become a dim and almost unreal memory for many of us. The lifting of the oil embargo combined with refinements in the Federal allocation program have resulted in a sufficient supply of gasoline.

While we have met and overcome this immediate crisis, it is important to remember that we are still confronted with a basic shortage of energy resources; that a resumption of unrestrained demand could possibly place us in the same dire straits as earlier this year. Mr. Sawhill, the new Federal Energy Administrator has recently indicated that the Nation faces a petroleum shortage of 4 to 6 percent unless conservation practices are continued.

The American people reacted in a remarkable fashion with voluntary conservation practices when the request was made of them. They willingly reduced their thermostats and curtailed use of automobiles. It was their efforts which were largely responsible for us being able to survive the embargo period with minimal disruption of our Nation's economic system and our daily lives. Their efforts were truly credit worthy.

I think that it is extremely important at this point in time that the American people be informed of the true nature of the oil situation facing our country and that they be encouraged to continue their conservation efforts. We all have to realize that the days of unlimited energy resources are over and that we will have to curtail unnecessary uses of these vital resources. It is my contention that if we grow lax concerning our conservation efforts, we are guaranteed of seeing a recurrence of long gas lines and low fuel supplies.

HOUSE OF REPRESENTATIVES—*Monday, May 13, 1974*

The House met at 12 o'clock noon.

Rabbi Marvin I. Bash, Arlington-Fairfax Jewish Congregation, Arlington, Va., offered the following prayer:

O Lord, protect the men and women of this Chamber and grant them health of mind and body, happiness, and long life. May they be guided by Thy infinite wisdom, so that their deliberations will be marked by reason and compassion, clear thinking and charity, righteous judgment and understanding.

We ask of our representatives a dedication to the highest ideals of justice and equity. May they lead us in the building of a democratic society in which none will be privileged and none will be disadvantaged—but all men will have a chance to realize their full potential for themselves and their families.

O Lord, bless our country and those leaders who strive to uphold her noblest ideals, in thought and in deed. Amen.

THE JOURNAL

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

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

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

H.R. 13998. An act to authorize appropriations to the National Aeronautics and Space Administration for research and development, construction of facilities, and research and program management, and for other purposes.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3062) entitled "An act entitled the "Disaster Relief Act Amendments of 1974."

The message also announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 514. An act to amend the act of June 27, 1960 (74 Stat. 220), relating to the preservation of historical and archeological data.

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

S. 411. An act to amend title 39, United States Code, with respect to certain rates of postage, and for other purposes; and

S. 3009. An act to provide that moneys due the States under the provisions of the Mineral Leasing Act of 1920, as amended, derived from the development of oil shale resources, may be used for purposes other than public roads and schools.

The message also announced that Mr. CANNON and Mr. DOMINICK were appointed as additional conferees on H.R. 12565, supplemental military procurement authorizations.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair desires to make a statement. The Chair makes the following announcement:

On April 9, 1974, the House adopted House Resolution 998 which amended the rules of the House in several respects. The provisions of that resolution became effective 30 days following the adoption of the resolution and are now part of the rules of this body.

Two of the new rules require changes in the legislative call system. Since these changes require considerable explanation, the Chair will insert a detailed statement in the RECORD at this point and will have a copy of the statement mailed to the office of every Member today. These new bell and light signals will become effective immediately and will be used hereafter whenever the new rules relating to the taking of quorum calls in the Committee of the Whole and to the procedure for voting on a series of motions to suspend the rules are implemented.

The statement is as follows:

On April 9, 1974 the House adopted House Resolution 998 which amended the rules of the House in several respects. The provisions of that resolution took effect 30 days following passage and as of last Thursday are part of the rules of this body. The chair is taking this opportunity to advise members of certain modifications in the legislative call system which are required by these changes in the rules.

The chair would direct the attention of the Members to rule XXIII, clause 2. As amended by section 3 of House Resolution 998. Under the new language added by the recent amendment the Chairman of the Committee of the Whole is given the authority and discretion to terminate a quorum call in the Committee when 100 or more Members appear. The rule provides that if, during the quorum call, a quorum does appear, the Chair may announce to the Committee that a quorum is present and declare a quorum constituted. If the Chair makes this determination and announcement—and it must be pointed out that the Chairman does not have to follow this procedure—the new rule then provides that further proceedings under the quorum call shall be considered as vacated and the committee shall not rise but shall continue its sitting and proceed with business. When this discretionary authority is exercised by the Chair no names either of those Members responding or of the absentees will be printed in the RECORD or the Journal and no announcement of the number which has responded will be recorded.

Under the present bell and light system the advent of a quorum call in the Committee of the Whole (or for that matter in the House) is announced by 3 bells and 3 lights. Five minutes later the three signals are again activated.

Under the revised procedure now being promulgated the three bells will continue to signal the beginning of a regular quorum call.

If the Chairman announces in advance—at the time a quorum call commences in Committee of the Whole—that he intends to exercise his discretion and will vacate proceedings under the quorum call when 100 or more Members have appeared—then one long bell will precede the three regular bells at the start of the quorum call and three lights will be illuminated.

Thereafter when the Chair does exercise his discretion and announces that a quorum is constituted one long bell will be rung to indicate that further proceedings will be vacated and the three lights turned off. If a quorum has not appeared at the expiration of the first five minutes one long bell followed by three regular bells will again be rung to indicate that the "notice" quorum call is still in progress.

Thus under the so-called notice quorum call procedure one long bell followed by three regular bells will be sounded each five minutes unless one of two events takes place during the time period permitted under the rule:

(1) A quorum appears and the Chair vacates proceedings (as explained above this will be announced by one long bell and the extinguishing of the three lights); or

(2) A quorum not having appeared, the Chair at any time during the 15 minute period directs the ringing of the three regular bells to signal that a regular quorum call has commenced. Members who have not already responded under the "notice" quorum call

will have 15 minutes from the ringing of the three regular bells to respond. (This will be announced by three bells and lights *not* preceded by one long bell). Thereafter when the Chair announces that all time has expired, the Chair will direct the Committee of the Whole to rise and will report the names of the absentees to the House.

The Chair will also direct that whenever this procedure is followed in the Committee of the Whole the automatic recording devices in the two cloakrooms will be programmed to reflect this and Members dialing the numbers 5–7400 or 7–7430 for the Democratic and Republican floor information will be informed if the quorum call will be terminated if and when 100 Members appear.

It should be pointed out that the new rule states that "at any time during the conduct of a quorum call" the Chair many determine that a quorum is present and may vacate the proceedings. The authority need not be exercised upon the appearance of precisely 100 Members. The Chair may choose to wait for a brief period to accommodate all Members who may be attempting to reach the Chamber. Of course the Chair may choose not to make any announcement in which case the quorum call will proceed for a minimum of 15 minutes and the Committee of the Whole will rise and report the absentees to the House as has been the practice heretofore.

The Chair is mindful that the procedure which is contemplated by this new rule may cause inconvenience and embarrassment to some Members either because they have attempted to respond to a quorum call which has been vacated before they arrive in the Chamber or because they may have been notified that the Chair intends to exercise his discretion but is precluded from doing so for failure of a quorum of the Committee of the Whole to appear.

While the intention of the new procedure is to expedite proceedings in Committee of the Whole and to save the time of Members, each Member has a responsibility to attend the proceedings of the Committee and the Chair is confident that Members will endeavor to respond on all quorum calls in Committee of the Whole for only by so doing can the purpose and intent of the new rule be realized.

The second change in the rules which requires a modification of the legislative call system is in rule XXVI, clause 2, which relates to the suspension of the rules procedure.

The Speaker is given discretion by section 4 of House Resolution 998 to postpone until the end of the legislative day the vote on any motion to suspend the rules on which the yeas and nays or a record vote is ordered or where there would be an automatic roll call under the provisions of clause 4, rule XV.

If the Chair exercises this authority, at the end of the legislative day there may be a number of motions which will be voted upon in series, without intervening debate.

The Speaker will put the various questions in the order in which they were postponed. After the first such yea and nay or RECORD vote is taken, the speaker is given the additional discretion to reduce the voting time for taking subsequent votes in the series to not less than 5 minutes per vote.

When the speaker has announced that he will follow this new rule, which he must do before entertaining the first motion to suspend the rules, his announcement will be repeated on the cloakroom recordings. In addition, six bells and lights will be activated while the first roll call is underway. Two bells will be rung when the vote begins, which is the present practice. There will shortly thereafter be a six-bell signal, and then, five minutes after the first two-bell ring, the two bells will again sound.

Six bells will also be rung at the beginning of each subsequent vote which is to be taken under the short call procedure.

When members hear the six bells, they should be alerted to the fact that a series of votes may follow and that the time for each following vote may be as short as five minutes from the sound of the six-bell call.

Members should note that twelve bells, sounded at two-second intervals, is the civil defense warning. That signal is quite distinct from the six bells and six lights which will be used to indicate a series of votes under this new rule.

APPOINTMENT OF CONFEREES ON H.R. 14013, MAKING FURTHER SUPPLEMENTAL APPROPRIATIONS FOR THE FISCAL YEAR ENDING JUNE 30, 1974

Mr. MAHON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 14013) making further supplemental appropriations for the fiscal year ending June 30, 1974, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Texas? The Chair hears none, and appoints the following conferees: Messrs. MAHON, WHITTEN, ROONEY of New York, SIKES, PASSMAN, EVINS of Tennessee, BOLAND, NATCHER, FLOOD, STEED, SLACK, Mrs. HANSEN of Washington, Messrs. MCFALL, CEDERBERG, MINSHALL of Ohio, MICHEL, CONTE, DAVIS of Wisconsin, ROBISON of New York, SHRIVER, and MCEWEN.

CONFERENCE REPORT ON S. 3062, DISASTER RELIEF ACT AMENDMENTS OF 1974

Mr. JONES of Alabama submitted the following conference report and statement on the Senate bill (S. 3062) Disaster Relief Act Amendments of 1974:

CONFERENCE REPORT (H. REPT No. 93–1037)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 3062) entitled the "Disaster Relief Act Amendments of 1974", having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

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

That this Act may be cited as the "Disaster Relief Act of 1974".

TITLE I—FINDINGS, DECLARATIONS, AND DEFINITIONS

FINDINGS AND DECLARATIONS

SEC. 101. (a) The Congress hereby finds and declares that—

(1) because disasters often cause loss of life, human suffering, loss of income, and property loss and damage; and

(2) because disasters often disrupt the normal functioning of governments and communities, and adversely affect individuals and families with great severity;

special measures, designed to assist the efforts of the affected States in expediting the rendering of aid, assistance, and emergency services, and the reconstruction and rehabilitation of devastated areas, are necessary.

(b) It is the intent of the Congress, by this Act, to provide an orderly and continuing means of assistance by the Federal Government to State and local governments in carrying out their responsibilities to alleviate the suffering and damage which result from such disasters by—

(1) revising and broadening the scope of existing disaster relief programs;

(2) encouraging the development of comprehensive disaster preparedness and assistance plans, programs, capabilities, and organizations by the States and by local governments;

(3) achieving greater coordination and responsiveness of disaster preparedness and relief programs;

(4) encouraging individuals, States, and local governments to protect themselves by obtaining insurance coverage to supplement or replace governmental assistance;

(5) encouraging hazard mitigation measures to reduce losses from disasters, including development of land use and construction regulations;

(6) providing Federal assistance programs for both public and private losses sustained in disasters; and

(7) providing a long-range economic recovery program for major disaster areas.

DEFINITIONS

SEC. 102. As used in this Act—

(1) "Emergency" means any hurricane, tornado, storm, flood, high water, wind-driven water, tidal wave, tsunami, earthquake, volcanic eruption, landslide, mudslide, snowstorm, drought, fire, explosion, or other catastrophe in any part of the United States which requires Federal emergency assistance to supplement State and local efforts to save lives and protect property, public health and safety or to avert or lessen the threat of a disaster.

(2) "Major disaster" means any hurricane, tornado, storm, flood, high water, wind-driven water, tidal wave, tsunami, earthquake, volcanic eruption, landslide, mudslide, snowstorm, drought, fire, explosion, or other catastrophe in any part of the United States which, in the determination of the President, causes damage of sufficient severity and magnitude to warrant major disaster assistance under this Act, above and beyond emergency services by the Federal Government, to supplement the efforts and available resources of States, local governments, and disaster relief organizations in alleviating the damage, loss, hardship, or suffering caused thereby.

(3) "United States" means the fifty States, the District of Columbia, Puerto Rico, the Virgin Islands, Guam, American Samoa, the Canal Zone, and the Trust Territory of the Pacific Islands.

(4) "State" means any State of the United States, the District of Columbia, Puerto Rico, the Virgin Islands, Guam, American Samoa, the Canal Zone, or the Trust Territory of the Pacific Islands.

(5) "Governor" means the chief executive of any State,

(6) "Local government" means (A) any county, city, village, town, district, or other political subdivision of any State, any Indian tribe or authorized tribal organization, or Alaska Native village or organization, and (B) includes any rural community or unincorporated town or village or any other public entity for which an application for assistance is made by a State or political subdivision thereof.

(7) "Federal agency" means any department, independent establishment, Government corporation, or other agency of the executive branch of the Federal Government, including the United States Postal Service, but shall not include the American National Red Cross.

TITLE II—DISASTER PREPAREDNESS ASSISTANCE

FEDERAL AND STATE DISASTER PREPAREDNESS PROGRAMS

SEC. 201. (a) The President is authorized to establish a program of disaster preparedness that utilizes services of all appropriate agencies (including the Defense Civil Preparedness Agency) and includes—

(1) preparation of disaster preparedness plans for mitigation, warning, emergency operations, rehabilitation, and recovery;

(2) training and exercises;

(3) postdisaster critiques and evaluations;

(4) annual review of programs;

(5) coordination of Federal, State, and local preparedness programs;

(6) application of science and technology;

(7) research.

(b) The President shall provide technical assistance to the States in developing comprehensive plans and practicable programs for preparation against disasters, including hazard reduction, avoidance, and mitigation; for assistance to individuals, businesses, and State and local governments following such disasters; and for recovery of damaged or destroyed public and private facilities.

(c) Upon application by a State, the President is authorized to make grants, not to exceed in the aggregate to such State $250,000, for the development of plans, programs, and capabilities for disaster preparedness and prevention. Such grants shall be applied for within one year from the date of enactment of this Act. Any State desiring financial assistance under this section shall designate or create an agency to plan and administer such a disaster preparedness program, and shall, through such agency, submit a State plan to the President, which shall—

(1) set forth a comprehensive and detailed State program for preparation against and assistance following, emergencies and major disasters, including provisions for assistance to individuals, businesses, and local governments; and

(2) include provisions for appointment and training of appropriate staffs, formulation of necessary regulations and procedures, and conduct of required exercises.

(d) The President is authorized to make grants not to exceed 50 per centum of the cost of improving, maintaining and updating State disaster assistance plans, except that no such grant shall exceed $25,000 per annum to any State.

DISASTER WARNINGS

SEC. 202. (a) The President shall insure that all appropriate Federal agencies are prepared to issue warnings of disasters to State and local officials.

(b) The President shall direct appropriate Federal agencies to provide technical assistance to State and local governments to insure that timely and effective disaster warning is provided.

(c) The President is authorized to utilize or to make available to Federal, State, and local agencies the facilities of the civil defense communications system established and maintained pursuant to section 201(c) of the Federal Civil Defense Act of 1950, as amended (50 U.S.C. App. 2281(c)), or any other Federal communications system for the purpose of providing warning to governmental authorities and the civilian population in areas endangered by disasters.

(d) The President is authorized to enter into agreements with the officers or agents of any private or commercial communications systems who volunteer the use of their systems on a reimbursable or nonreimbursable basis for the purpose of providing warning to governmental authorities and the civilian population endangered by disasters.

TITLE III—DISASTER ASSISTANCE ADMINISTRATION

PROCEDURES

SEC. 301. (a) All requests for a determination by the President that an emergency exists shall be made by the Governor of the affected State. Such request shall be based upon the Governor's finding that the situation is of such severity and magnitude that effective response is beyond the capabilities of the State and the affected local governments and that Federal assistance is necessary. The Governor's request will furnish information describing State and local efforts and resources which have been or will be used to alleviate the emergency, and will define the type and extent of Federal aid required. Based upon such Governor's request, the President may determine that an emergency exists which warrants Federal assistance.

(b) All requests for a declaration by the President that a major disaster exists shall be made by the Governor of the affected State. Such Governor's request shall be based upon a finding that the disaster is of such severity and magnitude that effective response is beyond the capabilities of the State and the affected local governments and that Federal assistance is necessary. As a part of this request, and as a prerequisite to major disaster assistance under the Act, the Governor shall take appropriate action under State law and direct execution of the State's emergency plan. He shall furnish information on the extent and nature of State resources which have been or will be used to alleviate the conditions of the disaster, and shall certify that for the current disaster, State and local government obligations and expenditures (of which State commitments must be a significant proportion) will constitute the expenditure of a reasonable amount of the funds of such State and local governments for alleviating the damage, loss, hardship, or suffering resulting from such disaster. Based upon such Governor's request, the President may declare that a major disaster exists, or that an emergency exists.

FEDERAL ASSISTANCE

SEC. 302. (a) In the interest of providing maximum mobilization of Federal assistance under this Act, the President shall coordinate, in such manner as he may determine, the activities of all Federal agencies providing disaster assistance. The President may direct any Federal agency, with or without reimbursement, to utilize its available personnel, equipment, supplies, facilities, and other resources including managerial and technical services in support of State and local disaster assistance efforts. The President may prescribe such rules and regulations as may be necessary and proper to carry out any of the provisions of this Act, and he may exercise any power or authority conferred on him by any section of this Act either directly or through such Federal agency as he may designate.

(b) Any Federal agency charged with the administration of a Federal assistance program is authorized, if so requested by the applicant State or local authorities, to modify or waive, for a major disaster, such administrative conditions for assistance as would otherwise prevent the giving of assistance under such programs if the inability to meet such conditions is a result of the major disaster.

