill, within the bounds of existing policy, provides a great deal of latitude for non-Federal participants in research to be given some patent privileges as an incentive to participate and to develop technology. This amendment would be more restrictive. It would prohibit any possibility of exclusive patent rights being conveyed to non-Federal participants. It also is well within the range of policy which has been adopted in other research programs, so that both the original bill and this amendment are within the range of existing policy.

The difference between the two, the restrictive language of this amendment and the broader language of the bill, are a matter of philosophy. For that reason, we believe the Senate should make that decision.

While the minority members are having a chance to evaluate this amendment, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LONG subsequently said: Mr. President, I was on my way to the Chamber when the Senate agreed to the amendment offered by the distinguished Senator from Michigan (Mr. HART) on behalf of himself, with me as a cosponsor.

In support of the general philosophy of that amendment I wish to have printed in the RECORD prior to the adoption of the amendment a report covering a conference that occurred in my office some years ago between me and Admiral Rickover wherein we discussed this problem related to the ability of the Government to obtain effective research without giving away patent rights in doing it.

Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from a pamphlet concerning this conference. I do not believe the printing of the pamphlet will unduly burden the RECORD.

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

PATENT POLICIES OF GOVERNMENT DEPARTMENTS AND AGENCIES, 1960

Subject: Conference of Senator Russell B. Long, chairman, Subcommittee on Monopoly, Senate Small Business Committee, with Vice Adm. H. G. Rickover, U.S. Navy.

Place: Office of Senator Long.

Time: Friday, April 8, 1960, 9 a.m.

Present: Senator Russell B. Long; Vice Adm. H. G. Rickover; Benjamin Gordon, economist, Senate Small Business Committee; Robert Hunter, administrative assistant to Senator Long; Richard Daschbach, research assistant to Senator Long.

Senator LONG. Admiral Rickover, I want to know your views in general on the issue of whether you believe that when the Government buys research and development, the Government should take the patent rights or should permit the rights for commercial usage to go to the contractor.

Admiral RICKOVER. First, Senator Long, may I thank you for giving me the opportunity to discuss this matter with you. I appreciate testifying in your office where there are beautiful southern girls and the coffee is flavored with chicory. It is very unusual.

Second, I have no prepared statement.

Third, I am not a patent lawyer or any other kind of lawyer. I can only give you my views as they have developed over a period of about 20 years in the conduct of research and development for the Department of Defense and the Atomic Energy Commission.

The patent situation today is quite different from what it was in 1789 when our Constitution was adopted. At that time, a patent was a matter that primarily concerned the individual; individuals were developing single items in a preindustrial age. Today, the development of patents generally involves large corporations and organizations. The U.S. Government alone is currently spending, in fiscal year 1960, nearly $8 billion for research and development. To grasp the significance of this sum bear in mind that the total expenditures of the U.S. Government for the 11-year period, 1789 to 1800, was less than $6 million. And in modern times the level of U.S. Government expenditures did not reach $8 billion until 1936.

Over the years I have frequently wondered whether in this modern industrial age patents are as important for industrial organizations as would appear from the statements made by patent lawyers. It may be that the patent lawyers are overemphasizing the present-day value of patents. It is quite possible our industry would not be hurt very much if we restricted the items that are patentable. I believe the important factor for an industrial organization is the know-how developed by it—the trade secrets and the techniques; these are not patentable qualities. They are something that are inherent in a company, in its methods, in its management; the kind of machine tools it has, how it uses these tools, and so on. Where the facilities are owned by the company itself, and where the know-how is its own, the Government shouldn't publish that information. When these conditions obtain, it is possible we have gone too far in making the information public.

Up to the advent of the Atomic Energy Commission in 1946 and the Space Agency in 1958 most research and development consisted essentially of adaptations to existing technology. That is, an industrial organization would be called upon by the Government to take an item it had already developed over a period of many years and change it to a new or improved item for military application. On that basis there was considerable justification for the entrepreneur to maintain his background patent rights; he was merely adding a small novelty to an already existing item. But with the coming of atomic and space science, we have an entirely different situation; we are now dealing with equipment that has never before been used. In fact, most of it was never even conceived of. Consequently, nearly all the money for developing the complete item comes from the Government. I believe in the atomic energy field about 92 percent of the money being spent on research and development is supplied by the Government. It is for this reason I consider the existing patent provisions in the Atomic Energy Act and in the Space Agency Act fair and valid.

Where the Government bears all or nearly all of the cost, where the facilities belong to the Government, and where the Government bears all the risk, the people should own the patents. The American people are spending their money for the research and development, therefore, the patents should belong to them.

Senator LONG. Would that 92 percent be a conservative figure?

Admiral RICKOVER. It probably is. We are dealing with projects and with items that are novel, that have never before been developed. Furthermore, in nearly all cases the patents are being developed in facilities wholly or almost wholly owned by the Government; this is another compelling reason for rights to these patents to inhere in the U.S. Government.

Senator LONG. Admiral, I would like to read to you an excerpt from a speech delivered by a patent attorney:

"* * * may I remind you in the words of our Founding Fathers in the Declaration of Independence that I consider these truths to be self evident: the American patent system is as old as our country, it is the best in the world, it is a fundamental part of our free competitive economy, it has contributed to the highest standard of living in the world, it has helped make America the strongest nation on earth, it will be as vital to our way of life in the age of space as it has been during our first 185 years as a nation, and any proposal which departs from the basic fundamentals of our patent system, no matter how gilded, must be stamped out as a thistle in a wheatfield."

What do you think of this statement?

Admiral RICKOVER. It's a good, ringing Fourth of July speech, Senator Long. It reminds me of an incident that occurred in one of the German States about 150 years ago. As part of a thoroughgoing reform of the judicial system, it was proposed to abolish torture as a means of obtaining confessions from persons accused of crime. A venerable jurist bitterly opposed this on the grounds that, since torture had been used for more than a thousand years, it must be good. Apparently, this man believed that anything that has existed for a long time must be good.

However, we are not discussing the patent law per se. No one is arguing that we do away with our patent law. We are merely discussing application of that law when the Government spends most of the money for doing the work. This is the real issue.

Senator LONG. Do you believe that the billions of dollars the Government is paying for research and development of new items are adequate incentive on the part of Government contractors to develop those items to the best of their ability?

Admiral RICKOVER. Yes, sir. I believe a most important factor motivating a company to seek out and undertake research and development for the Government is the realization that, instead of spending its own money, it now obtains these funds from the Government. One frequently hears it said the Government doesn't pay enough profit to companies performing research and development; that whereas the Government allows, say, only 5 percent profit on research and development contracts, the companies can make 10 percent or more on ordinary commercial or Government business. But that is not a valid argument. A company may spend, say, 1 to 2 percent of its gross income on its own research and development work;

but when they do Government research and development they thereby get large additional sums of money to do such work. In this way they enhance their competitive position without having to use their own money. You will find many large corporations where the level of Government research and development they do is considerably more than they spend on their own research and development. In essence Government-financed research and development subsidizes and augments their own research and development effort, and so enhances their competitive position. These companies realize that in order to stay in business, to be healthy, to prosper, they must do research and development work.

The very fact they constantly keep on urging the Government to give them more research and development contracts despite the supposedly low profit rate is ample proof of the great value they attach to obtaining such contracts. Our large corporations are more aware of the desirability of doing Government research and development than the small companies.

We have had no difficulty in the Atomic Energy Commission getting contractors, large and small, to do research and development work. In fact, many of them are constantly urging us to give them such work. Further, a number of companies have built their own facilities, with their own money. Many businesses want Government research and development work in order to develop a strong position. They now wish to extend this to the atomic energy and the space fields.

Senator LONG. Contracts themselves are profitable, but those contracts, even if they do not have private patent rights, also lead to additional products if these companies are forward-looking, competitive companies developing products of their own outside these Government activities. Would you agree with this statement?

Admiral RICKOVER. Yes, sir. They develop many ideas and skills from this Government-financed work; also, their people are being trained and schooled at Government expense. They are very valuable assets, and the reason so many large corporations vie to obtain these research and development contracts. Now, I can only consider this problem in the light of my own experience. I have never had a single case where the patent provision of the Atomic Energy Act influenced a company not to undertake Government R. & D. work. In fact, many of the very same companies who operate under the Department of Defense patent provisions, which are far more liberal to them than the AEC rules, not only accept research and development work under the Atomic Energy Commission patent rules, but even urge us to give them more such work.

Senator LONG. Do you have any indication that the companies charge you more to do research and development if they are not permitted to keep proprietary or commercial patent rights?

Admiral RICKOVER. No, sir; I know of no such cases. They are nearly all cost-plus type contracts and the fees are about the same throughout the Government. Nor do I agree with the statement frequently made that unless there is such a patent provision, their employees will not work assiduously. I have never seen anything of the sort. A man who has an idea in his mind, if he is worth his salt, will want to get it out. He will fight all obstacles to get it out; it really makes no difference to the scientist or engineer one way or another because the company gets to own the patent rights anyway.

Now, the companies apparently take a different stand toward the Government than they do to their own employees. Their own employees must sign an agreement providing that the company takes title to the patents they develop. Apparently, the companies desire better treatment from the U.S. Government than they accord their own employees.

Senator LONG. I was talking to a young man who worked for an oil company about its research program. He told me that when he went to work for the company, he was required to sign a contract that said that anything he developed would be turned over to the company. Now, he said that he didn't have to sign that contract, but he felt that if he was going to take the job, the company had every right to ask him to sign it. And yet his attitude was that if the company, in turn, was going to work for the U.S. Government on a project to be wholly paid for by the Government, it was no more immoral for the company to be asked to let the Government keep the patent rights than it was for him to be asked to let the company keep the patent rights if he went to work for that oil company.

Admiral RICKOVER. That is tantamount to what I said. I agree with you that companies in the employ of the Government should receive the same treatment from the Government as they give to their own employees. In Great Britain, as you know, there is a different system. There, the patent rights for work financed by the Government belong entirely to the Government; the Government licenses industry and even shares in the royalties industry receives from non-Government applications. In Russia, the Government, of course, owns all patents. So here we have three different patent systems working side by side. I know of no evidence indicating that the British or the Russians are being held back because they have not copied our patent system. One of the reasons the Russians have been able to make rapid progress is because they disseminate technical information faster than we. They probably lead the world in the thorough and rapid dissemination of scientific and engineering information. I believe this is pretty good evidence there is little to the argument that unless we give industry full rights to patents where the Government has paid for the work, our economic system would be hurt. I doubt that very much. Perhaps there are too many patent lawyers in the United States.

Senator LONG. Here is another problem that concerns me, Admiral Rickover. It seems to me that if I had a company working on something that could conecivably be of immense value—for example, suppose I was trying to develop a new fuel that might be the fuel of the future; perhaps the fuel that could put a satellite into outer space or do things present fuels will not do. If I were able to achieve it first and to obtain a patent on it, that patent would be of enormous value in future years. Now, on the other hand, if my competitors were working on something similar to that, it seems to me that there would be an incentive on my part, looking after my pocketbook and stockholders, to tell my engineers: "Fellows, don't tell anyone about this thing. Hold onto it until we are able to get a patent on it." Does it occur to you that that logic might from time to time operate on work under Government R. & D. contracts?

Admiral RICKOVER. Yes, it could, except in the case of AEC and NASA work. In these fields the law places ownership of patents initially in the U.S. Government. This gives the Government the opportunity to make them available to everyone. In my opinion, this is a good system because it makes new information available quickly. Otherwise, there is the possibility of withholding information. All of our industry benefits greatly from free use of Government patents. As you have stated, it is essential in the race with the Russians that we do not handicap ourselves by delaying the emergence of new developments. The Russians have no such handicap.

The object of the patent system was to further human welfare and happiness. Take the medical profession, for example. As far as I know the medical profession rarely patents anything. New procedures, techniques, and instruments developed by doctors and medical researchers are free to be used by anyone. This is a noble attitude by a noble profession, and I have never heard it said that our doctors are loath to increase human health and happiness because they would not receive exclusive right to their inventions. And to illustrate the human misery that can result from undue secrecy there is the famous case of the first practical obstetric forceps. It was invented about 1600 by Peter Chamberlen, an English obstetrician. It was kept by the Chamberlens as a family secret for nearly a century. They wouldn't let anyone else know about it. So here we have a case where countless mothers were subjected to needless pain—pain that could have been avoided had that knowledge been made public. But the Chamberlen family kept it to themselves in order to retain a monopoly; they enriched themselves at the expense of human misery. This illustrates in a homely sort of way, a way a man can't understand but a woman surely can, the importance of not withholding information. Today I believe it would be considered unethical for a man in the medical profession to try to patent something of that sort.

Senator LONG. As a matter of fact, isn't it true that when most doctors develop a new procedure for operations, they are anxious to go to a medical society meeting and explain their new procedure so that other doctors might find it advantageous for humanity?

Admiral RICKOVER. Yes, sir. As I said, the medical profession is the most noble and ethical profession. Nearly every doctor is dedicated to improving the health and happiness of all humanity. I believe we could well adopt that same principle in many other fields. We would do well to have our scientists, our engineers, our industrial leaders, our Government servants, and our educationists emulate our doctors.

Furthermore, you must bear in mind we are not talking about the ability of industry to obtain patents when they use their own money. Even in the atomic energy field or in the space field, if you spend your own money you take title to the patent, except for weapons. Last year more than half the patent applications in the atomic energy field were filed by private industry. We should urge industry to spend more of their own money for research and development—in which case the patents will belong to them and they will build up a position of their own

It may interest you to know that 90 percent of patents for peaceful applications in the atomic energy field are developed by 10 to 11 of the AEC contractors. There have been only three cases where contractors have objected to the AEC patent provisions. These objections were based on the fact that the language of the contract was too all-inclusive; that the language took in more than was required for the actual performance of the contract. These three cases were not important ones. The AEC, I understand, intends to recommend changing the language.

No one has suggested in any instance I know of that industry can't have patents. We must sharpen the problem and point out that the real issue is whether patents, the development of which is paid for by the Government, belong to the people or belong to industry. That is the real issue. We are not discussing the patent system per se.

Furthermore, there is here involved a matter of broad national policy. At present, instead of Congress examining the patent situation, we are permitting each agency to decide for itself. I do not believe Congress should abdicate its constitutional rights and duties and permit any individual agency in the executive branch to set up its own rules

which by perpetuation over a period of many years finally assume the force of law and then are used as precedents. The tendency of Government agencies is to let things continue as they are. It is easier for them this way; they don't have to think or to hurt anyone's feelings. It is also easier to have a simple rule such as the Department of Defense has, rather than to judge items on a case basis. I believe the application of our patent law should be considered as a general policy matter for the entire Federal Government; and that Congress should not permit each agency to set up its own rules. That, in effect, is like having several different Federal laws to cover the same subject.

I believe it is in accordance with the intent of the patent law that the Government should own patents resulting from work it has financed. In other words, the Atomic Energy Commission and the National Aeronautics and Space Administration patent rules are in consonance with the law, and not otherwise, as some would suggest.

Senator LONG. Now, isn't it also true that a great amount of basic research and development is not patentable at all until it has been developed into a practical application?

Admiral RICKOVER. Yes, sir. And that is why we have so many companies come to the Government, urging they be given Government funds to do research and development work; this will give them a better competitive posture in industry.

Almost every area in industry is now subsidized by the Government and since they have become accustomed to subsidization, they naturally desire patent rights also because this further helps to subsidize them.

I believe that patents should generally belong to the Government where Government money is used to develop them. In special cases where a great deal of prior work has been done by a company, an exception could be made. An exception could also be made in the case of small business if this is considered necessary by Congress to preserve our free enterprise system. But, aside from these exceptions, when the Government pays for the work the patent should belong to the Government.

Senator LONG. Now, Admiral Rickover, where you have several contractors working on similar problems for the Government, each one of whom has more than a hundred scientists and engineers working in their employ, isn't it to the advantage of the Government that every time one group or one team of scientists and engineers discovers something new that is useful, it should be immediately made available to all the others so that they can start working forward?

Admiral RICKOVER. Yes, sir; I definitely believe it should. This, of course, is the intent of Congress in appropriating Government funds—that they be spent efficiently and effectively. Such interchange of information will add to the efficient and effective way of spending Government money. Isn't this exactly what our industrial corporations do? Do they not immediately make available to all of their divisions what each division invents or learns?

Senator LONG. Well, would there not be an incentive if a contractor could see the possibility of large profits for himself by holding back on this information until he can patent it? If hundred of millions or billions of dollars are involved, wouldn't there be some incentive to hoard and to conceal what he knows, until he is in a position to protect himself with patent rights?

Admiral RICKOVER. Yes, it might be, and I believe there have been cases—these are a matter of record—where organizations have held inventions back in order to protect their future competitive position.

Senator LONG. I believe one of the witnesses of the Defense Department, one in charge of patent matters, who had been with industry as a patent lawyer, mentioned that some concerns find it advantageous when they have something very good, not to patent it, but to hold on to it, feeling that when they patent it, it becomes available and other people then start finding out how to achieve the same thing by a method which would get around that patent.

Admiral RICKOVER. I believe we should reevaluate our patent policies in the light of the present situation—where we are faced with an implacable foe who uses every means to achieve decisive military strength as fast as possible. It is important in this critical stage in our history to reconsider the patent policies and procedures from the standpoint of whether they are aiding or impeding our national progress. Today, there is no essential difference between military and civilian technology. So anything that holds up one, also hurts the other. As I said previously, the patent problem that faces us today was not envisioned by the founders. They lived in a preindustrial society—a society where a patent resulted from the efforts of an individual, not of a large organization.

Senator LONG. Do you have any idea or any judgment as to what you believe the people at the working level, the actual scientists and engineers, who are doing the technical and developing work, think about this matter and this issue?

Admiral RICKOVER. The men working on a Government project surely know it is the Government that is actually paying their salary. I have never found a lack of desire to do good work, just because it was being done in a Government laboratory instead of a private laboratory, or because the work was being paid for by the Government. When a company hires a man, they pay him for all his talents, including his ability to invent.

Mind you, sir, we must stick to the point; we are not now discussing our patent system; we are only discussing whether the Government should retain rights to patents for which it pays. To the individual scientist or engineer who makes the invention or contributes to it, there is no financial difference anyway. The company gets the patent rights; not he. If he is a good man, if he makes an invention or otherwise makes himself of greater value, he will be promoted and his pay increased whether the company is paying his salary directly, or the Government indirectly.

Senator LONG. As I understand your position, from your last statement, if the Government hired a contractor to develop something for the Government, the contractor, scientists, and engineers are actually working for the Government, notwithstanding the fact that the contractor is interposed between them and their Government.

Admiral RICKOVER. Yes, sir. As far as they are concerned, they do the same in either case, and get the same treatment.

Senator LONG. In other words, if I were a scientist working either for the AEC or a contractor of the AEC, I would be smart enough to know that I am actually working to develop atomic energy for the U.S. Government.

Admiral RICKOVER. Yes, sir. There is an analogy between this situation and the one that obtains in education—one of my favorite subjects, as you know. The National Education Association, a self-admitted lobbying organization, assumes to speak for the teachers. The NEA is constantly saying what they suppose the teachers to be thinking. The teachers rarely speak for themselves. However, I receive many letters from teachers who say: "Please don't quote me; I thoroughly disagree with the NEA, but I am afraid to talk." In the case of patents, everybody is talking for the scientists and engineers except they themselves. The patent lawyers are always telling us what the scientists and engineers think. Now, I happen to deal directly with many scientists and engineers; I have not heard them express the thoughts on patents as espoused by the patent lawyers.

Senator LONG. Would you care to elaborate further on what you do detect the attitude of scientists and engineers to be?

Admiral RICKOVER. The scientists and engineers? Why, I don't believe they have ever given this matter serious thought. It makes no difference to them anyway. As citizens, they probably would prefer that the patents belong to the Government.

Senator LONG. Well, as far as they are concerned, they are smart enough to realize whether they are working for a contractor or for a Government agency directly that they are working for the Government.

Admiral RICKOVER. Yes, sir. This is similar to the question I am asked about our nuclear submarines—whether we have a morale problem with the sailors because they are submerged for such long periods. I answer that we don't; since there are no psychiatrists aboard these submarines, the sailors haven't found out that there is a problem, so there isn't any. Possibly, if there weren't so many patent lawyers, we wouldn't have so much of a patent problem, either.

Senator LONG. Admiral Rickover, have you given any thought to the problem involved in some of these contracts where it is provided that the Government, in letting a contract to develop some item, will accord the Government a royalty-free license to use this item for the Government, but that in no event will the Government be permitted to use this development to provide services to the general public?

Admiral RICKOVER. That, of course, is the system used by the Department of Defense, but not by the Atomic Energy Commission. Now, industry, for example, gets a great deal of benefit from the Government-owned AEC patents because they are rapidly made available to everyone. Many new developments in the atomic energy field are expedited because industry is able quickly to learn everything that has been developed and to build on that. This is a good way to get things done fast. It could even be that in this revolutionary and rapidly spiraling scientific and industrial age this is a faster way to develop our country industrially than is possible under the present patent system with its restrictions. Perhaps our patent laws should be investigated to see if they serve the intended purpose well.

Senator LONG. It has come to my attention that in a certain contract—I do not believe this was the usual case, but an exception—concerning the development of weather control systems, an attempt to develop weather control, one contractor was able to obtain a contract with a provision that anything developed under this contract could not be used to provide general services to the public. If we are ever able to develop some system to control weather, can you see much use that the Government would have for weather control, except to provide general services to the public?

Admiral RICKOVER. I definitely believe we should not turn over any element of weather control to a contractor.

Senator LONG. Well, the Government is working on weather control methods, Admiral Rickover. Assume that we eventually find a system whereby seeding the clouds might make the rain fall in the area where we want it and to prevent it from falling somewhere else. Would it not be rather extreme for us to have a provision in those contracts that the device which the taxpayers have paid to develop could not be used for their benefit?

Admiral RICKOVER. Such a provision I consider wrong, sir, because it is tantamount to the taxpayer underwriting somebody to get a patent which stops the taxpayer himself from using his own resources. Such a situation should not be permitted to occur. It may

have been an oversight in the particular contract you mention.

Senator LONG. How can public policy permit any such private patent? Now, Admiral Rickover, your achievements in developing the atomic submarine are rather well known. Have you found that the inability to accord private patent rights to individual contractors has impeded the development of the atomic submarine?

Admiral RICKOVER. Categorically, I say "No." It is the same as the case of the psychiatrists in submarines. Having never heard about this situation, I didn't know there was a problem.

Senator LONG. Where you have a large number of contractors working on parallel projects, would you personally feel that progress would be impeded if each one had the right to take out patent rights and have property rights in the secrets they developed?

Admiral RICKOVER. Yes, sir; I believe there would be. With the system in use in the Atomic Energy Commission all of this information is shared.

Senator LONG. And you have no difficulty in persuading anyone to share what he develops as fast as he finds it?

Admiral RICKOVER. I didn't know until this morning there was any difficulty.

Senator LONG. Do you have any knowledge of problems that exist in any other field outside of your own, where private contractors do not have the right to keep patents?

Admiral RICKOVER. I have heard there are cases in other fields, but to the best of my knowledge, when one attempts to substantiate these cases, they seem to evaporate. In fact, our problem in the atomic energy field is we have too many contractors who want to do work under our patent conditions, and not the other way around.

Senator LONG. So, as far as you are concerned, you have no knowledge of any difficulty in persuading contractors to do the work for you.

Admiral RICKOVER. No, sir. I have no difficulty keeping contractors away who are trying to persuade me to give them more work.

Senator LONG. Do you have any questions, Ben?

Mr. GORDON. Senator, I have a question, but I think that you covered it already. But this, perhaps, looks at it in a more general way and I wonder if I could ask it. We have received complaints that the policy of giving away patent monopolies to contractors has a tendency of hampering the dissemination of new scientific and technical knowledge, at least until it can be patented or exploited. What do you think of this? Does the AEC policy prevent this kind of a situation?

Admiral RICKOVER. There is a definite possibility that such a policy can hamper dissemination of scientific and engineering information. The present AEC and NASA policies tend to encourage rapid dissemination of information. This is of great help in developing a new technology. Mind you, we are talking about new technology which it is incumbent on us to develop as rapidly as possible from a national standpoint. We are not discussing the patent situation per se. You and I are not talking about doing away with our patent system. We are merely discussing whether the Government owns the patents it has paid for. We are only talking about a particular aspect of the patent problem.

Senator LONG. Do you have knowledge of any companies who take the attitude that they are not interested in doing work for the Government unless they can keep private patent rights?

Admiral RICKOVER. I personally have never heard of any, sir. There may be some, but I have never encountered one. If a company attempted to do business with me that way I'd go elsewhere without a moment's delay. If we have to depend on any one company in the United States to do Government work we are in a pretty bad way. We had better see to it without delay there is another. This issue we are discussing also touches on the problem of national interest versus group interest. I believe too much of group interest obtains in the United States. At this critical time in our national life we should not permit any group interest to predominate over the national interest. Because if our country is not strong, neither will any of the groups in our country be strong. They all derive their strength from our Nation.

Senator LONG. Thank you very much, Admiral Rickover. You are always frank, and you give us your best advice.

Mr. JOHNSTON. Mr. President, I move the previous question.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Michigan (Mr. HART).

The amendment was agreed to.

Mr. HART. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. JOHNSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. JOHNSTON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. JACKSON). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Chair recognizes the Senator from Maine.

Mr. HATHAWAY. Mr. President, I have an unprinted amendment at the desk, and I ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

On page 70, between lines 11 and 12 insert the following:

(11) to investigate the use of tidal power for supplying electrical energy.

On line 12, redesignate (11) as (12).

Mr. HATHAWAY. Mr. President, this amendment simply adds to the list of potential sources of power to be investigated the possibility of tidal power. Tidal power in the United States has been investigated to a certain extent in the past. In France there is a tidal power project currently in operation.

I think this basis for power warrants further investigation.

Mr. JOHNSTON. Mr. President, we think this is an excellent amendment. It adds another option and we should look at all the options as we look for additional sources of energy. We think this is a good idea, a good suggestion, and we endorse it.

Mr. FANNIN. Mr. President, I commend the Senator from Maine for offering the amendment. We know that essential power is available every day that is not being utilized to produce electricity. Whether or not this can be done is something to be determined. Certainly, it is a research program that should go forward. I feel that the Senator's interest in this matter will assist this taking place. I am very pleased to support the amendment.

Mr. HATHAWAY. I thank the Senator from Arizona and the Senator from Louisiana.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Maine.

The amendment was agreed to.

Mr. TUNNEY. Mr. President, I call up my amendment No. 762 and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. HATHAWAY). The amendment will be stated.

The legislative clerk read as follows:

On page 63, after subsection (f) on line 7, add a new subsection (g) to Committee Prints Numbered 4:

"(g) to provide for a program of exchange to include, but not be limited to, a coordinated effort for the exchange of energy and energy-related foreign technologies in the areas of magnetohydrodynamics, coal mining, geothermal, and solar technologies.".

Mr. TUNNEY. Mr. President, the amendment that I am offering today recognizes that there is a great need on the part of the United States to share technology with other countries insofar as the development of new sources of energy is concerned. I am thinking particularly of such areas as magnetohydrodynamics, coal mining, geothermal and solar technologies.

It is quite clear that through an exchange of information scientists are kept abreast of significant developments in the fields of energy production. If they are exchanging information there is a savings of money and unnecessary time in developing technology which already has been developed someplace else in the world.

For instance, an example of a cost savings is where a savings of $350,000 occurred as a result of U.S. scientists being able to receive research information from technical groups in Germany relating to magnetohydrodynamics. By receiving this information from German scientists we were able to more speedily move in that area of research where breakthroughs already had been made.

I think it is clear these savings can be effected in other areas as time goes on, particularly when one considers that the United States and other countries in future years will be spending more money on research and development as it relates to new types of energy and also the burgeoning of existing types of energy to new applications.

I offer the amendment with the understanding it represents a very minor change in the legislation before us and it may very well be that the point I am trying to cover in my amendment is covered in the bill as written. But I think the amendment makes it very clear that there is a desire on the part of Congress to have a sharing of information within the scientific community worldwide for the purpose of moving ahead more rapidly in the field of research and development on energy.

Mr. JOHNSTON. Mr. President, we congratulate the Senator from Califor-

nia. This is an excellent focus in the bill to provide that the Government shall provide this information. It is not sensitive information, but it can be tremendously important information to the United States where there have been scientific breakthroughs. In magnetohydrodynamics the Russians already have a plant working.

We may be ahead of them in geothermal research, but it is a needed area of exchange, and we think materially enhances the bill. We endorse the amendment.

Mr. FANNIN. Mr. President, I want to commend the distinguished Senator from California. This is a field of great importance in this country. We have participated in major programs with great benefit.

Does the Senator intend that the OECD might be involved in participating in the type of programs called for in his amendment?

Mr. TUNNEY. I do not see any reason why not. I really had not anticipated that there would be any reason to preclude any group. I think insofar as the technology that is being developed is not privileged as a result of national security interests, we should have as wide a sharing as possible.

Mr. FANNIN. It seems to me there would be benefit in bringing the OECD organization into this activity. The industrialized nations, through OEDC, have been working together. It might avoid finding ourselves in the future being confronted with political blackmail such as has resulted from our Middle East oil cutoff, and actions of that nature. We ought to work together with the free countries to try to anticipate what might be done to carry forward these programs. I think it perhaps might be validated through the OECD as one of the goals set up in this amendment.

Mr. TUNNEY. Yes; I feel that the Senator makes a very good point, and I certainly think the amendment ought to apply to the OECD. I think what we are talking about is trying to develop, as rapidly as possible, technology for energy production for peaceful purposes. I think what the Senator has suggested is right in line with the focus of the amendment. Therefore, it should be a part of the record that that is the intention of this amendment.

Mr. FANNIN. Mr. President, I support the Senator's amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from California.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. JOHNSTON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NUNN. Mr. President, I send to the desk my printed amendment No. 773 and ask that the clerk read it.

The PRESIDING OFFICER. The clerk will read the amendments.

The legislative clerk proceeded to read amendment No. 773.

Mr. NUNN. Mr. President, I ask unanimous consent that further reading of the amendments be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Amendment No. 773 is as follows:

On page 63, after line 7, insert the following: "It is the policy of the Congress that small businesses be given an opportunity to participate in this national program of basic and applied research and development and be given full access to the results thereof."

On page 90, line 15, after "SEC. 116." insert "(a)".

On page 91, after line 2, insert the following:

"(b) In carrying out his responsibilities under this Act, the Chairman shall consult with the Administrator of the Small Business Administration to assure that small businesses are given an opportunity to participate in research and development projects under this Act and are given access to the results of such projects."

Mr. NUNN. Mr. President, this amendment is self-explanatory on its face. I have talked with the distinguished Senator from Louisiana and the distinguished Senator from Arizona about it.

The amendment relates to small business. In several other pieces of legislation we have had before us in this session of Congress, we have made plain our legislative intent by including language in the legislation that Congress expects small business to be given equal opportunity to participate in the national programs we are talking about. I am gratified that the Senate accepted my amendment along these lines to the Energy Conservation Act (S. 2589). There will be no program that is going to have more importance for the economy of our Nation in the next few years than this national energy research and development effort. I commend the Senator from Washington (Mr. JACKSON) for his leadership in bringing this proposal to the Senate floor.

This amendment expresses the intent of Congress that small business be given an equal opportunity to participate in this overall effort. It also goes a little further and says that—

In carrying out his responsibilities under this Act, the Chairman shall consult with the Administrator of the Small Business Administration to assure that small businesses are given an opportunity to participate in research and development projects under this Act . . .

Mr. President, I have no detailed explanation of the amendment to make, because I think it is self-explanatory. If there are any questions, I shall be delighted to try to answer them.

Mr. JOHNSTON. Mr. President, I should like to propound a couple of questions to the Senator from Georgia.

First, is there any conflict at all between this amendment and the present patent provisions of the bill, as amended?

Mr. NUNN. I think that point is a good one. The last paragraph to be inserted after line 7 on page 63 states that small businesses should be given full access to result of research and development. It is clearly the intent that we give small businessmen any access that is afforded to others, including large businesses and including the general public. This will not in any way interfere with the patent provision.

Obviously, the intent is to make sure the small businessmen, through the Small Business Administration and other agencies, are given reasonable access to the results, so as not to interfere with other provisions of the bill.

Mr. JOHNSTON. Are we to understand, then, that what this amendment in effect is doing is encouraging participation of small business on the same basis as large business, and to the extent that they do participate they will be given the same rights as, but not greater than, large corporations?

Mr. NUNN. That is true, but as the Senator knows, many times we have provided for that in the administrative apparatus in order, in effect, to give small business some access, because small businessmen do not have representatives in Washington. They do not have the huge resources, accountants, lawyers, and so forth.

This amendment is to make sure that whatever access other businesses may have, whatever access the general public may have, which would not interfere with patent rights, would be accorded to small businessmen.

Mr. JOHNSTON. With that understanding, with the understanding that this amendment is to encourage small business to participate—an idea we strongly endorse in committee—we support the amendment and congratulate the distinguished Senator from Georgia for proposing it.

Mr. NELSON. Mr. President, I wish to join the Senator from Georgia (Mr. NUNN), in urging adoption of the small business amendment No. 773, to the pending energy research and development bill, S. 1283.

Energy research will be the foundation of multibillion-dollar industries in the years ahead. Opening participation at the early stages to small businesses will save the taxpayers money because, as the Senate Small Business Committee, on which we both serve has pointed out, small businesses and independent inventors account for more than half the major innovations in heavy industry, such as steel and aluminum, as well as light industry. They can also save us money in developing new energy sources such as solar and geothermal.

There are many excellent small technical firms in my own State of Wisconsin. We cannot afford to be without the talents and dedication of these and the other 8 million small entrepreneurs of the Nation as we face this crisis.

The treatment of small research firms in the past is indicated by the fact that they receive a meager 3½ percent of the Federal Government's R. & D. budget. It would be better for all concerned if this percentage were raised, and I hope

that those who will be responsible for administering this legislation will use this amendment to bring about the benefits of small business participation which we have described.

I, therefore, recommend that the Senate accept this amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendments of the Senator from Georgia.

The amendments (No. 773) were agreed to.

Mr. DOMINICK. Mr. President, I call up my amendments No. 764 and ask that they be read.

The PRESIDING OFFICER. The clerk will read the amendments.

The legislative clerk proceeded to read amendments No. 764.

Mr. DOMINICK. Mr. President, I ask unanimous consent that further reading of the amendments be dispensed with. I shall be happy to explain them.

The PRESIDING OFFICER. Without objection, it is so ordered.

Amendments No. 764 are as follows:

On page 71, line 16, strike out "and".

On page 71, line 19, strike out the period and insert in lieu thereof a semicolon and the word "and".

On page 71, between lines 19 and 20, insert the following new paragraph:

"(9) to determine the economics and commercial viability of the production and use of methane gas as an energy source.".

Mr. DOMINICK. I hope I shall not take too long on them.

This is a matter of quite considerable interest. As we all know, the energy crisis has become a reality just as many of us who have been advocating the need for increased supplies and new sources have been predicting for some time. Throughout this year, I have been giving speeches across my State regarding the perils we were going to be facing and the Arab oil boycott advanced the timetable. Right now, I think all of us can agree on the need for greater conservation, more efficient use and development of increased and new forms of energy. Much has been said of solar, geothermal, and other forms of energy.

We need to explore all of these possibilities as well as search out new and creative ideas which can lead to relatively cheap and clean fuels. I am, therefore, introducing an amendment to S. 1283 to draw attention to another potential source, methane gas.

Very simply, methane is a product of the decomposition of organic matter. Already, countries such as India, Korea, and France are using plants to produce this gas for cooking, heating, and powering machinery. Mr. President, as we move further into this crisis, I am hopeful that one of the benefits of the oil squeeze put on by the Arabs is the awakening of a realization on the part of all Americans toward preserving our premium fuels—such as oil and gas—and toward developing alternative sources. Methane can be one such source, a very important one.

Surprisingly enough, very little particular interest has been put upon this form of an energy source. It is called in India "gobar" gas. And gobar is Hindu for cow dung. They have built in India gobar plants for the distillation of methane gas in rather large quantities.

A gentleman by the name of Mr. Ram Bux Singh has spent 11 years in India working on this particular proposal. He has with his coworkers designed and put into operation bio-gas plants ranging in output from 100 to 9,000 cubic feet of methane a day. They have installed all kinds of heating coils, agitators, and filters and have really done quite a job.

They have, however, largely been working on the theory that this can be done with a home-use type product, or the product before certain digestive developments when they wanted to produce their own source of power.

Mr. President, there is no use for my reading all of the material that has been submitted to me as to why a large plant of this kind could not be of really material assistance in the process of our trying to find new energy sources.

Where I have included this in the bill would simply spell out this method as one of the ones that we should emphasize in short term so that we can go forward with new and clean energy sources.

There are situations where, for example, we have more than 400 million cattle, pigs, and chicken which produce over 2 billion tons of manure a year. That is enough to spread 4 feet deep over an area of 500 square miles. This valuable natural resource can be used to generate both combustible gas, thus relieving part of our reliance upon fossil fuels and a fertilizer richer in nitrogen than raw manure.

It seems to me, Mr. President, that this is extremely worthwhile. One of the plants built in India had an approximate cost of materials of $400. When we think of the enormous amount of money we spend over here for any kind of utility plant or a plant to provide, not much less, produce natural gas, it would seem to me that this is something that definitely ought to be looked at.

Today in Algeria, South Africa, Korea, France, Hungary, and in many other countries, thousands of bio-gas plants are in use. So, the idea does not necessarily belong to the country of India nor to anyone else. It is just the fact that we have not done this in our own country at all.

Seven cubic feet of methane gas can be generated from 1 pound of dry leaves, but only 1 cubic foot of gas will come from 1 pound of cow dung. The cow dung, on the other hand, is just that much richer a fertilizer than the leaves. We can say then that the cow has digested the leaves and partly turned them into plant food. When the cow manure is then composted in a bio-gas plant, the bacteria there merely further process, or refine, the former dry leaves into a still richer plant food. It is all very natural. So, from the point of view of the environmental problem no problem would be created.