(c) Notwithstanding any other provision of law, any repair, restoration, reconstruction, or replacement of farm fencing damaged or destroyed as a result of any major disaster shall be considered an emergency conservation measure eligible for payments under chapter I of the Third Supplemental Appropriation Act, 1957, or any other provision of law.

COORDINATING OFFICERS

SEC. 303. (a) Immediately upon his declaration of a major disaster, the President shall appoint a Federal coordinating officer to operate in the affected area.

(b) In order to effectuate the purposes of this Act, the Federal coordinating officer, within the affected area, shall—

(1) make an initial appraisal of the types of relief most urgently needed;

(2) establish such field offices as he deems necessary and as are authorized by the President;

(3) coordinate the administration of relief, including activities of the State and local governments, the American National Red Cross, the Salvation Army, the Mennonite Disaster Service, and other relief or disaster assistance organizations, which agree to operate under his advice or direction, except that nothing contained in this Act shall limit or in any way affect the responsibilities of the American National Red Cross under the Act of January 5, 1905, as amended (33 Stat. 599); and

(4) take such other action, consistent with authority delegated to him by the President, and consistent with the provisions of this Act, as he may deem necessary to assist local citizens and public officials in promptly obtaining assistance to which they are entitled.

(c) When the President determines assistance under this Act is necessary, he shall request that the Governor of the affected State designate a State coordinating officer for the purpose of coordinating State and local disaster assistance efforts with those of the Federal Government.

EMERGENCY SUPPORT TEAMS

SEC. 304. The President shall form emergency support teams of Federal personnel to be deployed in an area affected by a major disaster or emergency. Such emergency support teams shall assist the Federal coordinating officer in carrying out his responsibilities pursuant to this Act. Upon request of the President the head of any Federal agency is directed to detail to temporary duty with the emergency support teams on either a reimbursable or nonreimbursable basis, as is determined necessary by the President, such personnel within the administrative jurisdiction of the head of the Federal agency as the President may need or believe to be useful for carrying out the functions of the emergency support teams, each such detail to be without loss of seniority, pay, or other employee status.

EMERGENCY ASSISTANCE

SEC. 305. (a) In any emergency, the President may provide assistance to save lives and protect property and public health and safety.

(b) The President may provide such emergency assistance by directing Federal agencies to provide technical assistance and advisory personnel to the affected State to assist the State and local governments in—

(1) the performance of essential community services; warning of further risks and hazards; public information and assistance in health and safety measures; technical advice on management and control; and reduction of immediate threats to public health and safety; and

(2) the distribution of medicine, food, and other consumable supplies, or emergency assistance.

(c) In addition, in any emergency, the President is authorized to provide such other assistance under this Act as the President deems appropriate.

COOPERATION OF FEDERAL AGENCIES RENDERING DISASTER ASSISTANCE

SEC. 306. (a) In any major disaster or emergency, Federal agencies are hereby au-

thorized, on the direction of the President, to provide assistance by—

(1) utilizing or lending, with or without compensation therefor, to States and local governments, their equipment, supplies, facilities, personnel, and other resources, other than the extension of credit under the authority of any Act;

(2) distributing or rendering, through the American National Red Cross, the Salvation Army, the Mennonite Disaster Service, and other relief and disaster assistance organizations, or otherwise, medicine, food and other consumable supplies, or emergency assistance;

(3) donating or lending equipment and supplies, including that determined in accordance with applicable laws to be surplus to the needs and responsibilities of the Federal Government, to State and local governments for use or distribution by them for the purposes of this Act; and

(4) performing on public or private lands or waters any emergency work or services essential to save lives and to protect and preserve property, public health and safety, including but not limited to: search and rescue, emergency medical care, emergency mass care, emergency shelter, and provision of food, water, medicine, and other essential needs, including movement of supplies or persons; clearance of roads and construction of temporary bridges necessary to the performance of emergency tasks and essential community services; provision of temporary facilities for schools and other essential community services; demolition of unsafe structures that endanger the public; warning of further risks and hazards; public information and assistance on health and safety measures; technical advice to State and local governments on disaster management and control; reduction of immediate threats to life, property, and public health and safety; and making contributions to State or local governments for the purpose of carrying out the provisions of this paragraph.

(b) Work performed under this section shall not preclude additional Federal assistance under any other section of this Act.

REIMBURSEMENT

SEC. 307. Federal agencies may be reimbursed for expenditures under this Act from funds appropriated for the purposes of this Act. Any funds received by Federal agencies as reimbursement for services or supplies furnished under the authority of this Act shall be deposited to the credit of the appropriation or appropriations currently available for such services or supplies.

NONLIABILITY

SEC. 308. The Federal Government shall not be liable for any claim based upon the exercise or performance of or the failure to exercise or perform a discretionary function or duty on the part of a Federal agency or an employee of the Federal Government in carrying out the provisions of this Act.

PERFORMANCE OF SERVICES

SEC. 309. (a) In carrying out the purposes of this Act, any Federal agency is authorized to accept and utilize the services or facilities of any State or local government, or of any agency, office, or employee thereof, with the consent of such government.

(b) In performing any services under this Act, any Federal agency is authorized—

(1) to appoint and fix the compensation of such temporary personnel as may be necessary, without regard to the provisions of title 5, United States Code, governing appointments in competitive service;

(2) to employ experts and consultants in accordance with the provisions of section 3109 of such title, without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates; and

(3) to incur obligations on behalf of the United States by contract or otherwise for the acquisition, rental, or hire of equipment, services, materials, and supplies for shipping, drayage, travel, and communications, and for the supervision and administration of such activities. Such obligations, including obligations arising out of the temporary employment of additional personnel, may be incurred by an agency in such amount as may be made available to it by the President.

USE OF LOCAL FIRMS AND INDIVIDUALS

SEC. 310. In the expenditure of Federal funds for debris clearance, distribution of supplies, reconstruction, and other major disaster assistance activities which may be carried out by contract or agreement with private organizations, firms, or individuals, preference shall be given, to the extent feasible and practicable, to those organizations, firms, and individuals residing or doing business primarily in the area affected by such major disaster.

NONDISCRIMINATION IN DISASTER ASSISTANCE

SEC. 311. (a) The President shall issue, and may alter and amend, such regulations as may be necessary for the guidance of personnel carrying out Federal assistance functions at the site of a major disaster or emergency. Such regulations shall include provisions for insuring that the distribution of supplies, the processing of applications, and other relief and assistance activities shall be accomplished in an equitable and impartial manner, without discrimination on the grounds of race, color, religion, nationality, sex, age, or economic status.

(b) As a condition of participation in the distribution of assistance or supplies under this Act or of receiving assistance under section 402 or 404 of this Act, governmental bodies and other organizations shall be required to comply with regulations relating to nondiscrimination promulgated by the President, and such other regulations applicable to activities within an area affected by a major disaster or emergency as he deems necessary for the effective coordination of relief efforts.

USE AND COORDINATION OF RELIEF ORGANIZATIONS

SEC. 312. (a) In providing relief and assistance under this Act, the President may utilize, with their consent, the personnel and facilities of the American National Red Cross, the Salvation Army, the Mennonite Disaster Service, and other relief or disaster assistance organizations, in the distribution of medicine, food, supplies, or other items and in the restoration, rehabilitation, or reconstruction of community services housing and essential facilities, whenever the President finds that such utilization is necessary.

(b) The President is authorized to enter into agreements with the American National Red Cross, the Salvation Army, the Mennonite Disaster Service, and other relief or disaster assistance organizations under which the disaster relief activities of such organizations may be coordinated by the Federal coordinating officer whenever such organizations are engaged in providing relief during and after a major disaster or emergency. Any such agreement shall include provisions assuring that use of Federal facilities, supplies, and services will be in compliance with regulations prohibiting duplication of benefits and guaranteeing non-discrimination promulgated by the President under this Act, and such other regulation as the President may require.

PRIORITY TO CERTAIN APPLICATIONS FOR PUBLIC FACILITY AND PUBLIC HOUSING ASSISTANCE

SEC. 313. (a) In the processing of applications for assistance, priority and immediate consideration shall be given by the head of the appropriate Federal agency, during such period as the President shall prescribe, to applications from public bodies situated in areas affected by major disasters, under the following Acts:

(1) title II of the Housing Amendments of 1955, or any other Act providing assistance for repair, construction, or extension of public facilities;

(2) the United States Housing Act of 1937 for the provision of low-rent housing;

(3) section 702 of the Housing Act of 1954 for assistance in public works planning;

(4) section 702 of the Housing and Urban Development Act of 1965 providing for grants for public facilities;

(5) section 306 of the Consolidated Farmers Home Administration Act;

(6) the Public Works and Economic Development Act of 1965, as amended;

(7) the Appalachian Regional Development Act of 1965, as amended; or

(8) title II of the Federal Water Pollution Control Act, as amended.

(b) In the obligation of discretionary funds or funds which are not allocated among the States or political subdivisions of a State, the Secretary of Housing and Urban Development and the Secretary of Commerce shall give priority to applications for projects in major disaster areas in which a Recovery Planning Council has been designated pursuant to title VIII of the Public Works and Economic Development Act of 1965.

INSURANCE

SEC. 314. (a)(1) An applicant for assistance under section 402 or 419 of this Act or section 803 of the Public Works and Economic Development Act of 1965, shall comply with regulations prescribed by the President to assure that, with respect to any property to be replaced, restored, repaired, or constructed with such assistance, such types and extent of insurance will be obtained and maintained as may be reasonably available, adequate, and necessary to protect against future loss to such property.

(2) In making his determination with respect to such availability, adequacy and necessity, the President shall not require greater types and extent of insurance than are certified to him as reasonable by the appropriate State insurance commissioner responsible for regulation of such insurance.

(b) No applicant for assistance under section 402 or 419 of this Act or section 803 of the Public Works and Economic Development Act of 1965, shall receive such assistance for any property or part thereof for which he has previously received assistance under this Act unless all insurance required pursuant to this section has been obtained and maintained with respect to such property.

(c) A State may elect to act as a self-insurer with respect to any or all of the facilities belonging to it. Such an election, if declared in writing at the time of accepting assistance under section 402 or 419 of this Act or section 803 of the Public Works and Economic Development Act of 1965, or subsequently, and accompanied by a plan for self-insurance which is satisfactory to the President, shall be deemed compliance with subsection (a) of this section. No such self-insurer shall receive assistance under such sections for any property or part thereof for which it has previously received assistance under this Act, to the extent that insurance for such property or part thereof would have been reasonably available.

DUPLICATION OF BENEFITS

SEC. 315. (a) The President, in consultation with the head of each Federal agency

administering any program providing financial assistance to persons, business concerns, or other entities suffering losses as the result of a major disaster, shall assure that no such person, business concern, or other entity will receive such assistance with respect to any part of such loss as to which he has received financial assistance under any other program.

(b) The President shall assure that no person, business concern, or other entity receives any Federal assistance for any part of a loss suffered as the result of a major disaster if such person, concern, or entity received compensation from insurance or any other source for that part of such a loss. Partial compensation for a loss or a part of loss resulting from a major disaster shall not preclude additional Federal assistance for any part of such a loss not compensated otherwise.

(c) Whenever the President determines (1) that a person, business concern, or other entity has received assistance under this Act for a loss and that such person, business concern or other entity received assistance for the same loss from another source, and (2) that the amount received from all sources exceeded the amount of the loss, he shall direct such person, business concern, or other entity to pay to the Treasury an amount, not to exceed the amount of Federal assistance received, sufficient to reimburse the Federal Government for that part of the assistance which he deems excessive.

REVIEWS AND REPORTS

SEC. 316. The President shall conduct annual reviews of the activities of Federal agencies and State and local governments providing disaster preparedness and assistance, in order to assure maximum coordination and effectiveness of such programs, and shall from time to time report thereon to the Congress.

CRIMINAL AND CIVIL PENALTIES

SEC. 317. Any individual who fraudulently or willfully misstates any fact in connection with a request for assistance under this Act shall be fined not more than $10,000 or imprisoned for not more than one year or both for each violation.

(b) Any individual who knowingly violates any order or regulation under this Act shall be subject to a civil penalty of not more than $5,000 for each violation.

(c) Whoever knowingly misapplies the proceeds of a loan or other cash benefit obtained under any section of this Act shall be subject to a fine in an amount equal to one and one-half times the original principal amount of the loan or cash benefit.

AVAILABILITY OF MATERIALS

SEC. 318. The President is authorized, at the request of the Governor of an affected State, to provide for a survey of construction materials needed in the area affected by a major disaster on an emergency basis for housing repairs, replacement housing, public facilities repairs and replacement, farming operations, and business enterprises and to take appropriate action to assure the availability and fair distribution of needed materials, including, where possible, the allocation of such materials for a period of not more than one hundred and eighty days after such major disaster. Any allocation program shall be implemented by the President to the extent possible, by working with and through those companies which traditionally supply construction materials in the affected area. For the purposes of this section "construction materials shall include building materials and materials required for repairing housing, replacement housing, public facilities repairs and replacement, and for normal farm and business operations.

TITLE IV—FEDERAL DISASTER ASSISTANCE PROGRAMS

FEDERAL FACILITIES

SEC. 401. (a) The President may authorize any Federal agency to repair. reconstruct, restore, or replace any facility owned by the United States and under the jurisdiction of such agency which is damaged or destroyed by any major disaster if he determines that such repair, reconstruction, restoration, or replacement is of such importance and urgency that it cannot reasonably be deferred pending the enactment of specific authorizing legislation or the making of an appropriation for such purposes, or the obtaining of congressional committee approval.

(b) In order to carry out the provisions of this section, such repair, reconstruction restoration, or replacement may be begun notwithstanding a lack or an insufficiency of funds appropriated for such purpose, where such lack or insufficiency can be remedied by the transfer, in accordance with law, of funds appropriated to that agency for another purpose.

(c) In implementing this section, Federal agencies shall evaluate the natural hazards to which these facilities are exposed and shall take appropriate action to mitigate such hazards, including safe land-use and construction practices, in accordance with standards prescribed by the President.

REPAIR AND RESTORATION OF DAMAGED FACILITIES

SEC. 402. (a) The President is authorized to make contributions to state or local governments to help repair, restore, reconstruct, or replace public facilities belonging to such State or local governments which were damaged or destroyed by a major disaster.

(b) The President is also authorized to make grants to help repair, restore, reconstruct, or replace private nonprofit educational, utility, emergency, medical, and custodial care facilities, including those for the aged or disabled, and facilities on Indian reservations as defined by the President, which were damaged or destroyed by a major disaster.

(c) For those facilities eligible under this section which were in the process of construction when damaged or destroyed by a major disaster, the grant shall be based on the net costs of restoring such facilities substantially to their predisaster condition.

(d) For the purposes of this section, "public facility" includes any publicly owned flood control, navigation, irrigation, reclamation, public power, sewage treatment and collection, water supply and distribution, watershed development, or airport facility, any non-Federal-aid street, road, or highway, any other public building, structure, or system including those used for educational or recreational purposes, and any park.

(e) The Federal contribution for grants made under this section shall not exceed 100 per centum of the net cost of repairing, restoring, reconstructing, or replacing any such facility on the basis of the design of such facility as it existed immediately prior to such disaster and in conformity with current applicable codes, specifications, and standards.

(f) In those cases where a State or local government determines that public welfare would not be best served by repairing, restoring, reconstructing, or replacing particular public facilities owned or controlled by that State or that local government which have been damaged or destroyed in a major disaster, it may elect to receive, in lieu of the contribution described in subsection (e) of this section, a contribution based on 90 per centum of the Federal estimate of the total cost of repairing, restoring, reconstructing, or replacing all damaged facilities owned by it within its jurisdiction. The cost of repairing, restoring, reconstructing, or replacing damaged or destroyed public facilities shall be estimated on the basis of the design of each such facility as it existed immediately prior to such disaster and in conformity with current applicable codes, specifications and standards. Funds contributed under this subsection may be expended either to repair or restore certain selected damaged public facilities or to construct new public facilities which the State or local government determines to be necessary to meet its needs for governmental services and functions in the disaster-affected area.

DEBRIS REMOVAL

SEC. 403. (a) The President, whenever he determines it to be in the public interest, is authorized—

(1) through the use of Federal departments, agencies, and instrumentalities, to clear debris and wreckage resulting from a major disaster from publicly and privately owned lands and waters; and

(2) to make grants to any State or local government for the purpose of removing debris or wreckage resulting from a major disaster from publicly or privately owned lands and waters.

(b) No authority under this section shall be exercised unless the affected State or local government shall first arrange an unconditional authorization for removal of such debris or wreckage from public and private property, and, in the case of removal of debris or wreckage from private property, shall first agree to indemnify the Federal Government against any claim arising from such removal.

TEMPORARY HOUSING ASSISTANCE

SEC. 404. (a) The President is authorized to provide, either by purchase or lease, temporary housing, including, but not limited to, unoccupied habitable dwellings, suitable rental housing, mobile homes or other readily fabricated dwellings for those who, as a result of a major disaster, require temporary housing. During the first twelve months of occupancy no rentals shall be established for any such accommodations, and thereafter rentals shall be established, based upon fair market value of the accommodations being furnished, adjusted to take into consideration the financial ability of the occupant. Any mobile home or readily fabricated dwelling shall be placed on a site complete with utilities provided either by the State or local government, or by the owner or occupant of the site who was displaced by the major disaster, without charge to the United States. The President may authorize installation of essential utilities at Federal expense and he may elect to provide other more economical or accessible sites when he determines such action to be in the public interest.

(b) The President is authorized to provide assistance on a temporary basis in the form of mortgage or rental payments to or on behalf of individuals and families who, as a result of financial hardship caused by a major disaster, have received written notice of dispossession or eviction from a residence by reason of foreclosure of any mortgage or lien, cancellation of any contract of sale, or termination of any lease, entered into prior to such disaster. Such assistance shall be provided for a period of not to exceed one year or for the duration of the period of financial hardship, whichever is the lesser.

(c) In lieu of providing other types of temporary housing after a major disaster, the President is authorized to make expenditures for the purpose of repairing or restoring to a habitable condition owner-occupied

private residential structures made uninhabitable by a major disaster which are capable of being restored quickly to a habitable condition with minimal repairs. No assistance provided under this section may be used for major reconstruction or rehabilitation of damaged property.

(d)(1) Notwithstanding any other provision of law, any temporary housing acquired by purchase may be sold directly to individuals and families who are occupants of temporary housing at prices that are fair and equitable, as determined by the President.

(2) The President may sell or otherwise make available temporary housing units directly to States, other governmental entities, and voluntary organizations. The President shall impose as a condition of transfer under this paragraph a covenant to comply with the provisions of section 311 of this Act requiring nondiscrimination in occupancy of such temporary housing units. Such disposition shall be limited to units purchased under the provisions of subsection (a) of this section and to the purposes of providing temporary housing for disaster victims in emergencies or in major disasters.

PROTECTION OF ENVIRONMENT

SEC. 405. No action taken or assistance provided pursuant to sections 305, 306, or 403 of this Act, or any assistance provided pursuant to section 402 or 419 of this Act that has the effect of restoring facilities substantially as they existed prior to the disaster, shall be deemed a major Federal action significantly affecting the quality of the human environment within the meaning of the National Environmental Policy Act of 1969 (83 Stat. 852). Nothing in this section shall alter or affect the applicability of the National Environmental Policy Act of 1969 (83 Stat. 852) to other Federal actions taken under this Act or under any other provision of law.

MINIMUM STANDARDS FOR PUBLIC AND PRIVATE STANDARDS

SEC. 406. As a condition of any disaster loan or grant made under the provisions of this Act, the recipient shall agree that any repair or construction to be financed therewith shall be in accordance with applicable standards of safety, decency, and sanitation and in conformity with applicable codes, specifications, and standards, and shall furnish such evidence of compliance with this section as may be required by regulation. As a further condition of any loan or grant made under the provisions of this Act, the State or local government shall agree that the natural hazards in the areas in which the proceeds of the grants or loans are to be used shall be evaluated and appropriate action shall be taken to mitigate such hazards, including safe land-use and construction practices, in accordance with standards prescribed or approved by the President after adequate consultation with the appropriate elected officials of general purpose local governments, and the State shall furnish such evidence of compliance with this section as may be required by regulation.

UNEMPLOYMENT ASSISTANCE

SEC. 407. (a) The President is authorized to provide to any individual unemployed as a result of a major disaster such benefit assistance as he deems appropriate while such individual is unemployed. Such assistance as the President shall provide shall be available to an individual as long as the individual's unemployment caused by the major disaster continues or until the individual is reemployed in a suitable position, but no longer than one year after the major disaster is declared. Such assistance for a week of unemployment shall not exceed the maximum weekly amount authorized under the unemployment compensation law of the State in which the disaster occurred, and the amount of assistance under this section to any such individual for a week of unemployment shall be reduced by any amount of unemployment compensation or of private income protection insurance compensation available to such individual for such week of unemployment. The President is directed to provide such assistance through agreements with States which, in his judgment, have an adequate system for administering such assistance through existing State agencies.

(b) The President is further authorized for the purposes of this Act to provide reemployment assistance services under other laws to individuals who are unemployed as a result of a major disaster.

INDIVIDUAL AND FAMILY GRANT PROGRAMS

SEC. 408. (a) The President is authorized to make a grant to a State for the purpose of such State making grants to meet disaster-related necessary expenses or serious needs of individuals or families adversely affected by a major disaster in those cases where such individuals or families are unable to meet such expenses or needs through assistance under other provisions of this Act, or from other means. The Governor of a State shall administer the grant program authorized by this section.

(b) The Federal share of a grant to an individual or a family under this section shall be equal to 75 per centum of the actual cost of meeting such an expense or need and shall be made only on condition that the remaining 25 per centum of such cost is paid to such individual or family from funds made available by a State. Where a State is unable immediately to pay its share, the President is authorized to advance to such State such 25 per centum share, and any such advance is to be repaid to the United States when such State is able to do so. No individual and no family shall receive any grant or grants under this section aggregating more than $5,000 with respect to any one major disaster.

(c) The President shall promulgate regulations to carry out this section and such regulations shall include national criteria, standards, and procedures for the determination of eligibility for grants and the administration of grants made under this section.

(d) A State may expend not to exceed 3 per centum of any grant made by the President to it under subsection (a) of this section for expenses of administering grants to individuals and families under this section.

(e) This section shall take effect as of April 20, 1973.

FOOD COUPONS AND DISTRIBUTION

SEC. 409. (a) Whenever the President determines that, as a result of a major disaster, low-income households are unable to purchase adequate amounts of nutritious food, he is authorized, under such terms and conditions as he may prescribe, to distribute through the Secretary of Agriculture or other appropriate agencies coupon allotments to such households pursuant to the provisions of the Food Stamp Act of 1964 (P.L. 91-671; 84 Stat. 2048) and to make surplus commodities available pursuant to the provisions of this Act.

(b) The President, through the Secretary of Agriculture or other appropriate agencies, is authorized to continue to make such coupon allotments and surplus commodities available to such households for so long as he determines necessary, taking into consideration such factors as he deems appropriate, including the consequences of the major disaster on the earning power of the households, to which assistance is made available under this section.

(c) Nothing in this section shall be construed as amending or otherwise changing the provisions of the Food Stamp Act of 1964 except as they relate to the availability of food stamps in an area affected by a major disaster.

FOOD COMMODITIES

SEC. 410. (a) The President is authorized and directed to assure that adequate stocks of food will be ready and conveniently available for emergency mass feeding or distribution in any area of the United States which suffers a major disaster or emergency.

(b) The Secretary of Agriculture shall utilize funds appropriated under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c), to purchase food commodities necessary to provide adequate supplies for use in any area of the United States in the event of a major disaster or emergency in such area.

RELOCATION ASSISTANCE

SEC. 411. Notwithstanding any other provision of law, no person otherwise eligible for any kind of replacement housing payment under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) shall be denied such eligibility as a result of his being unable, because of a major disaster as determined by the President, to meet the occupancy requirements set by such Act.

LEGAL SERVICES

SEC. 412. Whenever the President determines that low-income individuals are unable to secure legal services adequate to meet their needs as a consequence of a major disaster, consistent with the goals of the programs authorized by this Act, the President shall assure that such programs are conducted with the advice and assistance of appropriate Federal agencies and State and local bar associations.

CRISIS COUNSELING ASSISTANCE AND TRAINING

SEC. 413. The President is authorized (through the National Institute of Mental Health) to provide professional counseling services, including financial assistance to State or local agencies or private mental health organizations to provide such services or training of disaster workers, to victims of major disasters in order to relieve mental health problems caused or aggravated by such major disaster or its aftermath.

COMMUNITY DISASTER LOANS

SEC. 414. (a) The President is authorized to make loans to any local government which may suffer a substantial loss of tax and other revenues as a result of a major disaster, and has demonstrated a need for financial assistance in order to perform its governmental functions. The amount of any such loan shall be based on need, and shall not exceed 25 per centum of the annual operating budget of that local government for the fiscal year in which the major disaster occurs. Repayment of all or any part of such loan to the extent that revenues of the local government during the three full fiscal year period following the major disaster are insufficient to meet the operating budget of the local government, including additional disaster-related expenses of a municipal operation character shall be cancelled.

(b) Any loans made under this section shall not reduce or otherwise affect any grants or other assistance under this Act.

(c)(1) Subtitle C of title I of the State and Local Fiscal Assistance Act of 1972 (P.L. 92-512; 86 Stat. 919) is amended by adding at the end thereof the following new section:

"Sec. 145. Entitlement Factors Affected by Major Disasters

"In the administration of this title the Secretary shall disregard any change in data used in determining the entitlement of a State government or a unit of local government for a period of 60 months if that change—

"(1) results from a major disaster determined by the President under section 301 of the Disaster Relief Act of 1974, and

"(2) reduces the amount of the entitlement of that State government or unit of local government.".

(2) The amendment made by this section takes effect on April 1, 1974.

EMERGENCY COMMUNICATIONS

SEC. 415. The President is authorized during, or in anticipation of, an emergency or major disaster to establish temporary communications systems and to make such communications available to State and local government officials and other persons as he deems appropriate.

EMERGENCY PUBLIC TRANSPORTATION

SEC. 416. The President is authorized to provide temporary public transportation service in an area affected by a major disaster to meet emergency needs and to provide transportation to governmental offices, supply centers, stores, post offices, schools, major employment centers, and such other places as may be necessary in order to enable the community to resume its normal pattern of life as soon as possible.

FIRE SUPPRESSION GRANTS

SEC. 417. The President is authorized to provide assistance, including grants, equipment, supplies, and personnel, to any State for the suppression of any fire on publicly or privately owned forest or grassland which threatens such destruction as would constitute a major disaster.

TIMBER SALE CONTRACTS

SEC. 418. (a) Where an existing timber sale contract between the Secretary of Agriculture or the Secretary of the Interior and a timber purchaser does not provide relief from major physical change not due to negligence of the purchaser prior to approval of construction of any section of specified road or of any other specified development facility and, as a result of a major disaster, a major physical change results in additional construction work in connection with such road or facility by such purchaser with an estimated cost, as determined by the appropriate Secretary, (1) of more than $1,000 for sales under one million board feet, (2) of more than $1 per thousand board feet for sales of one to three million board feet, or (3) of more than $3,000 for sales over three million board feet, such increased construction cost shall be borne by the United States.

(b) If the appropriate Secretary determines that damages are so great that restoration, reconstruction, or construction is not practical under the cost-sharing arrangement authorized by subsection (a) of this section, he may allow cancellation of a contract entered into by his Department notwithstanding contrary provisions therein.

(c) The Secretary of Agriculture is authorized to reduce to seven days the minimum period of advance public notice required by the first section of the Act of June 4, 1897 (16 U.S.C. 476), in connection with the sale of timber from national forests, whenever the Secretary determines that (1) the sale of such timber will assist in the construction of any area of a State damaged by a major disaster, (2) the sale of such timber will assist in sustaining the economy of such area, or (3) the sale of such timber is necessary to salvage the value of timber damaged in such major disaster or to protect undamaged timber.

(d) The President, when he determines it to be in the public interest, is authorized to make grants to any State or local government for the purpose of removing from privately owned lands timber damaged as a result of a major disaster, and such State or local government is authorized upon application, to make payments out of such grants to any person for reimbursement of expenses actually incurred by such person in the removal of damaged timber, not to exceed the amount that such expenses exceed the salvage value of such timber.

IN-LIEU CONTRIBUTION

SEC. 419. In any case in which the Federal estimate of the total cost of (1) repairing, restoring, reconstructing, or replacing, under section 402, all damaged or destroyed public facilities owned by a State or local government within its jurisdiction, and (2) emergency assistance under section 306 and debris removal under section 403, is less than $25,000, then on application of a State or local government, the President is authorized to make a contribution to such State or local government under the provisions of this section in lieu of any contribution to such State or local government under section 306, 402, or 403. Such contribution shall be based on 100 per centum of such total estimated cost, which may be expended either to repair, restore, reconstruct, or replace all such damaged or destroyed public facilities, to repair, restore, reconstruct, or replace certain selected damaged or destroyed public facilities, to construct new public facilities which the State or local government determines to be necessary to meet its needs for governmental services and functions in the disaster-affected area, or to undertake disaster work as authorized in section 306 or 403. The cost of repairing, restoring, reconstructing, or replacing damaged or destroyed public facilities shall be estimated on the basis of the design of each such facility as it existed immediately prior to such disaster and in conformity with current applicable codes, specifications and standards.

TITLE V—ECONOMIC RECOVERY FOR DISASTER AREAS

AMENDMENT TO PUBLIC WORKS AND ECONOMIC DEVELOPMENT ACT OF 1965

SEC. 501. The Public Works and Economic Development Act of 1965, as amended, is amended by adding at the end thereof the following new title:

"TITLE VIII—ECONOMIC RECOVERY FOR DISASTER AREAS

"PURPOSE OF TITLE

"SEC. 801. (a) It is the purpose of this title to provide assistance for the economic recovery, after the period of emergency aid and replacement of essential facilities and services, of any major disaster area which has suffered a dislocation of its economy of sufficient severity to require (1) assistance in planning for development to replace that lost in the major disaster; (2) continued coordination of assistance available under Federal-aid programs; and (3) continued assistance toward the restoration of the employment base.

"(b) As used in this title, the term 'major disaster' means a major disaster declared by the President in accordance with the Disaster Relief Act of 1974.

"DISASTER RECOVERY PLANNING

"SEC. 802. (a)(1) In the case of any area affected by a major disaster the Governor may request the President for assistance under this title. The Governor, within thirty days after authorization of such assistance by the President, shall designate a Recovery Planning Council for such area or for each part thereof.

"(2) Such Recovery Planning Council shall be composed of not less than five members, a majority of whom shall be local elected officials of political subdivisions within the affected areas, at least one representative of the State, and a representative of the Federal Government appointed by the President in accordance with paragraph (3) of this subsection. During the major disaster, the Federal cordinating officer shall also serve on the Recovery Planning Council.

"(3) The Federal representative on such Recovery Planning Council may be the Chairman of the Federal Regional Council for the affected area, or a member of the Federal Regional Council designated by the Chairman of such Regional Council. The Federal representative on such Recovery Planning Council may be the Federal Cochairman of the Regional Commission established pursuant to title V of this Act, or the Appalachian Regional Development Act of 1965, or his designee, where all of the area affected by a major disaster is within the boundaries of such Commission.

"(4) The Governor may designate an existing multijurisdictional organization as the Recovery Planning Council where such organization complies with paragraph (2) of this subsection with the addition of State and Federal representatives except that if all or part of an area affected by a major disaster is within the jurisdiction of an existing multijurisdictional organization established under title IV of this Act or title III of the Appalachian Regional Development Act of 1965, such organization, with the addition of State and Federal representatives in accordance with paragraph (2) of this subsection, shall be designated by the Governor as the Recovery Planning Council. In any case in which such title III or IV organization is designated as the Recovery Planning Council under this paragraph, some local elected officials of political subdivisions within the affected areas must be appointed to serve on such Recovery Planning Council. Where possible, the organization designated as the Recovery Planning Council shall be or shall be subsequently designated as the appropriate agency required by section 204 of the Demonstration Cities and Metropolitan Development Act of 1966 (42 U.S.C. 3334) and by the Intergovernmental Cooperation Act of 1968 (P.L. 90-577; 82 Stat. 1098).

"(5) The Recovery Planning Council shall include private citizens as members to the extent feasible, and shall provide for and encourage public participation in its deliberations and decisions.

"(b) The Recovery Planning Council (1) shall review existing plans for the affected area; and (2) may recommend to the Governor and responsible local governments such revisions as it determines necessary for the economic recovery of the area, including the development of new plans and the preparation of a recovery investment plan for the 5-year period following the declaration of the major disaster. The Recovery Planning Council shall accept as one element of the recovery investment plan determinations made under section 402(f) of the Disaster Relief Act of 1974.

"(c)(1) A recovery investment plan prepared by a Recovery Planning Council may recommend the revision, deletion, reprograming, or additional approval of Federal-aid projects and programs within the area—

"(A) for which application has been made but approval not yet granted;

"(B) for which funds have been obligated or approval granted but construction not yet begun;

"(C) for which funds have been or are scheduled to be apportioned within the five years after the declaration of the disaster;

"(D) which may otherwise be available to the area under any State schedule or revised State schedule of priorities; or

"(E) which may reasonably be anticipated as becoming available under existing programs.

"(2) Upon the recommendation of the Recovery Planning Council and the request of the Governor, any funds for projects or programs identified pursuant to paragraph (1) of this subsection may, to any extent consistent with appropriation Acts, be placed in reserve by the responsible Federal agency for use in accordance with such recommendations. Upon the request of the Governor and with the concurrence of affected local governments, such funds may be transferred to the Recovery Planning Council to be expended in the implementation of the recovery investment plan, except that no such transfer may be made unless such expendi-

ture is for a project or program for which such funds originally were made available by an appropriation Act.

"PUBLIC WORKS AND DEVELOPMENT FACILITIES GRANTS AND LOANS

"SEC. 803. (a) The President is authorized to provide funds to any Recovery Planning Council for the implementation of a recovery investment plan by public bodies. Such funds may be used—

"(1) to make loans for the acquisition or development of land and improvements for public works, public service, or development facility usage, including the acquisition or development of parks or open spaces, and the acquisition, construction, rehabilitation, alteration, expansion, or improvement of such facilities, including related machinery and equipment, and

"(2) to make supplementary grants to increase the Federal share for projects for which funds are reserved pursuant to subsection (c)(2) of section 802 of this Act, or other Federal-aid projects in the affected area.

"(b) Grants and loans under this section may be made to any State, local government, or private or public nonprofit organization representing any area or part thereof affected by a major disaster.

"(c) No supplementary grant shall increase the Federal share of the cost of any project to greater than 90 per centum, except in the case of a grant for the benefit of Indians or Alaska Natives, or in the case of any State or local government which the President determines has exhausted its effective taxing and borrowing capacity.

"(d) Loans under this section shall bear interest at a rate determined by the Secretary of the Treasury taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the average maturities of such loans, adjusted to the nearest one-eighth of 1 per centum, less 1 per centum per annum.

"(e) Financial assistance under this title shall not be extended to assist establishments relocating from one area to another or to assist subcontractors whose purpose is to divest, or whose economic success is dependent upon divesting, other contractors or subcontractors of contracts therefore customarily performed by them. Such limitations shall not be construed to prohibit assistance for the expansion of an existing business entity through the establishment of a new branch, affiliate, or subsidiary of such entity if the Secretary of Commerce finds that the establishment of such branch, affiliate, or subsidiary will not result in an increase in unemployment of the area of original location or in any other area where such entity conducts business operations, unless the Secretary has reason to believe that such branch, affiliate, or subsidiary is being established with the intention of closing down the operations of the existing business entity in the area of its original location or in any other area where it conducts such operations.