In a question-and-answer session, Ram Bux Singh was asked the following question:

PLOWBOY: OK, now. You've just said that a bio-gas plant loaded with a 30-to-1 mixture of carbon and nitrogen will, when held at a temperature of 90 to 95°F, produce 95% of the gas that the waste is capable of generating . . . and will do it in 40 days.

This was his answer:

RAM BUX SINGH: Yes.

Mr. President, we have these plants all over our country, particularly where cattle production is as important as it is in the West and also in the South. It would be very easy to set up a larger scale plant to make use of this process, and not only make use of it for the gas, but also for the purpose of making a better and a richer fertilizer.

It seems to me that it would be well worthwhile to try this.

Mr. President, let me make one more statement from this article, and I will then ask unanimous consent to have the entire article printed in the RECORD.

In answer to another question, Ram Bux Singh said:

Each month, this plant should make about 6,000 cubic feet of methane. The digesting material needs to be stirred only 20 minutes a day or a total each month of about 10 hours. Since a gasoline engine consumes 18 cubic feet of methane per horsepower per hour, the two-horsepower engine necessary to drive this bio-gas installation's pump will use about 360 cubic feet of the gas each month. If we were to fuel the hot water heater with methane, we would find that the gas it consumes would be much less than this . . . we could even cut that further by warming the water jacket with waste heat from the engine. In all, we should net more than 5,000 cubic feet of methane and much valuable fertilizer from this plant every month. A generator like this one should pay for its initial investment in three years.

Mr. President, we should bear in mind that the plant that was being talked about is just a small plant. This was the answer from this Indian who has been experimenting in this subject for 11 years. Relatively speaking, this is a rather small plant. However, there is not any reason why the cost of this should be substantially large, and it would give us a natural gas source from here on.

The Btu rating of this type of natural gas is 650 Btu per cubic foot. That is not as high as natural gas, and this could go to about 1,100. However, it is much higher than they are using now. In England, where they are trying to get methane from coal gas, it only has a Btu rating of 450. So, by using these products which are troublesome for the moment from the point of view of exposure, we would be not only making a better gas, but we would also have the use of the raw product.

It seems to me that it would be well worth our while to take a long look in this direction.

Mr. President, I ask unanimous consent that the articles from two issues of Earth News be printed at this point in the RECORD.

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

GOBAR GAS—METHANE EXPERIMENTS IN INDIA

It's been a wild, exciting ride . . . but our blindly wasteful squandering of the planet's fossil fuels will soon be a thing of the past. In the United States alone (the worst example, perhaps, but not really unusual among "modern" nations), every man, woman and child consumes an average of three

gallons of oil *each day*. That's well over two hundred billion gallons a year.

If we continue burning off petroleum at only this rate—which isn't very likely since population is climbing and the big oil companies remain chained to "sell-more-tomorrow" economics—experts predict the world will run out of refineable oil within (are you ready for this?) 80 years.

So where does that leave us? Well, number one, we obviously must get serious about population control and per capita consumption of power, and number two, if we don't want to see brownouts and rationing of the power we *do* use . . .we'd better start looking around for ecologically-sound alternative sources of energy.

And there *are* alternatives. One potent reservoir that's hardly been tapped is methane gas.

Hundreds of millions of cubic feet of methane—sometimes called "swamp" or biogas—are generated every year by the decomposition of organic material. It's a near-twin of the natural gas that big utility companies pump out of the ground and which so many of us use for heating our homes and for cooking. Instead of being harnessed like natural gas, however, methane has traditionally been considered as merely a dangerous nuisance that should be gotten rid of as fast as possible. Only recently have a few thoughtful men begun to regard methane as a potentially revolutionary source of controllable energy.

One such man is Ram Bux Singh, director of the Gobar Gas Research Station at Ajitmal in northern India. Although some basic research into methane gas production was done in Germany and England during World War II's fuel shortages, the most active exploration of the gas's potential is being done today in India.

And with good reason. Population pressure has practically eliminated Indian's forests, causing desperate fuel shortages in most rural areas. As a result, up to three-quarters of the country's annual billion tons of manure (India has two cows for every person) is burned for cooking or heating. This creates enormous medical problems—the drying dung is a dangerous breeding place for flies and the acrid smoke is responsible for widespread eye disease—and deprives the country's soil of vital organic nutrients contained in the manure.

The Gobar (Hindi for "cow dung") Gas Research Station—established in 1960 as the latest of a long series of Indian experimental projects dating back to the 1930's—has concentrated its efforts, as the name suggests, on generating methane gas from cow manure. At the station, Ram Bux Singh and his coworkers have designed and put into operation bio-gas plants ranging in output from 100 to 9,000 cubic feet of methane a day. They've installed heating coils, mechanical agitators and filters in some of the generators and experimented with different mixes of manure and vegetable wastes. Results of the project have been meticulously documented and recorded.

This comprehensive eleven-year-long research program has yielded designs for five standardized, basic gobar plants that operate efficiently under widely varying conditions with only minor modifications (see construction details of 100 cubic foot digester that accompany this article) . . . and a treasure trove of specific, field-tested principles for methane gas production.

Ram Bux Singh has compiled much of this information into two booklets. Biogas plant and some experiments with biogas. The set of two manuals is available Air Mail for $5.00 from Ram Bux Singh, Gobar Gas Research Station, Ajitmal, Etawah (U.P.) India. The following information has been adapted by permission, from the handbooks:

FERMENTATION

There are two kinds of organic decomposition: aerobic (requiring oxygen) and anaerobic (in the absence of oxygen). Any kind of organic material—animal or vegetable—may be broken down by either process, but the end-products will be quite different. Aerobic fermentation produces carbon dioxide, ammonia, small amounts of other gases, considerable heat and a residue which can be used as fertilizer. Anaerobic decomposition—on the other hand—creates combustible methane, carbon dioxide, hydrogen, traces of other gases, only a little heat and a slurry which is *superior in nitrogen content* to the residue yielded by aerobic fermentation.

Anaerobic decomposition takes place in two stages as certain micro-organisms feed on organic materials. First, acid-producing bacteria break the complex organic molecules down into simpler sugars, alcohol, glycerol and peptides. Then—and only when these substances have accumulated in sufficient quantities—a second group of bacteria converts some of the simpler molecules into methane. The methane-releasing microorganisms are especially sensitive to environmental conditions.

TEMPERATURE

Anaerobic digestion of waste material will occur at temperatures ranging from 32° to 156° F. The action of the bacteria responsible for the fermentation decreases rapidly below 60° F, however, and gas production is most rapid at 85–105° and 120–140° F. Different bacteria thrive in the two ranges and those active within the higher limits are much more susceptible to environmental changes. Thus, a temperature of 90° to 95° F. is the most nearly ideal for stable methane gas generation.

ACIDITY

The proper pH range for anaerobic fermentation is between 6.8 and 8.0 and an acidity either higher or lower than this will hamper fermentation. The introduction of too much raw material can cause excess acidity (a too-low pH reading) and the gas-producing bacteria will not be able to digest the acids quickly enough. Decomposition will stop until balance is restored by the growth of more bacteria. If the pH grows too high (not enough acid), fermentation will slow until the digestive process forms enough acidic carbon dioxide to restore balance.

CARBON-NITROGEN RATIO

Although bacteria responsible for the anaerobic process require both elements in order to live, they consume carbon about 30 to 35 times faster than they use nitrogen. Other conditions being favorable, then, anaerobic digestion will proceed most rapidly when raw material fed into a gobar plant contains a carbon-nitrogen ratio of 30–1. If the ratio is higher, the nitrogen will be exhausted while there is still a supply of carbon left. This causes some bacteria to die, releasing the nitrogen in their cells and—eventually—restoring equilibrium. Digestion proceeds slowly as this occurs. On the other hand, if there is too much nitrogen, fermentation (which will stop when the carbon is exhausted) will be incomplete and the "left over" nitrogen will not be digested. This lowers the fertilizing value of the slurry. Only the proper ratio of carbon to nitrogen will insure conversion of all available carbon to methane and carbon dioxide with minimum loss of available nitrogen.

PERCENTAGE OF SOLIDS

The anaerobic decay of organic matter proceeds best if the raw material consists of about 7 to 9 percent solids. Fresh cow manure can be brought down to approximately this consistency by diluting it with an equal amount of water.

BASIC DESIGN

Central to the operation and common to all gobar plant designs is an enclosed tank called a digester. This is an airtight tank which may be filled with raw organic waste and from which the final slurry and generated gas may be drawn. Differences in the design of these tanks are based primarily on the material to be fed to the generator, the cycle of fermentation desired and the temperatures under which the plant will operate.

Tanks designed for the digestion of liquid or suspended-solid waste (such as cow manure) are usually filled and emptied with pipes and pumps. Circulation through the digester may also be achieved without pumps by allowing old slurry to overflow the tank as fresh material is fed in by gravity. An advantage of the gravity system is its ability to handle bits of chopped vegetable matter which would clog pumps. This is quite desirable, since the vegetable waste provides more carbon than the nitrogen-rich animal manure.

CONTINUOUS FEEDING (LIQUIDS)

Complete anaerobic digestion of animal wastes, such as cow manure, takes about fifty days at moderately warm temperatures. Such matter—if allowed to remain undisturbed for the full period—will produce more than a third of its total gas the first week, another quarter the second week and the remainder during the final six weeks.

A more consistent and rapid rate of gas production may be maintained by continuously feeding small amounts of waste into the digester daily. The method has the additional advantage of preserving a higher percentage of the nitrogen in the slurry for effective fertilizer use.

If this continuous feeding system is used, care must be taken to insure that the plant is large enough to accommodate all the waste material that will be fed through in one fermentation cycle. A two-stage digester—in which the first tank produces the bulk of the methane (up to 80%) while the second finishes the digestion at a more leisurely rate—is often the answer.

BATCH FEEDING (SOLIDS)

Bio-gas plants may be designed to digest vegetable wastes alone but, since plant matter will not flow easily through pipes, it's best to operate such a digester on a single-batch basis. With this method the tank is opened completely, old slurry removed and fresh material added. The tank is then resealed.

Depending on the fermenting material and temperature, gas production from a batch-feeding will begin after two to four weeks, gradually increase to a maximum output and then fall off after about three or four months. It's best, therefore, to use two or more batch digesters in combination so that at least one will always be producing gas.

Because the carbon-nitrogen ratio of some vegetable matter is much higher than that of animal wastes, some nitrogen (preferably of organic origin) usually must be added to the cellulose digested this way. On the other hand, vegetable waste produces—pound for pound—about seven times more gas than animal waste, so proportionally less must be digested to maintain equal gas production.

AGITATION

Some means of mixing the slurry in a digester is always desirable, though not absolutely essential. If left alone, the slurry tends to settle out in layers and its surface may be covered with a hard scum which hinders the release of gas.

This is a greater problem with vegetable matter than with manure, since the animal waste has a somewhat greater tendency to remain suspended in water and, thus, in intimate contact with the gas-releasing bacteria. Continuous feeding also helps, since fresh material entering the tank always induces some movement in the slurry.

TEMPERATURE CONTROL

Although it's relatively easy to hold the temperature of a digester at ideal operating levels by shading a gobar plant located in a hot region, maintaining the same ideal temperature in a cold climate is somewhat more difficult.

The first and most obvious provision, of course, is insulating the tank with a two or three-foot thick layer of straw or similar material that is, in turn, protected with a waterproof seal. If this proves insufficient, the addition of heating coils must be considered.

When hot water is regulated by a thermostat and circulated through coils built into a digester, the fermenting process may be kept at an efficient gas producing temperature quite easily. In fact, circulation only for a couple of hours in the morning and again in the evening should be sufficient in most climates. It is especially interesting to note that using a portion of the gas generated to heat the water is entirely feasible . . . the resulting enormously-increased rate of gas production more than compensates for the gas thus burned.

GAS COLLECTION

Gas is collected inside an anaerobic digester tank in an inverted drum. The walls of this upsidedown drum extend down into the slurry, forming a "cap" which both seals in the gas and is free to rise and fall as more or less gas is generated.

The drum's weight provides the pressure which forces the gas to its point of use through a small valve in the top of the cap. Drums on larger plants must be counter-weighted to keep them from exerting too much pressure on the slurry. Care must also be taken to insure that such a cap is not counter-weighted to less than atmospheric pressure, since this would allow air to travel backwards through the exhaust line into the digester with two results: destruction of the anaerobic conditions inside the tank and possible destruction of you by an explosion of the methane-oxygen mixture.

The radius of an inverted drum should never be less than three inches smaller than the radius of the tank in which it floats, so that minimal slurry is exposed to the air and maximum gas is captured.

ABOVE VERSUS BELOW GROUND DIGESTERS

Gobar tanks built above ground must be made of steel to withstand the pressure of the slurry and it's simpler and less expensive to construct underground methane plants. It's also easier to gravity-feed a tank built at least partially beneath the earth's surface. On the other hand, above-surface models are easier to maintain and, if painted black, may be partially heated by solar radiation.

These brief excerpts from Ram Bux Singh's books should make it obvious that methane gas production from manure and vegetable waste is no armchair visionary's dream. It's being done right now and over 2,500 gobar plants are currently operating in India alone.

Here, in the U.S. more than four hundred million cattle, pigs and chickens produce over two billion tons of manure a year . . . enough to spread four feet deep over an area of five hundred square miles! This valuable natural resource can be used to generate *both* combustible gas—thus relieving part of our reliance on fossil fuels—*and* a fertilizer richer in nitrogen than raw manure.

Instead of contributing mightily to our water pollution crisis as feedlot runoff, this bountiful end-product of animal life could be turned to our advantage . . . as an economical and ecologically-sound power source!

HOW TO BUILD A 100-CUBIC-FOOT-PER-DAY METHANE GAS PLANT

(These instructions are for an underground, single-stage, double-chamber plant designed to digest 100 pounds of manure every 24 hours—five cows' worth—but may be scaled upward to construct a plant capable of producing 500 feet of gas a day).

Dig a hole 13 feet deep and 12 feet in diameter, cutting away trenches for the inlet and outlet pipes to angle down through.

In the center of the hole, pour a slab of concrete six inches thick and six feet in diameter. The composition of the concrete should be 1 part cement, 4 parts sand and 8 parts of 1" stone aggregate.

The digester will be built on this base from 1:2:4 concrete using ½" aggregate. The floor and walls will be 3" thick, giving an inside diameter of 5'6". The walls will be 16' high and reinforced with eight ⅜" machine steel vertical rods and 15 horizontal rings of the same material.

Inlet and outlet pipes of 4" galvanized iron should be positioned before pouring the walls so that the pipes are positioned 1½' above the digester floor and in from the walls. This is so that when the dividing wall is built across the center of the digester, each pipe will be centered in its chamber. The concrete must be tightly packed around the pipes to prevent leakage.

Another wall of brick or concrete will be built three feet outside the digester wall and to the same height (i.e. four feet above ground level). This space will be filled with an insulating material: straw, sawdust, shavings, etc.

Provide some means of descending into this space—perhaps rungs of machine steel rod extending from the digester wall to the brick retaining wall—in case it should ever become necessary to empty the insulation. Seal the top of this area to prevent water from getting in, and leave bare earth in the bottom for drainage.

Bisecting the digester will be a wall of 4" reinforced concrete eight feet high, at the top of which an iron support structure with a guide pipe for the gas collector will be placed. This structure is made of angle iron and the guide pipe is eight feet of 3" galvanized iron pipe. The structure will be set in the digester walls and solidly fixed atop the chamber-dividing wall. The pipe must be in the exact center of the digester, allowing the gas collector to descend into the slurry when empty and rise to ground level when full. This requires 4' of vertical travel, thus the top eight feet of the digester are left for the gas collector while the bottom eight feet contain the dividing wall.

The gas collector is a roofed cylinder five feet in diameter and four feet high constructed of 12-gauge machine steel sheeting. It is braced internally with angle irons fitted at different heights so that when the collector is rotated around its guide pipe the scum on the surface of the slurry will be broken. The cylinder will first be reveted, welded, tested for leaks by filling with water and finish-welded. After all leaks are sealed it should be given two coats of enamel paint inside and out. The top will be covered with an insulating material.

The top of the gas collector is also fitted with a 1" tap and valve, and to this is connected a flexible pipe leading to your gas appliances. Inside the tap a piece of wire mesh is attached to serve as a flame arrester. The actual capacity of the gas holder is less than 100 cubic feet, but if the gas is being used regularly there's no need to make it larger.

The mixing tank is a cylinder 2'4" in diameter and two feet high. Its floor is one foot above ground level to provide hydraulic head to feed the plant. The inlet pipe opening is flush with the bottom of the mixing tank and is covered with a coarse screen to prevent large pieces of waste from being ingested. The tank may be built of bricks or concrete and is about 8½ cubic feet in volume, sufficient for the daily charge of waste matter.

The discharge pit should be large enough to accommodate all the spent slurry that is expected to accumulate at a time. It's made of bricks or concrete and the discharge end of the outlet pipe should be just even with ground level.

An earth walkway at least three feet wide and level with the top of the plant should be raised outside the brick wall for support and additional insulation.

Approximate cost of materials for this plant in the United States is $400.

FACTS ABOUT GOBAR* GAS

Cow dung gas is 55–65% methane, 30–35% carbon dioxide, with some hydrogen, nitrogen and other traces. Its heat value is about 600 B.T.U.'s per cubic foot.

A sample analyzed by the Gas Council Laboratory at Watson House in England contained 68% methane, 31% carbon dioxide and 1% nitrogen. It tested at 678 B.T.U.

This compares with natural gas's 80% methane, which yields a B.T.U. value of about 1,000.

Gobar gas may be improved by filtering it through limewater (to remove carbon dioxide), iron filings (to absorb corrosive hydrogen sulphide) and calcium chloride (to extract water vapor).

Cow dung slurry is composed of 1.8–2.4% nitrogen (N), 1.0–1.2% phosphorus (P_2O_5), 0.6–0.8% potassium (K_2O) and from 50–75% organic humus.

About one cubic foot of gas may be generated from one pound of cow manure at 75° F. This is enough gas to cook a day's meals for 4–6 people.

About 225 cubic feet of gas equals one gallon of gasoline. The manure produced by one cow in one year can be converted to methane which is the equivalent of over 50 gallons of gasoline.

Gas engines require 18 cubic feet of methane per horsepower per hour.

THE PLOWBOY INTERVIEW WITH RAM BUX SINGH

It is now quite apparent that the days of unlimited and constantly increasing consumption of fossil fuels are "all over but the shoutin' ".

We maul and tear whole states with monster shovels, feed the coal we uncover to voracious power plants that belch out sun-darkening clouds of pollution, distribute the electricity that results through thousands of miles of ugly pylons and cables . . . and still watch our cancerous cities suffer an increasing number of "brown outs" and complete power failures each year.

Even the major oil companies (which have a vested interest in making us believe that the wild ride can go on and on) now ration their dwindling stocks of natural gas and predict that the world's reserves of petroleum will be exhausted in 30 to 50 years.

Clearly, something must be done . . . and most concerned environmentalists find it difficult to believe that the "something" is the development of nuclear power. At least not as long as the AEC stupidly continues to promote the fission process with its built-in dangers of runaway reactors, thermal and radioactive pollution. And fusion? Well, yes . . . maybe. But that approach to the controlled and sustained harnessing of nuclear energy is still only a dream.

Damn it, what we (and the planet) really need—first and foremost—is less instead of more: less human population and less per-capita consumption of power and the things we manufacture with it. Secondly—and just as important—we must instigate an immediate crash program of research into ways of utilizing solar, wind, water, wave and other natural sources of the energy we do use. And that research must be relentlessly directed away from the development of centralized, capital-heavy, tightly controlled, "dirty" energy systems . . . and toward the nurturing

*Hindi for "cow dung."

of decentralized, inexpensive, controlled-by-individuals-at-point-of-use, "clean" power sources.

It's a tall order but, luckily, some good men have accepted the challenge. A few have even successfully demonstrated alternative sources of energy that both satisfy all the stringent requirements laid down in the paragraph above . . . and work. One of those men is Ram Bux Singh.

For almost 18 years, Ram Bux Singh has directed experiments at the Gobar ("gobar" is Hindi for "cow dung") Gas Research Station at Ajitmal in northern India. His primary responsibility there has been the development of low-cost and simplified digesters designed to convert plants and animal waste into composted fertilizer and methane for fuel.

In the course of his work, Singh has personally overseen the construction of at least 200 "bio-gas" digesters and has become possibly the planet's foremost authority on the construction of village and farm-sized waste processing units.

Ram Bux Singh's fame spread to this country only recently when a few dedicated ecology enthusiasts began combing the world's literature for information about natural and nonpolluting power sources. Eventually they discovered Singh's work with village and farm-generated methane—which is as natural and non-polluting as a compost pile—and called it to the attention of such U.S. publications as the Whole Earth Catalog and The Mother Earth News. As a result of articles appearing in those periodicals, Mr. Singh now receives as many as 10 letters a day from the United States . . . all asking for more information about his experiments.

Thanks, in part, to his correspondence with individuals, government officials and universities in this country, Ram Bux Singh has developed a keen interest in helping to design, construct and promote the use of bio-gas plants here in the United States. "Two billion tons of manure is wasted annually in the U.S.," he says, "and that is actual food and actual power that you could save with the inexpensive composters we have developed in India."

When Mother learned that Mr. Singh was visiting this country last summer, she immediately invited him to her Madison, Ohio location to direct some of her people in the construction of a homestead-size bio-gas plant. Mother's staff found Ram Bux Singh to be an intelligent, alert, highly personable and extremely capable gentleman and they enjoyed his visit immensely. Mr. Singh speaks four languages—Hindi, English, Urdu and Persian—and (lucky for Mother) the following interview was conducted in English shortly after The Mother Earth News' prototype methane generator was completed.

PLOWBOY: Ram Bux Singh, thanks largely to the Whole Earth Catalog and the Mother Earth News, your efforts to convert manure and other natural wastes into methane have become fairly well known here in the United States. Did you originate the idea of producing non-polluting fuel from such sources?

RAM BUX SINGH: Oh no. The idea of taking out the gas from farm waste, vegetable waste—even human excreta—is very old and was demonstrated at an exhibition in London in 1871. In 1905 a very large plant designed to produce both gas and good fertilizer from waste was installed in Bombay, India. Then, during World War Two due to the shortage of conventional fuels, the Germans built many bio-gas plants for both the fertilizer and the methane that the digesters would make. They compressed the gas and used it for driving tractors and farm machinery. The idea is not a new one.

Today—in Algeria, in South Africa, in Korea, in France, in Hungary and in many other countries—thousands of bio-gas plants are in use. The idea does not belong to me or to the government of India.

PLOWBOY. But you have been experimenting with methane conversion for some time and your work in the field is considered quite important by scientists and technicians all over the world. Obviously you've contributed something of value to the search for ways to recycle waste into non-polluting fuel.

RAM BUX SINGH. Yes, I have worked on this problem for some time. In 1955, the government of India appointed me to simplify the construction of bio-gas plants. There was no question that such units would produce methane but, up to that time, most gas generators were very large and costly. Even the small plants built in Germany during the war were quite expensive. So what we have done at the Gobar Gas Research Station in India is to simplify the construction of bio-gas generators. We have designed efficient plants that are small enough for a single village or one farmer to build and we have found ways to construct these gas generators for very little money. We have made the bio-gas plant economical for small farms.

Let me give you an example of what we have done. When I recently visited a sewage plant at Charleston, West Virginia, the engineer there told me that seventy million dollars had been spent on the facility. If we were to try to scale down to village or farm size the technology used in that plant, the smaller waste disposal unit might still cost half a million dollars. Now, no village in India and no farmer—even in the United States—is going to spend a half million dollars to process waste. But we have designed bio-gas plants which both purify waste and produce non-polluting fuel . . . and some of these units can be built for as little as $100! With our designs and a relatively minor investment, then, a farmer or small group of people can now construct a self-contained system that will recycle plant and animal waste into high-quality fertilizer and non-polluting fuel. The fuel can then be used to cook with, to heat the farmhouse and to power machinery. A bio-gas plant can make a farm more self-contained and independent.

PLOWBOY. In other words, while the radicals talk about it, you're really bringing power to the people!

RAM BUX SINGH. Yes.

PLOWBOY. It's this idea of homemade power, you know, that has excited so many people in this country. The idea of running a car or heating a house with non-polluting fuel that is generated from waste right in one's own back yard is tremendously attractive to individuals fed up with oil spills, strip mining and smog. Yet I notice that you emphasize the fertilizer produced by a bio-gas plant just as much as you emphasize the methane which comes from such a unit.

RAM BUX SINGH. Oh yes. The fertilizer is very important, especially in a country like India where the farmers do not have so much money with which to buy chemical plant foods. You are rich enough here to purchase the commercial fertilizers and you do not think so much of conserving the natural nutrients for your crops. But I believe you will. As your population increases and you farm more intensively and the movement to cooperate with nature gains strength in the United States, I believe you will think more and more about conserving your natural plant foods. You will begin to think more and more of the bio-gas plant as a source of both power and high-quality fertilizer.

PLOWBOY. What do you mean by "high-quality"?

RAM BUX SINGH. We have calculated through many university lab tests in India that the fertilizer which comes from a bio-gas plant contains three times more nitrogen than the best compost made through open air digestion. If you compost chicken manure, for example, the finished compost will have in it only 1.58 to 2% nitrogen. The same manure digested in a bio-gas plant will analyze 6% nitrogen.

PLOWBOY. Where does this extra nitrogen come from?

RAM BUX SINGH. It is already in the manure. The nitrogen is preserved when waste is digested in an enclosed bio-gas plant, whereas the same nitrogen evaporates away as ammonia during open air composting. The bio-gas plant does not make extra nitrogen, it does not create nitrogen . . . it merely preserves the nitrogen that is already there.

PLOWBOY. OK. I can see how the nitrogen is caught and contained when plant and animal waste is digested inside a closed bio-gas plant, but what about other elements? Is anything lost or eaten up by the bacteria in the tank? Do they take anything out of the organic material so that, over a period of years, you'll be putting back less and less on the fields you fertilize with waste processed in a bio-gas plant?

RAM BUX SINGH. No, nothing is used up. This is the perfect fertilizer-making machine and it has been tested all over the world. There is no better way to digest or compost manure and other organic material than in a bio-gas plant. I think you can compare the bacteria in a digester tank to fish worms. Fish worms help the soil by eating organic matter, passing it through their bodies and expelling it as very rich fertilizer. They live by breaking waste material down into food for plants. It is the same with the bacteria in a methane digester.

PLOWBOY. Yes, that's a good example.

RAM BUX SINGH. You may also think of it another way. Seven cubic feet of methane gas can be generated from one pound of dry leaves but only one cubic foot of gas will come from one pound of cow dung. The cow dung, on the other hand, is just that much richer a fertilizer than the leaves. You can say, then, that the cow has digested the leaves and partly turned them into plant food. When the cow manure is then composted in a bio-gas plant, the bacteria there merely further process—or refine—the former dry leaves into a still richer plant food. It is all very natural.

PLOWBOY. We've heard much about your experiments with cow manure at the Gobar Gas Research Station in India. Have you successfully processed other kinds of waste?

RAM BUX SINGH. Yes, we have experimented with many types of digesters in India and our most successful work has been with chicken manure. Chicken droppings are easily digested, produce large quantities of methane and—when processed—make a fertilizer with a very high nitrogen content.

PLOWBOY. What about human waste?

RAM BUX SINGH. Human excreta is very rich and should produce much gas and very good fertilizer. The two or three plants we have set up for processing this waste have not been successful, however, because of the modern flush toilet. There is just too much water with the excreta . . . too much liquid for the digesters to handle. If we could separate the water from the human waste, though, I think we would find our own excreta to be the very best of all for recycling into fuel and fertilizer.

PLOWBOY. Over and above our excreta—our personal waste—have you experimented with human waste in general? Have you built a plant to handle all the garbage and waste paper and other sewage that people generate every day?

RAM BUX SINGH. Yes, we have built plants of that type . . . sewage plants with the primary purpose of—not to make the gas and not to make the fertilizer—but to keep the city environmentally fit. We have done this in many cities in India. The biggest of these installations is in Delhi. There, four 400-horsepower engines are running on the methane from the plant and those engines drive generators which produce electricity.

The fertilizer from the sewage plant is given to the farmers in the area.

There is one difficulty also with these installations however, and that is the high percentage of paper and related materials that people discard. This waste is not rich enough in nitrogen and it does not produce a great deal of methane nor does it make the best fertilizer. Too, just like the excreta, this material is usually accompanied by far too much water and it is difficult to digest.

PLOWBOY. You say that the ordinary sewage from a city is not rich enough in nitrogen for best digestion in a bio-gas plant. Isn't there anything you can do about that?

RAM BUX SINGH. Yes, of course. You can seed the mixture—before it goes into the plant—with nitrogen. Let me explain:

The anaerobic bacteria that do all the work in a bio-gas plant consume carbon about 30 times faster than they use nitrogen. They work most efficiently, then, when the waste fed to them has that balance. When the carbon is 30 parts and the nitrogen is one part, the material put into a bio-gas plant will digest very rapidly and will produce much gas and good fertilizer. Results will not be as good when the carbon-nitrogen proportions are anything else.

For instance, sawdust has no nitrogen at all. Simply carbon is there. If you put nothing but sawdust into a bio-gas plant, it will not digest even in 200 days. But if you add enough nitrogen—either naturally, in the form of manure, or chemically—to make a 30–to–1 working ratio, the bacteria will rapidly process the mixture into methane and fertilizer.

PLOWBOY. So, for best results, you must analyze the material you put into a bio-gas plant?

RAM BUX SINGH. Exactly. You cannot guess. Many people have written to me that they have installed a plant of a certain size and filled it with so many leaves and so much of this and that . . . and the unit does not produce gas. It does not digest the material. I write back and tell them that they have not calculated the ratio of carbon to nitrogen in the material. When you load a digester with grass, leaves and other high-carbon waste, you must also mix in enough nitrogen to make the material ferment.

In the beginning, if you do not know how much carbon or nitrogen is in the different materials you have to process, you can send samples to the nearest university lab or county agent and have the grass and straw and other matter analyzed. After that, you'll soon learn to judge the percentages.

PLOWBOY. And from then on, it's just a simple chemical reaction.

RAM MUX SINGH. A very, very simple reaction. When a bio-gas digester is properly built, loaded with the correct mixture of carbon and nitrogen and held at the appropriate temperature, there is no difficulty at all. There is no way you can make it not work.

PLOWBOY. What is that "appropriate temperature" you've just mentioned?

RAM BUX SINGH. When a digester loaded with the proper carbon-nitrogen mixture is maintained at 90 to 95° Fahrenheit, in 40 days the material will produce 95% of the gas it is capable of producing.

PLOWBOY. And if you maintain the digester and its contents at, say, 110°F?

RAM BUX SINGH. Yes, you can use 110° . . . even up to 118°F. Above 110, however, much gas will come but the production is not easy to maintain . . . and above 118°, the bacteria will die.

PLOWBOY. Let's say you do use 110° F. What will the digestion time be then?

RAM BUX SINGH. It would come down to about 28 days at that temperature.

PLOWBOY. And how far can we go in the direction of minimum operating temperature?

RAM BUX SINGH. First-class digestion takes place between 90 and 100° F. Between 75 and 90°, a bio-gas plant works . . . but not nearly so well. At 60 to 75°, there is digestion but only very slow production of methane . . . and below 50 or 60°, the whole process is arrested.

PLOWBOY. OK, now. You've just said that a bio-gas plant loaded with a 30-to-1 mixture of carbon and nitrogen will, when held at a temperature of 90 to 95° F., produce 95% of the gas that the waste is capable of generating . . . and will do it in 40 days.

RAM BUX SINGH. Yes.

PLOWBOY. Which brings up the point that—once a definite length of time is established for the digestion of material in a bio-gas plant—the unit can then be operated in either of two ways.

RAM BUX SINGH. Yes. We have designed some bio-gas plants for what we call "batch feeding" and some for "continuous feeding". We can even switch some of our units back and forth from one method of operation to the other.

For the batch cycle, a bio-gas tank is opened and filled with the waste material to be processed. The digester is then sealed and the methane gas collected as the matter inside decomposes. After 40 days, the tank is again opened and the composted fertilizer is taken out. The digester is then filled again and resealed for another cycle. Actually, the tank does not have to be opened if it is designed properly. Instead, with the proper inlet and outlet pipes and a pump, the waste—in slurry form—can be pumped in and out.

With the continuous feeding method, a bio-gas plant is filled once. Then, as the bacteria inside begin to change the waste into methane and fertilizer, new and undigested matter in the amount of one-fortieth of the volume of the tank is added each day. If the digester is properly designed, the digested one-fortieth of the material in the tank will be forced out as the fresh waste is piped in. In this way, new material is constantly added to the mass in the bio-gas plant and spent matter is constantly expelled. The unit, then, steadily consumes waste and just as steadily produces methane and fertilizer.

PLOWBOY. But how do you make such a digester operate so efficiently? How do you make sure that only digested material is forced out as you pump in the fresh matter to be processed?

RAM BUX SINGH. It is very simple. Unprocessed waste is heavy. As the bacteria digest it, the matter becomes lighter and lighter. Merely by positioning the inlet pipe in the bottom of the tank and by placing the outlet at the top of the mass, we use this natural principle to our advantage. The tank can hold only so much and—as we force a small amount of new material into the bottom of the digester every day—a corresponding amount of processed matter is forced to overflow through the outlet.

PLOWBOY. Very clever and very interesting!

RAM BUX SINGH. Yes, and we have taken that idea one step further in our more complex bio-gas digesters. Because we have found, you see, that a really big plant works more efficiently on a 60-day cycle and we have also learned that the material in such a tank gets lighter during its first 30 days of digestion and again heavier during the last 30 days. So we build those big bio-gas plants with both inlet and outlet near the bottom and separated by a wall that goes all the way across the tank.

We operate such a plant by filling the first half once and then when digestion begins, we pump in fresh material . . . one-sixtieth of the digesting mass' volume. As we force this fresh matter in at the bottom of the first half of the tank, the partly digested material on top flows over the wall into the second section of the plant. There, the waste slowly sinks as its processing is completed until, finally, the completely digested material is forced out the outlet pipe in the bottom of that second half of the tank.

With such a system, approximately 80% of the methane produced comes from the first half of the digester and 20% comes from the second section.

PLOWBOY. Yes, and I see here in some of your drawings of those bigger bio-gas plants that you call for rather complicated and expensive-looking heating coils and agitators out in the middle of the tanks.

RAM BUX SINGH. Such mechanisms are necessary in the larger plants. The manure and waste being processed must be warmed and stirred uniformly so that it will all digest at the proper rate.

PLOWBOY. But the small bio-gas plant you've designed for the Mother Earth News doesn't have any heating coils or agitators in it.

RAM BUX SINGH. No. They are not necessary in such a little digester. When the jacket around the holding tank is filled with hot water, the material in the main tank will be warmed quite well all the way through. In the same way, this digester is small enough that merely pumping the waste matter in and out of the main chamber will sufficiently agitate the fermenting mass.

PLOWBOY. At that, I understand that Mother's bio-gas plant is somewhat more complicated than most of the homestead-sized digesters you install in India.

RAM BUX SINGH. Yes. In India, where it is warmer, there is no need to put a water jacket around the main tank and there is no need to wrap a bio-gas plant in insulation. This digester, however, has the additional features because it is expressly designed for the colder climate you have here in the northern United States. The additions make it both more complicated and expensive to build than most small bio-gas plants constructed in India.

PLOWBOY. I think you've told some of the people who helped build this plant for Mother that it can be operated several ways.

RAM BUX SINGH. It is a batch feed digester but it can also be operated on a daily-feed, a weekly-feed and on a 15-day-feed cycle. We have designed this bio-gas plant to work in many ways so that you may learn about our ideas and report on them in the Mother Earth News. There is much interest in methane gas production in the United States but, so far, there have been hardly any bio-gas systems built here. We wanted this one to provide you with as much information as possible.

PLOWBOY. As I understand it, you're setting up the Mother Earth News digester with a water jacket in which heated water will be circulated to keep the main tank at its optimum temperature of 90–95°F. The design also calls for a heavy duty mud pump—run by a two horsepower electric motor—to force the waste material into the bio-gas plant, to circulate the matter as it ferments there and to push the digested material out of the tank.

RAM BUX SINGH. Yes, that is correct.

PLOWBOY. Well, it's going to take some energy to heat that water and run the pump. Will the methane generated in the plant be worth it?

RAM BUX SINGH. Oh, yes. Each month, this plant should make about 6,000 cubic feet of methane. The digesting material needs to be stirred only 20 minutes a day or a total each month of about 10 hours. Since a gasoline engine consumes 18 cubic feet of methane per horsepower per hour, the two-horsepower engine necessary to drive this bio-gas installation's pump will use about 360 cubic feet of the gas each month. If we were to fuel the hot water heater with methane, we would find that the gas it consumes would be much less than this . . . we could even cut that further by warming the water jacket with waste heat from the engine. In all, we should net more than 5,000 cubic feet of

methane and much valuable fertilizer from this plant every month. A generator like this one should pay for its initial investment in three years.

PLOWBOY. And just how good will this methane be?

RAM BUX SINGH. In India, when we process cow dung in a bio-gas plant, the methane that results tests about 650 BTU per cubic foot. I think it will be higher in this country because you feed your cattle so much grain. I think it will be also higher here in the United States because your cow manure from the barn is already in a slurry and contains the urine, whereas—in India—the cow dung we use is dry.

PLOWBOY. Well, let's just say that we do as well as you do in India. Let's say we generate methane with a value of only 650 BTU per cubic foot. How does that compare to the natural gas that is piped out of the ground for heating, cooking and industrial use?

RAM BUX SINGH. Natural gas, in this country, is about 1100 to 1200 BTU per cubic foot.

PLOWBOY. So the methane from a bio-gas plant is only about half as efficient as the natural gas we buy.

RAM BUX SINGH. Yes, but that is not bad. In England, for example, they take a low-grade coal and process it into coal gas which is then piped into factories and homes as fuel. This coal gas is a very important source of power in England at this time, yet it only has a BTU rating of 450. The methane from a bio-gas plant, then, is one-and-one-half times more efficient than that.

But even this is not the important point. The important thing to remember is that, in England, they are going to the trouble to process the coal into gas with a BTU value of 450 . . . while, in this country, you are making really no effort to save and use the 650-BTU gas that is evaporating and going to waste on every farm.

PLOWBOY. Well, we're making the effort now . . . that's why we have you here!

RAM BUX SINGH. Yes.

PLOWBOY. Actually, it goes past even the methane and fertilizer we're wasting on the farms. I believe you're working on plans for a prefabbed bio-gas plant that can be installed in city houses.

RAM BUX SINGH. Yes. Much real and potential energy goes to waste even in the cities of the United States. There is all the garbage—the vegetable trimmings, the spoiled food, the leftovers—that most families have. There is the dung from pets and the human excreta. The grass clippings, the weeds and the leaves. All this can be composted into much usable methane and fertilizer.

There is also other waste that could be used to operate a bio-gas plant. For example, the average temperature of bath water is 150 to 180° F. Even after use, the water has a temperature of 110° and, in the United States, you use about four to six cubic feet of this water per person per day. If you were to run this spent water into the jacket of a digester, it would warm the bio-gas plant to its optimum operating temperature and keep it there at absolutely no cost.

PLOWBOY. But what if everyone takes their bath in the morning or only once every two or three days?

RAM BUX SINGH. It makes no difference. If the bio-gas plant is properly insulated, it will need this hot water only once every 72 hours. The spent bath water alone is enough to heat the plant.

PLOWBOY. That makes a lot of sense. By recycling city wastes the way you suggest, we could go a long way toward making our lives more enjoyable while we preserve the planet's resources and drastically curb the way we pollute.

RAM BUX SINGH. Yes. That's why I would like to work with a factory in this country to develop and mass-produce a series of prefabbed digesters that people could buy and install and put into use quite easily. One of these bio-gas plants should be heavily insulated for your northern states and the other could be designed less expensively for your hotter climates. Both digesters should be available in two or three sizes. With only a little work, a manufacturer could develop a line of bio-gas plants that would sell quite well in this country. If any factory owner wants to manufacture these plants, I will work with him and help him to do it.

PLOWBOY. And in the meantime?

RAM BUX SINGH. In the meantime, I am getting five, six, seven . . . even ten letters a day in India sent to me from the United States. These letters from people who want to know how to build and operate a bio-gas plant . . . from people who want to buy my books on the subject. I answer the letters and send the books, but it takes much of my time and the mail from India to here is often slow and the books are sometimes lost.

I would like it if soon a book written by me should be published by the Mother Earth News. Then you can answer those letters and make the book available here and help the people in this country to learn about the bio-gas plants.

PLOWBOY. We'll publish that book, Ram Bux Singh, just as soon as we can. For the present, though, we'll have to be content to test the digester you've helped us build and to continue reporting on your work in our magazine.

RAM BUX SINGH. That is very good. Thank you.

PLOWBOY. And thank you, sir.

Mr. DOMINICK. Mr. President, I ask the manager of the bill if he would be willing to agree to the amendment.

Mr. JACKSON. Mr. President, this amendment adds an additional middle term research priority to determine the feasibility of producing methane gas. The committee believes that this research need is already covered in section 106(a)(2), lines 13 to 16 on page 68, which provides for development of technology to provide substitutes for natural gas.

In my judgment, the added emphasis, however, would be most helpful, and I commend the Senator from Colorado. I am prepared to accept the amendment.

I might add that the distinguished Senator from Kansas (Mr. DOLE) had a somewhat similar amendment sent to the committee during our mark-up, and Senator DOLE's amendment was adopted in the committee. As I recall, the language was modified, but the report language covered it as well.

I see no harm in additional language that makes more emphatic, I think, the legislative intent of the committee and of the Congress. I, therefore, am pleased to say that we can accept the amendment, and I am sure my distinguished colleague from Arizona will likewise accede to that point.

Mr. FANNIN. Mr. President, the distinguished chairman of the committee and manager of the bill is correct. I am very pleased to support the amendment of the distinguished Senator from Colorado. I feel that it will be helpful, and that it does both extend the provisions now in the bill and provide additional coverage that we need.

I am very pleased also to acknowledge that the Senator from Kansas did send a recommended amendment to the committee, and that it was incorporated in the bill.

I might say that I answered the request of the distinguished Senator from Kansas by saying:

We have incorporated both your suggestions into the language of the bill as well as into the report language, although we regret we could not directly incorporate the texts of the amendments because the structure of the bill would not accommodate them well.

Then I informed him of the specific provisions in the bill. Such provisions are also applicable to what the Senator from Colorado has recommended, although his amendment does, I think, elaborate and make more specific just what could be done.

I commend both the Senators.

The subsection requires that the management project insure that—

Full consideration and adeqaute support is given to: . . . use of agricultural products and wastes as energy sources, . . . utilization of waste products for fuels, . . .

Then the Senator from Colorado has added to that another subsection, which I think will be helpful.

There is another subsection which applies here. That is section 106(b)(8), cited by the chairman, which requires that the management project address itself to several areas and report back to the Congress with recommendations within 1 year. The subsection reads:

to determine the economics and commercial viability for producing synthetic energy supplies from agricultural products and waste.

The committee report also includes, in the description of subsection 104(b)(2), the following:

(The Project's duties) include research into unconventional energy technologies . . . For example, the use of agricultural products . . . includes consideration of . . . direct uses of agricultural products, by-products and wastes as fuels, and the sophisticated production of fuels such as alcohol from surplus agricultural products.

The energy research management project will be empowered to fund general energy R. & D. and to embark upon pilot plan programs such as you recommend without further congressional authorization if the project's costs are below $50 million. The project is directed to formulate recommendations for larger pilot plants and to return for further congressional authorization in the event that these are deemed necessary.

So I commend the distinguished Senators for their assistance in further making this bill meet the intent that we have in providing for the full research and development program.

Mr. DOMINICK. I thank the Senator from Arizona and the Senator from Washington for accepting the amendment. The only reason I put it in was because I was aware of the fact that the committee had considered alternative sources, and we had specifically mentioned some of these in the first few paragraphs of the section that I amended, and it seemed to me that in view of the fact that these were ongoing processes of the present time in other countries, it was well worthwhile emphasizing this particular point.

Mr. DOLE. Mr. President, will the Senator from Arizona yield to me?

Mr. FANNIN. I yield.

Mr. DOLE. I appreciate the statements of the Senator from Washington and the Senator from Arizona, and of course the statement just made by the Senator from Colorado. I think the distinguished Senator from Colorado has answered the inquiries that I had as to whether or not there was an intent to fund not only the suggestion of the Senator from Colorado and the Senator from Kansas, but also another possibility of research which the Senator from Kansas mentioned, and that was in the grain alcohol area, as a derivative from wheat.

I think the Senator's letter of December 2 would indicate that there is that intent to fund both these proposals and go forward with development programs in a manner reflecting the enormous potential that such programs hold for the future.

Mr. FANNIN. The Senator is correct. The project is expanded by his suggestion and by the amendments that he has offered to the committee, and it is also expanded by the amendment of the Senator from Colorado that the Senate has adopted. So I feel we do have a much better coverage, understanding, and clarification because of the suggestions by the Senator from Kansas which were adopted in committee and the adoption of the amendment of the Senator from Colorado.

Mr. DOLE. Mr. President, the production of wheat and other grains is one of the most bountiful aspects of our national wealth. Industry representatives are already forecasting that the current tight supply of grain is passing and that vast surpluses may again be produced in the near future. In the past, these surpluses have given rise to Government programs that create disincentives for production, but which insure that our agriculture industry remains stable, healthy, and ready to meet future demand for agriculture products. These Government programs have proven expensive, however, and when added to the storage costs for grain surpluses, they become a substantial burden on the taxpayer.

It just does not make sense to put this financial load on the taxpayer when these surpluses could be used for the production of fuel that is in such great demand. It simply is not fair to the farmer to limit his production and profits when American agriculture has proven itself to be one of the most efficient industries in this country.

If we can use the grain our farmers produce to meet the fuel crisis that threatens the American economy, we should do so and not depend on Government programs or disincentives. We must continue to keep our farmers planting from fence to fence. We must utilize the products we as a Nation produce most efficiently to meet as many of our needs as possible. For this reason, I have strongly urged and will continue to support research to discover improved methods for production of grain alcohol, which can serve as a substantial fuel increase from our great production of wheat and our many feed grains. The result of such a program would be not only expanded domestic fuel supplies, but also an additional outlet for grain surpluses and an expanded and reliable market for farm products.

As research by the Department of Agriculture has shown, technology currently exists to produce grain alcohol. A program is needed to develop production techniques, further evaluate the use of alcohol-gasoline fuel blends, and study the marketing potential for grain alcohol fuels. The Department of Agriculture already has facilities to carry out part of the development program. The grain marketing research lab at Manhattan, Kans., has been virtually unused up to this point, yet should provide a vital service in this program. By using Department of Agriculture facilities already established, the cost of this program may be substantially reduced.

Other important aspects of gasoline blended with alcohol are increased fuel savings and the reduction of pollution. Research has shown that alcohol can be used to replace tetraethyl lead in automobile fuel. This replacement would facilitate the production of engines with higher compression ratios than is possible with nonleaded gasoline. Higher compression ratios in internal combustion engines result in greater efficiency and greater fuel savings. By replacing tetraethyl lead in gasoline, a major source of pollution is removed from cars built before pollution controls were instituted.

Thus, a program to research and develop grain alcohol could lead to a better utilization of our natural resources, an expansion of our domestic fuel supplies, prevention of potentially expensive grain surpluses and a more predictable and steady market for farm products.

A development program for feedlot and other agricultural wastes also has great potential. Professors at Kansas State University have provided me with a wealth of information on research they have done on converting feedlot wastes into methane and other usable fuels. Their efforts have advanced to the point where outside financial assistance is necessary to continue development and to construct and expand pilot projects.

It is ironical that right now livestock feeders are trying to cope with EPA rules which require expensive measures to contain feedlot discharge. Instead of saddling feedlot operators with this expense, my proposal could lead to a commercial outlet to feedlot discharge and expand our domestic fuel supply at the same time.

This program would include the coordination of private efforts such as those by Kansas State University, and previous Government research by the National Science Foundation, the Atomic Energy Commission, the Departments of Agriculture and Interior and the Environmental Protection Agency.

In view of the large number and rapid expansion of feedlots in the State of Kansas alone, this source of fuel should be equivalent to many thousands of barrels of oil per day. The program at Kansas State University has shown that 1,000 tons of manure per day, normal for 200,000 head of cattle, can be used to produce about 11 million standard cubic feet of gas at competitive prices on today's market. The population of cattle in feedlots in Kansas alone is over 1.2 million and growing.

In view of the general references to my proposals in the bill and in the committee report, I want to stress in the strongest terms possible what I view to be the potential importance of the production of grain alcohol for blending with gasoline and the conversion of organic feedlot wastes into fuel.

Mr. President, I ask unanimous consent that two of my staff assistants, John Smith and Bill Wohlford, may be present in the Chamber during the debate on this measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. I thank the Senator from Arizona.

Mr. FANNIN. Just to clarify the matter further for the Senator from Kansas, the committee report, on page 37, contains the following language:

> The second category, subsection 104(b)(2) includes research into unconventional energy technologies. The items listed are intended to imply the broadest definitions. For example, the use of agricultural products for energy includes consideration of both direct uses of agricultural products, by products and wastes as fuels and the sophisticated production of fuels such as alcohol from surplus agricultural products.

This language was placed in the report as a result of his recommendation.

Mr. DOLE. I thank the distinguished Senator from Arizona for his consideration and the consideration of the committee of these two suggestions.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

Mr. FANNIN. Mr. President, I ask unanimous consent that Mr. Boyd Berry, of Senator COOK's staff, be granted the privilege of the floor during the debate on S. 1283 and during the vote thereon.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

Mr. FANNIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. DOMENICI). Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT ON MILITARY CONSTRUCTION CONFERENCE REPORT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at such time as the conference report on the military construction bill is called up and made the pending business before the Senate, there be a 40-minute time limitation thereon, to be equally divided between the manager of the conference report, the Senator from Montana (Mr. MANSFIELD), and the Senator from Penn-

sylvania (Mr. SCHWEIKER), the ranking member.

The PRESIDING OFFICER. Without objection, it is so ordered.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT REQUEST TO LIMIT DEBATE ON S. 2767

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at such time as S. 2767, a bill to authorize and direct the maintenance of adequate and efficient rail services in the Midwest and Northeast region of the United States, is brought up and made the pending business before the Senate, there be a time limitation of 3 hours thereon, to be equally divided between the Senator from Indiana (Mr. HARTKE) and the minority leader or his designee; that time on an amendment by the Senator from Maryland (Mr. BEALL) be limited to 2 hours; that time on any other amendment be limited to 1 hour; that time on any amendment to an amendment be limited to one-half hour; that time on any debatable motion or appeal be limited to 20 minutes; and that the agreement be in the usual form, with the understanding that the bill will not be called up before next Tuesday.

Mr. ALLEN. Mr. President, reserving the right to object—would the distinguished assistant majority leader mind making it a condition of the unanimous-consent request that all amendments be germane, including the one which is more than the usual time?

Mr. ROBERT C. BYRD. The agreement in the usual form takes care of the germaneness of amendments. Having identified an amendment by Mr. BEALL, however, that amendment would come in whether or not it is germane.

Mr. ALLEN. That is the very point the Senator from Alabama is making. He does not have any idea what this amendment by the distinguished Senator from Maryland is about. The Senator from Alabama would agree only in the event it is stipulated that any amendment, whether for the usual time, whether identified by name or by special time, must be germane.

Mr. ROBERT C. BYRD. Mr. President, I have no way of knowing what is included in the amendment.

Mr. ALLEN. Neither does the Senator from Alabama.

Mr. ROBERT C. BYRD. Then, I would hope that the distinguished Senator from Alabama would attempt to help the leadership and find out what the Beall amendment is about.

Mr. HARTKE. Mr. President, this is an amendment by the minority which deals with an effort to strike out the labor provisions of the bill. It will be germane, I am certain—and is germane.

Mr. ROBERT C. BYRD. Does that satisfy the distinguished Senator from Alabama?

Mr. ALLEN. If the distinguished Senator will put that in his unanimous consent request—that all must be germane. Merely stating that it would be germane is not binding on the Senator from Maryland. If the Senator from West Virginia would make that a part of his unanimous consent request, I would not object.

Mr. ROBERT C. BYRD. I have no objection to making that part of my request, but I do not think it is the responsibility of the majority whip or the majority leader to attempt to delve into the contents of every amendment that is going to be offered to every bill here and to determine in advance whether or not such an amendment is going to be germane.

If the able Senator from Alabama knows about a particular amendment and knows it is not going to be germane, and if he has objections to an agreement involving such amendment, that is fine. But I hope we are not going to be launched on a course whereby the leadership is going to be taken to task with respect to every individual amendment that is called up and expected to know in advance whether or not it is germane.

I am only attempting to get an agreement so as to expedite the legislative process. If the able Senator is opposed to the amendment of Mr. BEALL and thinks it is not germane and wishes to object, that is fine with me.

Mr. ALLEN. The Senator from Alabama has no idea what the amendment is, nor would a statement on the floor as to what it is be binding on the Senator from Maryland.

It occurs to the Senator from Alabama that at the time a Senator asks for a departure from the usual time, inquiry should be made as to whether he is proposing a nongermane amendment.

Mr. ROBERT C. BYRD. The leadership often attempts to inquire. I say to the very able and distinguished Senator from Alabama, who is my friend—and I am his friend—that the leadership does not have the time to run down every Senator on both sides of the aisle and speak to every Senator personally with respect to his individual amendments. I generally talk to the leadership on the Republican side of the aisle; and if the Republican leadership indicates that a Senator wishes to have 2 hours on his amendment, I often do ask whether or not it is germane. But I do not think it is my responsibility to find out whether or not every individual Senator's amendment is germane.

The Senator from Alabama has a perfect right to object; but I am not going to take on the responsibility of tackling every Senator who has an amendment and running him down and finding out whether or not his amendment is germane. If the distinguished Senator wishes to go that far, he may wish to talk with Mr. BEALL. I am not going to.

Mr. ALLEN. The Senator from Alabama does not want to agree in advance that by identifying an amendment by name and by time different from the usual time—he does not want to allow any type of amendment to be offered here under a time limitation.

Since the stipulation is not to be made that all amendments, whether identified by name or different time, be germane—unless the Senator is willing to stipulate that they shall all be germane—the Senator from Alabama is compelled to register an objection.

Mr. ROBERT C. BYRD. Mr. President, the Senator has the right to object.

I have been advised that the amendment by Mr. BEALL is germane. But I am not going to put my name on the Parliamentarian's line and say that it is germane. I personally have no way of knowing whether or not it is germane.

At this stage of the session I hope we are not going to get into arguments just because a particular Senator happens to want 2 hours, 3 hours, or 5 minutes on his amendment. I am not going to take the responsibility of running every Senator down, talking with him in advance, or talking with the Parliamentarian as to whether a particular amendment is germane.

Mr. ALLEN. The Senator from Alabama is not objecting to making the time 5 hours, 10 hours, or 20 hours. All he is insisting on is that the Senator from West Virginia—and the Senator from West Virginia would not have to run anybody down—all he would have to do would be to stipulate in the unanimous-consent agreement that all amendments must be germane.

Mr. ROBERT C. BYRD. I have done that. I have done it in this instance.

Mr. ALLEN. The Senator has excepted one.

Mr. ROBERT C. BYRD. I have, because I was advised that Senator BEALL wanted 2 hours on his amendment. If the Senator from Alabama wants to do the same, I will try to accommodate him.

Mr. ALLEN. I appreciate that.

Mr. ROBERT C. BYRD. I could care less about the Beall amendment; I do not know what it is. I am trying to do my job. If the distinguished Senator wants to interpose an objection to this amendment, he may do so.

Mr. ALLEN. The Senator from Alabama does not want to object to a germane amendment.

Mr. ROBERT C. BYRD. If the Senator wants to object, I have no objection to that.

Mr. ALLEN. I object.

Mr. BELLMON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT REQUEST FOR LIMITATION OF DEBATE ON H.R. 8449

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at such time as H.R. 8449 is called up and made the pending question before the Senate, there be 1 hour on the bill, to be equally divided between the able Senator from Louisiana (Mr. JOHNSTON) and the minority leader or his designee; that there be 1 hour on any amendment to the bill; and one-half hour on any amendment to an amendment, debatable motion, or appeal.

Mr. ALLEN. Is any exception made?

Mr. ROBERT C. BYRD. The Senator heard my request.

Mr. ALLEN. Did the Senator have any division as to time?

Mr. ROBERT C. BYRD. Mr. President, I will repeat my request.

I ask unanimous consent that at such time as H.R. 8449 is called up and made the pending business before the Senate, there be 1 hour on the bill, to be equally divided between the able Senator from Louisiana (Mr. JOHNSTON) and the minority leader or his designee; that there be 1 hour on any amendment; that there be one-half hour on any amendment to an amendment; and that there be 20 minutes on any debatable motion or appeal.

The PRESIDING OFFICER. Is there objection?

Mr. JOHNSTON. Reserving the right to object, the division of the time between——

Mr. ROBERT C. BYRD. And that the division of time be in accordance with the usual form.

Mr. JOHNSTON. The division of time is between the junior Senator from Louisiana and the minority leader or his designee. I have some amendments, and that is my principal interest in the agreement. Is the proponent to handle the bill? I have no objection, but I am wondering if it is appropriate and is the intent.

Mr. ROBERT C. BYRD. The request is in the usual form. Half of the time would be allotted to the Senator who moves an amendment, and half of the time would be under the control of the manager of the bill.

If the manager of the bill favors such amendment, then the time in opposition on the amendment would be under control of the minority leader or his designee.

The PRESIDING OFFICER. The Chair has a question as to whether the total agreement would be subject to the usual and customary form.

Mr. ROBERT C. BYRD. Mr. President, I do not know how the English language can be made more clear than I expressed the request. I asked that the control and division of time be in accordance with the usual form. I cannot make it any plainer than that.

Mr. ALLEN. Mr. President, reserving the right to object, unless the stipulation states that all amendments shall be germane, the Senator from Alabama objects.

Mr. ROBERT C. BYRD. The stipulation does not so show. The Senator has the right to object, he has objected, and the objection has been heard.

The PRESIDING OFFICER. Objection is heard.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House had disagreed to the amendments of the Senate to the amendments of the House to the bill (S. 1559) to provide financial assistance to enable State and local governments to assume responsibilities for job training and community services, and for other purposes, agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. PERKINS, Mr. DENT, Mr. DOMINICK V. DANIELS, Mr. O'HARA, Mr. MEEDS, Mr. BURTON, Mr. GAYDOS, Mrs. GRASSO, Mr. BADILLO, Mr. QUIE, Mr. ESCH, Mr. STEIGER of Wisconsin, Mr. FORSYTHE, Mr. PEYSER, and Mr. SARASIN were appointed managers on the part of the House at the conference.

The message also announced that the House had disagreed to the amendment of the Senate to the bill (H.R. 11324) to provide for daylight saving time on a year-round basis for a 2-year trial period, and to require the Federal Communications Commission to permit certain daytime broadcast stations to operate before local sunrise, agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. STAGGERS, Mr. MOSS, Mr. STUCKEY, Mr. BROYHILL of North Carolina, and Mr. WARE were appointed managers on the part of the House at the conference.

The message further announced that the House had passed a bill (H.R. 7130) to improve congressional control over budgetary outlay and receipt totals, to provide for a legislative budget officer, to establish a procedure providing congressional control over the impoundment of funds by the executive branch, and for other purposes.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to enrolled bill (S. 1747) to amend the International Travel Act of 1961 to authorize appropriations for fiscal years 1974, 1975, and 1976, and for other purposes.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, December 6, 1973, he presented to the President of the United States the enrolled bill (S. 1443) to amend the Foreign Assistance Act of 1961, and for other purposes.

NATIONAL ENERGY RESEARCH AND DEVELOPMENT POLICY ACT OF 1973

The Senate continued with the consideration of the bill (S. 1283) to establish a national program for research, development, and demonstration in fuels and energy and for the coordination and financial supplementation of Federal energy research and development; to establish development corporations to demonstrate technologies for shale oil development, coal gasification development, advanced power cycle development, geothermal steam development, and coal liquefaction development; to authorize and direct the Secretary of the Interior to make mineral resources of the public lands available for said development corporations; and for other purposes.

Mr. HATFIELD. Mr. President, I would like to note at this point in the debate that my colleague from Oregon (Mr. PACKWOOD) hoped to be here today during debate on the energy research and development bill. He is conducting field hearings in La Grande, Oreg., on the two bills that relate to protection of Hells Canyon. We believe this field hearing to be of great importance, and he will be compiling a hearing record for use by the Senate Interior Committee.

I did want to call this to the attention of my colleagues, for I know Senator PACKWOOD hoped to be here today during consideration of these amendments.

Mr. MOSS. Mr. President, I rise to commend the Senate Interior Committee, and its distinguished chairman, for bringing to the floor this timely bill (S. 1283). Although the solution it offers to the energy crisis is a long-range one, nothing could be more important than its speedy passage. It is the best answer I know to the charge that the Congress has been idle while the administration delayed action because it misjudged and miscalculated the dimensions of the gathering energy crisis. The President put off taking the decisive action which would have spared us the excruciating situation in which the Nation finds itself today.

S. 1283, which would provide the framework for a high priority energy research and development program, has its roots in many weeks and months of hearings which have been held by the Senate Interior Committee on coal gasification, on coal liquefication, on shale oil, on geothermal steam, and many other types of energy-producing methods and sources which the Nation is not now utilizing to their full potential.

It was my privilege in the 92d Congress and previous Congresses, as a member of the Senate Interior Committee, and chairman of the Subcommittee on Minerals, Materials and Fuels, to chair many of the hearings on these methods and sources, and also to chair some of the hearings which were held on the comprehensive study of national fuels and energy policy which the Interior Committee undertook in 1971. It was because of the fact that these hearings were held and the information about the various methods had been developed and made available, that we have been able to move as quickly as we have on this essential bill before us today. I am confident also, that the administration, in its recently aroused state of concern about the need for new sources of energy, is leaning heavily on the material developed in these hearings.

At the time the President sent his second energy message to the Congress last

May, I made a statement on the Senate floor in which I pointed to his lack of understanding of the enormity of the fuel crisis facing us, and of the total absence of a sense of urgency in his proposals.

I stated, and I quote:

The message (has) a lack of direction and necessary commitment in the area of research and development. Research and development funds are inadequate. This country has demonstrated with the space program in peace time and in our war efforts in the forties, the fifties, and unfortunately again in the sixties a capability to move and move fast when a national exigency required it. American know-how and drive are an essential part of our self-respect, and, indeed our greatness. That expertise can be called upon now if we commit ourselves to funding adequately the needed effort.

Let me give you some examples of what I consider to be a bandaid cure for a broken leg. In his 1971 energy message, the President called for an expanded program to convert coal into a clean, gaseous fuel, and he recommended the sum of $20 million a year for development of coal gasification.

In hearings which I conducted—July 27, 1971—as chairman of the subcommittee on Minerals, Materials and Fuels, the President's administrative officers testified against a bill (S. 1846) which Senator JACKSON and I sponsored to accelerate the development of coal gasification pilot and demonstration plants. This bill was structured along the line of the Comsat type corporation so successful in developing rapidly our communication satelite successes. The basis of the administration's objection to the bill was that the existing efforts of the administration were adequate. The President's June 4, 1971, clean energy message announced a major new initiative in coal gasification. Yet, the President's representative, S. David Freeman, Office of Science and Technology, Executive Office of the President, testified that in his view we could count on having an operating commercial coal gasification plant. Do we really need 7 years to get with it?

I did not think this was good enough in 1971, and I do not think this institutional approach of the administration as reflected in the second energy speech of the President is good enough in 1973.

We all are ready to grant that the total energy scene is vast and complicated. But it was evident then—as it is cruelly evident now, that the situation has long cried out for attention.

I feel that the Senate is moving today toward responsible and responsive legislation in the field of energy research, and I am confident my colleagues will not delay in passing this most important bill.

Mr. SCHWEIKER. Mr. President, I call up my amendment No. 765.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

On page 69, line 21, before "coal", insert "bituminous and anthracite".

Mr. JACKSON. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. SCHWEIKER. I yield.

Mr. JACKSON. Mr. President, I ask unanimous consent that Mike Harvey of the committee staff be permitted on the floor during the consideration of the pending amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SCHWEIKER. Mr. President, the amendment, No. 765, specifically would include anthracite coal in research and development work which is done on new and improved methods of extraction of coal resources.

According to the 1967 U.S. Geological Survey, the United States has at least 13 billion tons in known reserves of anthracite, of which 8 billion are estimated to be recoverable by present mining standards. Production of anthracite has been declining from year to year. In 1972 only just over 7 million tons were produced.

Anthracite is one of the cleanest domestic fuels we have available. As such, it is an energy source which can help us maintain clean air standards during the energy crisis, particularly in power generation and residential use, and can be used as is without the cost or delay required to convert to a clean burning fuel.

My amendment merely reiterates language in the report that anthracite will receive appropriate consideration as improved extraction methods are explored. In recent years research and development on anthracite extraction has been minimal. Between 1956–65 $3 million were spent on an anthracite research project which the Government terminated in 1965. The Federal Government has spent nothing on anthracite extraction research since 1965.

The effect of this neglect has left one of our cleanest and most efficient resources lying in the ground. With supplies of other clean burning fuels becoming more scarce every day, the economics of energy are changing and we cannot afford to delay the development of anthracite which is one of our few domestic sources of clean fuel.

Mr. President, I have been in the House and Senate for 13 years trying to alert the Federal Government to do something about the tremendous acres of diamonds we have in our own backyard in anthracite. The amount spent on anthracite research has been minimal. In a 9-year period, from 1956 until 1965 a matter of only $3 million was spent on anthracite research. I have importuned the Coal Research Bureau, the Department of Interior, by letter, by report language, by every way possible to do something about the cleanest burning coal we have, with many reserves immediately available, without the installation of new furnaces, new equipment, or anything else new. There would be needed only a small investment in this area.

We have both bituminous and anthracite coal in Pennsylvania. We have many acres of reserves of bituminous coal.

What I am saying is that when we talk about coal we should be talking about both anthracite and bituminous.

Unfortunately, when we used coal in the past, the Department of the Interior and the Coal Research Bureau thought only of bituminous, and the anthracite coal sits there and is idle, and not one penny has been spent in that connection since 1965.

I hope we will consider both bituminous and anthracite coal in the law we are considering today.

Mr. JOHNSTON. Mr. President, concerning the intent of the committee to include both kinds of coal under this bill, on page 38 of the committee report, it is stated:

The committee intends that the Management Project is initiating demonstration programs on new mining methods for the extraction of coal give appropriate consideration to mining methods for the extraction of anthracite and lignite coal as well as bituminous coal.

Certainly it is the intent of the committee to do precisely what the Senator from Pennsylvania wants done.

However, if the Senator from Pennsylvania is not satisfied with that language in the report and would wish further to highlight this need, we would suggest also that lignite coal be included. The way the amendment presently reads it includes only bituminous and anthracite. Is that satisfactory to the distinguished Senator?

Mr. SCHWEIKER. I concur with that suggestion. My amendment is not designed to exclude anything. That is a valid suggestion and I am pleased to accept it.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. SCHWEIKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SCHWEIKER. Mr. President, I send to the desk a modification of my amendment and I ask unanimous consent that I may be permitted to modify my amendment.

The PRESIDING OFFICER. The Senator has the right to modify his amendment.

The clerk will state the amendment as modified.

The assistant legislative clerk read as follows:

On page 69, line 21, after "resources" insert "including but not limited to lignite, bituminous, and anthracite coal;"

Mr. JOHNSTON. Mr. President, we accept the amendment as modified and we endorse it. It is what the committee intends.

Mr. FANNIN. Mr. President, I am very pleased to accept the amendment as modified. The Senator is to be commended for his thoughtfulness in providing this amendment. It does assist in the intent of the bill, as to the result.

Mr. SCHWEIKER. Mr. President, I commend the committee, both the majority side and the minority side, for their willingness to include this language. I think we need every resource we can get. I am delighted to include lignite with bituminous and anthracite.

With these three sources of coal we can go a long way toward solving the crisis.

I yield back the remainder of my time.

Mr. JOHNSTON. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Pennsylvania, as modified.

The amendment, as modified, was agreed to.

Mr. BELLMON. Mr. President, I call up my amendment No. 763.

The PRESIDING OFFICER. The clerk will state the amendment.

The assistant legislative clerk proceeded to read the amendment.

Mr. BELLMON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Amendment No. 763, in the nature of a substitute, is as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

That this Act may be cited as the "National Energy Research and Development Policy Act of 1973".

TITLE I—COORDINATION AND AUGMENTATION OF FEDERAL SUPPORT FOR RESEARCH AND DEVELOPMENT OF FUELS AND ENERGY

STATEMENT OF FINDINGS

SEC. 101. The Congress hereby finds that—

(1) The United States is currently suffering a critical shortage of environmentally acceptable forms of energy.

(2) The responsibilities of the Federal Government for conducting and assisting energy research, development, and demonstration projects are fragmented among many agencies and departments and have not been planned and managed in a rational and coordinated manner.

(3) Such fragmentation and inadequate levels of funding for energy research, development, and demonstration have limited the Nation's current and future options for dealing with domestic energy shortages.

(4) The urgency of the Nation's critical energy problems will require a commitment similar to those undertaken in the Manhattan and Apollo projects; it will require that the Nation undertake, at a minimum, a ten-year $20,000,000,000 research, development, and demonstration program.

STATEMENT OF POLICY

SEC. 102. The Congress declares as the purpose of this Act the development within ten years of the option and the capability for the United States to become energy self-sufficient through the use of domestic energy resources. In the achievement of this national goal, it is hereby declared to be the policy of the Congress to establish and maintain the Office of Energy Research Management Project, which shall be headed by a Chairman, who shall be charged with the responsibility of reestablishing and carrying out a national program of basic and applied research and development in the discovery, production, transportation, distribution, and conversion of energy resources and fuels adequate to meet the following objectives—

(1) encourage the conservation of limited energy resources and maximize the efficient development, production, conversion, and use of nonrenewable and limited primary energy resources;

(2) insure adequate, reliable, and economical energy supply systems necessary to support the goals and essential needs of modern society including the established social objectives of Federal, State, and local government;

(3) to foster the expeditious transfer of the results of research on new energy technologies into the commercial application by the private sector through Federal assistance and participation in the demonstration and improvement of energy technologies to determine the engineering and economic feasibilities, including the social, economic, and environmental costs and benefits of said energy technologies;

(4) to develop and carry out an aggressive research strategy and priorities for solutions to the short-term (to the early 1980's) energy supply system;

(5) to develop and carry out an aggressive Federal research strategy and priorities, including the information base, to support the development of the widest possible range of energy supply system options for the utilization of domestic nonnuclear energy resources to satisfy middle-term (the early 1980's to 2000) and long-term (twenty-first century) United States energy needs; and

(6) establish within the Federal Government a central responsibility and institutional capability for maintaining continuing assessment and overview of the energy research, development and conservation activities of the Federal Government, private industry, and nonprofit organizations.

ENERGY RESEARCH MANAGEMENT PROJECT

SEC. 103. (a) There is hereby established the Office of Energy Research Management Project (hereinafter referred to as the "Management Project") which shall be composed of a Chairman (hereinafter referred to in this Act as the "Chairman").

(b) The Chairman shall be appointed by the President to serve at his pleasure, by and with the advice and consent of the Senate. During his term of service, the Chairman shall not hold any other position as an officer or employee of the United States, except as a retired officer or retired civilian employee of the United States.

DUTIES OF THE CHAIRMAN

SEC. 104. The Chairman shall—

(1) review the full range of Federal activities in and financial support for fuels and energy research and development, giving consideration to research and development being conducted by industry and other non-Federal entities, to determine the capability of ongoing research efforts to carry out the policies established by this Act;

(2) formulate and carry out a comprehensive energy research and development strategy for the Federal Government which will expeditiously advance the policies established by this Act, and insure that full consideration and adequate support is given to:

(A) improving the efficiency, conservation, and environmental effects of the conventional sources of energy including discovery, production, conversion, transportation, use, and disposal of waste products;

(B) advancing energy research, development, and demonstration of unconventional energy sources and technologies including but not limited to—solar energy, geothermal energy, magnetohydrodynamics, fuel cells, low-head hydroelectric power, use of agricultural products and wastes as energy sources, tidal power, ocean current and thermal gradient power, wind power, automated mining methods, in situ conversion of energy resources, cryogenic transmission of electric power, electric energy storage methods, alternatives to internal combustion engines, solvent refined coal, utilization of waste products for fuels, direct conversion methods, utilization of hydrogen for fuel; and

(C) improving management techniques and the effectiveness of management of existing energy systems through quality control; application of systems analysis, communications, and computer techniques; and public information to improve the reliability and efficiency of energy supplies and encourage the conservation of energy resources;

(3) utilize the funds authorized by section 117(b) of this Act to advance the energy research and development strategies pursuant to this Act by—

(A) supplementing by fund transfers the ongoing energy research and development programs of Federal agencies; and

(B) initiating and maintaining, by fund transfers, grants, or contracts, new energy research and development programs or activities utilizing the facilities, capabilities, expertise, and experience of Federal agencies, national laboratories, universities, individuals, nonprofit organizations, and industrial and other legal entities which are appropriate to each type of research and development; and

(4) in the exercise of his duties and responsibilities under this Act, establish procedures for periodic consultation with representatives of science, industry, environmental organizations, and such other groups who have special expertise in the areas of energy research, development, and technology.

SEC. 105. The Chairman is authorized to—

(1) accelerate the commercial applications of new energy technologies by providing Federal assistance for or participation in pilot plants demonstrating technological advances and field demonstrations of new methods and procedures, and demonstrations of prototype commercial applications for the exploration, development, production, transportation, conversion, and utilization of energy resources; and

(2) conduct preliminary investigations and to explore potential cooperation agreements which may be entered into with non-Federal entities in order to develop recommendations for Federal participation or assistance in demonstrations of the technical feasibility and economic potential of energy technologies on a prototype or full-scale commercial basis, and to enter into such agreements.