"LOAN GUARANTEES

"SEC. 804. The President is authorized to provide funds to Recovery Planning Councils to guarantee loans made to private borrowers by private lending institutions (1) to aid in financing any project within an area affected by a major disaster for the purchase or development of land and facilities (including machinery and equipment) for industrial or commercial usage including the construction of new buildings, and rehabilitation of abandoned or unoccupied buildings, and the alteration, conversion, or enlargement of existing buildings; and (2) for working capital in connection with projects in areas assisted under paragraph (1), upon application of such institution and upon such terms and conditions as the President may prescribe. No such guarantee shall at any time exceed 90 per centum of the amount of the outstanding unpaid balance of such loan.

"TECHNICAL ASSISTANCE

"SEC. 805. (a) In carrying out the purposes of this title the President is authorized to provide technical assistance which would be useful in facilitating economic recovery in areas affected by major disasters. Such assistance shall include project planning and feasibility studies, management and operational assistance, and studies evaluating the needs of, and developing potentialities for, economic recovery of such areas. Such assistance may be provided by the President directly, through the payment of funds authorized for this title to other departments or agencies of the Federal Government, through the employment of private individuals, partnerships, firms, corporations, or suitable institutions, under contracts entered into for such purposes, or through grants-in-aid to appropriate public or private nonprofit State, area, district, or local organizations.

"(b) The President is authorized to make grants to defray not to exceed 75 per centum of the administrative expenses of Recovery Planning Councils designated pursuant to section 802 of this Act. In determining the amount of the non-Federal share of such costs or expenses, the President shall give due consideration to all contributions both in cash and in kind, fairly evaluated, including but not limited to space, equipment, and services. Where practicable, grants-in-aid authorized under this subsection shall be used in conjunction with other available planning grants, to assure adequate and effective planning and economical use of funds.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 806. There is authorized to be appropriated not to exceed $250,000,000 to carry out this title.".

TITLE VI—MISCELLANEOUS

AUTHORITY TO PRESCRIBE RULES

SEC. 601. The President may prescribe such rules and regulations as may be necessary and proper to carry out any of the provisions of this Act, and he may exercise any power or authority conferred on him by any section of this Act either directly or through such Federal agency or agencies as he may designate.

TECHNICAL AMENDMENTS

SEC. 602. (a) Section 701(a)(3)(B)(ii) of the Housing Act of 1954 (40 U.S.C. 461(a)(3)(B)(ii)) is amended to read as follows: "(ii) have suffered substantial damage as a result of a major disaster as declared by the President pursuant to the Disaster Relief Act of 1974;".

(b) Section 8(b)(2) of the National Housing Act (12 U.S.C. 1706c(b)(2)) is amended by striking out of the last proviso "section 102(1) of the Disaster Relief Act of 1970" and inserting in lieu thereof "sections 102(2) and 301 of the Disaster Relief Act of 1974".

(c) Section 203(h) of the National Housing Act (12 U.S.C. 1709 (h)) is amended by striking out "section 102(1) of the Disaster Relief Act of 1970" and inserting in lieu thereof "sections 102(2) and 301 of the Disaster Relief Act of 1974".

(d) Section 221(f) of the National Housing Act (12 U.S.C. 1715l(f)) is amended by striking out of the last paragraph "the Disaster Relief Act of 1970" and inserting in lieu thereof "the Disaster Relief Act of 1974".

(e) Section 7(a)(1)(A) of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress, as amended; 20 U.S.C. 241–1(a)(1)(A)), is amended by striking out "pursuant to section 102(1) of the Disaster Relief Act of 1970" and inserting in lieu thereof "pursuant to sections 102(2) and 301 of the Disaster Relief Act of 1970".

(f) Section 16(a) of the Act of September 23, 1950 (79 Stat. 1158; 20 U.S.C. 646(a)) is amended by striking out "section 102(1) of the Disaster Relief Act of 1970" and inserting in lieu thereof "sections 102(2) and 301 of the Disaster Relief Act of 1974".

(g) Section 408(a) of the Higher Education Facilities Act of 1963 (20 U.S.C. 758(a)) is amended by striking out "section 102(1) of the Disaster Relief Act of 1970" and inserting in lieu thereof "sections 102(2) and 301 of the Disaster Relief Act of 1974".

(h) Section 165(h) of the Internal Revenue Code of 1954, relating to disaster losses (26 U.S.C. 165(h)) is amended by striking out "1970" and inserting in lieu thereof "1974".

(i) Section 5064(a) of the Internal Revenue Code of 1954 (26 U.S.C. 5064(a)), relating to losses caused by disaster, is amended by striking out "the Disaster Relief Act of 1970" and inserting in lieu thereof "the Disaster Relief Act of 1974".

(j) Section 5708(a) of the Internal Revenue Code of 1954 (26 U.S.C. 5708(a)), relating to losses caused by disaster, is amended by striking out "the Disaster Relief Act of 1970" and inserting in lieu thereof "the Disaster Relief Act of 1974".

(k) Section 3 of the Act of June 30, 1954 (68 Stat. 330, as amended by 82 Stat. 1213; 48 U.S.C. 1681 nt.), is amended by striking out of the last sentence "section 102(1) of the Disaster Relief Act of 1970" and inserting in lieu thereof "sections 102(2) and 301 of the Disaster Relief Act of 1974".

(l) Section 1820(f) of title 38, United States Code, is amended by striking "the Disaster Assistance Act of 1970" and inserting in lieu thereof "the Disaster Relief Act of 1974".

(m) Whenever reference is made in any provision of law (other than this Act), regulation, rule, record, or document of the United States to provisions of the Disaster Relief Act of 1970 (84 Stat. 1744), repealed by this Act such reference shall be deemed to be a reference to the appropriate provision of this Act.

REPEAL OF EXISTING LAW

SEC. 603. The Disaster Relief Act of 1970, as amended (84 Stat. 1744), is hereby repealed, except sections 231, 233, 234, 235, 236, 237, 301, 302, 303, and 304. Notwithstanding such repeal the provisions of the Disaster Relief Act of 1970 shall continue in effect with respect to any major disaster declared prior to the enactment of this Act.

PRIOR ALLOCATION OF FUNDS

SEC. 604. Funds heretofore appropriated and available under Public Laws 91–606, as amended, and 92–385 shall continue to be available for the purpose of providing assistance under those Acts as well as for the purposes of this Act.

EFFECTIVE DATE

SEC. 605. Except for section 408, this Act shall take effect as of April 1, 1974.

AUTHORIZATION OF APPROPRIATIONS

SEC. 606. Except as provided by the amendment made by section 501, there are authorized to be appropriated to the President such sums as may be necessary to carry out this Act through the close of June 30, 1977.

And the House agree to the same.

ROBERT E. JONES,
RAY ROBERTS,
HAROLD T. JOHNSON,
WM. H. HARSHA,
GENE SNYDER,
Managers on the Part of the House.

QUENTIN BURDICK,
DICK CLARK,
J. R. BIDEN, Jr.,
JENNINGS RANDOLPH,
PETER H. DOMENICI,
JAMES L. BUCKLEY,
HOWARD H. BAKER,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 3062) entitled the "Disaster Relief Act Amendments of 1974", submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The House amendment struck out all of the Senate bill after the enacting clause and inserted a substitute text.

The Senate recedes from its disagreement to the amendment of the House with an amendment which is a substitute for the Senate bill and the House amendment. The differences between the Senate bill, the House amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clarifying changes.

Short title

Senate bill

The Senate bill provided that this legislation could be cited as the "Disaster Relief Act Amendments of 1974".

House amendment

The short title of the House amendment was the same as the short title of the Senate bill.

Conference substitute

The conference substitute provided that this legislation may be cited as the "Disaster Relief Act of 1974".

Congressional findings and declarations

Senate bill

Section 101(a) of the Senate bill provided a declaration that, because of losses and adverse effects caused by disasters, special measures are necessary to provide emergency services and assistance and to help reconstruct and rehabilitate devastated areas.

Section 101(b) of the Senate bill provided that the purpose of the bill is to provide assistance by (1) revising existing disaster relief programs, (2) encouraging development of State and local disaster relief plans and capabilities, (3) improving coordination and responsiveness of disaster relief programs, (4) encouraging acquisition of insurance coverage, (5) encouraging hazard mitigation measures to reduce disaster losses, (6) providing Federal assistance programs for both public and private losses sustained in disasters; and (7) providing a long-range economic recovery program for major disaster areas.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate bill.

Definitions

Senate bill

Section 102 of the Senate bill defined the term "emergency" to include damage caused by any hurricane, tornado, storm, flood, high water, wind-driven water, tidal wave, tsunami, explosion, earthquake, volcanic eruption, landslide, snowstorm, drought, fire, or other catastrophe which requires emergency assistance.

Such section defined the term "major disaster" as any damage caused by any such catastrophe determined by the President to be of sufficient severity and magnitude to warrant assistance above and beyond emergency services to supplement State and local efforts.

Such section gave standard definitions to the terms "United States", "State", "Governor", "local government", and "Federal agency," except that the term "local government" was defined to include any rural community, unincorporated town or village, or any other public or quasipublic entity for which an application for assistance is made by a State or political subdivision of a State.

House amendment

Section 3 of the House amendment amended section 102(1) of the Disaster Relief Act of 1970, relating to the definition of major disaster, to indicate that the definition of such term shall include mud slides.

Conference substitute

The conference substitute is the same as the Senate bill, except that it incorporates the House amendment to include mud slides in the definition of emergency and major disaster. It was the intention of the conferees not to define the term "disaster" specifically; whenever used in this legislation such term includes an emergency or a major disaster.

DISASTER PREPAREDNESS ASSISTANCE

FEDERAL AND STATE DISASTER PREPAREDNESS PROGRAMS

Senate bill

Section 201 of the Senate bill provided that the President is empowered to establish and conduct disaster preparedness programs, using the services of all appropriate agencies, to accomplish the following: (1) preparation of plans for disaster mitgation, warnings, emergency operations, rehabilitation and recovery, (2) disaster training and exercises; (3) post-disaster evaluations; (4) annual reviews; (5) coordination; (6) application of science and technology; (7) disaster research; (8) revision of legislation.

Such section also provided that technical assistance may be provided the States by the President for the development of disaster mitigation, relief, and recovery plans and programs.

Such section also provided that grants to the States not in excess of $250,000 may be made by the President within one year after enactment for the preparation of comprehensive disaster plans and programs, including provisions for aid to individuals, business and local governments, for training of staffs, for formulating regulations and procedures, and for conduct of exercises. Annual 50 percent matching grants not in excess of $25,000 may be made to States for improving, maintaining and updating disaster assistance plans.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate bill. Section 201 gives new emphasis to comprehensive and coordinated disaster preparedness. Many Federal agencies currently have programs for their own disaster preparedness and for assistance and guidance to State and local governments for specific preparedness activities. Other Federal agencies, particularly the Defense Civil Preparedness Agency, have preparedness missions and programs which provide substantial collateral benefits for meeting situations covered by this legislation. The conferees wish to make sure that these direct and collateral preparedness efforts are part of a coordinated whole under the overall policy guidance and coordination of the agency selected by the President to carry out the operating programs authorized by this legislation. The intent of section 201(a) is to assure such centralized coordination.

Disaster warnings

Senate bill

Section 202 of the Senate bill authorized the President to insure that agencies are prepared to issue disaster warnings, to use or make available the civil defense or other Federal communications systems for threatened or imminent disasters, to make agreements for the use of private communications systems for disaster warnings, and to assist State and local governments to provide timely and effective disaster warnings.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate bill.

DISASTER ASSISTANCE ADMINISTRATION

Procedures

Senate bill

Section 301 of the Senate bill provided that, based upon a Governor's request that Federal disaster assistance beyond State and local capabilities is necessary, the President is authorized to declare that a major disaster exists or to take other appropriate action in accordance with the provisions of the bill.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate bill, except that it provides that the President may, based on the request of a Governor, declare that a major disaster exists or declare that an emergency exists.

In order to avoid any possible misunderstanding, it is the wish of the conferees to emphasize that the requirement of section 301 that Governors shall furnish to the President certain information describing State and local efforts and resources is intended to facilitate the rendering of Federal assistance under this legislation, and is not intended to delay or impede the procedures through which such assistance is provided.

Federal assistance

Senate bill

Section 302 of the Senate bill provided that the President, in providing Federal disaster assistance, may coordinate the activities of all Federal agencies and may direct them to use their available personnel, equipment, supplies, facilities and other resources in support of State and local efforts. The President may also prescribe rules and regulations to carry out any provisions of the bill and may exercise any authority conferred on him either directly or through Federal agencies.

Such section also provided that any Federal agency administering disaster assistance programs is authorized to modify or waive administrative conditions if such conditions cannot be met because of a disaster.

Such section also provided that all disaster assistance under the bill must be provided according to a Federal-State agreement unless specifically waived by the President.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate bill, with the following two exceptions:

1. The provision that all disaster assistance under this legislation must be provided according to a Federal-State agreement unless specifically waived by the President is omitted by the conference substitute.

2. The conference substitute adds a provision that any repair or other replacement of farm fencing damaged or destroyed by a major disaster shall be considered an emergency conservation measure for purposes of payments under certain Federal programs. The Department of Agriculture for many years has had authority under Public Law 85–58 to make payments to farmers to rehabilitate farm lands damaged by natural disasters, so as to return the land to productive agricultural use. Emergency con-

servation measures carried out under the program operated by the Agricultural Stabilization and Conservation Service (ASCS) have included 80% Federal cost-sharing for both debris clearance and for the repair or replacement of farm fencing, among other measures—which, however, have been subjected to increasingly restrictive administrative interpretations, culminating in the elimination of the fence replacement practice by administrative order on March 12, 1974.

Hundreds of miles of farm fences were damaged or destroyed in Tennessee, Kentucky and other states by the tornadoes of April 3–4, 1974. At the request of the Senate Committee on Agriculture, and on the initiative of members of the conference from both the House and the Senate, the conference substitute includes section 304(c), specifically providing that notwithstanding any other provision of law, the repair or replacement of farm fencing damaged or destroyed as a result of any major disaster shall be eligible for such payments under P.L. 85–58 or any other provision of law. It is the judgment of the conferees that the replacement of fencing is essential to return land to productive agricultural use, and the conferees expect the provision to be implemented without artificial restrictions or limitations, such as protecting other conservation structures or permanent vegetative cover.

The conferees note that more than three weeks after the President's disaster declaration, the Department's ASCS, following its own time-consuming procedures, had not yet designated a single county in the dozens of rural areas struck by tornadoes as eligible for its disaster assistance. For this reason, section 302(c) of this legislation is keyed to major disaster declarations by the President, so that farmers will know at once the counties eligible for farm fence replacement. While the Department of Agriculture may utilize its own procedures and authority in localized situations, or in droughts developing over time, once the President acts the ASCS (like every other Federal agency with disaster-relief capability) is required to act promptly, humanely, and in full coordination with the FDAA.

With specific reference to debris clearance on farms, the House and Senate Committees have received communications pointing out that in urban areas debris clearance is performed on private as well as public property at federal expense. This authority, of course, extends to rural areas as well. The Department of Agriculture, however, has the organization, the capability, and the relationship with farmers to best accomplish this task. The conferees expect the Department to implement debris clearance under its emergency conservation program without restrictive limitations, and in a way that will provide benefits no less generous to farm families in rural areas than that extended to city dwellers in urban areas. The conferees strongly urge the Department to coordinate its debris clearance practices through the FDAA to insure this result.

Coordinating officers

Senate bill

Section 303 of the Senate bill provided that the President, upon the declaration of a major disaster, shall appoint a federal coordinating officer to operate in the disaster area. The Federal coordinating officer shall make an appraisal of the relief needed, establish field offices, coordinate the administration of relief, and take other actions to assist local citizens and public officials in promptly obtaining assistance.

Such section also provided that the President shall request the Governor of a disaster affected State to designate a State coordinating officer to coordinate State and local disaster assistance efforts with those of the Federal coordinating officer.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate bill.

The conferees wish to emphasize that the Federal coordinating officer will have a vital role in the disaster area. It is through the proper execution of this essential activity that the entire range of assistance available under Federal, State or local law, and assistance made available through voluntary and charitable agencies and institutions, is brought to bear with efficiency and dispatch, and without costly and delaying duplications. Federal assistance is not limited to that authorized by this legislation. There are other special authorities, such as those of the Department of Agriculture and the Corps of Engineers. Additionally, Federal agencies may be able to assist through priority application of their regular programs. Since it is not feasible to bring all of the Federal disaster assistance potential into one single law, the Federal coordinating officer must also make certain that all of the Federal agencies are carrying out their appropriate roles under their own legislative authorities.

Emergency support teams

Senate bill

Section 304 of the Senate bill provided that the President is authorized to form emergency support teams of Federal personnel to be deployed in disaster areas to assist the Federal coordinating officer. For this purpose the head of any department or agency may detail personnel to temporary duty with such emergency support teams without loss of seniority, pay or other status.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate bill.

Emergency assistance

Senate bill

Section 305 of the Senate bill provided that the President is authorized to provide, upon request of an affected State, such assistance as he deems necessary to save lives and protect public health and safety because a disaster either threatens or is imminent.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate bill. It is the intention of the conferees that the provisions of section 305 shall allow the President to undertake whatever action he considers necessary to avert a disaster when conditions do not warrant the full application of assistance under a major disaster declaration, or when a major disaster threatens and special expedient actions can be taken to avert or lessen its probable effect. Such section is intended to provide the President with authority to act before a disaster strikes, so that means may be developed for the lessening of the impact and toll of disasters. It is not intended that section 305(c) be viewed or applied as a way to avoid the more specific commitments by the State in requesting and receiving assistance under a major disaster declaration. The purpose of such section is to make available emergency assistance which, because of the pressures of time or because of the unique capabilities of a Federal agency, can be more readily provided by the Federal Government. It is specialized assistance to meet specific needs.