RESEARCH PRIORITIES

SEC. 106. Pursuant to the authority and directions of this Act, the Chairman, as soon as practicable following the date of enactment of this Act, shall formulate and carry out an aggressive Federal research strategy and priorities program designed to achieve solutions to immediate, short-term (to the early 1980's), middle-term (the early 1980's to 2000), and long-term (beyond 2000) energy supply system. Such program shall include, but not be limited to, specific actions designed to assure the most effective approach, through Federal assistance—

(1) to accelerate the commercial demonstration of technologies for producing a low-sulfur fuel suitable for boiler use;

(2) to accelerate the commercial demonstration of technologies for producing substitutes for natural gas, including coal gasification;

(3) to accelerate the commercial demonstration of technologies for producing syncrude and liquid petroleum products from coal by means of Federal assistance and participation, including guaranteed prices or purchase of the products so produced;

(4) to accelerate the commercial demonstration of advanced power cycles for the generation of electricity from coal, including technologies which employ the production of low British thermal unit gas from coal;

(5) to accelerate the commercial demonstration of geothermal energy technologies;

(6) (A) to accelerate the commercial demonstration of the production of syncrude from oil shale, and (B) to assist the research and development of in situ methodologies for the production of syncrude from oil shale, by means of Federal assistance and participation, including guaranteed prices or purchase of products so produced;

(7) to demonstrate new and improved methods for the extraction of petroleum resources, including secondary and tertiary recovery of crude oil by means of Federal assistance and participation, including guaranteed prices or purchase of products so produced;

(8) to demonstrate new and improved methods for the extraction of coal resources: *Provided*, That the Chairman may invite proposals from potential participants in joint

Government-industry operated mines for the purpose of demonstrating new and improved mining technologies and methods and of training the associated personnel;

(9) to demonstrate the economics and commercial viability of solar energy for residential and commercial energy supply applications;

(10) to accelerate the commercial demonstration of environmental control systems including particulate and sulfur oxides emission control systems, necessary for the timely implementation of air pollution standards and water pollution standards established pursuant to Federal or State law;

(11) to demonstrate new and innovative energy conservation technologies;

(12) to advance improvements in the methods and technologies for the transportation and storage of electric energy;

(13) to commercially demonstrate advanced power cycles for the generation of electricity which represent significant improvements in the efficiency of conversion of energy resoures to electricity;

(14) to commercially demonstrate hot dry rock geothermal energy technologies;

(15) to commercially demonstrate advanced solar energy technologies;

(16) to determine the economics and commercial viability of the use of hydrogen as a primary energy source;

(17) to commercially demonstrate the use of fuel cells for central stations electric power generation;

(18) to determine the economics and commercial viability for producing synthetic energy supplies from agricultural products and wastes;

(19) to commercially demonstrate nuclear fusion;

(20) to commercially advance the use of hydrogen as a primary energy source; and

(21) to carry out such other actions as he deems necessary to meet the purposes of this Act.

FORMS OF FEDERAL ASSISTANCE

SEC. 107. (a) In carrying out the purposes of sections 105 and 106 of this Act, the Chairman may consider and utilize various forms of Federal assistance and participation which may include but are not limited to—

(1) contractual arrangements with non-Federal participants, including corporations, consortia, universities, governmental entities, and nonprofit institutions;

(2) contracts for the construction and operation of federally owned facilities;

(3) Federal purchases or guaranteed price of the products of demonstration and commercial plants or activities consistent with the provisions of section 109; and

(4) Federal loans to non-Federal entities conducting demonstrations of new technologies.

(b) (1) A financial award under this Act may be made only in the amount of the Federal share of the estimated total design and construction costs, plus operation and maintenance costs; and

(2) For the purposes of this Act the non-Federal share may be in any form, including, but not limited to, lands or interests therein needed for the project or personal property or services, the value of which shall be determined by the Chairman.

(c) The Chairman is authorized, within ninety days of enactment of this Act, to promulgate regulations establishing procedures for submission of proposals to the Management Project for the purposes of this Act. Such regulations may establish a procedure for selection of proposals which—

(1) provides that projects will be carried out under such conditions and varying circumstances as will assist in solving energy extraction, transportation, conversion, and end-use problems of various areas and regions under representative geological, geographic, and environmental conditions; and

(2) provides time schedules for submission of, and action on proposal requests for the purposes of implementing the goals and objectives of this Act.

Such regulations also may specify the types and form of the information, data, and support documentation that are to be contained in proposals for each form of Federal assistance or participation set forth in subsection (a): *Provided*, That such proposals to the extent possible shall include, but not be limited to—

(A) specification of technology;

(B) description of prior pilot plant or commercial plant operating experience with the technology;

(C) preliminary design of the demonstration or commercial plant;

(D) time tables containing proposed construction and operation plans;

(E) budget-type estimates of construction and operating costs;

(F) description and proof of title to, or interest in, land for proposed site, natural resources, electricity and water supply and logistical information related to access to raw materials to construct and operate plant and to dispose of salable products produced from plant;

(G) plans for disposal of wastes resulting from the operation of the plant;

(H) plans for commercial use of technology if demonstration is successful;

(I) plans for continued use of plant if demonstration is successful; and

(J) plans for dismantling of plant if demonstration is unsuccessful or otherwise abandoned.

(d) The Chairman may from time to time review and, as appropriate, modify and repromulgate regulations issued pursuant to this section.

CONTRACTS WITH PRIVATE SECTOR

SEC. 108. (a) In carrying out the purposes of this Act, the Chairman is authorized to enter into contracts with any person, corporation, or other legal entity pursuant to which such person, corporation, or entity shall be authorized to design, construct and operate a full-scale, commercial-size facility to produce energy from coal gasification, oil shale, solar power, tidal power, or other unconventional sources of energy.

(b) At the request of the Chairman, the Secretary of the Interior or other appropriate head of a Federal agency shall, notwithstanding any other provision of law, make available, by lease or otherwise, such lands or interests therein, or mineral interests, or both, of the United States as may be necessary to enable any such person, corporation, or legal entity to carry out a contract entered into pursuant to subsection (a) of this section or other provision of this Act. Such lands or interests may, notwithstanding any other provision of law, be made available by lease or otherwise on a negotiated basis. At the request of the Chairman, the Secretary of the Interior or other appropriate head of a Federal agency shall, notwithstanding any other provision of law, immediately issue to any such person, corporation, or legal entity any license, permit or other certificate or documentation necessary to enable such person, corporation, or legal entity to carry out any such contract.

SUPPORT THROUGH PRICE GUARANTEES

SEC. 109. (a) In providing price supports pursuant to section 107, the Chairman may—

(1) consider the types and capabilities of the desired full scale, commercial size facility or other operation which would demonstrate the technical, environmental, and economic feasibility of a particular energy technology;

(2) award planning grants for the purpose of financing a study of the full cycle economic and environmental costs associated with any demonstration facility authorized by this Act. Such planning grants may be awarded to industrial entities, Federal agencies, national laboratories, universities, or nonprofit organizations. Such planning grants may also be used by the grantee to prepare a detailed and comprehensive bid to construct the demonstration facility; and

(3) following the completion of the studies pursuant to the planning grants awarded under paragraph (2) of this section, invite bids from all interested parties to determine the minimum amount of Federal price support needed to construct the demonstration facility. The Chairman may designate one or more competing entities each to construct one commercial demonstration facility. Such designation may be made on the basis of those entities' (A) commitment to construct the demonstration facility at the minimum level of Federal price supports, and (B) proposed design and operation of the demonstration facility.

(b) There is hereby established in the Treasury of the United States a Competitive Research and Development Price Support Fund which shall be available to the Chairman for carrying out the price-support program authorized by this Act, including the payment of administrative expenses incurred in connection therewith. Such fund shall consist of such amounts as are appropriated to it by the Congress pursuant to section 117(c) of this Act.

DETERMINATION OF NEED FOR FEDERAL PARTICIPATION IN RESEARCH AND DEVELOPMENT

SEC. 110. In evaluating proposed opportunities for particular research and development undertakings pursuant to this Act, the Chairman may assign priority to those undertakings in which—

(1) the urgency of public need for the potential results of the research, development, or demonstration effort is high, and it is unlikely that similar results would be achieved in a timely manner in the absence of Federal assistance;

(2) the potential opportunities for non-Federal interests to recapture the investment in the undertaking through the normal commercial exploitation of proprietary knowledge appear inadequate to encourage timely results;

(3) the extent of the problems treated and the objectives sought by the undertaking are national or widespread in their significance;

(4) there are limited opportunities for regulatory actions and incentives other than direct Federal financial assistance, including but not limited to, end-use controls, tax and price incentives, and public education to induce non-Federal support of the undertaking;

(5) the degree of risk of loss of investment inherent in the research is high, and the availability of risk capital to the non-Federal entities which might otherwise engage in the field of the research is inadequate for the timely development of the technology; or

(6) the magnitude of the investment appears to exceed the financial capabilities of potential non-Federal participants in the research to support effective efforts.

PATENT POLICY AND MANDATORY LICENSURE

SEC. 111. (a) (1) All research, development, or demonstration contracted for, sponsored, or cosponsored by the Government pursuant to this Act, shall require as a condition of Federal participation that all information resulting from federally assisted research shall be made available at the earliest practicable date to the general public, including nongovernmental United States interests capable of bringing about further development, utilization, and commercial applications of such results. The disposition of patent rights in inventions or discoveries arising out of research under this Act shall be governed by the President's Statement

of Government Patent Policy issued on August 23, 1971 (36 F.R. 16887, August 26, 1971), and amended in September 1973 (38 F.R. 23782, September 4, 1973).

(2) The Chairman in administering patents pursuant to this Act shall make a determination, on a case-by-case basis, as to whether a requested license shall be granted on a royalty-free basis or upon a basis of charges designed to recover part or all of the costs of the research.

(3)(A) Where a participant in an energy research and development project holds background patents, trade secrets, or proprietary information which will be employed in and are requisite to the proposed research and development project, the Chairman shall enter into an agreement which will provide equitable protection to the participant's must provide that when the energy research rights: *Provided*, That any such agreement and development project reaches the stage of commercial application any of the participants' previously developed background patents, trade secrets, or proprietary information necessary to commercial application of the energy process or system developed under this title, but not embodied in any commercially available equipment, devices, or apparatus useful in such commercial application will be made available to any qualified applicant on reasonable license terms including suitable confidentiality agreements, reasonable royalties, and such other conditions as may be applicable, which shall take into account that the commercial viability of the total energy process or system was achieved with the assistance of public funds.

(B) As employed herein, the term "background patent" means a United States patent owned or pending by a contractor, grantee, participant, or other party conducting research or development work, or both, pursuant to this Act for or under the sponsorship or cosponsorship of the chairman of a corporation established pursuant to this Act which would be infringed by the practice of any new technology developed under the research or development work, or both, contracted for, sponsored or cosponsored pursuant to this Act, or any demonstration-type or commercial-size facility authorized pursuant to this Act.

(b)(1) Any person, corporation, or other legal entity establishing a demonstration-type or commercial-size facility pursuant to this Act shall receive a royalty-free license to practice such inventions or discoveries in connection with such demonstration-type or commercial-size facility. Such license shall include the right to make, use, and sell, and shall be without territorial limitation. As used herein, the term "research" includes "development" within its scope.

(2) Any such person, corporation, or other legal entity shall license to responsible parties at reasonable terms, including reasonable royalties, any patent obtained by such person, corporation, or entity with respect to any invention or discovery made in performance of any activity conducted pursuant to this title.

(c) Whenever the Attorney General determines, upon application of the Chairman—

(1) that—

(A) in the implementation of the requirements of this Act a right under any United States letters patent, which is being used or intended for public or commercial use and not otherwise reasonably available, is necessary to the development or demonstration of an energy system or technology pursuant to this Act, and

(B) there are no reasonable alternative methods to accomplish such purpose, and

(2) that the unavailability of such right may result in a substantial lessening of competition or tendency to create a monopoly in any line of commerce in any section of the country,

the Attorney General may so certify to a district court of the United States, which may issue an order requiring the person who owns such patent to license it on such reasonable terms and conditions as the court, after hearing, may determine. Such certification may be made to the district court for the district in which the person owning the patent resides, does business, or is found.

ADMINISTRATIVE PROVISIONS

SEC. 112. The Chairman shall be compensated at the rate provided for level II of the Executive Schedule Pay Rates (5 U.S.C. 5313).

POWERS

SEC. 113. (a) The Chairman may, notwithstanding any other provision of law, employ and fix the compensation of such officers and employees as may be necessary to carry out the functions of the Management Project under this title, and may, notwithstanding any other provision of law, employ and fix the compensation of such experts and consultants as may be necessary.

(b) The Chairman may—

(1) acquire, furnish, and equip such office space as is necessary;

(2) use the United States mails in the same manner and upon the same conditions as other agencies of the United States;

(3) purchase, hire, operate, and maintain passenger motor vehicles;

(4) enter into contracts or agreements for studies and surveys with non-Federal public and private organizations and transfer funds to Federal agencies to carry out aspects of the Management Project's duties; and

(5) incur such necessary expenses and exercise such other powers as are consistent with and reasonably required to perform his functions under this Act.

(c) The Chairman shall have the sole authority with respect to—

(1) the supervision of personnel;

(2) the assignment of duties and responsibilities among personnel; and

(3) the use and expenditure of funds.

COOPERATION OF FEDERAL AGENCIES

SEC. 114. Upon request of the Chairman, the head of any Federal department or agency is authorized—

(1) to furnish the Management Project within the limits of available funds, such information as may be necessary for carrying out his functions, and

(2) to detail to temporary duty with the Chairman, on a reimbursable basis, such personnel as he may require for carrying out his functions.

CONGRESSIONAL ACCESS TO INFORMATION

SEC. 115. The Chairman shall keep the Congress fully and currently informed of all the Management Project's activities and shall submit to the Congress an annual report.

CLEARING HOUSE; PRIORITIES AND ALLOCATIONS

SEC. 116. (a) The Chairman is authorized to receive and consider requests, from persons, corporations, and other legal entities engaged in the exploration, development, or production of energy or engaged in other energy producing or related activities, including energy research, in connection with the necessity to obtain materials, articles, equipment, supplies, or devices which are or may be in critical or short supply and which are essential to the expeditious progress of such exploration, development, production, or activities, including energy research, and to advise and make recommendations to the President with respect thereto.

(b) The President of the United States is authorized (1) to require that performance under contracts or orders (other than contracts of employment) which he deems necessary or appropriate to meet the energy needs of the Nation shall take priority over performance under any other contract or order (other than a contract or order of the President pursuant to the provisions of section 101 of the Defense Production Act of 1950, as amended (50, App. 2071)) and, for the purpose of assuring such priority, to require acceptance and performance of such contracts or orders in preference to other contracts or orders by any person he finds to be capable of their performance, and (2) to allocate such materials, articles, equipment, supplies, or devices referred to in subsection (a) of this section in such manner, upon such conditions, and to such extent as he shall deem necessary or appropriate to meet the energy needs of the United States.

(c) In addition to the aforementioned authority, the President is further authorized, in order to achieve the purposes of this Act, to take such additional action as may be necessary to obtain or allocate such materials, articles, equipment, supplies, or devices which are or may be in critical or short supply and which are essential to the expeditious progress of energy exploration, development, production or other energy producing or related activities, including energy research.

APPROPRIATIONS

SEC. 117. (a) There are authorized to be appropriated to the Chairman to remain available until expended $2,000,000 for fiscal year 1974, and $10,000,000 annually for fiscal years 1975 and 1976 for the expenses of the Chairman in administering this Act, including such amounts as may be expended for consulting services, and including funds transferred to other Federal agencies in compensation for personal services in assisting the Chairman with the administration of this Act.

(b) There are authorized to be appropriated to the Chairman to remain available until expended not to exceed $800,000,000 for each of the fiscal years ending June 30, 1974, and 1975, and such amounts as may be authorized by annual authorization Acts in fiscal year 1976 to carry out the provisions of sections 104, 105, 106, 107, and 108 of this Act.

(c) For the fiscal year ending June 30, 1974, and each fiscal year thereafter, there are authorized to be appropriated to the Competitive Research and Development Price Support Fund established by section 109 such sums as may be necessary to assure the adequacy of the fund for the carrying out of the price-support program authorized by this Act, including administrative expenses incurred in connection therewith.

(d) The Chairman of the Management Project, in conjunction with his recommendations for annual appropriations pursuant to this section, shall report to the Congress on the activities of the previous calendar year, the expenditure of funds, the new projects initiated, the projects which have been terminated, and any new contractual arrangements entered into, and the progress which has been made during that year toward attaining the capability of domestic energy self-sufficiency for the United States within ten years of the date of enactment of this Act. In each instance where delays in scheduled accomplishments are reported, the reasons for the delays shall be set forth along with recommendations for actions, including specific estimates of additional funding, or requirements for new legislative authority which would assist in regaining the schedule.

TITLE II—NONCONVENTIONAL ENERGY RESOURCES

DEFINITION

SEC. 201. As used in this title, the term "unconventional energy resources" includes geothermal energy, coal gasification, oil shale, and solar power.

LOAN GUARANTEE PROGRAM

SEC. 202. (a) The Congress, in consideration of the Federal responsibility for the general welfare, to facilitate commerce, to encourage productive harmony between man

and his environment, and to protect the public interest, finds that the advancement of technology by private industry for the production of useful forms of energy from nonconventional energy resources is important to all of those areas of responsibility. It is the policy of the Congress, therefore, to encourage and assist in the commercial development of practicable means to produce useful energy from such resources with environmentally acceptable processes. Accordingly, it is the policy of the Congress to facilitate such commercial development by authorizing the Chairman to guarantee loans for such purposes.

(b) In order to encourage the commercial production of energy from nonconventional energy resources, the Chairman is authorized to guarantee, and to enter into commitments to guarantee, banks or other financial institutions against loss of principal or interest on loans made by such institutions to qualified borrowers for the purposes of acquiring rights in such resources and performing exploration, development, and construction and operation of facilities for the commercial production of energy from such resources.

(c) Any guaranty under this title shall apply only to so much of the principal amount of any loan as does not exceed 75 per centum of the aggregate cost of the project with respect to which the loan is made.

(d) Loan guaranties under this title shall be on such terms and conditions as the Chairman determines: *Provided, however,* That a guaranty shall be made under this title only if—

(1) the loan involved is at a rate of interest which does not exceed the prevailing interest rates for conventional construction loans;

(2) the terms of such loans require full repayment within thirty years after the date thereof;

(3) in the judgment of the Chairman, the amount of the loan (when combined with amounts available to the qualified borrower from other sources) will be sufficient to carry out the project; or

(4) in the judgment of the Chairman, there is reasonable assurance of repayment of the loan by the qualified borrower of the guaranteed indebtedness.

(e) The Chairman shall not guarantee any loan for any project the amount of which exceeds $25,000,000, nor guarantee any combination of loans for any single qualified borrower in an amount exceeding $50,000,000.

SEC. 203. (a) With respect to any loan guaranteed pursuant to this title, the Chairman is authorized to enter into a contract to pay, and to pay, the lender for and on behalf of the borrower the interest charges which become due and payable on the unpaid balance of any such loan if the Chairman finds—

(1) that the borrower is unable to meet interest charges, and that it is in the public interest to permit the borrower to continue to pursue the purposes of his project, and that the probable net cost to the Government in paying such interest will be less than that which would result in the event of a default, and

(2) the amount of such interest charges which the Chairman is authorized to pay shall be no greater than an amount equal to the average prime interest rate for the preceding fiscal year as determined by the Secretary of the Treasury, plus one-half of 1 per centum.

(b) In the event of any default by a qualified borrower on a guaranteed loan, the Chairman is authorized to make payment in accordance with the guaranty, and the Attorney General shall take such action as may be appropriate to recover the amounts of such payments from such assets of the defaulting borrower as are associated with the project.

SEC. 204. No loan guaranties shall be made, or interest assistance contract entered into, pursuant to this title, after the expiration of the ten-calendar-year period following the date of enactment of this title.

SEC. 205. There is established in the Treasury of the United States an Unconventional Energy Resources Development Fund (referred to in this title as the "fund"), which shall be available to the Chairman for carrying out the loan guaranty and interest assistance program authorized by this title, including the payment of administrative expenses incurred in connection therewith. Moneys in the fund not needed for current operations shall be invested in bonds or other obligation of, or guaranteed by, the United States.

SEC. 206. There shall be paid into the fund the amounts appropriated pursuant to section 207 of this title and such amounts as may be returned to the United States pursuant to section 203(b) of this title, and the amounts in the fund shall remain available until expended: *Provided,* That after the expiration of the ten-year term established by section 204 of this title, such amounts in the fund which are not required to secure outstanding guaranty obligations shall be paid into the general fund of the Treasury.

SEC. 207. There are authorized to be appropriated (1) to the fund not to exceed $50,000,000 annually, and (2) such amounts as may be required for the administrative costs of carrying out the provisions of sections 201 through 206 of this title.

SEC. 208. Business-type financial reports, covering the operations of the fund shall be submitted to the Congress by the Chairman annually upon the completion of an appropriate accounting period.

COORDINATION OF FEDERAL ACTIVITIES IN UNCONVENTIONAL ENERGY RESOURCES EXPLORATION, RESEARCH, AND DEVELOPMENT

SEC. 209. The Congress, in consideration of the Federal responsibility for the general welfare, to facilitate commerce, to encourage productive harmony between man and his environment, and to protect the public interest, finds that the advancement of technology with the cooperation of private industry for the production of useful forms of energy from unconventional energy resources is important to all of those areas of responsibility. It is the policy of the Congress, therefore, to encourage and assist private industry through Federal assistance for the development and demonstration of practicable means to produce useful energy from such resources with environmentally acceptable processes. Such means shall accordingly include resource inventory, research, and financial and technical assistance in the construction of pilot plants and demonstration developments with the objective of reaching commercialization in the most timely and practicable manner.

SEC. 210. The Chairman, acting through the Geological Survey, is authorized and directed to—

(a) develop and carry out a general plan for the orderly inventorying of all forms of unconventional energy resources of the Federal lands and, where consistent with property rights and determined by the Chairman to be in the national interest, of non-Federal lands;

(b) conduct regional surveys, based upon such a general plan, using innovative geologic, geophysical, geochemical, and drilling techniques, which will lead to a national inventory of unconventional energy resources in the United States;

(c) publish and make available maps, reports, and other documents developed from such surveys to encourage and facilitate the commercial development of unconventional energy resources for beneficial use and consistent with the national interest;

(d) make such recommendations for legislation as may from time to time appear to be necessary to make Federal leasing policy for unconventional energy resources consistent with known inventories of various resources types, with the current state of technologies for such energy development, and with current evaluations of the environmental impacts of such developments; and

(e) participate with the Atomic Energy Commission, the National Aeronautics and Space Administration, and the National Science Foundation in research to develop, improve, and test technologies for the discovery and evaluation of all forms of such resources, and conduct research into the principles controlling the location, occurrence, size, temperature, energy content, producibility, and economic lifetimes of geothermal reservoirs and other such resources.

SEC. 211. The Chairman shall coordinate the development and implementation of the inventory authorized by section 210(a) and the applied research authorized by subsection 210(e) with applicable research and development program of the Atomic Energy Commission to insure that information is developed in a timely manner for the optimum progress of unconventional energy resources development.

SEC. 212. In preparing or implementing the resources inventory plan, the Chairman is authorized to—

(a) employ contractors and consultants;

(b) acquire by fund transfers the services of employees and facilities of other Federal agencies; and

(c) cooperate and enter into contracts with State, regional, and local governmental agencies and educational and research institutions.

SEC. 213. The Administrator of the National Aeronautics and Space Administration, hereinafter referred to as NASA, is authorized and directed to prepare and transmit to the Chairman within six months from the date of enactment of this title a proposal for the employment of space technologies and the services and facilities of NASA for inventorying and mapping of such resources.

SEC. 214. The Chairman is authorized and directed to transmit to the President and the Congress, not later than one year from the date of enactment of this title, the general plan including a schedule and objectives, for inventory of, and applied research on, such resources required by section 211, and each year thereafter a report on the status of activities authorized to be performed by the Chairman under the provisions of this title.

SEC. 215. (a) The Chairman, in cooperation with the Atomic Energy Commission and with private industry is authorized to—

(1) conduct, encourage, and promote basic and applied scientific research to develop effective, economical, and environmentally acceptable processes and equipment for the purpose of utilizing all forms of such resources for the production of useful energy forms;

(2) pursue the findings of research authorized by this title having potential applications in matters of other energy resources to the extent that such findings can be published in a form for utilization by others;

(3) conduct engineering and technical work including the design, construction, and testing of pilot plants to develop and improve unconventional energy resources processes and plant design concepts to the point of demonstration on a commercial scale;

(4) conduct laboratory and field experiments and tests of technologies necessary for the successful development of all forms of such resources;

(5) study methods for the reduction and elimination of undesirable environmental impacts of such resources development;

(6) study methods for the recovery and marketing of byproducts resulting from the production of energy from such resources; and

(7) undertake engineering and economic studies to determine the potential for energy from such resources to contribute to energy requirements on national and regional levels.

(b) The Chairman is authorized to coordinate the research and development activities authorized by this section with the activities of other Federal departments including research to insure the full utilization of expertise and information and to prevent duplication of efforts.

SEC. 216. (a) The Chairman is authorized to investigate, negotiate, and enter into cooperative agreements with non-Federal utilities, industries, and governmental entities for the construction, operation, and maintenance of demonstration developments for the production of electric or heat energy, water supplies, minerals or other forms of energy from such resources.

(b) No agreement shall be entered into under the authority granted by this section unless the Chairman determines that—

(1) the nature of the resource, the geographical location, the scale and engineering design of the facilities, the techniques of production, or other significant factors of the proposal offer opportunities to make important contributions to the general knowledge of such resources, the techniques of their development, or public confidence in the technology;

(2) the potential non-Federal cooperating entities are willing and capable to make contributions toward the capital cost of the development, to operate the facilities, and to provide a market for the energy produced;

(3) no benefits have been obtained through the loan guaranty provisions of this title and applied to development of any facility for which funding assistance pursuant to this section is proposed;

(4) the development or the practical benefits of the development as set forth in clause (1) of this subsection are unlikely to be accomplished without Federal assistance or through the assistance provided by this title; and

(5) the Federal investment in each such development project will not exceed $10,000,000.

(c) The Chairman is authorized to investigate potential agreements for the cooperative development of major facilities to demonstrate the feasibility of the production of energy from such unconventional energy resources and to submit engineering and financial proposals to the Congress for consideration of authorization to proceed with implementation of said proposals. The Chairman may consider—

(1) cooperative agreements with non-Federal governmental entities and utilities for construction of facilities to produce energy for commercial disposal;

(2) cooperative agreements with other Federal agencies for the construction and operation of facilities to produce energy for direct Federal consumption.

(d) Before favorably considering proposals under subsection (c) of this section, the Chairman must find that:

(1) the nature of the resource, the geographical location, the scale and engineering design of the facilities, the techniques of production, or other significant factor of the proposal offer opportunities to make important contributions to the general knowledge of such resources, the techniques of their development, or public confidence in the technology;

(2) the development or the practical benefits as set forth in clause (1) of this subsection are unlikely to be accomplished without such cooperative development; and

(3) where non-Federal participants are involved, the proposal is not eligible for adequate Federal assistance under the loan guarantee provisions of this title.

SEC. 217. There are authorized to be appropriated to remain available until expended to carry out the purposes of sections 210 through 216:

(a) $45,000,000 for fiscal years 1974, 1975, and 1976 to the Chairman; and

(b) such amounts as may be required in fiscal years 1974, 1975, and 1976 to NASA.

SEC. 218. As used in this title, the term—

(1) "qualified borrower" means any public or private agency, institution, association, partnership, corporation, political subdivision, or other legal entity which the Chairman has determined has presented satisfactory evidence of a property interest in an unconventional energy resource identified, in a manner acceptable to the Chairman, as being of sufficient interest for research objectives of the development and production of energy, and which has the financial responsibility to establish and operate, utilizing such resource, a commercial facility;

(2) "pilot plant" means an experimental unit of small size used for early evaluation and development of new or improved processes and to obtain technical and engineering data; and

(3) "demonstration development" means a complete facility which produces electricity, heat, or other forms of energy for commercial disposal from unconventional energy resources and which will make a significant contribution to the knowledge of full-sized technology, plant operation, and process economics.

TITLE III—JOINT COMMITTEE ON ENERGY

SEC. 301. (a) Section 201 of the Atomic Energy Act of 1946, as amended, is amended by deleting "Atomic".

(b) Section 202 of such Act, as amended, is amended to read as follows:

"SEC. 202. AUTHORITY AND DUTY.—The Joint Committee shall make continuing studies of the activities of the Atomic Energy Commission and the Office of Energy Research Management Project and of problems relating to the development, use, conservation, research, and control of energy. During the first ninety days of each session of the Congress, the Joint Committee may conduct hearings in either open or executive session for the purpose of receiving information concerning the development, growth, and state of energy industries. The Atomic Energy Commission and the Office of Energy Research Management Project shall keep the Joint Committee fully and currently informed with respect to all of the Office's and Administration's activities. The Department of Defense shall keep the Joint Committee fully and currently informed with respect to all matters within the Department of Defense relating to the development, utilization, or application of atomic energy. Any government agency shall furnish any information requested by the Joint Committee with respect to the activities or responsibilities of that agency in the field of energy. All bills, resolutions, and other matters in the Senate or the House of Representatives relating primarily to the Atomic Energy Commission or to the Office of Energy Research Management Project or to the development, use, conservation, or control of energy shall be referred to the Joint Committee. The Members of the Joint Committee who are Members of the Senate shall, from time to time, report to the Senate, and the members of the Joint Committee who are Members of the House of Representatives shall, from time to time, report to the House, by bill or otherwise, their recommendations with respect to matters within the jurisdiction of their respective Houses which are referred to the Joint Committee or otherwise within the jurisdiction of the Joint Committee.".

SEC. 302. On and after the effective date of section 301 of this Act, any reference in any law, rule, regulation, or other paper or document of the United States to the "Joint Committee on Atomic Energy" shall be deemed to refer to the "Joint Committee on Energy".

Mr. BELLMON. Mr. President, I modify my amendment No. 763 as follows:

Immediately after the material designated as section 115 of my amendment, insert a new section 115A as follows:

"ENVIRONMENTAL EVALUATION

"SEC. 115A. (a) The Council on Environmental Quality established under the provisions of the National Environmental Policy Act (83 Stat. 852) is authorized and directed to carry out a continuing analysis of the conduct of research and development of energy technologies to evaluate—

"(1) the adequacy of attention to energy conservation methods,

"(2) the adequacy of attention to the probable environmental effects of the application of technology, and

"(3) the adequacy of attention to environmental protection in connection with energy processes.

"(b) The Council on Environmental Quality, in carrying out the provisions of this section, may employ consultants or contractors and may by fund transfer employ the services of other Federal agencies for the conduct of studies and investigations.

"(c) The Council on Environmental Quality shall hold annual public hearings on the conduct of energy research and development and the probable environmental consequences of trends in the application of energy technology, and the transcrip of the hearings shall be published and made available to the public.

"(d) The Council on Environmental Quality shall make such reports to the President, the Chairman, and the Congress as it deems appropriate concerning the conduct of energy research and development, and the President as a part of the annual Environmental Policy Report required by section 201 of the National Environmental Policy Act (83 Stat. 854) shall set forth the findings of the Council on Environmental Quality concerning the conduct of energy research and development and the probable environmental consequences of trends in the application of energy technology."

I further modify my amendment to S. 1283 numbered 763 as follows:

Immediately before the period at the end of the material in my amendment designated as section 114, add the following words: "pursuant to this Act, each such detail to be without loss of seniority, pay, or other employee status".

I would further like to modify my amendment to S. 1283 numbered 763 as follows:

At the end of my amendment, add the following new section:

SEC. 303. Section 201 of the Atomic Energy Act of 1946, as amended, is amended (1) by deleting "nine" wherever it appears therein and inserting in lieu thereof "eleven"; and (2) by adding at the end thereof the following new sentence: "Of the eleven Members of the Senate, one shall be the Chairman of the Senate Committee on Interior and Insular Affairs and one shall be the ranking minority Member of such Committee. Of the eleven Members of the House of Representatives, one shall be the Chairman of the House Committee on Interior and Insular Affairs and one shall be the ranking minority Member of such Committee."

I also modify my amendment to S. 1283 numbered 763 as follows:

In lieu of the matter in my amendment designated as section 109(b), insert the following:

"(b) (1) There is hereby established in the Treasury of the United States a Competitive

Research and Development Price Support Fund. Moneys in such Fund shall be available to the Chairman for carrying out the price support program authorized by this Act, including the payment of administrative expenses incurred in connection therewith, and such moneys are hereby appropriated out of such Fund for those purposes.

"(2) For the fiscal year ending June 30, 1974, and for each of the next following four fiscal years, there shall be credited to the Competitive Research and Development Price Support Fund, subject to the provisions of section 2(c)(2) of the Land and Water Conservation Fund Act of 1965, all revenues due and payable to the United States, for each such fiscal year, for deposit in the Treasury as Outer Continental Shelf Lands Act up to $20,000,000 for each such fiscal year. For each fiscal year thereafter, there shall be credited to the Fund, subject to the provisions of section 2(c)(2) of the Land and Water Conservation Fund Act of 1965, from such revenues due and payable to the United States an amount sufficient to maintain a balance in the Fund of $100,000,000."

I further modify my amendment numbered 763 as follows:

The matter designated in my amendment as subsection (c) of section 117 is deleted.

The PRESIDING OFFICER. The amendment is modified accordingly.

Mr. BELLMON. Mr. President, I ask unanimous consent that Mr. Carl Kettler, of my staff, and Mr. Robert Louthian be permitted the privileges of the floor during the consideration of S. 1283.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BELLMON. Mr. President, I would like to congratulate the Interior and Insular Affairs Committee and Chairman JACKSON for having developed and brought to the Senate S. 1283. I believe this bill is intended to help solve not only the current critical energy shortage that the country faces, but, rather, intended to help us work ourselves out of the energy crisis that we have allowed to develop in our Nation over the long haul.

It is important that we take action to allocate the short supply of energy that we have, but, in my opinion, even more important——

Mr. ROBERT C. BYRD. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order.

Mr. BELLMON. Mr. President, I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

Mr. BELLMON. Mr. President, in my opinion, even more important is what we try to do to solve the energy crisis over the long haul. This is the intent, I believe, of S. 1283.

My intent in offering the substitute which we have developed is to strengthen S. 1283 and do this job even more effectively.

In introducing the substitute, I make no criticism of what the committee has done and support the concept of S. 1283. I am only trying to make it more effective.

The amendment I am offering in the nature of a substitute takes a far more direct approach than does S. 1283 as it was reported from the committee.

S. 1283 pays tribute to the Manhattan Project, which was responsible for developing atomic energy which now means so much to this Nation's defense and to our power supplies. But when we study the Manhattan Project and study S. 1283, we find that there is a great difference in the way the Manhattan District was set up from the way S. 1283 would operate.

The Manhattan Project was notable for the fact that it was a simple organization, that there was a direct line of authority from the President right down to the operating level. The District operated with an extremely small staff, generally, I believe, fewer than 10 people. It relied almost totally on the private sector. There was no involvement of Government except in the way of allocating the various priorities, the material required, the personnel, transportation facilities, and other necessary elements.

Also there was in the Manhattan Project various ways of avoiding or severing governmental red tape that got in the way of that essential defense effort.

As I read S. 1283, I find it is missing in all these vital elements. It has deficiencies. It appears to be a cumbersome approach to a problem that is going to have to have the very best this country can provide. It is going to take the ability of a decisionmaker who does not have to rely upon action of Congress or the various agencies in Government, nor contend with any committee or any Government officials who will have other concerns in solving the energy problem.

Under S. 1283 as it has been reported, such action will depend on the whims of future Congresses. While we realize that the mood of the country, while the Arab oil has been shut off, is to move ahead, it is conceivable to me that a few months or years from now, if Arab oil again begins to flow and we have an abundance and the price goes down, the interest of Congress could be reduced to the point where it would be impossible to get the kinds of actions and appropriations from Congress that would be an effective solution of the energy crisis of this country.

It is going to be impractical for the private sector to make the very large investments required in developing coal gasification or liquefaction unless those investors can be certain that the price of their product, once they get it for the market, will be adequate to provide a reasonable return on their investment.

As S. 1283 stands, in order for the price support function of the bill to operate, it will be necessary for the agency to come back to Congress year after year and get the appropriations.

Under the terms of my amendment, as modified, the funds necessary to carry on the price support program would be automatically available from the revenues received from the sale of leases on the Outer Continental Shelf or from the royalties that are paid from the leases that have already been developed.

Senate bill 1283, as reported by the committee, sets forth a program or rather the machinery to develop a program designed to meet the present and future energy needs of the United States. While the bill, as reported, in section 101(e), recognizes the need to approach the energy crisis on a so-called "Manhattan Project" approach, I believe that the approach provided by my amendment more closely parallels the Manhattan Project concept in that it imposes in a single individual the duty to immediately commence the establishment and carrying out of a program to meet and resolve the present and future energy needs of the United States, and imposes the immediate authority in that individual to carry out such duty.

One of the problems of S. 1283 is that there are built-in delays which would certainly frustrate the efforts of any manager or director, for many, many months, and make the impact of this legislation felt only after several years have gone by.

The effect of my amendment is to put the program into action almost immediately so that we would have results in time to help in the resolution of the immediate energy crisis as well as to help solve it on a permanent, lasting basis.

The individual heading up such a program would have sufficient legislative authority, under the terms of my substitute, to act without waiting on his recommendations to be considered and, in some instances, approved by the Congress. Thus, while he would be carrying out the basic directions contained in the committee-reported bill, one of the basic differences between my amendment and that of the committee is that, under my amendment, the authority to carry out such directions is imposed in a single individual and the authority given him is such that he can act "now" in carrying out that direction.

My amendment emphasizes the authority of the chairman to enter into contracts with the private sector pursuant to which the private sector, with Federal assistance, is authorized to design, construct, and operate full scale, commercial-size facilities to produce energy, not only from geothermal resources, but from other so-called unconventional sources of energy, such as oil shale, coal gasification, solar power, tidal power, and so forth, as provided in section 108 and title 2.

I might say that already in this country there are processes for liquefying and gasifying gas that have been tried and proven on a pilot basis. I have had the opportunity of visiting the project carried on under the auspices of the Office of Coal Research at Princeton University. This project is under contract with the Food Machinery Corp. They have been able to produce considerable quantities of both natural gas and crude oil from coal.

Recently oil from this project was used in a Navy destroyer, the U.S.S. *Johnson*, which operated for 30 hours in the Atlantic, testing the use of a coal-derived synthetic crude oil as the fuel to power the ship's engines. This was the first ship in history to use coal-derived oil as fuel.

Men on board reported the oil performed totally satisfactorily as a fuel and in a manner indistinguishable from the standard fuel oil used by the Navy.

The pilot plant was built by Food Machinery Corp., in mid-1970 at a cost of $5 million, which was funded by the Office of Coal Research. Under that process, 36 tons of coal can be processed daily to produce approximately 36 barrels of synthetic crude oil, 324,000 cubic feet of 400 to 500 Btu gas, and 18 tons of char which is an ideal fuel for power generation

This figures out to be 1 barrel of oil, 9,000 cubic feet of gas and one-half ton of char from each ton of coal.

Mr. President, I have a report on the FMC project. It is about four pages long.

I ask unanimous consent that it be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. BELLMON. Mr. President, the point of my calling attention to what has been done at Princeton is to show that we are far past the time when we need additional research on coal gasification, although perhaps some would be in order However the time has come to put a project like this—and this is only one of them—on a commercial basis and get it into production on a scale large enough to make an impact on the Nation's energy situation.

There is no point in waiting for the energy processes that have been developed at Princeton and other projects. The only thing lacking is the economic incentive which would cause these investors to get a reasonable return on the very sizable expenditures these plants require.

S. 1283 as introduced provides the hope for this kind of price guarantee. However, it will depend upon the decisions of many people and also on whether or not Congress will authorize funds to pay these price supports when they are due to the companies and owned by the Federal Government.

The private sector had some rather disastrous experiences in dealing with the Federal Government on the basis of what the Congress may finally do with respect to the helium project that has been carried on in Kansas and Oklahoma.

It was discovered that the euton gas contains the richest helium concentration of any gas known on the face of the earth. So, the Government encouraged several private companies to build helium recovery plants in the basin so that the helium could be stripped from the gas.

After the contracts had been entered into, someone at the Office of Management and Budget decided that we had enough helium stored away. That decision ended the project and left the plants that had been built with the assurances of the Federal Government that the product was going to be purchased by the Government with no further purpose to exist.

The case involving this project is now in the courts. This is another situation where the plants will be taken out of action or junked long before they had done the job for which they are designed.

On the basis of that and on the basis of the experience the private sector has had in other similar cases, it is doubtful that the private sector is going to rush in to build the kind of energy plants that are anticipated by S. 1283.

My amendment as modified would provide the fund for the price guarantees that are anticipated under S. 1283 from the revenues of the Outer Continental Shelf without waiting for appropriation by the Congress which would be far more likely to secure the kind of investments that we must have if this country is going to work its way out of the present energy crisis.

In general, the difference between my amendment and the bill as it came from the committee is that my amendment places greater reliance upon the private sector. It takes the Government corporations completely out of it and gives assurance that any materials needed by the private sector to help our country work out of the energy crisis will become available on the order of the President.

It also guarantees that the companies that enter into a contract with the Government in good faith will not have those contracts abrogated by the failure of the Congress to appropriate the funds required.

Mr. President, every Member of the Congress is concerned over whether or not sufficient funds are available from the Outer Continental Shelf land.

I have available a tabulation which shows the money received by the Federal Government from the sale of leases in 1972 and prior years. These are the latest figures I was able to obtain. It is anticipated that these sales will be greater in the future than they have been in the past. However, from the figures for 1972, we find two sales that were conducted. The first was on the sale of Louisiana lands on the 12th day of September. The sale of the leases brought a total $585,827,925.

On the 19th day of December 1972, another lease sale was held. And that lease brought into the Federal Treasury $1,665,519,631.

Now, in addition to the periodic sale of leases, there is also a great deal of money collected from the royalties on the leases that have already been developed. That amounts to about $340 million. Whether this is from oil or gas or both, again that fund is going to continue to grow in size as more and more offshore oil leases are developed.

Mr. President, I believe that Senators can see that taking $20 million out of these revenues, as my amendment proposes to do, would not seriously deplete those revenues. It would assure that with the requirement for price guarantees developed, we would have available in the Treasury a sufficient amount of money to take care of those expenditures without having to wait for the Congress to act.

There is a great deal more to be said about the differences in the bill.

I would be happy to answer any questions that anyone would have. However, I would like to make the point again that I feel—and I believe that the Senate feels—that we do have an extremely critical situation facing the country not only for the winter and for the next few months, but also for the period of time between now and 1980 and perhaps beyond.

The President has already stated it as the policy of this administration to take the actions necessary to give this country self-sufficiency in energy by 1980. The purposes of S. 1283, as introduced, was to make our country self-sufficient in energy within a decade.

If we are to accomplish these objectives, we must have available to the private sector the means to get materials, to get capital, to have access to Federal lands where much of our fossil fuels are located, and to get on with the job without depending on the Congress or for the generally delayed action of the Federal bureaucracy.

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

EXHIBIT 1

NAVY FUELS DESTROYER WITH FMC'S SYNTHETIC CRUDE OIL DERIVED FROM COAL

PHILADELPHIA, PA., November 20, 1973.—The Navy's destroyer USS *Johnson* returned home late Friday afternoon to its base in Philadelphia after a 30-hour cruise in the Atlantic testing the use of a coal-derived synthetic crude oil as the fuel to power the ship's engines. This was the first ship in history to use coal-derived oil as fuel.

Men on board reported the oil performed totally satisfactorily as a fuel and in a manner indistinguishable from the standard fuel oil used by the Navy.

The synthetic crude oil was manufactured by FMC Corporation at the government's COED pilot plant located at FMC's Chemical Research and Development facility in Princeton, N.J.

COED (Char-Oil-Energy-Development) is a process developed by FMC, under contract to the U.S. Department of Interior's Office of Coal Research (OCR), to convert coal to a synthetic crude oil, medium BTU gas, and a char. OCR directed FMC to operate the COED pilot plant to produce the oil for the Navy test as part of the overall OCR experimental program.

The process is essentially a pyrolysis or a "cracking process" in which the coal is crushed then decomposed by heat to produce a heavy oil that is subsequently treated with hydrogen under pressure to make the synthetic crude oil. The medium BTU gas is an "off gas" of the pyrolysis, and the char is what remains of the coal after processing.

At the COED pilot plant, built by FMC in mid-1970 at a cost of $5 million which was funded by OCR, 36 tons of coal can be processed daily to produce approximately 36 barrels of synthetic crude oil, 324,000 cubic feet of 400 to 500 BTU gas, and 18 tons of char. This calculates to 1 barrel of oil, 9000 cubic feet of gas, and ½ ton of char from each ton of coal.

Although these end products are useful in themselves, with further processing their uses increase. For example, the raw synthetic crude oil can be used by industry as fuel for boilers, especially by electrical power plants to generate electricity; but if further processed, the oil can be converted to a full line of petroleum type products such as high-octane gasoline, diesel oil, and home heating oils.

The 400–500 BTU gas can also be used as industrial fuel and, again, especially by the electrical power plants; however, with further

processing the gas can be upgraded to a high BTU synthetic pipeline gas used for home heating and cooking. It also can be converted to hydrogen for industrial uses.

The char, too, can be used as a fuel by electrical power plants. If the char came from low-sulfur coal, no sulfur pollution problem would be incurred; but if the char was derived from high-sulfur coal, pollution control devices to remove the sulfur from the boilers' emissions would be required in some states. However, the high-sulfur char, by further processing, can be converted to fuel gas which can be scrubbed clean of sulfur and will then burn pollution-free in the power plants.

Project COED has been in existence since 1962 and OCR has funded the project from its inception. However, FMC is currently searching for industry support to co-fund final engineering on the project which is now approaching commercialization. FMC is confident that the COED process is technically feasible but commercial development depends on the commitment of industry.

FMC expects that, if Project COED progresses according to plan, a commercial plant could be in operation by the end of the 70's. Apparently, the electrical utility companies are logical consortium members in a venture to build the first commercial plant, because they can use all three end products as fuel: the oil, the gas, and the char. And, if low-sulfur coal is processed in the commercial plant, there will be no sulfur pollution obstacles; however, if high-sulfur coal is processed, much of the resulting high-sulfur char will need upgrading to become clean fuel gas before it can be used in some states. Consequently, at this time, FMC is talking with a number of electrical power companies to obtain their financial support to develop further the process of converting high-sulfur char to a suitable sulfur-free fuel gas for generating electrical power.

A commercial plant processing 25,000 tons of coal per day would daily produce 25,000 barrels of oil, plus 225 million cubic feet of medium BTU gas, and 12,500 tons of char.

This total freedom would fulfill the wish of the Undersecretary of the Navy William Mittendorf 3rd, chairman of the Navy's energy council, who said, "It's the goal of the Navy to be completely free of importation and blockading of fuel for our vessels and aircraft."

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

Mr. JOHNSTON. I yield to the Senator from West Virginia.

LIMITATION OF TIME ON S. 2767, RAIL SERVICES ACT OF 1973

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when S. 2767, a bill 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, is called up and made the pending business before the Senate, there be a time limitation on the bill of 6 hours to be divided between the Senator from Indiana (Mr. HARTKE) and the Senator from Maryland (Mr. BEALL); that there be an additional 3 hours for debate on the bill to be under the control of the distinguished senior Senator from Virginia (Mr. HARRY F. BYRD, JR.); that there be 2 hours on an amendment by the Senator from Maryland (Mr. BEALL); that there be 1 hour on any other amendment, and one-half hour on any amendment to an amendment, 20 minutes on any debatable motion or appeal, and that the agreement be in the usual form, which means in this instance, notwithstanding the fact that the Senator from Maryland (Mr. BEALL) has been identified with a particular amendment, that that amendment, as well as all other amendments, must be germane.

Mr. GRIFFIN. Mr. President, reserving the right to object, I just want the RECORD to indicate that this unanimous-consent request has been cleared with the ranking minority member of the Commerce Committee, the Senator from New Hampshire (Mr. COTTON), as well as the Senator from Maryland (Mr. BEALL), and others who have a primary interest.

Mr. ROBERT C. BYRD. I thank the Senator. Mr. President, may I say that I have cleared this agreement on this side of the aisle with Mr. HARTKE, Mr. MAGNUSON, Mr. HARRY F. BYRD, JR., and my lovable friend from Alabama (Mr. ALLEN).

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

NATIONAL ENERGY RESEARCH AND DEVELOPMENT POLICY ACT OF 1973

The Senate continued with the consideration of the bill (S. 1283) to establish a national program for research, development and demonstration in fuels and energy and for the coordination and financial supplementation of Federal energy research and development: to establish development corporations to demonstrate technologies for shale oil development, coal gasification development, advanced power cycle development, geothermal steam development, and coal liquefaction development; to authorize and direct the Secretary of the Interior to make mineral resources of the public lands available for said development corporations; and for other purposes.

Mr. JOHNSTON. Mr. President, I wish to commend the distinguished Senator from Oklahoma for his great interest in the subject of energy research and development. He is certainly correct when he emphasizes the importance of this research and development to this Nation. As the President has said, being energy self-sufficient in 1980 is a top priority for the United States. So, in the sense that this amendment is intended to make us energy self-sufficient, we are in accord with that feeling.

However, Mr. President, the bill now under consideration, S. 1283, first was offered and sent to the Committee on Interior and Insular Affairs on March 18. Literally hundreds of hours, days of committee hearings, and tremendous amounts of background material have been digested and read and the product resultant is S. 1283.

The substitute amendment called for by the Senator from Oklahoma, 31 pages in length, as well as additional pages of modifications, would make vast changes in this laboriously detailed and considered bill. Just to give one example of the far-reaching changes, Mr. President: The Atomic Energy Committee has been changed to the Joint Committee on Energy. That constitutes a vast change in the Legislative Reorganization Act, with overlapping committee jurisdictions of virtually every committee in this Congress, changing tremendously the methods by which R. & D. actions in the United States are funded, channeled, circumscribed, and directed.

Mr. President, we think this amendment has not been considered fully. Indeed it has not been considered at all by those committees charged with the responsibility for it, and for that reason, Mr. President——

Mr. JACKSON. Mr. President, will the Senator yield?

Mr. JOHNSTON. I yield to the Senator from Washington.

Mr. JACKSON. Mr. President, I associate myself with the remarks of the able Senator from Louisiana. I have a very high regard for the sincerity and the dedication of the Senator from Oklahoma, and for his position on various energy matters. During the time that he served, at least some 4 years, on the Committee on Interior and Insular Affairs, he was a very valuable member, greatly assisting the committee.

But I would point out that the substitute amendment really covers a multitude of legislative matters. The able Senator from Louisiana just mentioned the question of, really, what amounts to legislative reorganization, the setting up of a joint committee on energy.

I happen to serve on the Joint Atomic Energy Committee, and that committee then would take over the jurisdiction, in effect, of half of the committees of the Senate and half of the committees of the House of Representatives. I am sure that we would all agree that there might be a minor disturbance on the floor of the Senate if that matter were fully understood by the Members in connection with this amendment.

It is obviously subject matter that should be considered by the Rules Committee. We can go all the way down the list, and point out that the topics included in the substitute amendment should be carefully considered by other committees. I believe there is one on the Outer Continental Shelf in connection with trust funds which is now being considered by the able senior Senator from Louisiana (Mr. LONG) in the Finance Committee. We are going to hold hearings on that matter on December 18 in the Committee on Interior and Insular Affairs.

I merely mention these things to point out how complicated the problem is, and I conclude my remarks by simply saying that I do appreciate the dedication and the determination of the Senator from Oklahoma to do something in this area, but I believe it would be a serious mistake to attempt to adopt a total substitute for this bill, covering as it does so many and, may I say, such diverse subjects, which should be subjected to committee consideration by the responsible committees.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. JACKSON. I yield to the Senator from Rhode Island.

Mr. PASTORE. Mr. President, I am addressing myself to the amendment

(No. 769) which has been sponsored by the distinguished Senator from Oklahoma, and which has to do alone with the energy joint committee.

I want to say, at this juncture, that I think that the Senator from Oklahoma is on to a brilliant idea. It is a step in the right direction. But I daresay that the time has not come for it; at some later time I think it ought to be given very serious consideration.

The crash program with relation to the energy crisis has been compared to the Manhattan project. The Manhattan project was one that came under the Joint Committee on Atomic Energy, and it was because we had a joint committee, consisting of 18 members, 9 from the House and 9 from the Senate, that we did not get ourselves into these disputes which usually take place when you have a separate committee in the House and a separate committee in the Senate. It has been very, very effective.

If it had not been for the Joint Committee on Atomic Energy, we would not have explored and we would not have had the hydrogen bomb. At the time that the hydrogen bomb was being considered, one-half of the scientific community was against it, because they said it was unnecessary, and the other half was for it. It was only because the members of the joint committee went down to see President Truman that he gave the go-ahead sign; and 1 year after we achieved the hydrogen bomb, the Russians did the same.

Mr. JACKSON. Less than a year.

Mr. PASTORE. Less than a year; the Senator is helping me out. If it had not been for the joint committee, the primacy in atomic energy would not today belong to the United States of America.

I am saying if we are going to do this job, maybe a joint committee is the answer. The only thing I say to my friend from Oklahoma is that we have to be a little realistic about this. It may be well to debate it today on the floor of the Senate. Some consideration is now being given by the House to a reorganization plan. Discussions have been had, even with the Senator from Washington.

I think at some juncture we have to come together and resolve this issue, but, while I do congratulate the Senator from Oklahoma, I would hope he would not press the matter at this time, because we will not get anywhere with it, and I would not want to give it a black eye. I do not want to give it a black eye at this time by having it defeated, because I think his idea is too good to go down in dismal defeat because of the fact that it might be a little too soon to do it.

I want to say this in conclusion: We have a tremendous scientific community. We have Hanford, which is in the State of the Senator from Washington. We have Los Alamos, in New Mexico. We have Argonne, right out of Chicago. We have Livermore out there in California. We have Sandia in New Mexico. We have a whole host of the best scientists in the world who are presently under contract.

I say if we are ever going to straighten out this matter of research, we need the brains of these scientists, and we have already got them under contract by the AEC. So I say to my distinguished friend from Oklahoma that I join him in his idea, but I am afraid it is a little too soon. I would hope the Senator would not press it, because I do not want to see it defeated, because it will be defeated.

Mr. BELLMON. I thank the distinguished Senator from Rhode Island but let me say to him that this is not anything new. This amendment was introduced over a year ago. It was introduced as a bill. It has been languishing somewhere. It is being considered today as part of a substitute for S. 1283 and it was felt it was proper to be taken up in this bill.

I wonder whether the author of the bill knows how many committees are involved in one facet or another of the energy question.

Mr. PASTORE. I believe it stretches over six to eight committees—a little bit everywhere. That is the trouble with it. It is disjointed. Some day we have got to pull it together. What the Senator from Washington is doing under the bill, he is not addressing himself to the ultimate responsibility. He admits that. What he is doing is to put research and development under one head. For the most part it is being relegated to the Atomic Energy Commission.

Mr. JACKSON. No; the Atomic Energy Commission will play a major role for the reasons that the Senator from Rhode Island has so ably stated—laboratories, talent, know-how—but the bill provides for an interim arrangement until a decision is made on a permanent management organization for research and development.

Mr. PASTORE. I hope we are not making any commitment apart from the fact that this is merely a temporary solution.

Mr. JACKSON. The Senator is correct. It so states in the bill. In the latter part of the bill there is a section which deals with that aspect of organization, saying that the proposed organization is interim and that it is subject to review by the President for future reorganization. The point is that we cannot delay the research and development decision simply to perfect for all times its permanent administration. To do so would be at the expense of that valuable time, time we cannot afford to lose. It is that simple. So we provide an interim organization until a final decision on a permanent organization can be made.

Mr. PASTORE. As I understood the Senator, for the simple reason that this is spread out over so many jurisdictions we cannot get agreement.

Mr. JACKSON. There are on the order of 52 Government agencies involved in energy matters.

Mr. PASTORE. I understand. That is the reason for this being temporary.

Mr. BELLMON. Mr. President, I do not know when the right time to go ahead all together is going to be. But when we have a crisis such as we have now, and we are thinking about the concern of the country, which could be cold and dark this winter, perhaps we can go ahead and get some of these diverse groups to work together.

Mr. PASTORE. There is a bill over in the House being worked on by Representative HOLIFIELD that does precisely more or less that, that is what the Senator from Oklahoma is now proposing. So I think that we should wait for that bill to clear the Senate. It is in the mill. There is no question about it, it is in the mill. The only trouble is, do not disturb it, do not rock the boat, because if this takes a bad licking here, we will damage the reorganization bill. That is what I am talking about.

Mr. BELLMON. Does the Senator have any time schedule when the bill may come here, because we are now in the final days of this session——

Mr. PASTORE. I cannot speak for Representative HOLIFIELD but I understand that he has been working on this for months and months and months, and he is just as anxious as the Senator from Oklahoma and I are. So let us wait. Let us wait, if the Senator really means it. Let us wait.

If I thought for 1 minute that the Senator could pass his amendment, I would vote for it. But we are not going to pass this amendment today. That is what frightens me. If the vote goes out recorded as, say, 67 against and only 20 for, we have already given reorganization a black eye, and I do not want that to happen.

Mr. BELLMON. One of the reasons for taking this approach in my substitute is that on page 68 of the bill, section 106 (a), we see how much of a built-in delay this bill will entail so far as research and development is concerned. First, there is a 6 months' delay while the chairman makes his recommendations for research strategy.

Then, further on in the bill, on page 70, line 14, there is another year's delay as to research strategy and priorities designed to achieve solutions to the middle term, which is in the early 1980's to the year 2000.

Then, on page 71, line 20, there is another total 18 months' delay.

That is the kind of fooling around this Government has been doing ever since I came to Congress. Now, here we are, going to build another 2-year delay or thereabouts.

I am convinced, as the distinguished Senator from Rhode Island has been convinced, that we have the technology and the resources, we have the capital, and now we have the great need, so that I think we should get on with it. I see no point in building in a 2-year delay while we develop the mechanisms for making the decisions which would give the private sector both the resources or the access to our Government lands, the technology and the capital they need, and the assurances to go ahead and do the job. They will not do the job in the process and that is the whole purpose of my substitute which I had offered.

I appreciate what the distinguished Senator from Rhode Island has said, that without the Atomic Energy Commission we would be way behind the rest of the world, just as we are now behind in other forms of energy. To use the Atomic Energy Commission is the right way to solve the problem.

Mr. JOHNSTON. Mr. President, I ask for the yeas and nays on the tabling motion—I move to table——

Mr. PASTORE. Mr. President, before the Senator moves to table, with a very heavy heart I am going to move the motion to table because I can justify it on the ground that the time has not come. So I think at this moment, if the Senator from Louisiana (Mr. JOHNSTON) would permit me, I shall be the one to move to table, for the reasons I have stated.

Mr. BELLMON. If the Senator would withhold for one moment, I believe the Senator may be under a misconception. The amendment he is addressing himself to is No. 769. That is not the amendment now before the Senate.

Mr. PASTORE. But the Senator includes that amendment in his substitute. That is the point. I do not want to give it a black eye.

Mr. President, I move to table the amendment of the Senator from Oklahoma.

Mr. JOHNSTON. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to table the amendment of the Senator from Oklahoma.

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Montana (Mr. METCALF), and the Senator from Utah (Mr. Moss) are necessarily absent.

I further announce that the Senator from Rhode Island (Mr. PELL) is absent on official business.

I also announce that the Senator from Missouri (Mr. SYMINGTON) is absent because of illness.

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from Tennessee (Mr. BROCK), the Senator from New York (Mr. BUCKLEY), and the Senator from Florida (Mr. GURNEY) are necessarily absent.

The Senator from Arizona (Mr. GOLDWATER) is absent by leave of the Senate on official business.

The Senator from Nebraska (Mr. CURTIS) is absent by leave of the Senate.

The Senator from Oregon (Mr. PACKWOOD) is absent on official business.

If present and voting the Senator from Nebraska (Mr. CURTIS) would vote "nay."

The result was announced—yeas 71, nays 17, as follows:

[No. 560 Leg.]

YEAS—71

Abourezk	Church	Hatfield
Allen	Clark	Hathaway
Bayh	Cranston	Hollings
Beall	Domenici	Huddleston
Bennett	Eagleton	Hughes
Bentsen	Eastland	Humphrey
Bible	Ervin	Inouye
Biden	Fannin	Jackson
Brooke	Fong	Javits
Burdick	Gravel	Johnston
Byrd, Robert C.	Hansen	Kennedy
Cannon	Hart	Long
Case	Hartke	Magnuson
Chiles	Haskell	Mansfield
Mathias	Nunn	Stafford
McClellan	Pastore	Stennis
McClure	Percy	Stevenson
McGee	Proxmire	Taft
McGovern	Randolph	Talmadge
McIntyre	Ribicoff	Tunney
Mondale	Saxbe	Weicker
Montoya	Schweiker	Williams
Muskie	Scott, Hugh	Young
Nelson	Sparkman	

NAYS—17

Aiken	Dole	Scott, William L.
Bartlett	Dominick	Stevens
Bellmon	Griffin	Thurmond
Byrd, Harry F., Jr.	Helms	Tower
Cook	Hruska	
Cotton	Pearson	
	Roth	

NOT VOTING—12

Baker	Fulbright	Moss
Brock	Goldwater	Packwood
Buckley	Gurney	Pell
Curtis	Metcalf	Symington

So Mr. PASTORE's motion to table Mr. BELLMON's amendment was agreed to.

Mr. HANSEN. Mr. President, although I voted to table the amendment sponsored by the distinguished Senator from Oklahoma, I do, in fact, support the philosophy underlying parts of it. I refer particularly to the thrust of the amendment which would place the greater burden of developing new energy technologies on the private sector. In our opening statements yesterday we stressed the importance of the role of private industry. The Government itself cannot solve the energy crisis. Private industry must do the job.

We stressed this in the bill and in the report. I call my colleagues' attention to the remarks of the Senator from Arizona (Mr. FANNIN) at the outset of yesterday's debate. He repeated and repeated the need for private industry to do the job.

Thus, I am in agreement with the intent of the Senator from Oklahoma insofar as the role of the private sector is concerned.

Mr. BELLMON. Mr. President, I have an unprinted amendment at the desk and I ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

On page 80, strike out lines 12 through 17 and insert in lieu thereof the following:

"(f) (1) There is hereby established in the Treasury of the United States a Competitive Research and Development Price Support Fund. Moneys in such Fund shall be available to the Chairman for carrying out the price support program authorized by this Act, including the payment of administrative expenses incurred in connection therewith, and such moneys are hereby appropriated out of such Fund for those purposes.

"(2) For the fiscal year ending June 30, 1974, and for each of the next following four fiscal years, there shall be credited to the Competitive Research and Development Price Support Fund, subject to the provisions of section 2(c)(2) of the Land and Water Conservation Fund Act of 1965, all revenues due and payable to the United States for each such fiscal year for deposit in the Treasury as miscellaneous receipts under the Outer Continental Shelf Lands Act up to $20,000,000 for each such fiscal year. For each fiscal year thereafter, there shall be credited to the Fund, subject to the provisions of section 2(c)(2) of the Land and Water Conservation Fund Act of 1965, from such revenues due and payable to the United States an amount sufficient to maintain a balance in the Fund for each such fiscal year $100,000,000.

ORDER OF BUSINESS

Mr. HUGH SCOTT. Mr. President, will the Senator from Oklahoma yield without losing his right to the floor so that I may propound a question to the distinguished majority leader having to do with the time at which we expect to take a recess today?

Mr. BELLMON. I yield to the distinguished Senator.

ANNOUNCEMENT ON PROPOSED RECESS—PROGRAM

Mr. MANSFIELD. Mr. President, the latest information is that the Senate will depart from the Chamber to the Hall of the House of Representatives somewhere between 4:30 and 5 p.m., and as of now it looks like it might be closer to 5 p.m.

After the ceremonies are concluded in the House Chamber, and they will be brief, the Vice President will lead us back to our own Chamber.

Mr. HUGH SCOTT. At that time I understand the distinguished majority leader and I will engage in a brief colloquy when the Vice President ascends the rostrum, and that, perhaps, a request will be made for unanimous consent that the Vice President may briefly address the Senate.

Mr. MANSFIELD. The distinguished Republican leader and I have discussed that and agreed that that will be done, the Senate concurring.

Mr. HUGH SCOTT. Therefore, it is hoped that Senators will be present, if they can, in order to hear the first and last time the Presiding Officer will be allowed to say anything.

Mr. President, would the distinguished majority leader tell me the remaining business for today, for Friday, and on down the road?

Mr. MANSFIELD. Yes; first, let me say that it is my understanding that we have three, four, or maybe five votes remaining on the pending business.

As the Senator knows, S. 1868 is the chrome bill, and that is the unfinished business.

We would like on Monday, if at all possible, to get to H.R. 8449, the national flood insurance program.

We would like also, on that day, to take up the bills having to do with a Special Prosecutor.

Following that, we have an agreement to take up the railroad bill, affecting the midwest and northwest railroads of the United States.

Also, the Senator from Washington (Mr. JACKSON) informs me that an agreement has been reached among the managers of the various bills involved, covering S. 2176, to provide for a national fuels and energy conservation policy, to take them up next week.

It is hoped that we will be able to get to H.R. 8214, to modify the tax treatment of members of the Armed Forces.

Then, at some unspecified time, whenever the opportunity arises, the leadership would like to turn to the consideration of S. 2686, to amend the Economic Opportunity Act of 1964 to provide for

the transfer of the legal services program from the Office of Economic Opportunity to a Legal Services Corporation.

It is anticipated that tomorrow the Senate will continue with the pending business. It is hoped that we can finish the bill and thereby avoid a Saturday session. I have raised the question of a Saturday session because it is our hope that it will be possible to adjourn the 1st session of the 93d Congress 2 weeks from tomorrow, this coming Friday or, at the least, this coming Saturday—either the 21st or the 22d.

It is anticipated, if things go according to Hoyle, that we will take a reasonably long recess before the 2d session of the 93d Congress begins.

Also, we will have a conference report on military construction either tomorrow or Monday, and a conference report on the health maintenance organization bill.

I do not know the status of the conference report on District of Columbia home rule, except that an agreement has been reached.

All these items must be taken up in the House first.

Then we will have the Israel-Cambodia bill, on which I understand hearings will begin around the middle part of next week.

We will also have the defense appropriation bill, which will be a humdinger and will cause a certain amount of debate.

I hope that it would be possible at an early date to take up the Saxbe emoluments bill, so that we could clear the way for the President to send the nomination to the Senate. The distinguished Senator from West Virginia (Mr. ROBERT C. BYRD), the assistant majority leader, has indicated that he is giving consideration, so that there will not be too much of a holdup, to possibly asking the President to submit the nomination anyway, so that we could start hearings next week. That is a matter to be decided.

Mr. HUGH SCOTT. I hope that that could be done, once we dispose of the emoluments bill.

Mr. ROBERT C. BYRD. Mr. President will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. ROBERT C. BYRD. I stated to the distinguished majority leader earlier today that pending final action on the emoluments bill—there seem to be problems with the bill—and in order that the Judiciary Committee could, in the meantime, proceed with its hearings on the nomination and thus avoid, as much as possible, delaying final action on the nomination, the President might be agreeable to submitting the nomination of Mr. SAXBE to the Senate immediately, so that the Senate could be operating on a double track, so to speak, in regard to the nomination.

Mr. HUGH SCOTT. Mr. President, if the Senator will defer, I believe the Senator from Wyoming (Mr. MCGEE) has some enlightening dispatch from the front.

Mr. ROBERT C. BYRD. Very well.

Mr. MANSFIELD. Mr. President, will the Senator from Oklahoma yield for that purpose, without losing his right to the floor?

Mr. BELLMON. Mr. President, I yield for that purpose.

ATTORNEY GENERAL'S COMPENSATION AND USE OF FRANKING PRIVILEGE

Mr. McGEE. Mr. President, I bring tidings of hope.

Mr. HUGH SCOTT. And good cheer.

Mr. McGEE. The House and Senate have worked out an understanding to do one thing at a time, and therefore the agreement is to propose to separate the House amendment from the Saxbe nomination so that we have a clean nomination, and the Senate can consent to the other, and this without delay between the two appropriate committees, the Post Office and Civil Service Committee affecting the franking privilege, and therefore we could amend the Saxbe bill this very minute, or in the next 5 minutes, and that would move it, I think, without delay.

Mr. HUGH SCOTT. Mr. President, if the Senator is prepared to call it up, I am sure the Senator from Oklahoma has no objection.

Mr. BELLMON. Mr. President, I ask unanimous consent that I may withhold my amendment for that purpose.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senator from Oklahoma will hold the floor when action on this matter is completed.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McGEE. Mr. President, I ask that the Chair lay before the Senate H.R. 11710, to insure that the compensation and other emoluments attached to the Office of Attorney General are those which were in effect on January 1, 1969, to amend title 39, United States Code, to clarify the proper use of the franking privilege by Members of Congress, and for other purposes.

The PRESIDING OFFICER laid before the Senate the bill (H.R. 11710), to insure that the compensation and other emoluments attached to the Office of Attorney General are those which were in effect on January 1, 1969, to amend title 39, United States Code, to clarify the proper use of the franking privilege by Members of Congress, and for other purposes, which, by unanimous consent, was read twice by title.

The PRESIDING OFFICER. Without objection, the Senate will proceed to its consideration.

Mr. McGEE. Mr. President, I move to strike out all after the enacting clause of H.R. 11710 and insert in lieu thereof the following——

The PRESIDING OFFICER. Will the Senator send the amendment to the desk?

Mr. McGEE. As soon as I read what it says to myself, to make sure that is what I want to send up there. I just came fresh, hot off the griddle.

Mr. HUGH SCOTT. I am sure the Senator is not waffling.

Mr. McGEE. No, no. I am just looking at the attached sheet. It says, "Look at the second sheet."

Mr. President, I send the proposed amendment to the desk.

The PRESIDING OFFICER. The clerk will read the amendment.

The legislative clerk read as follows:

Strike out all after the enacting clause and insert in lieu thereof:

That the compensation and other emoluments attached to the Office of Attorney General shall be those which were in effect on January 1, 1969, notwithstanding the provisions of the salary recommendations for 1969 increases transmitted to the Congress on January 15, 1969, and notwithstanding any other provision of law, or provision which has the force and effect of law, which is enacted or becomes effective during the period from noon, January 3, 1969, through noon, January 2, 1975.

SEC. 2. (a) Any person aggrieved by an action of the Attorney General may bring a civil action in the appropriate district court to contest the constitutionality of the appointment and continuance in office of the Attorney General on the ground that such appointment and continuance in office is in violation of article I, section 6, clause 2, of the Constitution. The United States district courts shall have exclusive jurisdiction, without regard to the sum or value of the matter in controversy, to determine the validity of such appointment and continuance in office.

(b) Any action brought under this section shall be heard and determined by a panel of three judges in accordance with the provisions of section 2284 of title 28, United States Code. Any appeal from the action of a court convened pursuant to such section shall lie to the Supreme Court.

(c) Any judge designated to hear any action brought under this section shall cause such action to be in every way expedited.

The PRESIDING OFFICER. The question is on agreeing to the amendment in the nature of a substitute for the bill.

Mr. McGEE. Mr. President, I simply want to make very clear that what this proposes is to separate all of the franking amendment from this proposal and return to the original language in the action taken by the Senate.

Mr. FONG. Mr. President, as the ranking minority member of the committee, I join in that request.

The PRESIDING OFFICER. The question is on agreeing to the amendment in the nature of a substitute for the bill [putting the question].

The amendment was agreed to.

The PRESIDING OFFICER. The question now is on the engrossment of the amendment and the third reading of the bill.

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

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? [Putting the question.]

The bill (H.R. 11710) was passed.

Mr. McGEE. Mr. President, I move that the title be amended so as to read:

A bill to insure that the compensation and other emoluments attached to the Office of Attorney General are those which were in effect on January 1, 1969.

The motion was agreed to.

Mr. MANSFIELD. Mr. President, if the distinguished Senator from Oklahoma would allow me, may I again express the hope that, in view of the fact that we would like to adjourn the first session of

the 92d Congress by about a week from tomorrow or from Saturday, I would hope we could finish the pending business tomorrow and get as much business out of the way as possible. I for one do not like to come in on Saturdays, let alone Sundays, and I am not holding that out as a carrot, but it is a case of the schedule we have before us as we try to look forward to adjournment.

Mr. HUGH SCOTT. Mr. President, I hope we do not sit Saturday, because yet another group is preparing to pay a well deserved tribute to the minority leader.

Mr. MANSFIELD. May I say that the Senator from Arizona (Mr. FANNIN) and the Senator from New York (Mr. BUCKLEY) have been most cooperative, as well as the Senator from Oklahoma (Mr. BELLMON), most especially, because he had to rush up a lot of matters and he did not have the time he should have had to prepare the amendments.

Mr. HUGH SCOTT. Mr. President, I would express the hope that as other bills come in, if we are to have a fair chance of meeting the deadline for adjournment, Senators will restrain themselves with regard to adding nongermane or extraneous or unnecessary amendments, because this kind of "Christmas treeing" of legislation will just play "Yule" with the bill.

NATIONAL ENERGY RESEARCH AND DEVELOPMENT POLICY ACT OF 1973

The Senate continued with the consideration of the bill (S. 1283) to establish a national program for research, development, and demonstration in fuels and energy and for the coordination and financial supplementation of Federal energy research and development; to establish development corporations to demonstrate technologies for shale oil development, coal gasification development, advanced power cycle development, geothermal steam development, and coal liquefication development; to authorize and direct the Secretary of the Interior to make mineral resources of the public lands available for said development corporations; and for other purposes.

The PRESIDING OFFICER. The Senator from Oklahoma (Mr. BELLMON) is recognized.

Mr. BELLMON. Mr. President, I have an unprinted amendment at the desk, which I call up and ask to have read.

The legislative clerk read as follows:

Strike line 12 through 17 and insert new language.

Mr. BELLMON. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. BELLMON. Mr. President, this amendment is short. It is fairly easily understood. I am going to read it in its entirety and make a very short statement. Then, depending on what the authors of the bill wish, I will be prepared to vote.

The amendment states:

On page 80, strike out lines 12 through 17 and insert in lieu thereof the following:

"(f) (1) There is hereby established in the Treasury of the United States a Competitive Research and Development Price Support Fund. Moneys in such Fund shall be available to the Chairman for carrying out the price support program authorized by this Act, including the payment of administrative expenses incurred in connection therewith, and such moneys are hereby appropriated out of such Fund for those purposes.

"(2) For the fiscal year ending June 30, 1974, and for each of the next following four fiscal years, there shall be credited to the Competitive Research and Development Price Support Fund, subject to the provisions of section 2 (c) (2) of the Land and Water Conservation Fund Act of 1965, all revenues due and payable to the United States for each such fiscal year for deposit in the Treasury as miscellaneous receipts under the Outer Continental Shelf Lands Act up to $20,000,000 for each such fiscal year. For each fiscal year thereafter, there shall be credited to the Fund, subject to the provisions of section 2(c)(2) of the Land and Water Conservation Fund Act of 1965, from such revenues due and payable to the United States an amount sufficient to maintain a balance in the Fund for each such fiscal year $100,000,000.

Mr. President, when we study S. 2183, particularly paragraph (f), beginning on line 12, we find that Congress may have intended to establish a fund. However, it never actually does.

The act states:

There shall be established in the Treasury of the United States a competitive research and development price support fund.

We find that it has never actually been set into motion.

This amendment addresses itself to that part of the amendment, because the way the bill is at the present time, it gives me grave concern.

I consider this to be the backbone of the bill. There is no way to make the private sector invest the huge funds to develop the rather exotic energy plants by which they would meet the energy crisis unless they have some assurances of a fair return on the expenditures that are required.

I do not believe the bill covers that. I believe that the question of price guarantees are so important that we ought to not leave this matter hanging. As the bill now stands, I am not sure whether it establishes the fund. It authorizes a fund to be established in the future. Perhaps the authors of that provision can say what they mean by this so that we will have a record made.

The authorization for appropriations in section 120 of the committee amendment does not cover section 109 which involves the fund. In my opinion, whether a system of price supports is going to be effective or not will depend to a considerable extent on how it is to be funded. The authors of the provision may want to check that.

My amendment would establish the fund in the Treasury and would fund it by providing for revenues due and payable to the United States for deposit in the Treasury as miscellaneous receipts under the Outer Continental Shelf Lands Act to be deposited in the price support fund in an amount up to $20 million for each of the next 5 fiscal years. It will probably take 5 years to get these plants into operation. And thereafter it would be in an amount necessary to make the income of the fund not less than $100 million for each fiscal year.