It is also the intention of the conferees that the President, in providing assistance under this section and other applicable sections of this legislation to save lives and protect property and public health and safety, may provide assistance to owners of livestock or to State or local governments for the provision of facilities to protect such livestock from disasters. An example of this type of assistance would include facilities to which livestock may be removed and kept protected from the ravages of a disaster in a safe and sanitary manner and which provide for the well-being of such livestock.

Cooperation of Federal agencies in rendering disaster assistance

Senate bill

Section 306 of the Senate bill provided that, as directed by the President, Federal agencies are authorized in a disaster to provide assistance in the following ways: (1) using or lending to States and local governments (with or without compensation) their equipment, supplies, facilities, personnel, and other resources; (2) distributing medicine, food, and other consumable supplies through relief and disaster assistance organizations or by other means; (3) donating or lending surplus Federal equipment and supplies; (4) performing on public or private lands or waters any emergency work or services not within State or local government capability that is essential for protection, and preservation of public health and safety.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate bill, except that the conference substitute adds a provision which provides that emergency work performed under section 306 does not preclude additional Federal assistance under other provisions of this legislation. Assistance which may be provided under section 306(a) may include the cost of transporting equipment and supplies, including transportable buildings, which may be available from Federal agencies.

Reimbursement

Senate bill

Section 307 of the Senate bill provided that Federal agencies may be reimbursed from appropriated funds for expenditures made under provisions of the bill, with such funds deposited to the credit of current appropriations.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate bill.

Nonliability

Senate bill

Section 308 of the Senate bill provided that the Federal Government is not liable for any claim based on performance or failure to perform by any Federal agency or employee of any discretionary duty or function under the bill.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate bill.

Performance of services

Senate bill

Section 309 of the Senate bill provided that Federal agencies carrying out the purposes of the bill may accept and use (with their consent) the services or facilities of State or local governments, may appoint and fix compensation of necessary temporary personnel, may employ experts and consultants without regard to classification and pay rates, and may incur obligations on behalf of the United States for the acquisition, rental, or hire of equipment, services, materials and supplies for shipping, drayage, travel, and communications, and for supervision and administration of such activities.

Such section also provided that, when directed by the President, such obligations may be incurred without regard to the availability of funds.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate bill, except that the conference substitute provides that obligations incurred by Federal agencies under section 309 may be incurred by such agencies only in such amount as may be made available to such agencies by the President.

Use of local firms and individuals

Senate bill

Section 310 of the Senate bill provided that, to the extent feasible and practicable, preference is to be given in the expenditure of Federal disaster assistance funds to those organizations, firms, and individuals who reside or do business primarily in a disaster area.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate bill.

Nondiscrimination in disaster assistance

Senate bill

Section 311 of the Senate bill provided that the President shall issue regulations insuring the equitable and impartial distribution of supplies and processing of applications and forbidding discrimination on the grounds of race, color, religion, nationality, sex, age, or economic status in the handling of disaster assistance.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate bill.

Use and coordination of relief organizations

Senate bill

Section 312 of the Senate bill provided that the personnel and facilities of such disaster relief or assistance organizations as the American National Red Cross, the Salvation Army, the Mennonite Disaster Service, and others may be used (with their consent) by the President for distributing medicine, food supplies or other items, and in the restoration, rehabilitation or reconstruction of community services, housing and essential facilities after a disaster. Such disaster relief or assistance organizations shall enter into agreements with the President assuring that use of Federal facilities, supplies and services will comply with regulations prohibiting duplication of benefits and guaranteeing nondiscrimination promulgated by the President under the bill as well as such other regulations the President may require.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate bill.

Priority to certain applications for public facility and public housing assistance

Senate bill

Section 313 of the Senate bill provided that priority and immediate consideration is to be given, during a period prescribed by the President, to applications for assistance from public bodies situated in major disaster areas under several Housing Acts, the Consolidated Farmers Home Administration Act, the Public Works and Economic Development Act of 1965, the Appalachian Regional Development Act, and the Federal Water Pollution Control Act.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate bill.

Insurance

Senate bill

Section 314 of the Senate bill provided that applicants for assistance under the bill must obtain any reasonably available, adequate and necessary insurance to protect against losses to property which is replaced, restored, repaired, or reconstructed with that assistance.

Such section also provided that property for which assistance was previously provided under the provisions of the bill is not eligible to receive additional assistance in the future unless all insurance required by such section has been obtained and maintained.

Such section also provided that a State may elect to act as a self-insurer with respect to facilities which it owns.

House amendment

No provision.

Conference substitute

The conference substitute provides that an applicant for assistance under section 402 of this legislation, relating to repair and restoration of damaged facilities, under section 419 of this legislation, relating to in-lieu contributions, or under section 803 of the Public Works and Economic Development Act of 1965, relating to public works and development facilities grants and loans, must give assurances that they will obtain reasonably available insurance for any property to be repaired or otherwise replaced through such assistance, in order to protect such property against any future loss. It was not the intention of the conferees, however, to permit the President to prescribe regulations which would apply restrictions on a retroactive basis to property damage which was covered by legislation enacted before the effective date of this legislation.

It should be noted that it was the intention of the conferees, by limiting the applicability of section 314 to sections 402 and 419 of this legislation and section 803 of the Public Works and Economic Development Act of 1965, not to require under this legislation the purchase of insurance with respect to property owned by individuals.

The conference substitute also provides that the President shall have the authority to make determinations with respect to the availability, adequacy, and necessity of insurance for purposes of section 314. The President, in making such determinations, may not require greater types and extent of insurance than are certified to him as reasonable by the appropriate State insurance commissioner. It should be noted that it is the intention of the conferees that this legislation shall give the President authority to require lesser types and extent of insurance than are certified to him by such State insurance commissioners.

The conference substitute also provides that no applicant for assistance under section 402 or 419 of this legislation or under section 803 of the Public Works and Economic Development Act of 1965, may receive any assistance for any property with respect to which he previously has received assistance under this legislation unless such applicant has obtained and maintained all insurance with respect to such property which is required under section 314.

The conference substitute contains essentially the same provision as the Senate bill with respect to States acting as self-insurers, except that under the conference substitute this provision contains a requirement that there be a plan for self-insurance which is satisfactory to the President, and such provision applies only to assistance under section 402 or 419 of this legislation or under section 803 of the Public Works and Economic Development Act of 1965.

Duplication of benefits

Senate bill

Section 315 of the Senate bill provided that the President is required to ascertain that no person, business concern or other entity receives financial assistance from more than one source for the same damage or loss from a disaster.

Such section also provided that no person, business or other entity could receive Federal aid for any loss compensated by insurance, but partial compensation for a particular loss would not preclude additional assistance for that part of the loss not compensated for otherwise.

Such section also provided that the President is to determine whether any person, business concern or other entity may have received duplicate benefits and, on such a finding, to direct that person, business concern or other entity to reimburse the Federal Government for that part determined to be excessive.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate bill.

Reviews and reports

Senate bill

Section 316 of the Senate bill provided that the President is to conduct annual reviews of the disaster assistance activities of Federal, State, and local governments to assure maximum coordination and effectiveness of such activities and to report periodically thereon to the Congress.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate bill.

Criminal and civil penalties

Senate bill

Section 317 of the Senate bill provided that persons fraudulently or willfully misstating facts in request for assistance under the bill would be subject to a fine of not more than $10,000, imprisonment for not more than one year, or both.

Such section also provided that each violation of any order or regulation under the bill would be subject also to a civil penalty of not more than $5,000.

Such section also provided that any persons wrongfully applying proceeds of a loan or other cash benefit would be civilly liable to the Federal Government for an amount equal to one and one-half times the original principal of a loan or cash benefit.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate bill, except that the conference substitute makes the misapplication of proceeds of loans or other cash benefits under this legislation a criminal offense.

Availability of materials

Senate bill

Section 318 of the Senate bill provided that, at the request of the Governor of a State suffering damage caused by a major disaster, the President is authorized to provide for a survey of the construction materials needed in the major disaster area for housing, farming operations and business enterprises and to take appropriate action

to insure the availability and fair distribution of such materials for a period not to exceed 180 days. To the extent possible, the President is directed to implement any allocation program through companies which customarily supply construction materials in the affected area.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate bill, except that the conference substitute includes public facilities repairs and replacement under the coverage of section 318. It was the intention of the conferees that the authority granted by section 318 be exercised judiciously in order to expedite the provision of assistance to areas affected by a major disaster.

FEDERAL DISASTER ASSISTANCE PROGRAMS

Federal facilities

Senate bill

Section 401 of the Senate bill provided that the President may authorize immediate repair, reconstruction, restoration, or replacement of any disaster-damaged facility owned by the United States if he determines that such action is so important and urgent that it cannot be deferred until required legislation, appropriations, or congressional committee approval is obtained.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate bill.

Repair and restoration of damaged facilities

Senate bill

Section 402 of the Senate bill provided that the President is authorized to make grants to help repair, restore, reconstruct or replace the following facilities damaged or destroyed by a major disaster: (1) public facilities belonging to State or local governments, including those used for educational and recreational purposes; (2) private nonprofit educational, utility, emergency, medical, and custodial care facilities, including those for the aged and disabled; (3) facilities on Indian reservations, as defined by the President; and (4) facilities listed in paragraphs (1), (2), and (3) which are in the process of construction.

Such section also provided that Federal grants for these purposes shall not exceed 100 percent of the net cost of restoring such facilities as they previously existed in conformity with applicable codes, specifications and standards.

Such section also provided that, if a State or local government determines that public welfare would not be best served by repairing, restoring, reconstructing, or replacing particular publicly owned or controlled facilities damaged in a disaster, in lieu of the above grant it may elect to receive a contribution equal to 90 percent of the total estimated cost of restoring all damaged public facilities within its jurisdiction. Such funds may be used to repair or restore certain selected damaged public facilities or to construct new public facilities which would better meet its needs for governmental services and functions. Subsection (g) of such section provided that in those jurisdictions where public facility damages total no more than $25,000, a grant equal to 100 percent of the total cost for repairing or reconstructing these facilities would be made.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate bill, with the following three exceptions:

1. The conference substitute provides, with respect to the 90 percent contribution provision, that the estimate of the cost of repair or other replacement shall be made by the Federal Government. Such cost shall be estimated on the basis of the design of the facility involved as it existed before the major disaster occurred and in conformity with current applicable codes, specifications, and standards.

2. The conference substitute omits subsection (g) of section 402. The conference substitute adds a new section 419 to this legislation, relating to in-lieu contributions, which substantially replaces the provisions of subsection (g). Section 419 of the conference substitute provides that if the Federal estimate of the costs of (1) the repair or other restoration of damaged or destroyed public facilities under section 402, and (2) emergency assistance under section 306 and debris removal under section 403, is less than $25,000, then the President may make a contribution to the State or local government involved under section 419 in lieu of contributions under section 306, 402, or 403. Such contributions under section 419 shall be based on 100 percent of the estimated cost of repair or other replacement. Such contributions may be used to repair or otherwise replace damaged public facilities, to construct new public facilities, or to undertake disaster work authorized by section 306 or section 403. Section 419 is intended to authorize contributions in lieu of contributions under section 306, but contributions under section 419 are not intended to replace other Federal assistance under section 306.

In many small communities the total cost of work required to clear debris and to repair or restore public facilities may be less than $25,000. Each local government files one project application for all of its eligible work. The conferees have been informed that about 73 percent of these applications in the past four years have been for less than $25,000, accounting, cumulatively, for only 10 percent of the total dollars approved. In these instances, maintaining and auditing records of expenditures on each separate local action add both unusual burden and cost for the local government, the State and the Federal Government. It is the intent of this section to give the local government flexibility in the use of funds without the added onus of complicated records keeping and audit. The grant will be made on the basis of a Federal estimate which is acceptable to the State and local government. A final inspection by Federal, State, and local officials of the work performed would complete the transaction.

3. The definition of the term "public facility" has been slightly revised to assure that a park will for the purposes of this section be a public facility. Thus for the purposes of this section the repair, restoration, reconstruction, and replacement of a public facility will, in the case of a park, include restoration of natural features including trees and other vegetation to the extent practicable.

The intent of the conferees in this section is to provide for Federal payment for a new facility that would provide the same capacity as the old facility if it were to be built today according to up-to-date standards. Example (1): If a 400 pupil school constructed in 1950 was designed on then existing criteria to provide a certain number of square feet per student, a cafeteria and library, but no gymnasium or swimming pool, the Federal contribution would be available to the amount that would be required for a 400 pupil school with a cafeteria and library. It would not pay for a swimming pool and gymnasium even though such amenities would be required if the school were to be built now. Nor would the Federal Government pay for a 600 pupil school which would be called for if the school were to be designed new today. If, however, today's standards called for a greater number of square feet per student the Federal contribution would properly pay for space based on the new figure; similarly, lighting levels, plumbing, and installed fixtures based on 1974 levels rather than 1950 criteria would be used in determining the Federal contribution. Example (2): An old bridge containing two ten foot lanes without shoulders or sidewalks was washed out as a result of a disaster. Assuming that the average daily traffic would now justify a four lane bridge, the Federal contribution would nevertheless be limited to 100 percent of the net cost of replacing two lanes. If current standards now require twelve foot lanes, shoulders and sidewalks, the Federal contribution would properly include those costs. If the State or local government decided to build a four lane bridge, it could do so but the Federal contribution would be limited to the cost of a new two lane bridge.

Debris removal

Senate bill

Section 403 of the Senate bill provided that the President is authorized, either by using Federal departments and agencies or by making grants to State and local governments, to clear debris and wreckage resulting from a disaster from publicly and privately owned lands and waters.

Such section also provided that, in order for such section to be carried out, a State or local government must first arrange unconditional authorization for removal of debris from public or private property and, in the latter case, must agree to indemnify the Federal Government for any claims resulting from such removal.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate bill. It should be noted that it is the intention of the conferees that, for purposes of section 403, privately owned lands shall be considered to include farms.

Temporary housing assistance

Senate bill

Section 404 of the Senate bill provided that the President is authorized to provide, either by lease or purchase, temporary housing or other emergency shelter for persons and families displaced by a major disaster. Such housing may include, but not be limited to, unoccupied habitable dwellings, suitable rental housing, mobile homes, or other readily fabricated dwellings.

Such section also provided that no rental is to be charged during the first twelve months occupancy of such temporary housing, but thereafter rentals based on fair market value and on financial ability of the occupants are to be established. Temporary housing acquired by purchase may be sold directly to occupants at fair and equitable prices.

Such section also provided that mobile homes or fabricated dwellings are to be installed on sites complete with utilities without charge to the United States provided either by the State or local government or by the owner or occupant of a site displaced by a major disaster. However, the President is authorized to provide other more economical and accessible sites or to authorize installation of essential utilities at Federal expense if it is in the public interest.

Such section also provided that the President is authorized to provide, for a period not to exceed one year, grants for mortgage or rental payments for individuals or families who, because of financial loss caused by a major disaster, have received an eviction or dispossession notice resulting from fore-

closure of any mortgage or lien, cancellation of any contract of sale, or termination of any lease.

Such section also provided that the President is authorized, in lieu of providing other types of temporary housing, to make expenditures to repair or restore to a habitable condition owner-occupied private residential structures made uninhabitable by a disaster which are capable of being restored quickly to a habitable condition with minimum repairs.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate bill.

Protection of environment

Senate bill

Section 405 of the Senate bill provided that no action taken or assistance provided pursuant to section 305, 306, or 403 of the bill or any assistance provided pursuant to section 402 of the bill that has the effect of restoring facilities substantially as they existed prior to the disaster, shall be deemed a major Federal action significantly affecting the quality of the human environment within the meaning of the National Environmental Policy Act of 1969 (P.L. 91–190; 83 Stat. 852).

House amendment

No provision.

Conference substitute

The conference substitute is essentially the same as the Senate bill, except that the conference substitute makes the provisions of section 405 applicable to section 419, relating to in-lieu contributions.

Minimum standards for public and private structures

Senate bill

Section 406 of the Senate bill provided that recipients of disaster loans or grants must agree to comply with applicable standards of safety, decency, and sanitation and with applicable codes, specifications, and standards in any repair or reconstruction financed by such assistance.

Such section also provided that State and local governments must agree that in areas where disaster loans or grants are to be used, natural hazards will be evaluated and action taken to minimize them, including safe land-use and construction practices according to standards prescribed by the President.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate bill, except that the conference substitute gives the President authority to approve standards prescribed by States, local governments, or other sources, in addition to his authority to prescribe standards.

Unemployment assistance

Senate bill

Section 407 of the Senate bill provided that individuals unemployed as a result of a major disaster who are not eligible for or who have exhausted their eligibility for unemployment compensation may be authorized weekly amounts authorized under the unemployment compensation program of the State in which the disaster occurred. The amount of such assistance, which cannot be provided for more than one year, is to be reduced by the amount of unemployment compensation or of private income protection insurance payments otherwise available to the unemployed person. Reemployment services to those unemployed as a result of a major disaster may also be provided by the President under other laws.

House amendment

No provision.

Conference substitute

The conference substitute provides that the President is authorized to provide to any individual unemployed as a result of a major disaster such benefit assistance as he deems appropriate while such individual is unemployed. Such assistance as the President shall provide shall be available to an individual as long as the individual's unemployment caused by the major disaster continues or until the individual is reemployed in a suitable position, but no longer than one year after the major disaster is declared. Such assistance for a week of unemployment shall not exceed the maximum weekly amount authorized under the unemployment compensation law of the State in which the disaster occurred, and the amount of assistance under this section to any such individual for a week of unemployment shall be reduced by any amount of unemployment compensation or of private income protection insurance compensation available to such individual for such week of unemployment. The President is directed to provide such assistance through agreements with States which, in his judgment, have an adequate system for administering such assistance through existing State agencies.

Individual and family grant programs

Senate bill

Section 408 of the Senate bill provided that the President is authorized to make grants to States for financial assistance not in excess of $5,000 to families adversely affected by a major disaster who are unable to meet extraordinary disaster-related expenses and needs not provided for by the bill or by other means.