If anyone doubts that these funds are available, I will cite again the figures from a tabulation of the funds received alone in 1972. On the 12th of September, there was a total of almost $600 million from the sale of one lease. And on the 19th of December, the fund received $1,665 million. In addition to that, there are incomes from the royalties on the leases in the Outer Continental Shelf, from gas and oil, now totaling $340 million a year, and that amount is certain to increase.

My amendment would further authorize the appropriation to the fund for each of the next 5 fiscal years in an amount necessary to make the income of the fund for each such fiscal year $20 million and for each fiscal year thereafter an amount sufficient to make the income of the fund not less than $100 million for each such fiscal year. My amendment would not affect those revenues from the Continental Shelf proceeds earmarked to the Land Water Conservation Act.

Mr. JOHNSTON. Mr. President, the Senator from Oklahoma is correct in that section (f) on page 80 is not funded. It does require further action by the Congress for the very simple reason that there are a number of different ways in which research projects can be funded. We have price supports as one alternative. We also have model corporation loans, grants for research, and contractual arrangements. Various different alternatives are set up in the bill. Each of these alternatives calls for a report to the Congress at periods of 6 to 18 months, during which times the various alternatives can be studied and a report given to the Congress.

It is then up to the Congress to choose which one to fund annually. Each of the possible alternatives for research has been studied. The matter has been very carefully considered in the Committee on Interior and Insular Affairs.

The bill was first filed in March of this year. It has since been very carefully considered.

It was considered in committee that price supports may be inappropriate, in some sectors of research and development. For that reason, it may not be necessary to establish such trust funds and it would be distinctly inappropriate to dedicate the OSC money for these purposes.

This is part of the previous amendment which was rejected, if I remember correctly, by a vote of 70 to 17.

I think many of the same views stated on the previous amendment applies as well to this. For that reason, I move to table the amendment.

Mr. BELLMON. Mr. President, will the Senator yield?

Mr. JOHNSTON. Mr. President, I withdraw my motion to table.

Mr. BELLMON. Mr. President, I call the attention of the Senator from Louisiana to section 207 on page 98 of the committee bill. I believe the Senator will find in that section that the language is such that the authorization is actually

made and the funds appropriated to a fund in the amount of $50 million.

The Senator has just been saying that we were not going to appropriate money for any of these activities. However, here we find that an appropriation is made. I am curious to know why this is.

Mr. JOHNSTON. Mr. President, the section to which the Senator refers is a section of the bill pertaining to geothermal research. The difference is that the committee's studies have been done and are ready to be implemented. All that we need for the geothermal is the $50 million to create a loan guarantee fund so that they can proceed with the program. That is not so with coal gasification or coal liquefaction.

Mr. BELLMON. Mr. President, the Senator from Oklahoma earlier this afternoon put in the RECORD a report on the operation of the FMC project at Princeton University in which they obtained natural and synthetic gas. They used the product that they obtained for fuel on a destroyer for a period of time. That shows that the product is a product of commercial quality.

I am curious to see that the research has been accomplished in geothermal and the Senator says that we do not have it in coal gasification and liquefaction. The fact is that we do have it.

If we can have assurances that the companies who are asked to build plants will have substantial sums of money, why are we not ready to do it under section 207?

Mr. CHURCH. Mr. President, if the Senator will yield, I would point out that there is another reason why the committee chose to deal with geothermal energy in a different way.

I think the members of the committee recognized that where oil is concerned there are well recognized steps. The oil industry has a natural tendency to use more oil. They are prepared to carry out, and are concerned with, whatever research may be necessary to accomplish that. The same is true with the coal industry. It is a large and well-financed industry. It has reasons for cooperating with the Government and bringing techniques to bear for the liquefaction and gasification of coal.

But in the case of geothermal energy there is no vested interest. Most of the geothermal resources lie on public lands. There is no established industry with the capital and with the know-how to proceed. That is why the committee felt that it was necessary to treat with geothermal energy in a different manner, and it accounts for the separate title the committee had placed in the bill.

For that reason, I think the position taken by the committee and spoken for by the able floor manager is sound.

Mr. JOHNSTON. I thank the able Senator from Idaho, who has accurately stated the reasoning of the committee in adopting the amendment, which was as a matter of fact the amendment of the Senator from Idaho.

The fact is that in geothermal, not only is the technology available, but we have people ready, willing, and able to go, and all they needed was this loan guarantee to reduce the interest rate. That is the reason for that provision.

Mr. BELLMON. May I state to the able Senator from Louisiana that we are ready, willing, and able to go on coal gasification and liquefaction also, if they will show the same interest as they have in geothermal.

Mr. JOHNSTON. If the Senator will yield, the fund set up by the Senator is a price guarantee fund, and one of the things yet to be determined is how best to make the Federal input on coal gasification and liquefaction, whether it should be by underwriting loans, by price guarantee, or by some of the other means provided under the bill. That is one of the questions that will rapidly be determined after the bill becomes effective, and then Congress will be able to pass on it.

We are talking about a $20 billion bill, and we simply do not have all of the information necessary for Congress to know how best to apply that money. We know which direction to move in, but we cannot make all the final decisions at this point.

That is the scheme and rationale of the bill, and we think it is very sound to proceed in that manner. It will not hinder or slow down the program, but I think in the long run will get us a much sounder program.

Mr. BELLMON. Mr. President, will the Senator yield?

Mr. JOHNSTON. I yield.

Mr. BELLMON. May I inquire how long it is going to take Congress to get around to making these complicated and in many cases highly technical decisions? Does the Senate feel that Congress will be in a position to make the decisions in 6 weeks, 6 months, or 6 years? The Senator has already mentioned that this bill has been in the hearings process since last March. If we have been in the hearings process for 9 months, how much longer will it take?

Mr. JOHNSTON. If the Senator will yield, we were not trying to make the scientific determinations the bill calls for. We are expecting those who are experts in scientific research to give us the recommendations upon which to base these legislative decisions.

Mr. President, I think this colloquy indicates the very complicated nature of this bill, and indicates, hopefully, the depth in which our committee has considered it.

As I say, this amendment is a part of the overall amendment which was just rejected, and while I have the highest respect for the Senator from Oklahoma and the highest respect for the efforts that he has put in on this bill, and I hope that some of these items will later be considered by Congress, I submit, Mr. President, that this is not the time to debate these amendments one by one. So I move to lay the amendment on the table.

Mr. JACKSON. I ask for the yeas and nays. Does the Senator want the yeas and nays?

Mr. BELLMON. The yeas and nays have been ordered.

Mr. JACKSON. On the motion to table? I do not think so.

The PRESIDING OFFICER. Not on the motion to lay on the table.

Mr. JACKSON. I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER (Mr. DOMENICI). The question is on agreeing to the motion to lay on the table the amendment of the Senator from Oklahoma (Mr. BELLMON). On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Utah (Mr. Moss), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Montana (Mr. METCALF), and the Senator from Maine (Mr. MUSKIE) are necessarily absent.

I further announce that the Senator from Rhode Island (Mr. PELL) is absent on official business.

I also announce that the Senator from Missouri (Mr. SYMINGTON) is absent because of illness.

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from New York (Mr. BUCKLEY), and the Senator from Florida (Mr. GURNEY) are necessarily absent.

The Senator from Arizona (Mr. GOLDWATER) is absent by leave of the Senate on official business.

The Senator from Oregon (Mr. PACKWOOD) is absent on official business.

Also, the Senator from Tennessee (Mr. BROCK) and the Senator from Maryland (Mr. MATHIAS) are necessarily absent.

The result was announced—yeas 57, nays 28, as follows:

[No. 561 Leg.]

YEAS—57

Abourezk	Fong	Mondale
Allen	Gravel	Montoya
Bayh	Hart	Nelson
Bentsen	Hartke	Nunn
Bible	Haskell	Pastore
Biden	Hatfield	Percy
Brooke	Hathaway	Proxmire
Burdick	Hollings	Randolph
Byrd, Harry F., Jr.	Hughes	Ribicoff
Byrd, Robert C.	Humphrey	Scott, William L.
Cannon	Inouye	Sparkman
Case	Jackson	Stennis
Chiles	Johnston	Stevenson
Church	Kennedy	Talmadge
Clark	Long	Tunney
Cranston	Magnuson	Weicker
Eagleton	Mansfield	Williams
Eastland	McClellan	Young
Ervin	McGee	
	McIntyre	

NAYS—28

Aiken	Dominick	Saxbe
Bartlett	Fannin	Schweiker
Beall	Griffin	Scott, Hugh
Bellmon	Hansen	Stafford
Bennett	Helms	Stevens
Cook	Hruska	Taft
Cotton	Javits	Thurmond
Curtis	McClure	Tower
Dole	Pearson	
Domenici	Roth	

NOT VOTING—15

Baker	Gurney	Moss
Brock	Huddleston	Muskie
Buckley	Mathias	Packwood
Fulbright	McGovern	Pell
Goldwater	Metcalf	Symington

So the motion to table the amendment of the Senator from Oklahoma (Mr. BELLMON) was agreed to.

THE VICE PRESIDENT

Mr. MANSFIELD. Mr. President, I should like to ask the acting Republican leader what the latest information is as to when the House will vote on the Ford nomination and when we might expect to go to the Hall of the House.

Mr. GRIFFIN. In response to the question of the distinguished majority leader, I have just been on the telephone in the cloakroom, and the best "guesstimate" is that they will begin voting in 10 minutes, and the vote will be over at 4:30. They will then stand in recess until 5:30. Apparently, they took a little longer than they anticipated in debating the rule before they got into the general orders.

I ask the majority leader, in light of that, when would the Senate be likely to go over to the House?

Mr. MANSFIELD. Did the Senator say 5:30 they would go back in session?

Mr. GRIFFIN. Yes. We would go over before that, would we not?

Mr. MANSFIELD. I would say 5:25.

NATIONAL ENERGY RESEARCH AND DEVELOPMENT POLICY ACT OF 1973

The Senate continued with the consideration of the bill (S. 1283) to establish a national program for research, development, and demonstration in fuels and energy and for the coordination and financial supplementation of Federal energy research and development; to establish development corporations to demonstrate technologies for shale oil development, coal gasification development, advanced power cycle development, geothermal steam development, and coal liquefaction development; to authorize and direct the Secretary of the Interior to make mineral resources of the public lands available for said development corporations; and for other purposes.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that time on any rollcall vote occurring during the remainder of today be limited to 10 minutes, with the warning bells to be sounded after the first 2½ minutes.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

AMENDMENT NO. 771

Mr. BELLMON. Mr. President, I call up my amendment No. 771.

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk proceeded to read the amendment.

Mr. BELLMON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

Section 119 of the bill is replaced by a new section 119, as follows:

SEC. 119. (a) Notwithstanding any other provisions of this Act, the Chairman is authorized to receive and consider requests, from persons, corporations, and other legal entities engaged in the exploration, development, or production of energy or engaged in other energy-producing or related activities, including energy research, in connection with the necessity to obtain materials, articles, equipment, supplies, or devices which are or may be in critical or short supply and which are essential to the expeditious progress of such exploration, development, production, or activities, including energy research, and to advise and make recommendations to the President with respect thereto.

(b) The President of the United States is authorized (1) to require that performance under contracts or orders (other than contracts of employment) which he deems necessary or appropriate to meet the energy needs of the Nation shall take priority over performance under any other contract or order (other than a contract or order of the President pursuant to the provisions of section 101 of the Defense Production Act of 1950, as amended (50 App. 2071)) and, for the purpose of assuring such priority, to require acceptance and performance of such contracts or orders in preference to other contracts or orders by any person he finds to be capable of their performance, and (2) to allocate such materials, articles, equipment, supplies, or devices referred to in subsection (a) of this section in such manner, upon such conditions, and to such extent as he shall deem necessary or appropriate to meet the energy needs of the United States.

(c) In addition to the aforementioned authority, the President is further authorized, in order to achieve the purposes of this Act, to take such additional action as may be necessary to obtain or allocate such materials, articles, equipment, supplies, or devices which are or may be in critical or short supply and which are essential to the expeditious progress of energy exploration, development, production, or other energy producing or related activities, including energy research.

Mr. BELLMON. Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. BELLMON. Mr. President, a copy of this amendment is on the desk of each Senator. There is no point in my reading it.

We all know that at the present time the country has a critical energy shortage, but many Members may not realize that along with that is a clearly critical shortage of some of the essential equipment and materials that are needed for the development of new oil and gas wells.

I can cite an example from a telephone call I had yesterday from a small Oklahoma independent operator who is drilling acreage involving 30 gas wells. He has drilled 20 of those wells already. He has succeeded in finding gas in every one of those wells. He has a rig running now, drilling one other well. He has enough casing to go in that well, when and if they complete it, and then he is out of casing. So he has eight wells he will not be able to drill, and he cannot find pipe to put in them. This operator is in the position of having to let his rig go. He does not know when he will be able to get it back. As a result, the country is going to be denied the several million cubic feet per day of natural gas this operator is ready to produce.

If we are really serious about solving the energy crisis, we have to take action to make the materials that operators need in the oil fields, the coal mines, and our other energy-producing facilities available in the marketplace.

One of my concerns is that these critical shortages are not dealt with in this bill. S. 1283, as reported, addresses itself to the question of the critical supply of essential materials, but it is my judgment that the President should be given, in connection with dealing with the energy crisis, authority equivalent to that given him by section 101 of the Defense Production Act of 1950, relating to national defense. That is what this amendment provides.

I believe we would all agree that the energy crises we face is equally as serious as many of the crises that grew out of wartime. With the impact the Arabs are able to have on our foreign policy by withholding oil, we should recognize that the energy crisis is, in effect, a matter of national security, and we need to give the President the same power to deal with this crisis as with crises that grow out of wartime.

There is no point in this administration exhorting industry to go out and do more to solve the energy crisis if we deny them access to the materials they must have to get the job done.

I have talked to members of the committee, and I am told that a bill will be coming on perhaps next year to get to this problem; but I can see no reason to wait months when the need is now.

This amendment would do no violence to the bill. It would help make certain that those industries and individuals in our country who want to help solve this crisis can have the material they need to get on with the job.

I urge the manager of the bill to accept the amendment.

Mr. JOHNSTON. Mr. President, S. 2589, which passed this body on November 20, 1973, and is now in the House Commerce Committee, provides as follows, in section 313, page 33:

SEC. 313. MATERIALS AND FUELS ALLOCATION.—To achieve the purposes of this Act, the President shall take such action as may be necessary to allocate supplies of materials, equipment, and fuels associated with exploration, production, refining, and required transportation of energy supplies to the extent necessary to maintain and increase the production of coal, crude oil, natural gas, and other fuels.

The President shall conduct a review of all rulings and regulations issued pursuant to the Economic Stabilization Act to determine if such rulings and regulations are contributing to the shortage of materials associated with the production of energy supplies and equipment necessary to maintain and increase the production of coal, crude oil and other fuels.

So this authority is already in the law as passed by the Senate.

In addition, this amendment goes a step further—an unneeded step, in my judgment, at this time—a step which has not been considered by the committee, and that is to give the President the authority to issue an order, in effect, to direct anyone to perform a contract or to perform work under that order in preference and priority to anything else that person may be able to do. That has not been considered by any committee, and we believe it is unnecessary at this time.

Mr. BELLMON. Mr. President, will the Senator yield?

Mr. JOHNSTON. I yield.

Mr. BELLMON. I invite the attention of the distinguished Senator from Lou-

isiana to section 119 of the bill, page 92. This section reads:

SEC. 119. To achieve the purposes of this Act, the President is authorized to take such action as may be necessary to obtain or allocate materials which are or may be in critical supply and which are essential to the expeditious progress of energy research and development efforts.

It is obvious that the committee considered this matter, because it is in the bill, in a watered-down form. So this is no surprise to the committee. The committee is fully aware that these critical shortages exist. The problem is that the language in this bill is limited to energy research and development. It does nothing about the production of energy.

Mr. JOHNSTON. The bill under consideration is a research and development bill, and section 119 of the bill gives the President the authority to obtain and allocate materials necessary for research and development. For the purpose of research and development, this bill has all the authority that is possibly needed.

In addition, S. 2589, the bill previously passed by the Senate on November 19, gives the President the authority and mandates that he allocate supplies, fuel and equipment—everything needed for the production and exploration of energy. We submit that the authority is ample in bills that already have been passed.

Mr. BELLMON. Mr. President, will the Senator yield further?

Mr. JOHNSTON. I yield for a short question.

Mr. BELLMON. All my questions are short, Mr. President.

If the statement of the Senator is correct, then the language in section 119 is not needed. More than that, I submit that the country and the administration have already had experience with the Defense Production Act, and whatever comes out of the new legislation will be different and a new program and require several months to set up the necessary administrative mechanism to gain experience to see how it operates; but we have already had experience with the Defense Production Act, and since we had that experience it is necessary to deal with the present crisis.

Mr. JOHNSTON. After the motion to table, I would hope that the distinguished Senator from Oklahoma will concur with me when he has read the language from S. 2589, because we feel the language is more than adequate to achieve the goal we both feel should be achieved; and that is to have priority assignment of all needed materials and fuel to energy producing facilities.

Mr. President, I move to table the amendment.

Mr. DOMINICK. Mr. President, will the Senator withhold that motion to table?

Mr. JOHNSTON. Mr. President, I withhold my motion to table.

Mr. DOMINICK. I have a little trouble following the dialog. The Senator from Louisiana, as I understand it, is objecting to the Senator's amendment because he said the language is already in the bill in the House. Well, already we have pending two bills. For example, there is the provision from the Senate that we should permit the ownership of gold; and hopefully we will be able to do more than that and put it on three or four bills before we are through. The House does not always follow through on bills we send them.

If we already have passed it, why not put it on another measure?

Mr. JOHNSTON. Mr. President, the question is a proper one. The bill I referred to is S. 2589. That is an energy bill being dealt with by the House and we expect action on it soon. We consider the language in that bill all that is needed.

In addition, the language of the instant amendment goes considerably further than needed, in our judgment. There has been no one in any committee supporting the kind of language found in section (b) of the instant amendment, authorizing the President, in effect, to require persons and corporations to perform whatever is called for under a ruling of the President, or under a contract the President should see fit to give priority to. That is a tremendous grant of authority.

Mr. BELLMON. Mr. President, will the Senator yield?

Mr. JOHNSTON. I yield.

Mr. BELLMON. I call the distinguished Senator's attention to the language of the bill, section 119, page 92, lines 17 and 18, where it is stated:

To achieve the purposes of this act, the President is authorized to take such action as necessary . . .

Absolute, unlimited action. There is no restriction at all in the committee bill.

Mr. JOHNSTON. Mr. President, will the Senator yield?

Mr. BELLMON. But it is the language in the Defense Production Act used effectively in the past.

Mr. JOHNSTON. Section 119 authorizes the President to take such action necessary—

To obtain or allocate materials which are or may be in critical supply and which are essential to the expeditious progress of energy research and development efforts.

But the instant amendment goes considerably beyond that, because the President is authorized to require performance under contracts or orders which he deems necessary or appropriate to meet the energy needs of the Nation.

Mr. BELLMON. That is much more restrictive than section 119. That section says he may take any action.

Mr. JOHNSTON. Any action "to obtain or allocate materials." But this amendment states the President may require—

That performance under contracts or orders which he deems necessary or appropriate to meet the energy needs of the Nation shall take priority.

Mr. BELLMON. That is far less demanding.

Mr. DOMINICK. Mr. President, I believe I have the floor.

The PRESIDING OFFICER. The Senator from Colorado has the floor.

Mr. DOMINICK. I would like to add a few sentences before we end the debate.

We have been operating in the Senate on emergency energy problems for approximately less than 3 weeks. We have had all kinds of amendments tacked onto bills, including an amendment by the Senator from Minnesota (Mr. HUMPHREY) in which a 100-percent subsidy is given for carpooling, which I never did understand. It seems apparent that that language will be taken out, and a lot of other things will be taken out by the House when they, in their judgment, start considering this legislation.

Obviously, we do not want to turn an energy bill into a welfare bill. So it certainly would seem to me on the assumption that the House, in their own good wisdom, and they have a lot of good wisdom, are going to knock out a lot of the legislation we have sent them, we might as well put that same type authority in here, because it does not make sense to say we are going to go forward with a lot of materials, manpower and effort when we do not have the materials to go ahead and do it. That is what I understand the Senator from Oklahoma is trying to do: Namely, to get the materials so that we can do the exploration and the development we need.

Mr. JOHNSTON. Mr. President, I share with the Senator from Oklahoma and the Senator from Colorado the desire to get those materials to fuel-producing industries. We think we have the authority in the present law and that this amendment goes further than it needs to.

Has the Senator from Colorado completed his remarks?

The PRESIDING OFFICER. The Senator from Colorado has the floor.

Mr. DOMINICK. I believe section 119 is a very good section, but it applies basically to energy research, and it is in an energy research bill.

The Senator from Oklahoma is saying we are doing much more than just research.

I yield to the Senator from New Hampshire.

Mr. COTTON. Mr. President, I merely wish to commend the Senator from Colorado for his clear statement, which so well reflects the hodgepodge development on this very vital subject. I know it is a problem to meet these measures and act to speed up legislation. I have confidence in the committee and I always like to support the committee which has considered the measure, whenever I possibly can. But once again, as I find myself about once a year, I find myself very reluctant about tabling of amendments. It seems to me not to save much time, and while I lean over backward to support the committee when I can, and while I do not contend that I understand every amendment offered on the floor, I still think these amendments are worthy of consideration and I do not like to simply vote on a motion to lay on the table. I like to vote on the merits.

Therefore, I have been and shall continue to be against tabling motions on this bill. That does not indicate any lack of respect for, consideration for, or confidence in the committee.

Mr. DOMINICK. Mr. President, I thank the Senator for his statement. I think that both the Senator from Oklahoma and the Senator from Colorado

have been tabled rather frequently in the last month and it would be nice for a change not to be tabled and to be able to vote on the merits.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Louisiana.

Mr. JOHNSTON. Mr. President, if the Senator from Oklahoma would prefer to have a vote on his amendment rather than a vote on tabling, we would accommodate him and allow it to be voted on as is.

Mr. BELLMON. Mr. President, has the motion to table been lodged?

The PRESIDING OFFICER. What was the question of the Senator from Oklahoma?

Mr. BEALL. Has a motion to table been lodged on this amendment?

The PRESIDING OFFICER. No; it was withdrawn. The Senator from Oklahoma has the floor. The question is on the amendment. The yeas and nays have been ordered.

The Senator from Oklahoma.

Mr. BELLMON. Mr. President, I shall conclude very briefly.

While it is true that the bill we have before us deals with energy research and development, and while it is true that the bill gives the President vast power to take action to deal with allocation or acquisition of materials, the authority is limited just to research and development. This is not going to help meet the critical supply problem.

We now have many oil and gas wells that are not going to be drilled in the next few months because not enough pipe is available. If we are going to limit it just to energy research and development, that problem is not going to be met.

The statement by the Senator from Louisiana that the President already has this power makes no sense. Otherwise we would not have put it in the bill.

So I ask for approval of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Oklahoma. The yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Utah (Mr. MOSS), the Senator from Maine (Mr. MUSKIE), the Senator from Texas (Mr. BENTSEN), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Montana (Mr. METCALF), the Senator from Illinois (Mr. STEVENSON), and the Senator from New Jersey (Mr. WILLIAMS) are necessarily absent.

I further announce that the Senator from Rhode Island (Mr. PELL) is absent on official business.

I also announce that the Senator from Missouri (Mr. SYMINGTON) is absent because of illness.

I further announce that, if present and voting, the Senator from Illinois (Mr. STEVENSON) would vote "nay."

Mr. GRIFFIN. I announce that the Senators from Tennessee (Mr. BAKER and Mr. BROCK), the Senator from New York (Mr. BUCKLEY), the Senator from Florida (Mr. GURNEY), the Senator from Maryland (Mr. MATHIAS), and the Senator from Oregon (Mr. HATFIELD) are necessarily absent.

The Senator from Arizona (Mr. GOLDWATER) is absent by leave of the Senate on official business.

The Senator from Oregon (Mr. PACKWOOD) is absent on official business.

If present and voting, the Senator from Oregon (Mr. HATFIELD) would vote "nay."

The result was announced—yeas 37, nays 44, as follows:

[No. 562 Leg.]

YEAS—37

Allen	Fannin	Schweiker
Bartlett	Fong	Scott, Hugh
Beall	Griffin	Scott, William L.
Bellmon	Hansen	Sparkman
Bennett	Helms	Stafford
Brooke	Hruska	Stevens
Case	Javits	Taft
Cook	McClellan	Thurmond
Cotton	McClure	Tower
Curtis	Pearson	Weicker
Dole	Percy	Young
Domenici	Roth	
Dominick	Saxbe	

NAYS—44

Abourezk	Eastland	Magnuson
Aiken	Ervin	Mansfield
Bayh	Gravel	McGee
Bible	Hart	McIntyre
Biden	Hartke	Mondale
Burdick	Haskell	Montoya
Byrd, Harry F., Jr.	Hathaway	Nelson
	Hollings	Nunn
Byrd, Robert C.	Hughes	Pastore
Cannon	Humphrey	Proxmire
Chiles	Inouye	Randolph
Church	Jackson	Ribicoff
Clark	Johnston	Stennis
Cranston	Kennedy	Talmadge
Eagleton	Long	Tunney

NOT VOTING—19

Baker	Hatfield	Packwood
Bentsen	Huddleston	Pell
Brock	Mathias	Stevenson
Buckley	McGovern	Symington
Fulbright	Metcalf	Williams
Goldwater	Moss	
Gurney	Muskie	

So Mr. BELLMON's amendment (No. 771) was rejected.

ANNOUNCEMENT ON JOINT MEETING OF CONGRESS

Mr. HUGH SCOTT. Mr. President, I rise for the purpose of announcing that the House of Representatives, having confirmed the nomination of GERALD FORD to be Vice President of the United States by a vote, I believe, of 387 to 35, will reconvene at 5:25 p.m.

The majority leader advises me that the Senate will move from this Chamber to the House of Representatives for a joint meeting at 5:50 p.m. The President is expected to arrive in the House Chamber at approximately 6 p.m.

It is our hope that Senators will be able to be there prior to 5:50 p.m.

I know of no intention of the leadership to recess in the meanwhile.

MESSAGE FROM THE HOUSE—ENROLLED BILL SIGNED

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the Speaker had affixed his signature to the enrolled bill (H.R. 8877) making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1974, and for other purposes.

NATIONAL ENERGY RESEARCH AND DEVELOPMENT POLICY ACT OF 1973

The Senate continued with the consideration of the bill (S. 1283) to establish a national program for research, development, and demonstration in fuels and energy and for the coordination and financial supplementation of Federal energy research and development; to establish development corporations to demonstrate technologies for shale oil development, coal gasification development, advanced power cycle development, geothermal steam development, and coal liquefaction development; to authorize and direct the Secretary of the Interior to make mineral resources of the public lands available for said development corporations; and for other purposes.

Mr. BELLMON. Mr. President, I call up my amendment No. 772.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to state the amendment.

Mr. BELLMON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BELLMON. Mr. President, I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. Is there a sufficient second (putting the question)? There is a sufficient second.

The yeas and nays were ordered.

Mr. BELLMON. Mr. President, the amendment is very simple. I will read the amendment in its entirety.

The amendment reads:

Section 108 of the bill is replaced by a new section 108, as follows:

SEC. 108. (a) Notwithstanding any other provisions of this Act, the Chairman is authorized to enter into contracts with any person, corporation, or other legal entity pursuant to which such person, corporation, or entity shall be authorized to design, construct, and operate a full-scale, commercial-size facility to produce energy from coal gasification, oil shale, solar power, tidal power, or other unconventional sources of energy.

(b) At the request of the Chairman, the Secretary of the Interior or other appropriate head of a Federal agency shall, notwithstanding any other provision of law, make available, by lease or otherwise, such lands or interests therein, or mineral interests, or both, of the United States as may be necessary to enable any such person, corporation, or legal entity to carry out a contract entered into pursuant to subsection (a) of this section or other provision of this Act. Such lands or interest may, notwithstanding any other provision of law, be made available by lease or otherwise on a negotiated basis. At the request of the Chairman, the Secretary of the Interior or other appropriate head of a Federal agency shall, notwithstanding any other provision of law, immediately issue to any such person, corporation, or legal entity any license, permit, or other certificate or documentation necessary to enable such person, corporation, or legal entity to carry out any such contract.

Mr. President, again when we look at S. 1283 carefully, we find that while the intentions of the act are to go ahead and get energy development underway, the act has built into it many delays that will hold back our efforts. In my amendment I am trying to avoid these delays. The purpose of the amendment is to streamline the procedure so that any entity interested in entering into contracts with the Chairman of the Agency we will create will be able to do so and will be able to proceed.

One of the key sections of my amendment has to do with making available the Federal lands that are going to be involved in such projects as geothermal, coal gasification, or oil shale development.

As the law now stands and as S. 1283 now stands, it would be impossible for an entity to come to the Secretary of the Interior or to the Chairman of the Agency and be assured of getting the leases of Federal lands that would be necessary to go ahead and develop our resources that this country so vitally and desperately needs.

Again, the purpose of the amendment is to hasten the research and demonstrate the project and make certain that any new technology that is developed that is waiting to be put into practical application can be undertaken without undue delay.

The way the bill is written, it would be necessary for any entity that wants to participate in the present program to come back to the Congress and to get approval if more than $50 million is involved.

The Chairman of the Agency would be limited to approving projects of $10 million or less. There are very few projects of significance that can be undertaken with investments of $10 million or less. It is going to require generally sums of up to a quarter of a billion dollars to get significant commercial production from coal gasification and coal liquefaction plants. And similar sums will be required for the synthetic production of oil from the oil shale.

This amendment will hasten the development of the commercial energy plants. It will hasten the application of much of the technology that has been developed. And it will do a great deal to move this country toward a final solution of this energy crisis.

Mr. JOHNSTON. Mr. President, this amendment would do among other things, the following. In the guise of spending for research and development it would repeal or at least do away with, for the purposes of this act, the Mineral Leasing Act of 1920, as amended many times, the Outer Continental Shelf Act, all of the environmental protection laws, including NEPA, all licensing acts, criminal laws, antitrust laws, all consumer protection laws, and frankly, we do not know what else. And there has been no testimony at all that these acts are constraining research and development.

It goes much, much too far. It has not been called for, Mr. President, and therefore we——

Mr. JACKSON. Mr. President, will the Senator yield?

Mr. JOHNSTON. I yield.

Mr. JACKSON. As a matter of fact, as I read this amendment, the Chairman, who is the manager, would have the authority to enter into leases involving the public domain on any basis he saw fit. There are no leasing guidelines here. In fact, he could give away the public domain. I cannot really believe my good friend from Oklahoma would intend such a thing. But the amendment, if you read it, is clear as it can be, because it states:

Notwithstanding any other provision of law.

You lease pursuant to the Mineral Leasing Act, and you have vested all the authority in the Chairman. I cannot believe they want to do it.

Mr. BELLMON. Mr. President, will the Senator yield?

Mr. JACKSON. I yield.

Mr. BELLMON. Let me make it clear that the Senator from Oklahoma desires to do exactly that.

Mr. JACKSON. Does the Senator mean he wants no safeguards to protect the public interest, and that the Chairman could enter into any kind of lease he wanted to? Is that what the Senator is saying?

Mr. BELLMON. That is exactly what the Senator from Oklahoma wants to do.

Mr. JACKSON. Well, Senators should know what they are doing. This could be the greatest raid and greatest delegation of authority since Teapot Dome, when a fellow by the name of Fall was Secretary of the Interior. I am shocked that such an amendment would be offered on the floor of the U.S. Senate.

But every Senator will know exactly what he is doing.

Mr. BELLMON. Let me say to the distinguished Senator from Washington that the Secretary of the Interior or other appropriate heads of Federal agencies are involved in this process. They are not going to give away Federal lands except to streamline the process, so that demonstration projects could get underway.

Does the Senator have any idea how long, under existing law, it will take to get one of these on stream?

Mr. JACKSON. This is a mandatory requirement. Starting on line 7 of the amendment, it reads:

At the request of the Chairman, the Secretary of the Interior or other appropriate head of a Federal agency shall, notwithstanding any other provision of law, make available, by lease or otherwise, such lands or interests therein, or mineral interests, or both, of the United States as may be necessary to enable any such person, corporation, or legal entity to carry out a contract entered into pursuant to subsection (a) of this section or other provision of this Act.

The Chairman could give away the public land, if he wants to, under this language.

Mr. BELLMON. To get a research project going.

Mr. JACKSON. Pardon me?

Mr. BELLMON. In order to get these research projects on the stream.

Mr. JACKSON. But there are no safeguards. He could enter into any kind of lease.

Mr. President, this is the most incredible amendment that I have ever seen presented during my service in the Congress, House or Senate, regarding the public lands of the United States. That is all I have to say.

Mr. BELLMON. Mr. President, let me cite some of the language in S. 1283 as it now stands. Realize, we are trying to get action here that will get us off dead center and get some energy projects into operation, as well as getting the research and technology information that has been developed into use.

To begin with, section 110(a) says:

For each proposal which is considered pursuant to section 105, and in which the potential Federal investment is estimated to exceed $10,000,000 the Chairman shall prepare and transmit to the Congress a report setting forth the following:

Then there are seven conditions.

Mr. JACKSON. Will the Senator yield right there?

Mr. BELLMON. Glad to.

Mr. JACKSON. I think when Senators read this RECORD, they will want to understand what the Senator is now reading. The Senator is reading from the bill, S. 1283, with our safeguard.

Mr. BELLMON. That is right.

Mr. JACKSON. All right. The Senator's amendment reads how, on line 1 of the first page, section 108(a)? What does it say?

Notwithstanding any other provision of this Act.

What the Senator is reading is being repealed by his own amendment.

Mr. BELLMON. That is the point.

Mr. JACKSON. He wants to repeal it?

Mr. BELLMON. That is exactly what we are trying to do. We are trying to take out the delaying tactics the committee has put in. When you realize all the barriers the committee has erected to prevent research and development, it is possible to come to the conclusion that the purpose of this act is to stop it rather than help it. Because if any of these projects exceeds $10 million, the bill has to come to the Congress with these seven conditions, and it is necessary, then, for the Congress to act before it goes forward.

Mr. JACKSON. Mr. President, we are prepared to vote. I think we ought to vote up or down on the amendment. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. BELLMON. Mr. President, I believe I still have the floor.

Mr. JACKSON. Yes, I am sorry.

Mr. BELLMON. Further, if the estimated amount of the Federal contribution does not exceed $50 million, the chairman goes ahead and negotiates, and then has to report to Congress on the availability of funds under the authorization, and so forth. But then it goes on to say that if the Federal contribution exceeds $10 million, no funds may be expended for any proposal under the authority by this subsection prior to 60 calendar days from the date on which the Chairman's report is received by Congress.

So this whole business comes back to Congress, and we have to act upon it

before the chairman can enter into a project exceeding $10 million.

It is my conclusion, while I agree with what the committee is trying to do, that they have built in so many safeguards that while we are trying to protect some of the things that may need protecting, we are overdoing it. It is my intention to streamline the process so that we can get on with the job.

On page 82, at line 11, subsection (c) says:

> Proposals for which the total estimated amount of the Federal contribution exceeds $50,000,000 shall be implemented by the Chairman only if the implementation and the necessary appropriations are specifically authorized by the Congress in subsequent legislation.

So Congress is going to be authorizing and appropriating on every single project that amounts to $50 million or more. I submit that this is one way to slow down and ultimately stop the very kinds of projects we are hoping here today to get on the track.

It is my intention, by this amendment, to speed up the process and cut out some of the delays which are largely responsible for the energy crisis we face today.

Mr. HANSEN. Mr. President, will the Senator yield?

Mr. BELLMON. I yield.

Mr. HANSEN. Mr. President, I thank my distinguished colleague from Oklahoma.

I wanted to say just a few words in support of what I think is the obvious thrust and intention of this amendment. It is not to do great violence to this country. It is not to clothe an official with arbitrary authority, presuming that he is going to act adversely to the public interest. It is simply to recognize that we are in an emergency, and there is need for haste, that there will be people out of work, there will be jobs shut down, there will be cold homes—these are some of the factors that the Senator from Oklahoma has in mind, he is trying to say that he believes it makes sense to give these officials, who are going to be answerable and responsive to the public, authority that they need not otherwise have in order to expedite some demonstration projects.

It is not to open up all of the public lands and say they are going to be thrown open helter-skelter, with no concern at all for the public interest; it is simply to say that where those charged with discharging the objectives of this bill have examined the facts and have looked a situation over, and have concluded that it makes sense to set up a demonstration project, having in mind all of the concerns that we have in mind, there can be some cutting away of red-tape, and there can be some authority given to an official, under that set of circumstances, to say that we will go ahead and start a demonstration project. I will ask my friend from Oklahoma if that is not what he would like to do, rather than what has been portrayed to be his motives by the distinguished chairman of the Committee on Interior and Insular Affairs?

Mr. BELLMON. Mr. President, I thank my friend from Wyoming for clarifying the matter. He is exactly right. What is needed is to stop all these delays and this procrastination, and move on. It is not my intention, as the Senator has said, in any way to make it possible for any public official to carry off the Federal Treasury.

On page 61 of S. 2183, beginning on line 3, it states:

> The urgency of the Nation's critical energy problems will require a commitment similar to those undertaken in the Manhattan and Apollo projects;

I wonder how far this country would have gotten in developing the nuclear weapons on which we have based our defenses, and in getting a man on the Moon, if we required Congress to approve every contract in excess of $50 million.

The bill is so loaded down with these kinds of restrictions that it will make it virtually impossible for any chairman to get any kind of result from the legislation we are considering today.

It is my intention to try to streamline the process, to cut out the delays, and to get on with the job.

Mr. President, the question has been raised as to the point that the language of my amendment No. 772 is too broad an authority.

Mr. President, I submit that a careful reading of my amendment will indicate that it is intended to provide only that certain mineral interests or property needed to establish a pilot project could be made available for such use on a basis other than competitive bidding. In other words, the interest could be acquired by means of a negotiated purchase. That is what I intended and that is what the amendment provides. The disposing of mineral interests of the United States on the basis of negotiated purchases is already in the law for certain unproven areas.