Such section also provided that grants to States for this purpose may not exceed 75 percent of the actual cost of providing such needs and services and are to be administered by the Governor or his designated representative. Administration of the program shall be subject to Federal audit. As much as 25 percent of the estimated Federal contribution may be provided as an initial advance, but no more than 3 percent of the total grant may be used by the State for administrative purposes.

Such section also provided that national criteria, standards, and procedures for eligibility and administration of individual assistance grants are to be provided in regulations promulgated by the President.

House amendment

Section 2 of the House amendment amended title II of the Disaster Relief Act of 1970, relating to the administration of disaster assistance, by adding at the end thereof a new section 256, relating to individual and family grant programs.

Subsection (a) of the new section 256 provided that the President is authorized to make grants to States to enable them to make grants to meet extraordinary disaster-related expenses or needs of individuals or families which are not met by other provisions of such Act or by other means. Such subsection also provided that the Governor of the State involved shall administer the grant program.

Subsection (b) of the new section 256 provided that (1) grants to States under such section may not exceed 75 percent of the actual costs of meeting such expenses or needs; (2) such grants may be made only on condition that the remaining 25 percent of such actual cost shall be paid by the State or political subdivision involved; (3) if a State or political subdivision of a State is unable to immediately pay its share, then the President is authorized to advance such share to the State or political subdivision involved, on condition that such advance is repaid when such State or political subdivision is able to do so; and (4) no individual or family may receive more than $5,000 in grants with respect to one major disaster.

Subsection (c) of the new section 256 provided that national criteria, standards, and procedures for eligibility and administration of assistance grants are to be provided in regulations promulgated by the President.

Subsection (d) of the new section 256 provided that no State may expend more than 3 percent of any grant it receives under such section for administrative purposes.

Subsection (e) of the new section 256 provided that such section takes effect as of March 31, 1974.

Conference substitute

The conference substitute is the same as the House amendment, with the following exceptions:

1. The conference substitute incorporates the House amendment as section 408 of this legislation, instead of inserting such House amendment as a new section 256 of the Disaster Relief Act of 1970.

2. The conference substitute omits any reference to political subdivisions in subsection (b) of the House amendment. The purpose of this omission is to allow the Federal Government to deal directly and exclusively with States in making advances of the 25 percent grant share of States and in receiving repayment of such advances. It should be noted that it is the intention of the conferees that local governments may make voluntary contributions to States in order to assist the States in achieving their 25 percent grant share. The conferees do not wish to curtail the participation of local governments in the grant program, but the conferees do wish to establish procedures through which the Federal Government may deal directly and exclusively with States affected by major disasters. Advances are to be made when the State is immediately unable to pay its share. Inability, in this sense, does not include mere unwillingness.

3. The conference substitute makes section 408 effective as of April 20, 1973.

The conferees recognize the possible problems States affected by recent disasters may have in quickly and effectively implementing this grant program and wish to make clear their intent that Federal technical assistance and expertise should be made available to assist States in their attempt to put this grant program into effect as smoothly and rapidly as is possible.

Food coupons and distribution

Senate bill

Section 409 of the Senate bill provided that the President is authorized to distribute through the Secretary of Agriculture food coupons and surplus commodities to low-income households which, because of a disaster, are not able to purchase adequate amounts of nutritious food.

Such section also provided that the distribution of food coupons and surplus commodities may continue as long as the President determines it to be necessary in view of a major disaster's effects on the earning power of recipients.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate bill.

Food commodities

Senate bill

Section 410 of the Senate bill provided that the Secretary of Agriculture is authorized and directed to provide food commodities which will be readily and conveniently avail-

able for mass feeding and distribution purposes in major disaster areas, and to utilize funds appropriated to the Department of Agriculture for the purchase of commodities necessary to provide adequate food supplies in any major disaster area.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate bill.

Relocation assistance

Senate bill

Section 411 of the Senate bill provided that no person otherwise eligible for replacement housing payments under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646; 84 Stat. 1894) is to be denied such eligibility because he is prevented by a major disaster from meeting the occupancy requirements of such Act.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate bill.

Legal services

Senate bill

Section 412 of the Senate bill provided that the President is authorized to assure the availability in a disaster area, with the advice and assistance of Federal agencies and State and local bar associations, of legal services to low-income individuals not able to secure such services because of a major disaster.

House amendment

No provision.

Conference substitute

The conference substitute replaces the provisions of the Senate bill with the provisions of section 239 of the Disaster Relief Act of 1970, relating to legal services.

Crisis counseling assistance

Senate bill

Section 413 of the Senate bill provided that the President is authorized to provide professional counseling services and training through the National Institute of Mental Health, including financial assistance to State and local agencies or to private mental health organizations, in order to relieve mental health problems caused or aggravated by a major disaster.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate bill.

Community disaster loans

Senate bill

Section 414 of the Senate bill provided that loans not exceeding 25 percent of annual operating budgets may be made by the President to local governments suffering substantial tax and revenue losses and demonstrating need for financial assistance because of major disasters.

Such section also provided that, to the extent that revenues of a local government receiving a disaster loan are not sufficient to meet the operating budget of that government during the following three fiscal years, the President is authorized to cancel all or part of the community disaster loan.

Such section also amended subtitle C of title I of the State and Local Fiscal Assistance Act of 1972 (P.L. 92-512; 86 Stat. 919) by adding at the end thereof a new section 145, relating to entitlement factors affected by major disasters.

The new section 145 provided that the Secretary of the Treasury shall disregard any information used in determining entitlements of a State or a unit of local government for 60 months if such information results from a major disaster and would reduce the amount of such entitlements.

The new section 145 would take effect on April 1, 1974.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate bill, except that the conference substitute makes mandatory the cancellation of community disaster loans to the extent that revenues of a local government receiving a disaster loan are not sufficient to meet the operating budget of such government during the first three complete fiscal years after occurrence of the major disaster.

It is the intention of the conferees that the term "revenues", when used in section 414, shall include utility revenues.

Emergency communications

Senate bill

Section 415 of the Senate bill provided that the President is authorized to establish temporary communications systems in any major disaster area to help carry out his functions and to make them available to other government officials and individuals.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate bill.

Emergency public transportation

Senate bill

Section 416 of the Senate bill provided that temporary public transportation service may be provided by the President in a major disaster area to meet emergency needs and to provide transportation to governmental, supply, educational and employment centers in order to restore normal life patterns.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate bill.

Fire suppression grants

Senate bill

Section 417 of the Senate bill provided that the President is authorized to provide assistance and grants to States to assist in the suppression on publicly or privately owned lands of any fire which threatens to become a major disaster.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate bill.

Timber sale contracts

Senate bill

Section 418 of the Senate bill provided that, if damages caused by a major disaster result in additional costs for constructing roads specified in existing timber sale contracts made by the Secretaries of Agriculture and Interior, such additional costs will be borne by the Federal Government under the following conditions: (1) if the cost is more than $1,000 for sales under 1 million board feet: (2) if the cost is more than $1 per thousand board feet for sales of one to three million board feet; or (3) if the cost is more than $3,000 for sales over three million board feet.

Such section also provided that the appropriate Secretary may allow cancellation of a contract entered into by his department if he determines that disaster damages are so great that construction, restoration or reconstruction of roads is not practical under the above cost-sharing arrangement.

Such section also provided that whenever the Secretary of Agriculture determines that the sale of timber from national forests in an area damaged by a major disaster will assist in construction of that area, will assist in sustaining the economy of that area, or is necessary to salvage the value of damaged timber, he may reduce to seven days the minimum period of time for advance public notice of such sales required by the Act of June 4, 1897 (16 U.S.C. 476).

Such section also provided that the President is authorized to make grants to States or local governments to remove timber damaged by a major disaster from privately owned lands. State or local governments may reimburse any person from these funds for those expenses incurred in removing such damaged timber which exceed the salvage value of the timber.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate bill.

ECONOMIC RECOVERY FOR DISASTER AREAS

Amendment to Public Works and Economic Development Act

Senate bill

Section 501 of the Senate bill amended the Public Works and Economic Development Act of 1965 (P.L. 89-136; 79 Stat. 552) by adding at the end thereof a new title VIII, relating to economic recovery for disaster areas.

The new section 801, relating to purposes of the new title VIII, provided that the purpose of such title is to authorize additional recovery assistance for any major disaster area in which economic dislocation is so severe that cooperative planning for development, restoration of employment base, and continued coordination of Federal-aid programs is required for long-range restoration and rehabilitation of normal commercial, industrial and other economic activities in the area.

The new section 802, relating to disaster recovery planning, provided that, after determining that special assistance is required under the new title VIII because of a major disaster in his State, a Governor may designate a Recovery Planning Council of not less than 5 members, a majority of whom are to be local elected public officials from political subdivisions in the disaster area. One appointed member is to represent the State, while the Federal Government may be represented by the Chairman of the Federal Regional Council (or another member designated by him), or the Federal Cochairman of the Regional Commission (or his designee) in those areas where such a body has been established under the Appalachian Regional Development Act of 1965 (P.L. 89-4; 79 Stat. 5) or the Public Works and Economic Development Act of 1965 (P.L. 89-136; 79 Stat. 552). If a qualified multijurisdictional organization already exists in the major disaster area, the Governor may elect to designate that organization, with Federal and State representatives added, to act as the Recovery Planning Council.

Such section also provided that the Recovery Planning Council is to review existing plans, revise those plans to any extent it determines to be necessary, develop new plans, prepare a 5-year Recovery Investment Plan, and make recommendations to the Governor and to local governments for revising and implementing those plans. It may recommend revising, deleting, reprogramming, or further approval of Federal-aid projects in the major disaster area for which applications are pending, funds have been obligated but construction not started, funds have been or may be apportioned during the next five years, State scheduling may make funds available, or approval might be reasonably anticipated.

Such section also provided that, if recom-

mended by the Council and requested by the Governor, any funds for Federal-aid projects or programs noted above may be placed in reserve by the responsible Federal agency to be used in accordance with such recommendations of the Council. If affected local governments concur with a request by the Governor for such action, these funds may be transferred to the Recovery Planning Council to be expended according to the Recovery Investment Plan.

The new section 803, relating to public works and development facilities grants and loans, provided that the President is authorized to provide funds to Recovery Planning Councils for the implementation of Recovery Investment Plans in major disaster areas. Loans can be made from these funds to any State or local government and to public or private nonprofit organizations representing all or part of any major disaster area. Such loans can be used for the acquisition or development of land and improvements for public works, public service or public development facilities (including parks and open spaces), and for acquiring, constructing, rehabilitating, expanding or improving those facilities (including machinery and equipment). The Federal share for Federal aid projects may be increased by supplementary grants to a maximum of 90 percent in some cases and without limit for grants benefiting Indians (or Alaskan Natives) or in those cases in which the President determines that a State or local government has exhausted its taxing and borrowing capacity. The interest rate for loans made under such section is to be fixed at a rate one percent less than the current average market yield on outstanding marketable United States obligations.

Such section also provided that no grant or loan is to be made which would help establishments relocate from one area to another or would assist subcontractors in divesting other contractors or subcontractors of the contracts they customarily perform. If the Secretary of Commerce finds, however, that the establishment of a branch, affiliate or subsidiary would not increase unemployment in the original location of an existing business, aid for such expansion is not prohibited unless the Secretary believes that it is being done with the intent of closing down operations of the existing business.

The new section 804, relating to loan guarantees, provided that loans made by private lending institutions to private borrowers in connection with projects in major disaster areas and for working capital may be guaranteed to a maximum of 90 percent of the unpaid balance of such loans.

The new section 805, relating to technical assistance, provided that, to help facilitate economic recovery in major disaster areas, technical assistance may be provided to both public and private agencies in accordance with the purposes of the new title VIII. Included among the types of assistance to be provided are project planning, feasibility studies, management and operational assistance, and analyses of economic recovery needs and potential. Technical assistance may be extended through grants-in-aid, contracts, employment of persons, firms, or institutions, reimbursement of other Federal agencies, or direct use of personnel under the Administrator's direction. Not to exceed 75 percent of the administrative expenses incurred by organizations which receive grants for technical assistance may be authorized as supplementary grants, subject to certain specified limitations.

The new section 806, relating to disaster recovery revolving fund, provided that not to exceed $200 million is authorized to be appropriated for a disaster recovery revolving fund which is to be established in the Treasury and is to be replenished annually. Funds obtained to carry out the new title VIII and all collections or repayments received from its programs are to be deposited in this special fund. Financial assistance extended under such title and payment of all related obligations and expenditures are to be made from the revolving fund. At the end of each fiscal year interest on the amount of loans outstanding under such title, based on current average yield on outstanding marketable United States obligations, is to be paid by the fund into miscellaneous receipts of the Treasury.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate bill, with the following five exceptions:

1. The conference substitute adds a new subsection (b) to section 801 of the Public Works and Economic Development Act of 1965. Such subsection (b) defines the term major disaster to mean a major disaster declared by the President in accordance with the Disaster Relief Act of 1974.

2. The conference substitute clarifies the language of section 802(a)(1) to indicate when the Governor of a State may request the President for assistance under title VIII.

3. The conference substitute adds a provision to section 802(a)(4) which provides that if an area affected by a major disaster is within the jurisdiction of an existing multijurisdictional organization established under title IV of the Public Works and Economic Development Act of 1965, or under title III of the Appalachian Regional Development Act of 1965, then such organization (with the addition of State and Federal representatives) shall be designated the Recovery Planning Council. Further, in any case in which such organization is designated, local elected officials of political subdivisions within the affected areas must be appointed to serve on such designated organization.

4. The conference substitute clarifies the language of section 802(c)(2) to indicate that (1) funds may be reserved only to any extent consistent with appropriation Act, and (2) transfers of funds may be made only with respect to projects or programs for which funds originally were made available by appropriation Acts.

5. The conference substitute does not contain any of the provisions of the Senate section relating to a disaster recovery revolving fund. The conference substitute authorizes to be appropriated not to exceed $250,000,000 to carry out title VIII.

MISCELLANEOUS PROVISIONS

Authority to prescribe rules

Senate bill

Section 601 of the Senate bill provided that the President is authorized to prescribe such rules and regulations as may be necessary and proper to carry out the bill and to exercise any power or authority in the bill through such Federal agency or agencies he may designate.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate bill.

Technical amendments

Senate bill

Section 602 of the Senate bill amended several existing statutes by substituting the short title of the bill for that of the Disaster Relief Act of 1970 (P.L. 91-606; 84 Stat. 1744).

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate bill.

Repeal of existing law

Senate bill

Section 603 of the Senate bill repealed the Disaster Relief Act of 1970 (P.L. 91-606; 84 Stat. 1744), except that such section did not repeal those provisions of such Act relating to disaster loan programs and interest rates (sections 231, 232, 233, 234, 235, 236, and 237), technical amendments (section 301), repeal of prior law (section 302), prior allocation of funds (section 303), and effective date (section 304).

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate bill.

Prior allocation of funds

Senate bill

Section 604 of the Senate bill provided that funds previously appropriated under the Disaster Relief Act of 1970 (P.L. 91-606; 84 Stat. 1744) and an Act to authorize for a limited period additional loan assistance under the Small Business Act for disaster victims, to provide for a study and report to the Congress by the President setting forth recommendations for a comprehensive revision of disaster relief legislation, and for other purposes, approved August 16, 1972 (P.L. 92-385; 86 Stat. 554), will continue to be available for purposes of completing commitments made under such Acts as well as for purposes of the Senate bill, and any prior commitments are to be fulfilled.

House amendment

No provision.

Conference substitute

The conference substitute is essentially the same as the Senate bill.

Effective date

Senate bill

Section 605 of the Senate bill provided that such bill takes effect as of April 1, 1974.

House amendment

The amendment to title II of the Disaster Relief Act of 1970 (P.L. 91-606; 84 Stat. 1744) made by section 2 of the House amendment, relating to individual and family grant programs, takes effect as of March 31, 1974.

The amendment to section 102(1) of such Act made by section 3 of the House amendment, relating to the definition of major disaster, takes effect on the date of the enactment of the House amendment.

Conference substitute

The conference substitute is the same as the Senate bill, except that the conference substitute indicates that section 408 has a different effective date.

Authorization

Senate bill

Section 606 of the Senate bill provided that funds necessary for the purposes of the bill are authorized to be appropriated.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate bill, except that the conference substitute indicates that (1) a different appropriation authorization is applicable with respect to the amendment made by section 501, and (2) the authorization made by sec-

tion 606 applies through the close of June 30, 1977.

ROBERT E. JONES,
RAY ROBERTS,
HAROLD T. JOHNSON,
WM. H. HARSHA,
GENE SNYDER,
Managers on the Part of the House.

QUENTIN BURDICK,
DICK CLARK,
J. R. BIDEN, Jr.,
JENNINGS RANDOLPH,
PETER H. DOMENICI,
JAMES L. BUCKLEY,
HOWARD H. BAKER,
Managers on the Part of the Senate.

AMENDMENT TO BE OFFERED ON H.R. 10701, DEEP WATER PORT BILL

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

Mr. JONES of Alabama. Mr. Speaker, when the deepwater port bill, H.R. 10701, is before the Committee of the Whole for consideration I will offer the text of the following amendment in the nature of a substitute for the reported bill:

That as used in this Act the term—

(1) "application" means any application filed under this Act for a license to construct or operate a deepwater port facility, or for a renewal or modification of such license.

(2) "deepwater port facility" means a facility constructed off the coast of the United States, and beyond the territorial seas of the United States, for the purpose of providing for the unloading of crude oil and petroleum products. It includes all associated equipment and structures (other than vessels) beyond such territorial seas, and all connecting pipelines within such territorial seas.

(3) "Commission" means the Deepwater Port Facilities Commission provided for in this Act.

(4) "person" means any citizen of the United States, any State or political subdivision of a State, or any private, public, or municipal corporation or other entity created by or existing under the laws of the United States or of any State.

(5) "significantly affected State" means a State whose shorelines might suffer environmental harm as a result of the activities of a deepwater port facility.

(6) "State" means each of the several States, the District of Columbia, each territory or possession of the United States, and the Commonwealth of Puerto Rico.

(7) "United States" means the several States, the District of Columbia, the territories and possessions of the United States, and the Commonwealth of Puerto Rico.