The PRESIDING OFFICER (Mr. TUNNEY). The question is on agreeing to the amendment No. 772 of the Senator from Oklahoma (Mr. BELLMON).

On this question the yeas and nays have been ordered and the clerk called the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Texas (Mr. BENTSEN), the Senator from Florida (Mr. CHILES), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from South Dakota (Mr. McGOVERN), the Senator from Montana (Mr. METCALF), the Senator from Utah (Mr. Moss), the Senator from Maine (Mr. MUSKIE), the Senator from Illinois (Mr. STEVENSON), and the Senator from New Jersey (Mr. WILLIAMS), are necessarily absent.

I further announce that the Senator from Rhode Island (Mr. PELL) is absent on official business.

I also announce that the Senator from Missouri (Mr. SYMINGTON) is absent because of illness.

I further announce that, if present and voting, the Senator from Illinois (Mr. STEVENSON) would vote "nay."

Mr. GRIFFIN. I announce that the Senators from Tennessee (Mr. BAKER and Mr. BROCK), the Senator from New York (Mr. BUCKLEY), the Senator from Florida (Mr. GURNEY), the Senator from Maryland (Mr. MATHIAS), and the Senator from Oregon (Mr. HATFIELD) are necessarily absent.

The Senator from Arizona (Mr. GOLDWATER) is absent by leave of the Senate on official business.

The Senator from Oregon (Mr. PACKWOOD) is absent on official business.

The Senator from New Jersey (Mr. CASE), the Senator from Ohio (Mr. SAXBE), and the Senator from Texas (Mr. TOWER) are detained on official business.

If present and voting the Senator from Oregon (Mr. HATFIELD) would vote "nay."

Also, if present and voting, the Senator from Texas (Mr. TOWER) would vote "yea."

The result was announced—yeas 11, nays 66, as follows:

[No. 563 Leg.]

YEAS—11

Bartlett	Fong	McClure
Beall	Hansen	Scott, William L.
Bellmon	Helms	Stevens
Curtis	Hruska	

NAYS—66

Abourezk	Ervin	Montoya
Aiken	Fannin	Nelson
Allen	Gravel	Nunn
Bayh	Griffin	Pastore
Bennett	Hart	Pearson
Bible	Hartke	Percy
Biden	Haskell	Proxmire
Brooke	Hathaway	Randolph
Burdick	Hollings	Ribicoff
Byrd, Harry F., Jr.	Hughes	Roth
	Humphrey	Schweiker
Byrd, Robert C.	Inouye	Scott, Hugh
Cannon	Jackson	Sparkman
Church	Javits	Stafford
Clark	Johnston	Stennis
Cook	Kennedy	Taft
Cotton	Long	Talmadge
Cranston	Magnuson	Thurmond
Dole	Mansfield	Tunney
Domenici	McClellan	Weicker
Dominick	McGee	Young
Eagleton	McIntyre	
Eastland	Mondale	

NOT VOTING—23

Baker	Gurney	Packwood
Bentsen	Hatfield	Pell
Brock	Huddleston	Saxbe
Buckley	Mathias	Stevenson
Case	McGovern	Symington
Chiles	Metcalf	Tower
Fulbright	Moss	Williams
Goldwater	Muskie	

So Mr. BELLMON's amendment (No. 772) was rejected.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Does the Senator from Kansas seek recognition?

Mr. DOLE. Yes. Mr. President, I seek recognition not to offer an amendment but to discuss with the distinguished chairman and the distinguished ranking Republican member of the committee the provision on page 69, subparagraph (7), which deals with secondary and tertiary recovery of crude oil.

Mr. PERCY. Mr. President, will the Senator yield?

Mr. DOLE. I yield.

Mr. PERCY. Mr. President, I ask unan-

imous consent that John Pierce, a member of the Government Operations minority staff, be given the privilege of the floor during the course of this discussion.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, I yield to the distinguished Senator from West Virginia, without losing my right to the floor.

UNANIMOUS-CONSENT AGREEMENT

Mr. ROBERT C. BYRD. Mr. President, by the direction of the distinguished majority leader, I propound the following unanimous consent request, which has been cleared with Mr. JACKSON, Mr. FANNIN, Mr. GRIFFIN, Mr. ALLEN, Mr. BUCKLEY, and other Senators:

That on tomorrow, when the Senate resumes consideration of the pending measure, time on an amendment by Mr. BUCKLEY be limited, for debate, to extend not beyond the hour of 3 p.m., with the provision that the vote on the bill is to occur immediately following the disposition of the Buckley amendment, and that paragraph 3 of rule XII be waived; ordered further, that no amendment not germane to the bill be in order on tomorrow, with the proviso that the Buckley amendment, having to do with the deregulation of natural gas, will be in order, regardless of its germaneness.

I think I have accurately stated it.

Mr. JACKSON. I assume that the order will be in the regular form, so that it will include that amendments to the Buckley amendment will be in order during this time.

Mr. ROBERT C. BYRD. Amendments to the Buckley amendment would be in order; and the time on any amendment to the Buckley amendment be limited to 30 minutes, with the understanding that when the hour of 3 p.m. arrives, if an amendment to the Buckley amendment is pending and the time on such amendment of 30 minutes has not run its course, the full time on the amendment to the amendment would be allowed to run before the vote on the Buckley amendment.

Mr. ABOUREZK. Mr. President, reserving the right to object, may I ask what the Buckley amendment is?

Mr. ROBERT C. BYRD. The Buckley amendment has to do with the deregulation of natural gas.

Mr. JACKSON. Deregulation of new gas.

Mr. ABOUREZK. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER (Mr. TUNNEY). The Senator will state it.

Mr. ABOUREZK. If the unanimous-consent request does not go through, is the Buckley amendment nongermane to this bill?

The PRESIDING OFFICER. The Buckley amendment would still be in order if the agreement were not reached.

Mr. ABOUREZK. I am afraid I do not understand.

Mr. JACKSON. The point is that nongermane amendments can be offered to this bill, under the general rule.

Mr. ROBERT C. BYRD. The Senator is correct.

If this agreement is not entered into, nongermane amendments can come in. But under this agreement, no nongermane amendments could be offered tomorrow, with the exception of the Buckley amendment.

Mr. JACKSON. Or amendments thereto.

Mr. ROBERT C. BYRD. But amendments to the Buckley amendment would have to be germane to the Buckley amendment. Am I correct?

The PRESIDING OFFICER. That is correct.

Mr. ABOUREZK. So the purpose of the request is to close out all other nongermane amendments, except the Buckley amendment.

Mr. ROBERT C. BYRD. That is not the sole purpose; that is not the main purpose. The purpose of the request is that the Senate may expedite action on the bill and complete action on it tomorrow. The purpose of the request is not to rule out nongermane amendments; but in order to get the agreement, that provision had to be included.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I thank all Senators.

Mr. DOLE. Mr. President, returning to the question I will ask the distinguished chairman: Under section 106 of the bill, subparagraph 7, it is my understanding that within 6 months of the enactment of this bill, the chairman of the energy research management project shall make recommendations regarding solutions to the immediate and long term energy supply problem with respect to secondary and tertiary recovery of crude oil.

Of course, under this section, we are talking about research with regard to the recovery of oil that is in place. It has already been discovered. Some of it has been recovered through primary methods, some through secondary methods, and perhaps tertiary methods might have been used in some instances.

In the State of Kansas, and I am certain in many other States, the independent oil producers are working with State universities in an effort to better utilize all available technology in this area, and would like to make certain that some of the research funds authorized on this portion of the bill will be used to assist projects such as theirs. Some of the experts are saying that we have some 40 to 45 billion barrels of oil that could be recovered if these projects can improve on the methods and application of secondary and tertiary recovery operations.

We know the oil is there. The question is, "How do we recover it?"

The question I ask the Senator, and perhaps he can shed some light, is: Will this matter be given some priority under the research provisions of the law we have been reviewing?

Mr. JACKSON. I am glad to respond. As the Senator knows, the recoverable reserves as of this year, 1973, amount to about 38.7 billion barrels, out of a total recoverable reserve in the world of about 600 billion barrels. In place reserves are higher in the estimate of a lot of people. They say that in the United States we have in place reserves of 200 billion barrels. By that, we mean the oil is there, but for reasons of technology and economics, it is not being removed.

I take it this is what the Senator is referring to.

Mr. DOLE. Yes.

Mr. JACKSON. It is a very, very important area in which we need to make an allout effort.

May I respond to the Senator by saying we list the priorities starting on page 68 and then run through page 70. There are other priorities. They are not listed in order. It does not mean that because priority listed as No. 7, as is secondary and tertiary recovery, that it is seventh on the priority list. Not at all.

The management projects directed to move on the kinds of recommendations that will be called for within 6 months of the enactment of the act. We intend to do something about it.

Mr. DOLE. I thank the distinguished Senator.

As a member of the Committee on Finance I wish to say that Mr. David Freeman testified before our committee less than 10 days ago.

Mr. JACKSON. This will not delay any existing programs, by the way.

Mr. DOLE. I understand.

Mr. David Freeman pointed out, as the Senator from Washington and the Senator from Arizona know, current recovery operations skim the cream off the top and use about one-third of the oil discovered. It is suggested that over the next decade we might be able to increase domestic production by 30 to 40 billion barrels of oil through improved recovery methods. The only point I make is that in our State Dr. Floyd Preston, head of the Petroleum Engineering Department at KU, in conjunction with Mr. Warren Tomlinson, head of the Kansas Independent Oil and Gas Association, are seeking funds to research and improve secondary and tertiary recovery operations. It seems to me this is a problem in many States in the Midwest and in other oil-producing States and I am hopeful these research funds can find new and improved methods of recovery.

Mr. JACKSON. The Senator is correct. I observe that just in the secondary and tertiary area they estimate, on a conservative basis, that we could recover 30 billion barrels. I gave an overall aggregate of 200 billion barrels of inplace reserves. We do not have now the technology to reach it, but this bill contemplates that in the research and development we will make the effort to reach the unreachable based on existing technology. But with a conservative estimate of 30 billion barrels, that is almost as much as our total recoverable reserve.

Our colleagues should understand when we mention these figures, this points out the problem we face in this country; that is, the total reserves for the world are 600 billion barrels. Saudi Arabia has one-half; the United States has somewhat less.

We produce more oil than any other nation in the world but, and this is a big but, we consume more than any nation in the world, so our total reserves are going down like an hour-glass whereas in other countries the reserves are going

up instead of down, because of new discoveries.

Mr. DOLE. I appreciate the Senator's comments. As the Senator knows I think that one factor that has delayed secondary recovery, and particularly tertiary recovery, has been the added cost per barrel to remove that oil from the ground using these methods. Financial incentives to encourage such recovery operations may be needed. The President of the Kansas Oil and Gas Association said today, we can extract this oil from the ground next month if the incentives are available. We need not wait 3 and 4 years.

Mr. JACKSON. Mr. President, will the Senator yield?

Mr. DOLE. I yield.

Mr. JACKSON. We did work out the amendment that is now law that provides for an exemption of price for stripper wells.

Mr. DOLE. That is correct.

Mr. JACKSON. I think that is limited to 10 barrels per leasehold. But it is a long step forward.

Mr. DOLE. And the production has increased in those stripper areas, because of the law enacted by Congress which demonstrates if we make it profitable for a person to recover oil through secondary or tertiary means, that person, company, or partnership will make the effort.

I thank the Senator.

Mr. JACKSON. I thank the Senator for this very helpful colloquy.

Mr. DOLE. Mr. President, I ask unanimous consent that an article appearing in World Oil of October 1973, entitled, "Improved Oil Recovery Could Help Ease the Energy Shortage" be printed in the RECORD.

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

IMPROVED OIL RECOVERY COULD HELP EASE ENERGY SHORTAGE

(By Ted M. Geffen)

Tertiary recovery is one answer to the existing energy crisis that has not been given sufficient consideration to date. With better economic incentives will come more research and development of recovery methods needed to produce a potential 55 billion barrels of already-discovered oil. Industry, with the aid of associations such as the API, has begun and will continue to develop ways to economically produce these currently unrecoverable reserves.

This article discusses tertiary recovery methods now in use and those of the future. An explanation of various methods, and a means of selecting an appropriate method for a particular reservoir, are given.

Future U.S. oil demand will be supplied from domestic source plus imports. The domestic supply will be derived from three sources:

1. Exploration.
2. Secondary recovery.
3. Tertiary recovery.

Exploring for new oil requires, to a large extent, drilling deeper and moving further from inhabited areas, making financial investment less desirable under existing economic conditions. In addition to increasing difficulty in finding new oil, costs for drilling wells deeper are not directly proportional to depth. Generally, for each 5,000 feet of added depth, cost about doubles. In hostile environments (offshore and Arctic) it doubles again. And ecological protection continues to be a major cost factor.

Secondary recovery has reached maturity with waterflooding the most used method. Opportunities of adding to domestic supplies from existing fields are dwindling rapidly. Of course, new discoveries will add a future storehouse of oil to be recovered by waterflooding. But even after prudent flooding, most oil discovered in a field will be left in the ground.

Secondary recovery has been a significant contributor of low-cost oil, but this low cost has given a false reflection to the real over-all cost of supplying domestic needs. Replacement crude oil supplies will not enjoy all the benefits in costs provided by extensive waterflooding.

Tertiary recovery refers to recovering part of the oil left after waterflooding. Capturing this oil economically is today's challenge to industry. It is not a new objective, since millions of research dollars have long been invested to develop technology that might provide a third crop of oil.

Tertiary recovery adds a new dimension of difficulty for the operator. This "hard-to-get" oil is in known locations but is also in lean deposits. These conditions present both advantageous and disadvantageous economic situations. Like exploration, tertiary recovery projects are heavily front-loaded financially, with large initial investment and long income delays. Environment difficulties should be minimal since conventional and in-place production facilities would be used. Operational wells must be available, as tertiary operations usually will not be able to carry the financial burden of redrilling.

U.S. OIL RESOURCE

A simplified picture of U.S. original oil-in-place (OOIP), discovered to date (excluding North Slope), is shown in Fig. 1. (Figure 1 not printed in RECORD). Of 408 billion barrels, which include all oil ultimately recoverable by present used methods from presently found fields. This is about one-third as much as the 100 billion barrels already recovered. With no change in operating mode, ultimate recovery will be about 32.5% of oil found. The other 67.5% can be divided into three categories: unrecoverable, possibly recoverable and potentially recoverable.

Some experts judge that about 40% of OOIP will not, for practical reasons, be recovered. The remaining 27% is divided into two parts. Half is thought, by some visionaries, reachable by future innovative developments, while the other half is considered recoverable using current and soon-to-be-developed technology together with favorable economic environment.

Fifty-five billion barrels in this category may be optimistic. It is 1¾ times the current recoverable reserve figure. Even if this amount is not ultimately realized, there could still be a volume equal to current reserves. This is the target for tertiary recovery and it offers a significant contribution in easing the energy shortage.

Industry is spending more than $25 million per year on tertiary recovery research. This is being done to reduce the time factor in achieving viable recovery methods. Essentially, all funds for tertiary recovery research have been and are being supplied by the producing industry. Stimulations to increase this effort have been suggested by individuals in responsible positions inside and outside industry.

TERTIARY METHODS

Unconventional, improved fluid injection or *tertiary* methods, whatever name is used, also are operable in the secondary recovery mode since the same technology applies. They can be used instead of waterflooding, but their value is in terms of incremental oil recovery to incremental cost over waterflooding.

Tertiary methods are listed in Fig. 2. Boxed-in words refer to manner in which supplied energy is moved through reservoirs which exist between wells. A few methods incorporate a substance in the injection water which, in effect, improves performance of conventional waterfloods.

Methods offering greatest incremental recovery potential involve injecting a slug, or small bank, of one fluid and driving this slug through reservoir with another fluid(s). These combinations are indicated by connecting lines. The first material injected is characteristically small in volume, but high in cost.

Objective of the active ingredient (solvent or hot zone) is to mobilize and push forward oil that remains in pore spaces. This, in turn, is propelled from injection to production wells by drive fluids such as water or a selected gas.

A dilemma exists in using methods to maximum potential since the more effective the oil clean-out job (displacement efficiency) by the active ingredient, the greater the tendency for the method to contact less oil-bearing formation (sweep efficiency). This can be disastrous to oil recovery efficiency.

A remedy, called mobility control, is performed by selecting injection fluids, such that each fluid bank is driven by fluid having a lesser ability to flow. This allows for displacement efficiency as well as forcing fluids to spread out and increase sweep efficiency, or volume of rock contacted. Examples of mobility controls now used are polymers added to drive water and water slugs injected alternately or continuously with drive gases.

In waterflooding, a certain amount of injected fluid, cycling through high-flow conductor zones, can be tolerated because of water's low cost and handling. Economics demand that these conditions, if severe, be corrected in tertiary projects. Means to overcome this detrimental condition are under development and so far are not widely used.

For treating thin, low-volume, highly permeable zones, materials such as time-set gels and very high molecular weight polymers are encouraging. If the culprit is a fracture, then a promising treatment is to inject a slurry of solid fines (powders).

Tertiary operations have to support costs of handling large volumes of water put into formation by previous operations. Thus, it is often desirable, when possible, to use an improved recovery method instead of waterflooding as a secondary recovery approach. This could have favorable economic benefits in some fields. Total life would be shorter and further savings would be realized by handling water only once.

However, there is a benefit from waterflooding first, particularly in formations where there is little or no tertiary experience. The waterflood can be used as a low-cost evaluator of reservoir floodability. This information would be critically useful—first, in making the decision as to desirability of specific tertiary operations, and second, in design.

Fig. 2 shows the considerable tertiary technology available. (Figure 2 not printed in RECORD.) Some methods are being used commercially in selected fields, while others are being evaluated by field pilot tests. Most technology originated in industrial laboratories, but the API Fundamental Research Program also has contributed significantly. Project 37, in particular, provided basic information and led to miscible hydrocarbon methods. And discussions and symposia sponsored by the former API Oil Recovery Technology Domain Committee introduced ideas which were the starting point, or contributed many of currently recognized improved recovery techniques.

"BIG FOUR"

Recovery methods with promise for commercial application include hydrocarbon miscible, CO_2 miscible, water miscible and thermal.

Hydrocarbon miscible methods involve displacing crude from pore space by solvent action, which prevents formation of interfaces between driven and driving fluids. Elimination of interfaces allows complete displacement of oil from the part of reservoir contacted by solvent. Existence of interfaces in waterflooding and other immiscible drives causes capillary trapping and incomplete displacement of oil.

Since solvent is expensive, only a bank or slug is used. Final drive fluid is a less valuable material, miscible with the solvent, which can be either hydrocarbon or nonhydrocarbon gas. Injected fluid compositions and pressure are selected so that fluids will exist as single phase in the reservoir. Sometimes the ultimately injected fluid can be water.

Solvent slugs can be generated on site using some hydrocarbon components native to the crude, or by injecting intermediate molecular weight (i.e., C_2-C_6) components. In high pressure gas drives, solvent consists mostly of intermediate materials that vaporize from in-place crude. In rich gas and LPG slug methods, intermediates are injected.

When using LPG solvent, miscibility occurs on first contact with reservoir oil. But when using rich gas, the solvent bank forms by condensation of intermediate molecular weight hydrocarbons from injected fluid into reservoir crude. Thus, like high pressure gas drive, rich gas requires some contact between injected fluid and in-place crude to form solvent. This is commonly referred to as multiple contact miscibility.

Solvent and drive fluids are not as dense or viscous as reservoir crude. Because of this, in horizontal floods injected fluids tend to override oil and preferentially penetrate more permeable zones. These effects can be catastrophic toward efficient oil recovery. However, both natural conditions and operating controls can reduce these effects significantly.

For example, gravity effects can be used advantageously by flooding downward in pinnacle reef or other high relief type reservoirs. Thin shale lenses in the pay can reduce gravity override tendencies. Operating controls to force injected fluids to spread through more reservoir can be accomplished by injecting water continuously, or in slugs, with solvent and drive fluids.

Major investment items for hydrocarbon miscible flooding are costs of compressors and injected fluids. Availability of solvent and drive gas materials is critical as demand for these materials (as energy supplies) increases directly with demand for crude to be recovered.

Carbon dioxide miscible conditions can be realized with some crude oil by multiple contact mechanisms. Preceding comments regarding hydrocarbon miscible flooding also apply to CO_2 since it can be classified as a solvent.

In CO_2 miscible applications, density and viscosity contrasts are not as severe as when using hydrocarbon solvents, so there is a lesser degree of overriding and bypassing. In some geographic areas CO_2 is inexpensive, particularly where there is a naturally occurring deposit, large plants releasing high volumes of stack gases of CO_2 and where CO_2 is removed from natural gas for pipe line transportation.

Where a very low cost, large CO_2 supply is available, consideration can be given to driving CO_2 slug immiscibly by water instead of miscibly by more valuable gas. Then, an "extra large" slug of CO_2 can be injected to allow for trapping by the drive water.

Water miscible floods use chemical mixtures both for solvent-acting slug and drive fluid, and are mostly water. The slug is a combination of surfactant solutions that form a micellar fluid, or micro-emulsion. Drive fluid is "thickened" water made by adding a polymer to injection water. Since injected fluids are primarily water, gravity segregation effects are minimal. To maximize sweep and oil recovery efficiency, mobilities of slug and drive fluids are designed to provide a favorable viscosity contrast with the reservoir fluid.

Chemicals used tend to plate-out (i.e., absorbs) on pore surfaces. This loss adds to cost. Acceptable chemical costs and higher crude prices will be the key to commercialization of this method.

Thermal methods use heat to thin oil and make it flow more easily to production wells. Steam injection, both in "huff-and-puff" mode and straight-forward drive, is used commercially in recovering heavy oils. From a technical standpoint, steam drive also could be used for tertiary recovery of some high gravity crudes.

Combination of forward combustion and waterflooding (COFCAW) involves igniting formation oil in some wells and then propagating a combustion zone by continuous air injection toward producing wells. Water injected has two potentially favorable effects. It conserves generated heat and moves it forward, thus minimizing amount of air which must be injected and amount of crude which must be burned to maintain combustion. It also improves sweep efficiency by mobility control.

Both of these add to potential oil recovery. Major investment is for compressors, and compressor fuel can be a significant expense. Air and water supply present no general availability problems. COFCAW can be used to recover any API gravity oil that could be or has been waterflooded.

ADVANTAGES AND LIMITATIONS OF TERTIARY RECOVERY

Up to 55 million barrels of already discovered oil—nearly twice current U.S. recoverable reserves—is the potential of tertiary recovery.

Delays in application could mean abandonment of wells and irrevocable loss of oil production.

Added cost, above well operating expense, for tertiary oil ranges from $0.75 to $1.50 in ideal applications. During pioneer applications, there will be a higher than normal number of marginal performers and failures. So the real average cost to industry will be greater until advancement up the "learning curve" minimizes risk.

Other economic considerations influencing degree of commercial attractiveness are heavy financial front-loading and time-delayed income. Cost of unloading water from flooded reservoirs also will have to be carried by the project.

Other desirable features include using already made investments (i.e, wells and facilities in operating fields and pipe lines) for further income generation, no new environmental concerns and providing a supply within the United States.

Except in selected fields, tertiary investments are not now economically competitive with other methods to increase domestic crude supplies.

The most promising methods are miscible and thermal types.

Extensive field testing under favorable and controlled conditions is urgently required to uncover the factors that require further investigation so that risk of applying tertiary methods is reduced. Results must be made available at an early date to collapse the time required to develop industry confidence in their use.

Special equipment (such as compressors and steamers as well as supplies of chemicals and flooding fluids) is limited in terms of availability. Planning for manufacturing of these items should be given immediate attention if tertiary methods are to be used in the maximum number of suitable fields.

Some special fluids used are petroleum or petroleum-derived and their costs will increase. Others, like CO_2 are available at a low cost only in a few locations and in limited quantities.

TABLE 1.—SCREENING GUIDE—PREFERRED CRITERIA FOR UNCONVENTIONAL RECOVERY METHODS

Process	Oil grav. °API	Reservoir temp. °F	Operating press., psia	Oil visc. cp	Perm. md	$\frac{K_{field}}{K_{cores}}$	Thickness feet	kh/μ_o md-ft/cp	ϕh	S_o,%	ϕS_o, frac.	Depth feet	Well spacing acres	Favorable factors	Factors which increase risk
High pressure[1] gas drive.	>40	(2)	>3,500	<1	(2)	<5	(2)		Low best.	>25	(2)		(2)	1. Deep formation (see pressure). 2. High dip. 3. Undersaturated crude with high C_2-C_6 concentration.	1. Extensive fractures. 2. Strong water drive. 3. Gas cap. 4. High vertical permeability in a horizontal reservoir. 5. High permeability contrast. 6. Natural gas supply limitations.
Enriched gas[1] drive (condensing gas drive).	>30	(2)	>1,300 (900–1,000 with modif.).	<3	(2)	<5	(2)		Low best.	>25	(2)		(2)	1. At low pressures gas required with high C_2 and low N_2. 2. High dip. 3. Thin pay, low K_v.	Items 1–6 same as above. 7. LPG supply limitations.

Footnotes at end of table.

TABLE 1.—SCREENING GUIDE—PREFERRED CRITERIA FOR UNCONVENTIONAL RECOVERY METHODS—Continued

Process	Oil grav. °API	Reservoir temp. °F	Operating press., psia	Oil visc. cp	Perm. md	K_{field}/K_{cores}	Thickness feet	kh/μ_o md-ft/cp	ϕh	S_o,%	ϕS_o, frac.	Depth feet	Well spacing acres	Favorable factors	Factors which increase risk
LPG slug	>30	(2)	>1,300 800–900 with modification).	<5	(2)	<5	(2)		Low best.	>25	(2)		(2)	1. Distress (cheap) LPG available. 2. High dip. 3. Thin pay, low k_v. 4. C_2 rich fluid for low pressure reservoir.	Same as above.
CO_2 (miscible)[1] (water or gas driven).	>30	(2)	>1,100	<3	(2)	<5	(2)		Low best.	>25	(2)		(2)	1. CO_2 available. 2. High dip. 3. Thin pay, low k_v.	Items 1–5 same as above. 6. CO_2 supply and transportation requires high initial investment.
Micellar[1] flooding	(2)	≤200	(2)	<10	>20 to 50 in contacted portion of reservoir.	<5	(2)		High best.	>25	(2)	(2)	(2)	1. It is essential that good water be available (<5,000 ppm total dissolved solids; <500 ppm Ca^{++} and Mg^{++}) 2. Waterflood sweep >50 percent.	1. Extensive fractures. 2. Strong water drive. 3. Gas cap. 4. High permeability contrast. 5. High saline (>30,000 ppm TDS) connate or flood match.
Steam drive	>10	(2)	<2,500	(2)		(2)	>20	>20	High best.	>0.10 (>780 B/AF).		<4,000	≤10	1. Existing wells adaptable to steam injection. 2. Available gas supply for steam generation. 3. Available water which is cheap, slightly alkaline, free of H_2S, oil, dissolved iron, and turbidity.	1. Strong water drive. 2. Gas cap. 3. Low net to gross pay fraction. 4. Extensive fractures (not as serious as in other injection methods).
COFCAW	>45	(2)	>250	(2)		>5	>10	>100	High best.	>0.05 (>390 B/AF).		>500	≤40	1. Formation temperature >150°F. 2. Low vertical permeability. 3. Available water which is cheap and won't precipitate solids in presence of air. 4. Existing wells in condition to withstand high pressure. 5. Cheap gas supply for compressors.	1. Extensive fractures. 2. Gas cap. 3. Strong water drive. 4. Low net to gross pay fraction. 5. Serious pre-existing emulsion problems.

[1] Requires laboratory test to confirm suitability.

[2] Not critical.

SCREENING GUIDE

Table 1 gives tentative preferred criteria for screening projects that are prospects for application of Big Four methods. This guide is based on reported information derived from laboratory and field studies and is useful only as an initial filter. But prospects that pass this screen are candidates for further engineering study.

Screening Guide items are related to suitability of a reservoir, both as to operability and economic potential. One screening factor deserving special mention is oil saturation. It is not uncommon to find that calculated average oil saturation remaining in a reservoir is higher than that which exists in the portion of pay that can be processed by tertiary recovery methods. This situation is particularly prevalent in reservoirs where length is many times greater than width, and where pay stringers have limited horizontal continuity. Before committing to tertiary recovery operation, it is advisable to make direct measurements of oil saturation by at least one of several means, such as log-inject-log, pressure core analysis, tracer injection, etc.

TABLE 2.—COMPARISON OF CONVENTIONAL SECONDARY AND TERTIARY RECOVERY

	Normal range of recovery improvement Percent OOIP		Approximate range[1]
	From	To	
Secondary:			
Waterflood	10–20	30–50	0.35–0.50
Steam (heavy oil)	10	60	.75–1.25
Tertiary (after watered-out):			
Alternate gas-water	30	40	.25– .35
Thickened water (polymer)	30	40	.60– .80
Wettability reversal	45	55	.50– .75
Miscible-hydrocarbon	45	75	.75–1.00
Miscible-CO_2	45	70	.60– .85
Miscible-(micellar) water	45	80	1.00–1.50
IFT (micellar) water	45	75	.75–1.25
Thermal (COFCAW)	40	70	1.25–1.50

[1] Approximate range incremental cost above well operating expense, dollars per barrel of added oil.

SECONDARY VERSUS TERTIARY RECOVERY

Table 2 compares some tertiary with secondary methods. Figures, except for waterflooding, are based on judgement since insufficient data are available on tertiary field projects to generate statistical values. Also, figures represent expectations for carefully selected, well-designed, good-performing operations.

In addition to Big Four, figures are shown for three tertiary methods not as effective in displacement efficiency as are miscible or thermal types.

Recovery improvement values in Table 2 are presented in the form *from the value of recovery obtained by previous operations to the value after conducting the referenced method.* For example, where a miscible hydrocarbon tertiary project might be conducted, oil recovery by preceding primary and waterflooding would be around 45%. After tertiary operations, total recovery would be about 75%, or an incremental increase of 30% OOIP.

Incremental costs, above normal well operating expense, are shown as a range in terms of dollars per barrel of incremental oil. These values include both investment and added operating costs. For tertiary methods, 50–80% of this cost is for front-load items such as fa-

cilities and flooding fluids. Total cost for production would require (in addition to normal well operating costs for the field involved) cost to lift and dispose of water injected during preceding waterflood operations, and time value of investment money due to time delay in income.

Three methods, not included in Big Four, are expected to reach nominal increase in recovery for modest increase in cost. Of the Big Four, CO_2 miscible flooding appears to have the edge in costs. Unfortunately, cheap naturally occurring supplies of CO_2 near suitable fields are limited. Big Four are taught to have potential of providing additional recovery from some reservoirs amounting to 30–35% of OOIP. Incremental cost is estimated to be in the range of $0.75 to $1.50 per barrel for ideal applications.

Not all tertiary field projects will be successful. During pioneer applications, there will be a higher than normal number of marginal performers and failures. So *real* average cost to industry could be more until advancement up the "learning curve" minimizes risk. To put a sizable part of potential tertiary oil into the category of U.S. reserves, risks will have to be taken. There is an urgency for doing this before irrevocable losses of oil occur because of abandonment of wells.

TERTIARY RECOVERY'S FUTURE

In December 1972, the National Petroleum Council published a report, "U.S. Energy Outlook." An extensive study was made (starting in 1956) of sources which make up domestic production. Also, projections were made as to future (1970–1985) sources considering future economic climate changes. Several sets of assumptions were used.

One of these projections indicates that the proportion of total reserves to be added, attributed to tertiary operations, rises gradually starting in 1975, to 25% by 1985. Also by 1985, tertiary production will, after an inherent time delay, amount to about 20% of domestic total.

It appears from this forecast that there is likely to be an accelerated effort by industry on conducting tertiary operations. Continued frequent publication of results will help in development of viable methods in the time available. Delays could result in some extra oil being lost due to abandonment of uneconomic wells.

This article is taken from the paper "Improved Oil Recovery Expectations When Applying Available Technology" presented at the Third Annual Meeting, Division of Production, API, held in Denver, Colo., 1973.

Mr. HARRY F. BYRD, JR. Mr. President, will the Senator yield?

Mr. JACKSON. I yield.

Mr. HARRY F. BYRD, JR. May I ask the distinguished Senator from Washington this question? On page 81 of the bill it provides:

If the total estimated amount of the Federal contribution to the proposal does not exceed $50 million the chairman is authorized to proceed with negotiation of agreements.

Is that not rather high?

Mr. JACKSON. No. First of all, on anything over $10 million the chairman must report to Congress as listed, starting on page 81. The language on the bottom of page 80, starting at line 19 states:

SEC. 110. (a) For each proposal which is considered pursuant to section 105, and in which the potential Federal investment is estimated to exceed $10,000,000 the Chairman shall prepare and transmit to the Congress a report setting forth the following:

It is an accounting to Congress. On the top of page 81 is the listing of what is required in that report.

Then it goes on and says:

If the total estimated amount of the Federal contribution to the proposal does not exceed $50 million the Chairman is authorized to proceed with negotiation of agreements and implementation of the proposal as set forth in the report subject to the availability of funds under the authorization of appropriations granted in section 120(b) of this act.

There, we have delegated to the Chairman the authority to enter into these contracts up to $50 million. Between $10 million and $50 million complete accounting must be given, a complete report with a waiting period provided for Congress to act if Congress wishes to respond.

Then I would point out that on anything over $50 million they have to come to Congress to get a specific authorization.

Mr. HARRY F. BYRD, JR. That is clear—over $50 million.

Mr. JACKSON. For an authorization.

Mr. HARRY F. BYRD, JR. That is correct.

Mr. JACKSON. That takes a specific act of Congress.

Mr. HARRY F. BYRD, JR. But anything up to $50 million does not?

Mr. JACKSON. For $10 million to $50 million they do report to the Congress, and the Congress will have an opportunity to comment on it and take appropriate action, so that there is no way they can bypass the Congress. These programs are going to be substantial, and if we were to authorize every specific project up to $50 million, I am afraid we would have a real problem. This may be more far-reaching than any other act we have had to deal with, such as the Atomic Energy Act and other programs.

Mr. HARRY F. BYRD, JR. I certainly agree that a reasonable amount should be set on which the manager of the project should have leeway, but I am concerned with whether $50 million is not a substantial sum, perhaps a great deal more than should be given without the express approval of Congress.

Mr. JACKSON. I think it is a question of how the project is going to be managed. Look at the safeguards. The report lies for 60 days before the Congress. They have to respond to all these questions. We can take appropriate action.

Mr. HARRY F. BYRD, JR. Appropriation is still required?

Mr. JACKSON. Yes. And may I point out that each year we will be authorizing, on an annual basis. This bill requires an annual authorization by Congress for all of the programs that will involve funding.

Mr. HARRY F. BYRD, JR. But it does require appropriation?

Mr. JACKSON. Yes. We are not authorizing for 20 years. We have in this bill provided a broad strategy for a very large, massive research and development program, but Congress retains the authority not only of authorizing it annually; and on all changes appropriations would have to be made.

Mr. HARRY F. BYRD, JR. So this $50 million figure would be only for 1 year. Is that it?

Mr. JACKSON. No; the $50 million figure remains in the law. It is permanent law. But the entire program is subject to appropriation each year. We contemplate in this bill that it will get up to $2 billion a year on nonnuclear—this is nonnuclear research; we are not addressing ourselves to nuclear research—but we get to $2 billion a year in about 1975 or 1976. There will be an annual authorization of $2 billion that we will act on before the Appropriations Committee acts.

Mr. HARRY F. BYRD, JR. I thank the Senator.

May I go to the section of the legislation dealing with loan guarantees, which appears on page 95. The Government may guarantee up to 75 percent of the project. This is a very high percentage. Will the Senator comment on that?

Mr. JACKSON. Yes. This relates only to geothermal research.

Mr. HARRY F. BYRD, JR. Yes.

Mr. JACKSON. Title II of the bill is a special program which originally was in a separate bill. It has been incorporated into this bill. The 75 percent guarantee figure is one that was considered very carefully by the distinguished Senator from Arizona (Mr. FANNIN) and the distinguished Senator from Nevada (Mr. BIBLE), both of whom have long been active in this area, and it was their judgment, after a realistic look at this program, that to really get something moving, it would require authority going up to 75 percent.

Mr. HARRY F. BYRD, JR. One of the reasons why I opposed the SST was that the Government would put up between 85 and 90 percent of the money.

The Senator from Washington felt differently about that, so we will not debate that subject; but this is coming pretty close to that 85 percent subsidy which was proposed for the SST. It occurs to me that 75 percent is high.

Mr. JACKSON. This is not a subsidy. This is a loan guarantee.

Mr. HARRY F. BYRD, JR. It is a loan guarantee.

Mr. JACKSON. It is not a subsidy. The loan will be made privately by a bank.

Mr. HARRY F. BYRD, JR. But it is a guarantee by the government up to 75 percent of the project.

Mr. JACKSON. That is correct, but, of course, there would be action back against the corporation. The guarantee is the means by which the credit can be provided to underwrite this kind of loan.

Mr. HARRY F. BYRD, JR. It differs from the SST proposal, which was a direct subsidy.

Mr. JACKSON. There was a requirement in the SST proposal that before any of those funds for the SST could be recovered as profits, the Government would get its money back.

Mr. HARRY F. BYRD, JR. But it was a subsidy, as compared with a loan guarantee in this program.

Mr. JACKSON. That is right.

Then may I point out that at the top of page 97, subsection (b), it is provided:

In the event of any default by a qualified borrower on a guaranteed loan, the Secretary is authorized to make payment in accordance with the guaranty and the Attorney General shall take such action as may be appropriate to recover the amounts of such payments

from such assets of the defaulting borrower as are associated with the project.

I think what will happen here, may I say, is that the people who will get into this program will be substantial corporations. They are required to be financially qualified. What it will really do is upgrade the quality of the loan and reduce the interest rate.