SEC. 2. (a) No one shall construct or operate a deepwater port facility without first receiving a license as provided under this Act.

(b) In any case where an applicant applies for a license to construct a deepwater port facility and the point of connection for unloading crude oil and petroleum products between vessels and the deepwater port facility is nearer the coast of one State than any other State and if 50 per centum or more of the design-receiving capacity for crude oil and petroleum products is to be located in the State whose coast is nearer such point of connection, then the Commission shall notify such State in writing of such application within thirty days of the date each such application is received by the Commission. Such notification shall also establish a reasonable period of time for such State to apply for a license to construct such a facility, except that such period shall not exceed one hundred and eighty days from the date such notification is received by such State. If such State within such period applies for a license to construct a deepwater port facility having a point of connection for unloading crude oil and petroleum products between vessels and a deepwater port facility located nearer to its coast than the coast of any other State with 50 per centum or more of the design-receiving capacity for crude oil and petroleum products to be located in such State, then such State, if it meets all other requirements of this Act, shall be granted the license to construct such facility to the exclusion of all other applicants for a license for such a facility.

(c) All applications for a license to construct or operate a deepwater port facility shall be filed with the Commission. The Commission is authorized to issue a license to any applicant if it first determines that—

(1) the applicant is a person financially responsible who has demonstrated his ability and willingness to comply with applicable laws, regulations, and license conditions;

(2) the applicant has the power to sue and be sued, complain and defend, in its own name, and, if the applicant is a State, has consented to be sued in connection with its construction and operation of the deepwater port facility;

(3) the construction and operation of the deepwater port facility will not unreasonably interfere with international navigation or other reasonable uses of the high seas, and is consistent with the international obligations of the United States; and

(4) the facility will be located, constructed, and operated in a manner which will minimize or prevent any adverse significant environmental effects. In making the determination required by this paragraph, the Commission shall consider all significant aspects of the facility, including, but not limited to, its relation to—

(A) effects on marine organisms;

(B) effects on water quality;

(C) effects on ocean currents and wave patterns and on nearby shorelines and beaches;

(D) effects on alternative uses of the oceans such as fishing, aquaculture, and scientific research;

(E) susceptibility to damage from storms and other natural phenomena;

(F) effects on other uses of the subjacent seabed and subsoil such as exploitation of resources and the laying of cables and pipelines; and

(G) effects on esthetic and recreational values.

(d) Licenses issued under this section shall be for a term of no longer than thirty years, with preferential right in the license to renew under such terms and for such period not to exceed thirty years as the Commission determines is reasonable. Licenses to construct such facilities shall include conditions to assure that a bona fide effort to construct is made. These conditions shall include but not be limited to schedules for design and construction of such facilities. In the absence of such bonda fide effort, as determined by the Commission after hearings, a license to construct may be revoked by the Commission.

(e) (1) No license shall be granted under this Act to construct a deepwater port facility unless the State whose coast is nearer than that of any other State to the point of connection for unloading crude oil and petroleum products between vessels and a deepwater port facility has an environmental program which includes construction of deepwater port facilities off its coast and the deepwater port facility proposed to be licensed and the directly related land-based activities are consistent with such environmental program.

(2) No license shall be granted under this Act to construct a deepwater port facility unless the State in which 50 per centum or more of the design-receiving capacity for crude oil and petroleum products is to be located has an environmental program which includes construction of deepwater port facilities off its coast and the deepwater port facility proposed to be licensed and the directly related land-based activities are consistent with such environmental program.

(f) The Commission shall not issue a license under this Act unless it shall first have considered the economic, environmental, esthetic, and regional effects of the construction and operation of a deepwater port facility on all other significantly affected States.

(g) Licenses issued under this Act may be transferred after the Commission determines that the transferee meets the requirements of this Act, and upon approval by the Commission of the terms and conditions of the transfer.

(h) If an application is made under this Act for a license to construct a deepwater port facility off the coast of a State, and a port of such State which on the date of such application—

(1) has existing plans for construction of a deep draft channel and harbor, and

(2) has either (A) an ongoing study by the Secretary of the Army relating to the expansion and deepening of such port harbor or channel, or (B) a pending application for a permit under section 10, 13, or both, of the Act of March 3, 1899 (30 Stat. 1121), for such construction

applies to the Commission for a determination under this section within thirty days of the date of the license application, then the Commission shall not issue a license under this Act unless, after examining the economic, social, and environmental effects of the construction and operation of such deepwater port facility with the economic, social, and environmental effects of the construction, expansion, deepening, and operation of such State port, it has determined which of the two is more in the national interest.

SEC. 3. (a) There is hereby established a Deepwater Port Facilities Commission which shall consist of the Secretary of Transportation, the Secretary of the Interior, the Secretary of Commerce, the Administrator of the Environmental Protection Agency, and the Secretary of the Army, acting through the Chief of Engineers. The Secretary of Transportation shall serve as Chairman. All administrative personnel and related facilities necessary to carry out the functions of the Commission shall be provided by the Secretary of Transportation.

(b) The Commission is authorized to issue reasonable rules and regulations governing application for, and issuance of, licenses for the construction and operation of deepwater port facilities under this Act. Such rules and regulations shall be issued in accordance with section 553 of title 5 of the United States Code without regard to the exceptions contained in subsection (a) thereof.

(c) In carrying out all of its functions under this Act, the Commission shall consult with interested Federal agencies, and the Commission shall be required to expedite and

coordinate all Federal reviews of applications required under this Act.

(d) An application for a license filed under this Act shall constitute an application for all Federal authorizations required for a deepwater port facility. The Commission shall consult with interested Federal agencies to insure that applications contain all information required by the agencies. The Commission will forward promptly a copy of each application to those Federal agencies with jurisdiction over any aspect of the construction and operation of a deepwater port facility and will not issue a license under this Act until such agencies have certified to the Commission that, except as provided in subsection (e) of this section, that aspect of the facility under their jurisdiction meets the requirements of the laws which they administer. The granting of a license under this Act shall be deemed to satisfy all of the requirements of any other law of the United States with respect to which a certification has been issued by a Federal agency under this subsection, and no other permit or license shall be required under such law in connection with the construction or operation of such facility. Such certification shall be issued or denied within one hundred and twenty days following transmittal of a copy of the application to the agencies. Hearings held pursuant to this Act shall be consolidated insofar as practicable with hearings held by other agencies. The Commission shall issue or deny the license not later than the one hundred and twentieth day after receipt of the certifications of all of the Federal agencies involved, or not later than the one hundred and twentieth day after the date of completion of all hearings under section 4, whichever date occurs later.

(e) The provisions of this Act shall in no way alter or otherwise affect the requirements of the National Environmental Policy Act of 1969, except that a single detailed environmental impact statement shall be prepared in connection with each license proposed to be issued by the Commission. The Commission shall be responsible for the preparation of such statement. Such statement shall fulfill the responsibilities under section 102(2)(C) of the National Environmental Policy Act of 1969 of each Federal agency with respect to each certification made by it under subsection (d) of the section.

SEC. 4. (a) The Commission shall prescribe by regulation the procedures, including appropriate charges, for the submission and consideration of applications for licenses.

(b) Upon application for any license the Commission shall publish in the Federal Register within thirty days after receipt of such application a notice containing a brief description of the proposed facility, and information as to where the application and supporting data required by subsection (a) may be examined and giving interested parties at least ninety days for the submission of written data, views, or arguments relevant to the granting of the license, with or without opportunity for oral presentation. Such notice shall also be furnished to the Governor of each significantly affected State, and the Commission shall utilize such additional methods as it deems reasonable to inform interested parties about the proposed facility and to invite comments from them.

(c) The Commission shall hold at least one public hearing on each application for a license for a proposed facility. At least one such hearing shall be held in the vicinity of the proposed site.

(d) When the Commission determines from the comments and data submitted pursuant to subsection (b) and (c) that there exist one or more specific and material factual issues which many be resolved by an evidentiary hearing, it may direct that such issues be submitted to a supplemental hearing before a presiding officer designated for that purpose. Such officer shall have authority to preclude repetitious and cumulative testimony, to require that direct testimony be submitted in advance in written form, and to permit cross-examination to the extent necessary and appropriate. After the hearing the presiding officer shall submit to the Commission a report of his findings and recommendations, and the participants in the hearing shall have an opportunity to comment thereon.

(e) The Commission's decision granting or denying a license shall be in writing and shall include or be preceded by an environmental impact statement, if required, a discussion of the issues raised in the proceeding and the Commission's conclusions thereon, and, where a hearing was held pursuant to subsection (d), findings on the issues of fact considered at such hearing.

(f) The provisions of sections 554, 556, and 557 of title 5, United States Code, are not applicable to proceedings under this section. Any hearing held pursuant to this section, shall not be deemed a hearing provided by statute for purposes of section 706(2)(E) of title 5, United States Code.

SEC. 5. (a) Anyone adversely affected by an order of the Commission granting or denying a license may, within sixty days after such order is issued, seek judicial review thereof in the United States Court of Appeals for the circut nearest to which the facility is sought to be located. A copy of the petiton shall forthwith be transmitted by the clerk of the court to the Commission or an officer designated by it for that purpose. The Commission thereupon shall file in the court the record of the proceedings on which the Commission based its order, as provided in section 2112 of title 28 of the United States Code. This record shall consist of—

(1) the application, the notice published pursuant to section 4(b), and the information and documents to which reference is made therein;

(2) the written comments and documents submitted in accordance with the agency rules by anyone, including any other agency and any agency advisory committee, at any stage of the proceeding;

(3) the transcript of any hearing held pursuant to section 4 (c) or (d); and the presiding officer's report, if any; and

(4) the Commission's decision and accompanying documents as required by section 4(e).

(b) If the petitioner applies to the court for leave to adduce additional evidence, and shows to the satisfaction of the court that such additional evidence is material, and that there were reasonable grounds for the failure to adduce such evidence in the proceeding before the Commission, the court may order such additional evidence (and evidence in rebuttal thereof) to be taken before the Commission, and to be adduced in such manner and upon such terms and conditions as to the court may seem proper. The Commission may modify its findings as to the facts, or make new findings, by reason of the additional evidence so taken, and it shall file such modified or new findings, and its recommendations, if any, for the modification or setting aside of its original order, with the return of such additional evidence.

(c) Upon the filing of the petition referred to in subsection (a), the court shall have jurisdiction to review the order in accordance with section 706 of title 5, United States Code, and to grant appropriate relief as provided in such section.

SEC. 6. (a) The Commission is authorized to include in any license granted under this Act, any conditions which it deems necessary to carry out the purposes of this Act. Such conditions shall include but need not be limited to:

(1) Conditions designed to assure that the operation of the deepwater port facility will not substantially lessen competition or tend to create a monopoly. Such conditions shall include a requirement of nondiscriminatory access at reasonable rates.

(2) Provisions requiring that, if a license is revoked or expires and is not reissued, or the licensee abandons the deepwater port facility, the licensee shall render such facility harmless to navigation and the environment.

(3) Such fees as the Commission may prescribe as reimbursement for the cost of Federal activities occasioned by the application for licensing, development, and operation of the deepwater port facility.

(4) Such measures as the Commission may prescribe to meet United States international obligations.

(5) Such measures as the Commission may prescribe to prevent or minimize the pollution of the surrounding waters, including payment of cleanup costs resulting from construction and operation of the deepwater port facility.

(6) Such provisions as the Commission may prescribe for the temporary storage of hazardous substances.

(7) Such provisions as the Commission may determine necessary to insure domestic control over the construction and operation of the deepwater port facility.

(b) If a licensee becomes bankrupt and unable to render the deepwater port facility harmless to navigation and the environment, the United States shall render such facility harmless and bear all costs in connection therewith to the extent that such costs are not covered by a bond, as may have been required in the license by the Commission.

SEC. 7. (a) Whenever any oil is spilled from a vessel using a deepwater port facility or enroute to or departing from such facility while in the vicinity of such facility, the Secretary of Transportation is authorized to act to remove or arrange for the removal of such oil at any time, unless he determines such removal will be done properly by the owner or operator of the vessel.

(b) The Secretary of Transportation shall prepare and publish a contingency plan for the removal of oilspills from vessels using, en route to, or departing from deepwater port facilities. Such contingency plan shall provide for efficient, coordinated, and effective action to minimize damage from the oil, including containment, dispersal, and removal of the oil. The Secretary may, from time to time, as he deems advisable, revise or otherwise amend the contingency plan. After publication of the contingency plan, the removal of oil and actions to minimize damage from oil shall, to the greatest extent possible, be in accordance with such contingency plan.

(c) The Secretary of Transportation is authorized to request and receive assistance, on a reimbursable basis, from any Federal department, agency, or instrumentality in carrying out his duties and responsibilities under this section.

(d) Except where the owner or operator of the vessel can prove that an oilspill was caused solely by (A) an act of God, (B) an act of war, (C) negligence on the part of the United States, or (D) an act or omission of a third party without regard to whether any such act or omission was or was not negligent, or any combination of the foregoing causes, such owner or operator shall, notwithstanding any other provision of law, be liable to the United States for actual cleanup costs incurred under this section.

Such costs shall constitute maritime lien on the vessel which may be recovered in an action in rem in the district court of the United States or any district within which the vessel may be found. The Deepwater Port Liability Authority created in section 8 of this Act may bring an action against the owner or operator in any court of competent jurisdiction to recover such costs, including, but not limited to, all such costs paid from the Deepwater Port Fund created by such section.

(e) During any period when the International Convention on Civil Liability for Oil Pollution Damage and the International Convention on the Establishment of an International Fund for Compensation for Oil Pollution Damage are both in force the liability of vessels subject to such conventions for damages within the territory and the territorial sea of the United States, from oilspills from such vessels, and for the payment of such damages, shall be that established in such conventions in lieu of any liability and payment for such damages established by this section and section 8 of this Act.

(f) Section 311 of the Federal Water Pollution Control Act shall apply to a deepwater port facility licensed under this Act and to oilspills from that facility. For the purposes of that Act, such a facility shall be deemed to be an offshore facility and oilspills from such facility shall be deemed to be oil discharged into the navigable waters of the United States.

SEC. 8. (a) There is hereby created a body corporate to be known as the Deepwater Port Liability Authority, hereafter in this section referred to as the "Authority", which shall have succession until dissolved by Act of Congress. The Authority shall be subject to the general supervision and direction of the Secretary of Transportation. The Authority, a wholly owned Government corporation, is an instrumentality of the United States subject to the Government Corporation Control Act and shall maintain such offices as may be necessary or appropriate in the conduct of its business. The purposes of the Authority shall be to administer the Deepwater Port Liability Fund. The Authority may sue and be sued in its own name.

(b)(1) The Authority shall have a Board of Directors consisting of five individuals, one of whom shall be the Secretary of Transportation or his designee as Chairman of the Board, and four of whom shall be appointed by the President from among the officers or employees of the Commission or of any other department or agency of the United States Government.

(2) The Board of Directors shall meet at the call of its Chairman. The Board shall determine the general policies which shall govern the operations of the Authority. The Chairman of the Board shall select and effect the appointment of qualified individuals to fill the offices as may be provided for in the bylaws, with such executive functions, powers, and duties as may be prescribed by the bylaws or by the Board of Directors, and such individuals shall be the executive officers of the Authority and shall discharge all such executive functions, powers, and duties. The members of the Board, as such, shall not receive compensation for their services.

(c) There is hereby created a Deepwater Port Liability Fund (hereafter referred to in this section as the "fund") which, notwithstanding any other provision of law, (1) shall be liable for cleanup costs resulting from any oilspill from a vessel using a deepwater port facility or en route to, or departing from such a facility while in the vicinity of such facility, and (2) shall be liable without regard to fault, in accordance with the provisions of this section, for damages to real and personal property within the territorial jurisdiction of the United States that are sustained by any individual or entity, public or private, as the result of any oilspill from a vessel using a deepwater port facility or en route to, or departing from, such a facility while in the vicinity of such facility.

(d) Liability of the fund for damages may not be imposed under this section—

(1) if the fund can prove that the damages concerned were caused by an act of war; or

(2) with respect to the claim of a damaged party if the fund can prove that the damage was caused by the negligence of such party.

(e) Liability of the fund for damage claims arising out of any one oilspill shall not exceed $100,000,000. If the total damage claims allowed against the fund arising out of any one oilspill exceed $100,000,000 they shall be reduced proportionately.

(f)(1) Each licensee of a deepwater port facility under this Act shall collect from the owner of any oil offloaded at the deepwater port facility operated by such licensee, at the time of offloading, a fee of 4 cents per barrel until the fund contains a total amount of $100,000,000 or until the International Convention on Civil Liability for Oil Pollution Damage and the International Convention on the Establishment of an International Fund for Compensation for Oil Pollution Damage both come into force, whichever first occurs; thereafter the fee shall be 2 cents per barrel, but in no case shall any fee be collected during any period when the fund contains a total amount of $100,0000,000 or more.

(2) The collections made under paragraph (1) shall be delivered to the fund at such times and in such manner as shall be prescribed by the Authority. Costs of administration shall be paid from the money paid to the fund, and all sums not needed for administration and the satisfaction of cleanup costs and damage claims shall be invested prudently in income-producing securities of the United States approved by the Authority. Income from such securities shall be added to the principal of the fund.

(g)(1) In the case of any claim where liability for damage without regard to fault is imposed on the fund by this section and such claim is paid by the Authority from the fund, the Authority shall be subrogated under applicable State and Federal laws (including any international agreements to which the United States is a party) to the rights of the claimant under such laws with respect to the paid claim. If, with respect to such paid claim the Authority brings an action based on any right to which it is subrogated by this subsection, it may recover from any affiliate of the defendant, if the defendant fails to satisfy any judgment entered against it in such action.

(h) This section shall not be interpreted—

(1) to preclude or deny the right of any State, or political subdivision thereof, or interstate agency, to adopt or enforce any other requirement with respect to liability for oilspills; or

(2) to affect in any manner the application of the Federal Water Pollution Control Act; or

(3) to restrict any right which any individual or entity (or class of individuals or entities) may have under any statute or common law to seek any other relief.