As the Senator knows, some of the large utilities are in this already. Pacific Gas & Electric has an operating plant north of San Francisco.

Really, the net effect of it would be to upgrade the loan, so that a lower interest rate should prevail, therefore making it more feasible from an economic point of view.

Mr. FANNIN. Mr. President, if the Senator will yield, we are very desirous of getting into research and development in this field, where there is a great potential. The Senator from Nevada (Mr. BIBLE) has been working on this matter for years. There has been a great effort to interest these firms in a research and development program. The Pacific Gas & Electric Co. is now producing, at Kaiserville, 400 megawatts, which is more than half of the electricity for the needs of San Francisco, to give Senators an idea of the magnitude of this program.

If we have projects like that in other areas of the country, it could be a blessing and it would mean that we would not be held to make tremendous expenditures in other fields. This has proven to be a low-cost energy producing type of arrangement. The cost of the production of power at Kaiserville is less than in many other areas of the country using other equipment.

We also have a great potential in the Imperial Valley, where it is estimated that there is sufficient steam and hot water to produce many times the amount of power being produced at Kaiserville.

What we need is investment in a research and development program to go forward in order that this type of power can be produced from that source.

Mr. HARRY F. BYRD, JR. I agree. I take it that the able Senator from Arizona and the Interior and Insular Affairs Committee both feel that a 75-percent loan guarantee is about the appropriate figure to use at the present time in this legislation.

Mr. FANNIN. This question was given very careful study, I will respond to the distinguished Senator from Virginia. It was considered the minimum, and it was felt it would be highly proper and would encourage development. Of course, naturally, there is a risk. There is risk in any kind of exploration. It was considered that this would be a very satisfactory arrangement.

Mr. HARRY F. BYRD, JR. Mr. President, I thank the Senator.

Mr. BELLMON. Mr. President, will the Senator from Kansas yield?

Mr. DOLE. I yield.

Mr. BELLMON. Mr. President, earlier this afternoon in a colloquy between the Senator from Kansas and the Senator from Washington there was a debate about certain projects and the fact that these are sometimes stymied, because they are not economic.

There was a comment by the Senator from Washington about how we decontrolled the prices on the production from the stripper wells. I ask the Senator from Kansas if he might think it wise to do this in the case of the oil in order to get some of these lands into production?

Mr. DOLE. I think it would be most helpful. We have studied a plan in the Finance Committee for doing this. However, this would, I think, bring about more rapid stimulation and more production.

Mr. BELLMON. Mr. President, it may be possible to offer such an amendment at a later time.

Mr. DOLE. Mr. President, I yield the floor.

Mr. COOK. Mr. President, during the last few days I have heard many of my colleagues speak about the energy crisis. Many suggestions have been made on how to handle the problem, but they have all dealt with a form of rationing or an additional tax. I feel that there is an easier way. To impose an additional tax would be grossly unfair to the millions of middle-income families and would undoubtedly prohibit the poor from driving at all. Rationing, which is a little better and definitely more acceptable by all, would present an administrative nightmare and would add more problems to an already overburdened administration.

Today, I had intended to offer an amendment to the present bill which would provide an alternative to rationing and additional gasoline taxes. However, I believe that the issue is of such importance that the bill deserves separate consideration and attention. Instead, I would like to present an outline of the way the plan will work:

All persons owning a registered vehicle for personal use would be issued a decal on which a day of the week was printed, with the exception of Sunday. These decals would be color-coded for easy identification and would be placed on the car or other vehicle. On the day listed on the decal, that vehicle could not be driven on the highway. To eliminate any disadvantage which multiple car families might have, all vehicles in the same household would be issued the same day decal. The decals would be distributed on a random basis by State highway departments.

The Department of Transportation would be responsible for printing the decals and distributing them to the proper State authorities for further distribution. Each State would also be charged with enforcing this law, and establishing an appeals board to hear requests for changes in the day when they cannot drive, which may be necessary due to hardships.

There will have to be exceptions for certain people who must have their cars in order to work. There will also be exceptions for certain holidays.

This plan, together with the continued closing of gas stations on Sunday, to limit Sunday driving, should solve our gasoline problems. The effect of this plan would be to keep all personal vehicles off the roads at least 1 day each week. Using figures given to me by the Department of Transportation, my staff has told me that this plan will save at least 240 million gallons of gas a week or 12.5 billion gallons a year.

This plan would not require any new Federal bureaucracy to be established and could be implemented immediately. There would be no hoarding of gasoline or black marketing of ration coupons. It would affect all people equally, the rich and the poor. It would affect us, also.

I think it is time for us to take the lead by setting positive examples. I am ready to do my part.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the House of Representatives had confirmed the nomination of GERALD R. FORD, of the State of Michigan, to be Vice President of the United States.

JOINT MEETING OF THE TWO HOUSES—ADMINISTRATION OF OATH OF OFFICE TO THE VICE PRESIDENT

RECESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate stand in recess, subject to the call of the Chair, for the purpose of having the Senate proceed in a body to the Hall of the House of Representatives, for the administration of the oath of office to the Vice President of the United States.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana? The Chair hears none, and it is so ordered.

At 5:41 p.m., the Senate took a recess subject to the call of the Chair.

Thereupon, the Senate, preceded by the Sergeant at Arms, Mr. William H. Wannall; the Secretary of the Senate, Mr. Francis R. Valeo; and the President pro tempore of the Senate, Senator EASTLAND, proceeded to the Hall of the House of Representatives.

(The report of the proceedings in connection with the administration of the oath of office to the Honorable GERALD R. FORD, as Vice President of the United States, appears in the proceedings of the House of Representatives in today's CONGRESSIONAL RECORD.)

At 6:34 p.m., on the expiration of the recess, the Senate, having returned to its Chamber following the conclusion of the joint meeting, reassembled and was called to order by the Honorable GERALD R. FORD, Vice President of the United States.

Mr. MANSFIELD. Mr. President——

The VICE PRESIDENT. The Chair recognizes the Senator from Montana (Mr. MANSFIELD).

Mr. MANSFIELD. Mr. President, the present occupant of the Chair was designated by the President and confirmed by the Congress. He comes to the Chair from the House of Representatives, but he is now in, if not of, the Senate. I should point out, however, that he is not beholden to either body or to the President. He now occupies the Chair of the Senate in his own right under the Constitution and laws of the United States. In that context, the Vice President is welcome. We are glad to have him in the Senate. [Applause.] We look forward to this new association with an old legislative colleague and valued friend. There is

every expectation that it will be a fortuitous one.

In the House, the powers of the person who occupies the Chair, the Speaker, are legendary. His gavel is a thunderclap. His voice strikes awe and commands attention. That is the atmosphere in which our new Presiding Officer received his parliamentary education. May I add that it was the worst possible conditioning for his present occupation. As he will soon discover, things are somewhat different on this side of the Capitol. [Laughter.] If there is one person in the Senate with less influence and authority than the majority leader or the minority leader, if there is one person more at the mercy of the Members, it is the Presiding Officer. [Laughter.]

The days ahead will comprise an extended period of reeducation for the distinguished Vice President. He will learn, for example, that Presiding Officers are expected to be seen, not heard. [Laughter.] He will learn that only in those rare instances when the Senate divides evenly may he speak, and then only in monosyllables: "yea" or "nay." [Laughter.] On procedural matters, the Presiding Officers may wish to propose but if the Parliamentarian does not dispose, then it will be the Senate as a whole which does so.

He will discover, in short, that the gavel of the House does not travel well. In transition to the Senate, it shrivels from a great sledge to a bit of soft ivory.

Before the doors of the Chamber close with finality on the distinguished Vice President, it occurs to me that a last reprieve may be in order. The Senate willing, perhaps, he should have one final opportunity to exercise his rights under the first amendment. [Laughter.] I request, therefore, that the Chair ascertain from the Parliamentarian whether it would be in order to offer a unanimous-consent request on behalf of the distinguished Republican leader (Mr. HUGH SCOTT) and myself to the effect that the President of the Senate, the Vice President of the United States, GERALD R. FORD, may be permitted to address the Senate on this unique and historic occasion for not to exceed—repeat, not to exceed—5 minutes, and that such consent, if granted by the Senate, not be regarded in any way, shape, or form as a precedent.

Mr. President, is it in order at this time to propound this request?

The VICE PRESIDENT. It is in order to make the request.

Mr. HUGH SCOTT. Mr. President, reserving the right to object, and in order to prolong the suspense, may I use this occasion to discuss, at some length, if need be—but the need does not be—whether or not the first amendment prevails over the 25th amendment, or vice versa?

I assume that 5 minutes under the first amendment is a sufficient length of time in which to validate the 25th amendment for all intents and purposes, and we have had the benefit here of hearing our new Presiding Officer duly instructed in the holy orders which pertain to the Senate having to do with his recent conversion to the new faith, and I would think that instruction in itself would be salutary and well and truly borne in mind.

I would like to reassure the Presiding Officer that the hazing received here has been amiably fraternal, but nevertheless with a small degree of malice aforethought. [Laughter.]

Therefore, I will conclude what I have to say, at the distinct nod from the distinguished majority leader to "get on with it."

Therefore, I move—I ask unanimous consent——

Mr. MANSFIELD. Ask unanimous consent. [Laughter.]

Mr. HUGH SCOTT. Warning the Senate that I might move, I ask unanimous consent that the distinguished Presiding Officer, the Vice President of the United States, may, notwithstanding any rules to the contrary heretofore or hereafter withstanding, be permitted to address the Senate under the rules of the House—that is to say, for not more than 5 minutes.

The VICE PRESIDENT. Is there objection to the request of the Senator from Pennsylvania? The Chair hears none, and it is so ordered. [Applause.]

ADDRESS BY THE VICE PRESIDENT OF THE UNITED STATES

The VICE PRESIDENT. Senators, I wish to thank the joint leadership for affording me the opportunity to speak to the Senate from the Presiding Officer's chair, notwithstanding your rules, which I will hereafter respect.

Senators, a funny thing happened to me on the way to becoming the Speaker of the House of Representatives.

The last leader of the other body who came directly to this Presiding Officer's chair was the legendary Speaker and Vice President John Nance Garner. His first and last speech to the U.S. Senate on March 4, 1933, was a model of brevity which I shall seek to emulate. I have been schooled by the 5-minute rule, and never learned to filibuster until the recent hearings on my confirmation.

Before your Committee on Rules and Administration I got a cram course in how the Senate does its work—under some very strict but learned teachers. I thank them for their diligence and the dignity with which they performed the first phase of the constitutional mandate of the Congress under the 25th amendment.

I am deeply grateful also to all Senators for the confidence which was reflected in your vote—I am grateful to those who voted "nay" as well as "yea"—for your confidence was in the capacity of our political institutions to meet new challenges without the extremes of passion and partisanship that have brought less sturdy republics to ruin.

To the distinguished Senators who examined my fitness to be your Presiding Officer I pledged my conviction that truth is the glue that holds government together. In the subsequent hearings before the Committee on the Judiciary of the House I added that compromise is the oil that makes government go.

This evening let me add one final thought. Love of America and faith in the goodness of this great country of ours is the power which unites all of us, those who govern and those by whose consent we govern, as we pray for better tomorrows in a peaceful world. [Applause.]

RECESS

Mr. GRIFFIN. Mr. President, I move that the Senate stand in a brief recess subject to the call of the Chair in order that the Members of the Senate may congratulate and shake hands with our new Presiding Officer.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Michigan.

The motion was agreed to and at 6:44 p.m. the Senate took a recess subject to the call of the Chair.

The Senate reassembled at 6:52 p.m. when called to order by the Vice President.

ORDER FOR ADJOURNMENT UNTIL 10 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 10 o'clock tomorrow morning

The VICE PRESIDENT. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR McGOVERN, FOR ROUTINE MORNING BUSINESS, AND FOR RESUMING CONSIDERATION OF THE UNFINISHED BUSINESS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow after the recognition of the two leaders or their designees under the standing order, the distinguished Senator from South Dakota (Mr. McGOVERN) be recognized for not to exceed 15 minutes, after which there be a period for the transaction of routine morning business of not to exceed 15 minutes, after which the Senate resume its consideration of S. 1283, the energy R. & D. bill.

The VICE PRESIDENT. Without objection, it is so ordered.

BUDGETARY REFORM—ORDER TO HOLD HOUSE MESSAGE ON H.R. 7130 AT THE DESK UNTIL THE CLOSE OF BUSINESS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, the bill (H.R. 7130) to improve congressional control over budgetary outlay and receipt totals, and for other purposes, has come over on a message from the House of Representatives today. Having discussed this request with the distinguished chairman of the Committee on Rules and Administration, with the distinguished ranking Republican member of that committee (Mr. COOK), with the distinguished assistant Republican leader, and with the distinguished Senator from North Carolina (Mr. ERVIN), the chairman of the Committee on Government Operations, I ask unanimous

consent that H.R. 7130 be placed on the calendar, and that no action be taken thereon until such time as the Senate reports back a companion bill (S. 1541) after the convening of the next session, at which time the Senate will probably strike out all after the enacting clause of H.R. 7130 and insert in lieu thereof the Senate bill as amended, if amended.

The VICE PRESIDENT. Is there objection?

Mr. PERCY. Mr. President, reserving the right to object—and I may not object—I did not understand that this matter was to be brought up tonight. I thought it was pending.

I have not yet had a chance to check with the other minority members of the Committee on Government Operations, and at least advise them of this matter. Would it be all right to hold the matter over until tomorrow, so that I can touch base with them, and not just tell them it is a fait accompli?

Mr. ROBERT C. BYRD. Surely.

Mr. PERCY. If I had understood it was to be brought up this evening, I would have cleared it this afternoon. It has been discussed with the ranking minority member, but I simply have not had a chance to check it out with him.

The VICE PRESIDENT. Does the Senator ask that it be held at the desk until tomorrow?

Mr. PERCY. Until tomorrow.

Mr. ROBERT C. BYRD. Mr. President, I withdraw my request, and I ask, in lieu thereof, that the message which came over from the House of Representatives remain at the desk until not later than the close of business on tomorrow.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. PERCY. I would like to make it clear that the Senator from Illinois understands the problem and is in full accord with the new proposal, but I would like to have a chance to check with the other Members.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. PERCY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded

The VICE PRESIDENT. Without objection, it is so ordered.

OBSERVATIONS ON THE SWEARING IN OF THE VICE PRESIDENT

Mr. PERCY. Mr. President, I should like leave, in the few minutes we have, to make an observation on the remarkable proceedings we have just witnessed. The only regret I have is that the diplomatic corps did not come over from the House of Representatives to the Senate. I noticed that the diplomatic gallery of the House was filled. It was filled with the wives of Senators. There were a great many new young wives. But I wish we had a few of the diplomats, because I think they would have enjoyed the proceedings. It was a moment of history and a moment of concern in the country.

I think it should have been apparent to all that we can handle these matters in accordance with the Constitution and do so with dignity.

The comments made by the Vice President of the United States, both in the House of Representatives and in the Senate, were historic comments. We are all grateful for them.

I think it was appropriate of the leadership of the Senate, both the majority and the minority, to have extended the warm welcome of the Senate to the Vice President of the United States, the Presiding Officer of the Senate.

Mr. THURMOND. Mr. President, I am pleased to join my colleagues in the Senate in this tremendous expression of congratulations to the new Vice President of the United States.

It was my great pleasure to support GERALD FORD's nomination, and it shall be my great pleasure to work with him in his new office.

GERALD FORD is a man of courage, candor and capability, and he brings to this Government a much-needed stabilizing influence. He has demonstrated his very able leadership in the past, and I am confident that he will continue this fine leadership in the future.

Mr. President, I congratulate GERALD FORD, and I wish him every success in his new office.

NOMINATION OF HELMUT SONNENFELDT TO BE UNDER SECRETARY OF THE TREASURY

Mr. HARRY F. BYRD, JR. Mr. President, I have been informed by the White House that the President is withdrawing the nomination of Mr. Helmut Sonnenfeldt, of Maryland, to be Under Secretary of the Treasury.

I think that is a wise decision on the part of the President.

Mr. President, this nomination was submitted to the Senate about 7 months ago. It was referred to the Finance Committee. The time conditions were such that the Senator from Virginia did not have the opportunity to query the nominee in the detail which the Senator from Virginia felt was necessary.

At the request of the Senator from Virginia, the distinguished chairman of the committee and the committee members held that nomination over until a later date so that the Senator from Virginia would have the opportunity to query the nominee in the detail he felt was required.

Subsequent hearings were held on the nomination, and the Senator from Virginia became convinced that Mr. Sonnenfeldt does not have the qualifications for the particular office to which he had been appointed, that of Under Secretary of the Treasury.

He would succeed in that position Mr. Edwin S. Cohen—incidentally, from Virginia—who is an expert on tax matters. Mr. Sonnenfeldt's qualifications did not fit, so far as the Senator from Virginia could see, into the requirements for the No. 2 or the No. 3 man in the Department of the Treasury.

Mr. President, I understand that Mr. Sonnenfeldt may be nominated for another position in another department. I do not in any way prejudge that case.

My opposition to Mr. Sonnenfeldt, as I stated to the Senate 2 weeks ago, is based entirely on my belief that he does not have the qualifications for this particular high position in the Department of the Treasury.

Now, Mr. President, there have been some news accounts that the chairman of the committee may have held up this nomination which, so far as I can ascertain—and I have been very closely connected with this matter—has not been the case at all. It has been a question of having the opportunity to bring the nominee before the committee and ascertain as best we can his qualifications.

I might point out that during much of the time this nomination has been before the Senate, Mr. Sonnenfeldt has been—I might not say much of the time, but during some of the time and maybe much of the time that the nomination was before the Senate, out of the country on other assignments. So the committee was not able to work out convenient dates between the nominee and the committee until some time in October.

So I know that the chairman could not delay the consideration of this, other than to permit the members of the committee, those who desired to do so, to have the opportunity to go into the qualifications of the nominee.

Mr. President, I spoke in the Senate on November 21 and stated at that time that I would like to speak for 2 hours on next Monday, December 10, to present in detail why I could not vote for this nomination. But if the nomination is going to be withdrawn, obviously there is no need to go into such detail, even now or on Monday next.

There is a unanimous-consent agreement before the Senate to consider the nomination of Mr. Sonnenfeldt to be Under Secretary of the Treasury on Monday next. I believe the President made the right decision in withdrawing this nomination.

I stated on the floor of the Senate 2 weeks ago that, in my judgment, even if he is confirmed, he would not long stay in the position of Under Secretary of the Treasury.

I want to say again that if he is nominated for another office, I will not in any way prejudge the case. I was dealing only with the office to which he was appointed; namely, the No. 2 or the No. 3 man as Under Secretary of the Treasury. His qualifications for that position are, in my judgment, lacking.

Mr. LONG. Mr. President, will the Senator from Virginia yield?

Mr. HARRY F. BYRD, JR. I yield.

Mr. LONG. Mr. President, I am pleased that the Senator from Virginia made the statement that he did just now. There have been some articles on this subject which have been very unfair to the Finance Committee, and perhaps its chairman.

When this nomination came to us, we were told by a number of sources, including Mr. Clark Mollenhoff, who had worked in the White House in relation to qualifications of people for high office—that this nomination should be carefully examined. Mr. Paul Scott and others had reason to believe that one

would find information in the nominee's background which, if properly investigated, would be likely to disclose that the nominee had leaked secret information of this Government to representatives of a foreign nation as well as to members of the press.

Mr. HARRY F. BYRD, JR. Mr. President, will the Senator yield at that point?

Mr. LONG. I yield. The Senator from Virginia at no point expressed any concern about that matter.

Mr. HARRY F. BYRD, JR. That is right. I would like to get that clear.

Mr. LONG. In fact, he expressed no interest in the security matter, to the extent of saying that he did not care to look into that matter at all; he was not concerned about it. He was concerned about the fact that this nominee did not appear to have the credentials in fiscal and taxation matters to be the Under Secretary of the Treasury and did not have the experience or training or qualities in other respects that we had a right to expect of one who would occupy that particular Under Secretary appointment that prior to that point had contained the responsibility to handle the tax policy of the Treasury. As the Senator has correctly stated, Sonnenfeldt was nominated to succeed Edwin Cohen, who was probably the ablest tax expert in the Treasury with regard to tax policy, and perhaps the best tax expert in America.

So that the aspects about which the Senator from Virginia was concerned were not those that consumed so much time in the committee. What consumed so much time was the fact that the longer the matter went, the more allegations were received, and the more leads people had to suggest to the committee of security matters that should be investigated. It finally reached the point that we were apprised that this man's telephone had been tapped over a period of years; and we were urged to obtain the tapes and either to obtain the transcripts of those tapes or to subpena as witnesses those who did transcribe them and those who had the responsibility of monitoring those telephone calls, and to obtain from them the information that could be made available.

It is not a matter of record at this point, but it might as well be a matter of record. The Senator from Louisiana requested of the executive branch that those tapes be made available and that not having that, the transcripts of those tapes should be made available. We were advised that this would not be done. It was the same position that the administration was taking at that time with regard to the taped conversations of the President, himself, which have been the basis of so much controversy, an item on which the President has subsequently yielded to the demands of those who insisted on knowing what the tapes would reveal with regard to the President's conversations.

The Senator from Louisiana eventually took the view that he simply was not going to further pursue this matter, to obtain these various bits of evidence and the additional witnesses who could be subpenaed before the committee, who might have something to contribute, for the reason that we had consumed a great deal of time looking into the security reliability of this witness. Nothing had been produced up to that point that would prove the contentions that were made by those who felt that this was not a man who could be relied upon not to leak Government information. So far as the Senator from Louisiana was concerned, we had spent more time looking into the background and reliability of this man than we had as to all the other nominees put together who have come before the committee in the last several years.

Therefore, this Senator simply asked that the committee relieve him of the duty of further pursuing that matter, reserving to anybody who wanted to do so the right to investigate further into this matter. It was the view of the committee that we should not subpena those tapes nor call further witnesses. So far as the Senator from Louisiana was concerned, he was relieved about that matter. He felt that we had spent enough time on that subject.

As one Senator, I would prefer that the nomination had been confirmed because his reliability had been put in issue and the evidence had not been presented, at least to that point, to establish that the man had leaked any information. There were allegations. There were some charges. The man forcefully denied it. It was one man's word against another. It simply has not been proved. Therefore, the committee, by majority vote, felt that this nomination should be reported favorably. I believe the Senator from Virginia was the only member of the committee who at that point indicated that he was opposed to the confirmation.

Mr. HARRY F. BYRD, JR. I was not even present at the meeting when the nomination was reported.

Mr. LONG. The Senator arrived at the room somewhat later, and I believe I reported to him that we had voted, by a voice vote, to confirm the nomination of Mr. Sonnenfeldt. The Senator from Virginia has correctly stated that he was not present. He informed me that he intended to oppose the confirmation on the floor, which he is stating now he would have done.

Mr. President, the Senator from Louisiana had suggested to various people who work in a capacity as liaison officers at the White House that in view of the fact that the nominee's loyalty and credibility had been placed at issue, it might be well to go ahead and confirm the nomination. But the Senator from Louisiana suggested that in due course the nominee should be moved into a position in the State Department because his credentials in that area so far surpassed his credentials in the area relating to the Treasury. It was felt by the Senator from Louisiana that the whole purpose of nominating this man was to assist in the negotiations on East-West trade.

It was the position of the Senator that if that were to be the case, it would be best that he participate in those negotiations as a member of the State Department, not as a member of the Treasury Department. The reason why this Senator felt it should be that way was that the business community had a right to feel, and the labor people had a right to ask, that one who went there representing the Treasury Department would be conversant with, knowledgeable of, and representative of the point of view of American business and American labor, in seeking to protect their interests in American jobs and in negotiating these trade agreements.

It has become almost traditional to expect that those who represent the State Department would say that we should take the broader view, that it might be better for the other people to have the jobs than to have them here. We have seen that happen before, and this Senator would not be shocked by that. He did think that one could resent a person speaking for the Treasury Department taking the State Department international attitude toward trade, that it might be better for the other people to get the jobs than for the Americans to have them.

Upon that basis, this Senator suggested—and those with whom he discussed the matter seemed to agree—that it would be desirable that in due course Mr. Sonnenfeldt should be appointed to a position in the State Department.

I have read an article in one of our great publications to the effect that this Senator, the chairman of the committee, had made some kind of deal in this matter.

I can forgive any reporter for writing in the best way he knows on what little information he has available to him, so I do not chastise the reporter. The fact is that there was no deal. That was suggested there was some sort of advantage in it for the Senator from Louisiana. This Senator merely suggested that this nominee was better fitted for a State Department position than a position in the Treasury Department. This Senator is also aware of the fact that Mr. Kissinger had in mind suggesting and recommending Mr. Sonnenfeldt for a high position in the State Department and he felt that was part of what was being considered, that it was a good idea, and should be done.

So I would imagine that in due course Mr. Sonnenfeldt's name would be submitted as a nominee for a position of considerable dignity and responsibility in the State Department and if it required confirmation I would expect to vote for it. I would have expected to vote for him in this position, but I heard the interrogation of the Senator from Virginia of Mr. Sonnenfeldt and one had only to read the transcript to realize that Mr. Sonnenfeldt was far from the best man to be nominated for Under Secretary of the Treasury to be in charge of any of the traditional responsibilities that an Under Secretary of the Treasury is supposed to handle.

I believe the decision has been made to send the name of Mr. Sonnenfeldt in here for an important job in the State Department where he will be dealing with matters involved with what we hope will be a détente between the Soviet bloc and the United States.

If Mr. Sonnenfeldt is able to do what was expected of him, he would participate in negotiations relating to East-West trade, and in resolving the long-standing differences between the United States and other Socialist nations of Eastern Europe.

I became convinced after the interrogation of the Senator from Virginia that this nominee, notwithstanding his brilliance, his fine education, his loyalty and dedication to this country, simply does not have the qualifications which one would expect for a person to occupy a position as Under Secretary of the Treasury.

It appears that the view of the Senator from Virginia will prevail in this matter. I wish only that this could have been worked out earlier without a challenge on the security aspect of his nomination. But anyone who in his own conscience feels there are security matters that should be investigated for the sake of our Nation cannot be blamed for insisting that one should investigate allegations that this man had leaked secrets of this government to persons who were not supposed to have that information, people in foreign governments, and people representing the press.

It is my judgment that if we had found anything we would have found that the man perhaps leaked something to a member of the press. That has happened so much in Washington during the 25 years that I have been here that I do not know we should have gotten too excited if we had found that.

The Senator from Virginia had a very good point in insisting that the nominee did not have the qualifications one might expect for a person to hold the position of Under Secretary of the Treasury. I believe he has rendered the Nation a service in insisting on bringing that matter to the attention of the Senate.

Mr. HARRY F. BYRD, JR. I thank the Senator from Louisiana for his comments in that regard.

Mr. LONG. Also it should be underlined that a great deal of the delay involved was because Mr. Sonnenfeldt was constantly leaving the country to go with Mr. Kissinger or Secretary of the Treasury Shultz to Europe or Japan, or some place or other. Mr. Sonnenfeldt, in participating in international meetings, has unavoidably been responsible for much of the delay that has occurred in disposing of this matter.

Mr. HARRY F. BYRD, JR. Indeed, it did. So that the record will be clear, I did not oppose the reporting of the nomination from the Committee on Finance although I was not present at the time it was voted. If I had been, I would have opposed reporting the nomination to the floor. I did not make up my mind to vote against the nominee until I again reexamined the record and reread the hearings after the nomination came to the floor.

This is the second nominee that I took some trouble to interrogate. When Mr. Elliot Richardson was appointed Secretary of Defense I had some 200 questions, I believe, that I wanted to propound to him. I think we considered that nomination in the Committee on Armed Services as thoroughly as any nomination I can remember since I have been a member of the committee.

It seems to me that in these very important nominations we have an important obligation—the Committee on Finance does in connection with Treasury nominations and the Committee on Armed Services does on defense matters—to ferret out the views of these people, their qualifications, and their knowledge of the position to which they are being appointed. It is not pleasant to oppose someone. I do not like to oppose anyone. It is not my nature; I do not like to do it.

I had no thought of keeping the nomination in committee. After I asked the questions I wanted to ask I was not attempting to defeat the nomination on the floor. All I wanted to do was to present my reasons for voting as I was going to vote; namely, I was going to vote against him for this particular position, but I do not prejudge the case in the event he is nominated, as he probably will be, for some other job in some other department.

Mr. LONG. I want to make it clear that I would have voted for Mr. Sonnenfeldt and also spoken in his behalf if the administration had not withdrawn the nomination. I had indicated to those who contacted me on behalf of the White House that I would be willing to vote for the confirmation of the nomination for any one of several reasons.

I simply felt that they should recognize that one who occupies the position of Under Secretary of the Treasury should be a person considered to be a Treasury man. In view of the fact that a challenge had been made to the man as a security risk, I felt it would be fair to exonerate him of this charge; but I did feel that, in due course, he would be moved into a position where his qualifications would be more appropriate to the job. He has rendered this Nation a valuable service as an important adviser to the President in the White House on matters dealing with national security. He has played a substantial part in negotiations that led to the détente between the United States and the Soviet Union.

I have no doubt that he can make and will make a valuable and major contribution to this Nation in its trade negotiations with the Soviet Union and with countries of Eastern Europe. I do feel, however, that his services will be best used by the Nation if they are employed in the State Department area rather than as a representative of the Treasury Department.

Mr. HARRY F. BYRD, JR. I agree with the Senator from Louisiana.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the program for tomorrow is as follows:

The Senate will convene at the hour of 10 a.m.

After the two leaders or their designees have been recognized under the standing order, the distinguished senior Senator from South Dakota (Mr. McGOVERN) will be recognized for not to exceed 15 minutes.

There will then be a period for the transaction of routine morning business of not to exceed 15 minutes, with statements therein limited to 3 minutes.

At the conclusion of that period, the Senate will resume the consideration of S. 1283. I ask unanimous consent that the unfinished business be temporarily laid aside tomorrow and remain in a temporarily laid aside status until the close of business tomorrow, or until the final disposition of S. 1283, whichever is earlier.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Anent S. 1283, may I say in connection therewith that there is a time limitation on that bill. There will be yea-and-nay votes on amendments thereto, and on the final disposition of the bill.

Following disposition of S. 1283 tomorrow, the Senate will proceed to take up the military construction authorization conference report under a time limitation of 40 minutes. I would expect a yea-and-nay vote on final adoption of that conference report. Other measures which may have been cleared for floor action by that time, together with any conference reports that may be available and ready to be called up, will be acted on.

There will be no session on Saturday, in view of the fact that a time agreement has been reached on S. 1283.

Early next week, the leadership would hope to proceed with the consideration of measures with respect to the Independent Special Prosecutor. Hopefully, a time agreement can be reached in connection therewith.

Also next week, it is hoped that the Senate can proceed to the consideration of H.R. 8449, the national flood insurance program, and to dispose of that. S. 2767, the rail services bill in the Midwest and the Northeast, is expected to be brought up on Tuesday. There is already a time agreement on that bill.

With respect to other measures still up ahead for next week, the Senate would hope to take up S. 2176, the national fuels and energy conservation policy bill; H.R. 8214, the tax treatment for POW's bill; S. 2686, the legal services bill; and other bills as well as conference reports that will be coming along at any time. They are, among others: District of Columbia home rule; health maintenance organizations, and so forth. Then on down the road before adjournment sine die, the defense appropriation bill, foreign aid appropriation bill, the supplemental appropriation bill, and conference reports thereon.

As the distinguished majority leader indicated earlier today, it is hoped that the Senate can complete its work and adjourn sine die by no later than the 22d day of December; and, he also expressed the hope that the Senate will likely take a reasonably long recess before reconvening in January 1974—certainly not before January 21 and, prayerfully, not before January 28.

Mr. ROBERT C. BYRD subsequently said: Mr. President, as an addendum to my statement on the program, I should like to remind my colleagues that, in connection with the unanimous-consent agreement on S. 1283, no amendment not germane to the bill will be in order, no amendment not germane to the Buckley amendment will be in order, and also, once the Buckley amendment is disposed of, no other amendments will be in order prior to a vote on passage of the bill.

Therefore, Senators who have amendments which they want to call up should be on the floor early, circa 10:30 a.m., or

even earlier, perhaps 10:15 a.m., and be prepared to introduce their amendments.

The leadership has assured the Senator from New York (Mr. BUCKLEY) that he will have at least 2 hours on his amendment, and that amendment being the final amendment to be disposed of prior to final action on the bill, Senators, I repeat, are urged to be on hand early to call up their amendments if they have such.

Mr. LONG. Mr. President, while Mr. BUCKLEY has the privilege of offering an amendment to the bill which is not germane, it is my present inclination to urge the Senator not to offer his amendment on the bill, even though the Senator from Louisiana would expect to vote for it if the Senator offered it. The Senator from Louisiana might even feel disposed to vote for a motion to table the amendment so that we could limit amendments on this bill to amendments that are germane.

I wonder if there would be any objection if we might limit the right to offer the amendment to the Senator from New York (Mr. BUCKLEY) because I can foresee the possibility that someone else might offer the Buckley amendment so as to take us into the area of nongermane amendments.

May I address my inquiry to the acting majority leader in that regard?

Mr. ROBERT C. BYRD. Yes. If I may respond—and I ask the Chair if I am correct—under the agreement, it is my understanding that no nongermane amendment to the Buckley amendment would be in order to the Buckley amendment, and no amendment not germane to the bill would be in order to the bill, except the Buckley amendment.

The PRESIDING OFFICER. Would the Senator from West Virginia permit us to pause while the Parliamentarian studies the question?

Mr. ROBERT C. BYRD. Very well.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate stand in recess awaiting the call of the Chair.

The motion was agreed to; and at 7:56 p.m. the Senate took a recess, subject to the call of the Chair.

The Senate reassembled at 8:19 p.m., when called to order by the Presiding Officer (Mr. ALLEN).

Mr. ROBERT C. BYRD. Mr. President, as an addendum to my statement of the program, I wish to emphasize the fact that under the agreement entered earlier, immediately upon the close of routine morning business tomorrow the Senate will resume consideration of S. 1283, the energy R. & D. bill, at which time the pending question before the Senate will be on the adoption of the amendment by Mr. BUCKLEY. That amendment, of course, can be set aside by unanimous consent to permit other Senators to come in with amendments to the bill, provided such amendments are germane to the bill.

I would, therefore, reiterate to Senators, so that they will be adequately alerted, that if they have amendments they should be on the floor early, by 10:15 or 10:30 a.m., and be ready to call up their amendments, and if at all possible be willing to agree to a brief time limitation on their amendments because the leadership on both sides of the aisle has assured Mr. BUCKLEY that he would have at least 2 hours on his amendment.

Consequently, if there are other amendments to the bill, they should be called up prior to debate and action in relation to the Buckley amendment, but, I repeat, such other amendments can be called up only by unanimous consent. This would mean that in order to allow Mr. BUCKLEY at least 2 hours on his amendment, as was promised by the joint leadership, the way ought to be cleared for his amendment by not later than 1 p.m. tomorrow so as to accommodate the disposition of that amendment by no later than 3 p.m. tomorrow.

Mr. President, I wish to make one addendum to my earlier statement. In answer to a question by Mr. LONG, I should state that a motion to table the amendment by Mr. BUCKLEY would be in order.

ADJOURNMENT TO 10 A.M.

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 10 o'clock a.m. tomorrow.

The motion was agreed to; and at 8:23 p.m. the Senate adjourned until tomorrow, Friday, December 7, 1973, at 10 p.m.

NOMINATIONS

Executive nominations received by the Senate December 6, 1973:

DEPARTMENT OF STATE

William B. Buffum, of New York, a Foreign Service officer of the class of career minister, to be an Assistant Secretary of State.

Walter J. Stoessel, Jr., of California, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Union of Soviet Socialist Republics.

David H. Popper, of New York, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Chile.

ENVIRONMENTAL PROTECTION AGENCY

Alan G. Kirk II, of Virginia, to be an Assistant Administrator of the Environmental Protection Agency, vice John R. Quarles, Jr., elevated.

EXTENSIONS OF REMARKS

CONGRATULATIONS TO GERALD R. FORD, OUR NEW VICE PRESIDENT

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 6, 1973

Mr. EVINS of Tennessee. Mr. Speaker, today is a historic occasion for the House of Representatives and for the Nation.

For the first time, under the 25th amendment to the U.S. Constitution, we have justed elected a Vice President, our able and genial colleague, GERALD R. FORD of Michigan, nominated by the President and confirmed by the Senate and House.

This significant occasion in which we participated today is unique in the annals of the Congress. In selecting GERALD R. FORD as Vice President, we have chosen a Vice President who is neither to the far left nor to the far right: a moderate, if you will, a team player, a product of the legislative process of the House of Representatives.

In other words, the solid vote in confirming GERALD R. FORD, the longtime minority leader of the House, as Vice President is a compliment and a tribute to him personally and a source of pride to the House of Representatives—he is one of us. He has had 25 years of distinguished service in the House.

Mr. Speaker, certainly I was pleased and delighted to vote for and support the nomination of our colleague JERRY FORD as Vice President of the United States.

As a matter of fact, when the President nominated GERALD FORD as Vice-President-designate, I was among the first to announce publicly my support for him to the people of my State of Tennessee.

We were elected to the Congress at about the same time. Prior to his election as minority leader, he was a member of the Committee on Appropriations where he served with distinction and ability. He served on the Subcommittee on Defense Appropriations and built a record of solid support for a strong national defense.

We have seen his growth and progress—his development as a leader—through the years.

I believe that JERRY FORD will be a healer for our country. He understands the congressional process. He understands the necessity for maintaining our American system of checks and balances in our form of government. As Vice President JERRY FORD will have a special relationship both with the Congress and with the President.

It is my view that as a healer our new Vice President can be an instrument in binding the wounds in our body politic—and he can be a leader in restoring the confidence of the American people in Government.

It is my belief that GERALD FORD will speak with calmness and restraint and will be a voice for harmony and unity for the Nation.