(i) If the fund is unable to satisfy cleaning costs or damage claims required to be paid under this section, the Authority may borrow the money needed to pay such costs or such claim from any available source, at the lowest available rate of interest.

(j) For the purposes of this section—

(1) the term "affiliate" includes—

(A) any entity owned or effectively controlled by the defendant in any action under subsection (g);

(B) any entity that effectively controls or has the power effectively to control such defendant by—

(i) stock interest,

(ii) representation on a board of directors or similar body,

(iii) contracts or other agreements with other stockholders, or

(iv) otherwise; or

(C) any entity which is under common ownership with or control of such defendant.

(2) the term "entity" means an individual corporation, a partnership, an association, a joint-stock company, a business trust, or an unincorporated organization.

(3) the term "barrel" means forty-two United States gallons at sixty degrees Fahrenheit.

SEC. 9. (a) Any licensee who violates any condition of his license, or any rule or regulation of the Commission issued under this Act, may be assessed a civil penalty by the Commission, in a determination on the record after opportunity for a hearing, of not more than $25,000 for each day during which such violation occurs.

(b) A licensee aggrieved by a final order of the Commission assessing a penalty under this section may, within sixty days after such order is issued, seek judicial review thereon in the United States district court for the judicial district nearest to which the licensee's facility is located, and such court shall have jurisdiction of the action without regard to the amount in controversy. Judicial review of the Commission's determination shall be in accordance with section 706 of title 5, United States Code.

(c) Penalties assessed pursuant to this section may be collected in an action by the United States, but the order of the Commission shall not be subject to review otherwise than as provided in subsection (b).

SEC. 10. Whenever a licensee fails to comply with any provision of this Act or any rule, regulation, restriction, or condition made or imposed by the Commission under the authority of this Act, or fails to pay any civil penalty assessed by the Commission under section 9 (except where a proceeding for judicial review of such assessment is pending), the Commission may file an appropriate action in the United States district court for the judicial district nearest to which the licensee's facility is located (1) to suspend operations under the license, or (2) to revoke such license if such failure is knowing and continues for a period of thirty days after the Commission mails notice of such failure by registered letter to the licensee at his record post office address. When such failure would, in the judgment of the Commission, create a serious threat to the environment, it shall have the authority to suspend operations under the license forthwith. The licensee may seek judicial review of the Commission's action in such district court within sixty days after the Commission takes such action.

SEC. 11. (a) The Constitution and the laws and treaties of the United States shall apply to deepwater port facilities licensed under this Act in the same manner as if such facilities were located in the navigable waters of the United States. Foreign-flag vessels and those others who are not nationals of the United States using such facilities shall be deemed to consent to the jurisdiction of the United States for the purposes of this Act. To the extent that they are applicable and not inconsistent with this Act or other Federal laws and regulations, the civil and criminal laws of the State whose coast is nearer than that of any other State to the point of con-

nection for unloading crude oil and petroleum products between vessels and the deepwater port facility are declared to be the law of the United States for such facility. All laws applicable to a deepwater port facility shall be administered and enforced by the appropriate officers, and courts of the United States. State taxation laws shall not apply to such facility, but this shall not affect the right of a State to tax its own citizens or residents.

(b) Except as otherwise provided in this Act, the United States district courts shall have jurisdiction of cases and controversies arising out of, or in connection with, the construction, operation, or use of deepwater port facilities. Proceedings with respect to any such cases or controversies may be instituted in the judicial district in which any defendant may be found or the judicial district nearest the place where the cause of action arose.

(c) Notwithstanding any other provision of this Act, a State whose coast is nearer than that of any other State to the point of connection for unloading crude oil and petroleum products between vessels and a deepwater port facility and in which 50 per centum or more of the design receiving capacity for crude oil and petroleum products is to be located may fix reasonable fees for the use of such deepwater port facility, and such State and any other State in which land-based facilities directly related to a deepwater port facility are located may set reasonable fees for the use of such land-based facilities. Fees may be fixed under authority of this subsection as compensation for any economic cost attributable to the construction and operation of such deepwater port and such land-based facilities, which cannot be recovered under other authority of such State or political subdivision thereof, including, but not limited to, ad valorem taxes, and for environmental and administrative costs attributable to the construction and operation of such deepwater port and such land-based facilities. Fees under this subsection shall not exceed such economic, environmental, and administrative costs of such State. Such fees shall be subject to the approval of the Commission. As used in this subsection, the term "land-based facilities directly related to a deepwater port facility" means the onshore tank farm and pipelines connecting such tank farm to the deepwater port facility.

(d) The Commission is authorized to promulgate such regulations governing health and welfare of individuals using deepwater port facilities licensed under this Act as it deems necessary.

SEC. 12. Directly related land-based activities and facilities connected to a deepwater port facility licensed under this Act such as pipelines, cables, and tank farms, which are located within the geographic jurisdiction of a State, shall be subject to all applicable laws or regulations of such State. Nothing in this Act shall be construed as precluding a State from imposing within its jurisdiction more stringent environmental or safety regulations when otherwise not prohibited by Federal law.

SEC. 13. A deepwater port facility licensed under this Act may not be used for the transshipment of crude oil or petroleum products destined for locations outside the United States.

SEC. 14. The consent of Congress is hereby given to two or more States to negotiate and enter into agreements or compacts, not in conflict with any law or treaty of the United States, for (1) the construction and operation of deepwater port facilities, and (2) the establishment of such agencies, joint or otherwise, as they may deem desirable for making effective such agreements and compacts. Such an agreement or compact shall be binding and obligatory upon any State or party thereto without further approval by Congress.

SEC. 15. The Secretary of State, in consultation with the Commission, shall seek effective international action and cooperation in support of the policy of this Act and may, for this purpose, formulate, present, or support specific proposals in the United Nations and other competent international organizations for the development of appropriate international rules and regulations relative to the construction and operation of deepwater port facilities, with particular regard for measures to promote the safety of navigation in the vicinity thereof.

SEC. 16. (a) The Secretary of the department in which the Coast Guard is operating (hereafter in this section referred to as the "Secretary") is authorized to issue reasonable rules and regulations prescribing procedures applicable in the waters adjacent to deepwater port facilities with respect to the following:

(1) vessel movements;

(2) pilotage requirements;

(3) maximum vessel drafts;

(4) designation and marking of anchorage areas;

(5) the provision of equipment necessary to prevent or minimize pollution of marine environment and to clean up any pollutants which may be discharged;

(6) lights and other warning devices;

(7) safety equipment; and

(8) other matters relating to the promotion of safety of life and property.

(b) Whoever violates any rule or regulation issued under this section shall be liable to a civil penalty of $10,000 for each day during which the violation continues. The penalty shall be assessed by the Secretary, who, in determining the amount of the penalty, shall consider the gravity of the violation, any prior violation, and the demonstrated good faith of anyone charged in attempting rapid compliance after notification of the violation. No penalty may be assessed until the party charged shall have been given notice of the violation involved and an opportunity for a hearing. For good cause shown, the Secretary may remit or mitigate any penalty assessed. Upon failure of the party charged to pay an assessed penalty, the Secretary may request the Attorney General to commence an action in the appropriate district court of the United States for collection of the penalty, without regard to the amount involved, together with such other relief as may be appropriate. Any vessel except a public vessel engaged in noncommercial activities, used in violation of any rule or regulation issued pursuant to this section shall be liable in rem for any civil penalty assessed and may be proceeded against in any district court in the United States having jurisdiction thereof; but no vessel shall be liable unless it would appear that one or more of the owners, or bareboat charterers, was at the time of the violation, a consenting party or privy to such violation.

(c) Subject to recognized principles of international law the Secretary, after consultation with the Secretary of State, the Secretary of Defense, and the Secretary of the Interior, shall designate a safety zone surrounding any deepwater port facility licensed under this Act. No point on the perimeter on such safety zone shall lie more than ten nautical miles from the nearest point of the deepwater port facility. No other installations, structures, or uses incompatible with the operation of the deepwater port facility shall be permitted within the safety zone. The Secretary shall issue rules and regulations relating to those activities which are permitted within such safety zone. In promulgating such rules the Secretary shall consult with the Secretary of State to insure that such rules are consistent with the international obligations of the United States.

SEC. 17. For the purposes of the International Voyage Load Line Act of 1973 (87 Stat. 418); of the Coastwise Load Line Act, 1935 (49 Stat. 891), as amended (46 U.S.C. 88–88i); of section 4370 of the Revised Statutes of the United States, as amended (46 U.S.C. 316); of section 8 of the Act of June 19, 1886 (24 Stat. 81; 46 U.S.C. 289); of section 27 of the Act of June 5, 1920 (41 Stat. 998), as amended (46 U.S.C. 883); and of title I of the Marine Protection, Research, and Sanctuaries Act of 1972 (86 Stat. 1052; 33 U.S.C. 1401–1421), deepwater port facilities licensed under this Act shall be deemed to be ports or places within the United States.

SEC. 18. For the purposes of chapter 39 of title 18, United States Code (18 U.S.C. 831–837), and part 1 of the Interstate Commerce Act (24 Stat. 379), as amended (49 U.S.C. 1–27), movement of crude oil or petroleum products by a pipeline that is a part of a deepwater port facility licensed under this Act from outside, to within, the territorial jurisdiction of any coastal State shall be deemed to be transportation or commerce from one State to another State, and the licensee shall be deemed to be a common carrier for all purposes of regulation by the Interstate Commerce Commission and by the Secretary of Transportation.

SEC. 19. With respect to disability or death of an employee resulting from any injury occurring in connection with the construction, maintenance, or operations of, a deepwater port facility, compensation shall be payable under the provisions of the Longshoremen's and Harbor Workers' Compensation Act (44 Stat. 1424) as amended (33 U.S.C. 901–950). For the purposes of applying that Act to deepwater port facilities—

(1) the term "employee" does not include a master or a crewmember of any vessel, or an officer or employee of the United States or any agency thereof, or of any State, or foreign government, or of any subdivision;

(2) employment in the construction, maintenance, or operation of a deepwater port facility shall be deemed to be "maritime employment"; and

(3) deepwater port facilities shall be deemed to be located in the navigable waters of the United States.

SEC. 20. Except in a situation involving force majeure, a licensee of a deepwater port facility may not permit a vessel, registered in or flying the flag of a foreign state, to call at, or otherwise utilize, a deepwater port facility licensed under this Act unless (1) the foreign-flag state involved, by specific agreement with the United States has agreed to recognize the jurisdiction of the United States over the vessel and its personnel, in accordance with the provisions of this Act, while the vessel is at, or in the vicinity of, the deepwater port facility, and (2) the vessel owner, or bareboat charterer, has designated an agent in the United States for the service of process in the case of any claim or legal proceeding resulting from the activities of the vessel or its personnel while at, or in the vicinity of, the deepwater port facility.

SEC. 21. All United States officials, including those officials responsible for the implementation and enforcement of United States laws applicable to a deepwater port facility, shall at all times be afforded reasonable access to a deepwater port facility licensed under this Act for the purpose of enforcing laws under their jurisdiction or otherwise carrying out their responsibilities.

SEC. 22. No person shall on the ground of sex be excluded from participation in, be denied the benefits of, or be subjected to dis-

crimination under any program or activity carried on or receiving assistance under this Act, under any license issued under this Act, or under the jurisdiction of the Deepwater Port Facilities Commission. This provision will be enforced through agency provisions and rules similar to those already established, with respect to racial and other discrimination, under title VI of the Civil Rights Act of 1964. However, this remedy is not exclusive and will not prejudice or cut off any other legal remedies available to a discriminatee.

Mr. Speaker, in connection with the amendment which I have just submitted for printing, I also include for printing in the RECORD, a detailed statement in explanation of this amendment:

EXPLANATORY STATEMENT OF AMENDMENT IN NATURE OF SUBSTITUTE

On November 28, 1973, the Committee on Public Works reported the bill H.R. 10701 (House Report No. 93–668). Since that time, as a result of numerous meetings with other interested Committees and further consideration of the bill, we have prepared an amendment in the nature of a substitute which will be offered on the floor in accordance with H. Res. 1139, which grants a rule on H.R. 10701 and which provides that it shall be in order to consider this amendment as an amendment in the nature of a substitute to H.R. 10701. The purpose of this statement is to provide a detailed description of this amendment.

This Nation presently faces the possibility of a long-term energy shortage unless steps are taken to conserve the energy available, develop new sources of energy, and attain self-sufficiency in energy. These measures, however, will take time. And even when the capability for energy self-sufficiency is attained, it can be anticipated that we will be importing significant amounts of crude oil and petroleum products. If the crude oil and petroleum products are to be imported efficiently and economically, it is necessary that deepwater port facilities be constructed which can accommodate the new very large cargo carriers.

Potential economic savings from the use of supertankers are of a scale that will effectively compel the use of such tankers for the ocean transport of crude petroleum imports. If deepwater port facilities are not available in the United States, some form of transshipment, with delivery of crude petroleum or petroleum products to U.S. ports in smaller vessels, will be used. This includes the lightering of deep-draft ocean-going vessels by transfer to barges at locations where naturally deep water is available; the transshipment of crude petroleum from deepwater ports in the Maritime Provinces of Canada and in Carribean islands; and the refining of petroleum products for shipment to the United States at Canadian and Caribbean locations. These alternative solutions will involve higher economic, and possibly environmental, costs.

Ports, harbors, and entrance channels serving existing refineries do not have sufficient depths to accommodate supertankers. New supertankers vary in size up to 540,000 dead weight tons. Such tankers can carry as much as 5 million barrels or over 210 million gallons of oil. Maximum permissible vessel drafts are typically in the 36–40 foot range, whereas supertankers require drafts of 60 feet or more.

Offshore facilities for discharging crude petroleum would permit direct delivery to the United States in oceangoing supertankers. They also offer a greater degree of flexibility in the location of ports and new refinery capacity, as well as a range of design and engineering concepts with varying economic and environmental characteristics.

A report submitted to the U.S. Army Engineer Institute for Water Resources by Robert R. Nathan Associates concludes that deepwater port facilities on the East Coast would have benefit-cost ratios of up to 8:1, and those in the Gulf up to 11:1.

No aspect of the import and export of bulk commodities ranks with the danger of petroleum spills as a potential source of environmental and ecological damage. The danger of the uncontrolled release of petroleum into the environment arises primarily from the possibility of accidental collisions and groundings of vessels, resulting in rupture of tanks; from the transfer of petroleum from oceangoing vessels either to other vessels or into pipelines and into storage tanks; and from the possibility of leakage from the tanks themselves. The degree of hazard is partly a function of the volume of petroleum to be imported and partly a function of the delivery system to be employed, including the size, design, operation, and control of vessel movements, and the design and control of all other equipment and operations related to the transfer and storage of petroleum. There is no scientific evidence that supertankers present, or need to present, a greater risk than do smaller ships. The size of a potential spill can be controlled irrespective of ship size. Studies indicate that the probability of spills increases drastically with the greater congestion of waterways associated with the use of smaller vessels. The employment of large vessels and deepwater port facilities will have the effect of reducing the possibility of environmental damage from spills.

Adequate authority exists for the regulation of the construction and operation of deepwater port facilities within the territorial seas of the United States. Any construction, dredging, or deposition of materials in the navigable waters of the United States requires the approval of the Secretary of the Army and the Chief of Engineers. The navigable waters of the United States include the coastal waters within the territorial bounds of the United States but do not include the waters beyond this point.

There are authorities which could be employed to regulate deepwater port facilities beyond the territorial sea, such as the Department of the Interior's pipeline regulation and leasing authority under the Outer Continental Shelf Lands Act and the Department of the Army's authority under section 4(f) of that Act which extends the above mentioned authority of the Army in the navigable waters of the United States to artificial islands and fixed structures located on the Outer Continental Shelf. However, these and other possible authorities do not provide the type of comprehensive, coordinated, and centralized program that is necessary to permit and regulate the construction and operation of deepwater port facilities beyond the territorial sea. Additional legislation is required to ensure adequate Federal regulatory authority over such facilities, and to minimize the possibility of jurisdictional conflicts among Federal agencies or between Federal and State agencies.

REASONABLE USE OF THE HIGH SEAS

As a matter of international law, construction and operation of deepwater ports providing loading and unloading facilities for the United States, but located on the continental shelf beyond its territorial waters, may be explained in terms of a "reasonable use of the high seas."

In general, it is considered that construction and operation of a deepwater port outside our territorial waters may be justified as a "reasonable use" of the high seas. Article 2 of the Convention on the High Seas prohibits nations from asserting sovereignty over areas of the high seas. But this same article also indicates the extent of freedom to use the high seas, noting specifically freedom of navigation, freedom of fishing, freedom to lay cables and pipelines, and freedom to fly over the high seas. This list is expressly made non-exclusive. Thus, there is room for nations to undertake new uses of the high seas which do not unduly interfere with the freedoms of others. In the modern era, a strong case can be made that deepwater ports are an acceptable adaptation of high seas usage and necessary concomitant of freedom of navigation.

Since construction and operation of deepwater ports is in fact a reasonable use of the high seas, an adequate jurisdictional basis to ensure safe and efficient operation of such facilities must be inherent in the usage right. Thus, both with respect to persons on the deepwater port, regardless of their nationality, and with respect to vessels docked at the deepwater port, regardless of their country of registry, the right to enforce the necessary laws and regulations is implicit in the right of the United States to use the high seas for deepwater port purposes. Indeed, if such jurisdiction were not present, the reasonable use concept would have little meaning.

Therefore, it is concluded that no major obstacles to the assertion of federal jurisdiction over the construction and operation of a deepwater port exist, either as a matter of international law, or as a matter of domestic law.

BACKGROUND

The matter of deepwater port facilities is one which has received the attention of the Public Works Committee for a number of years. Historically, this Committee has considered and recommended projects for the improvement of navigation, both in the inland and coastal waters of the Nation. These projects, carried out by the U.S. Army Corps of Engineers, have made possible the efficient and economic transportation of goods necessary to our economy and our standard of living. In particular, these projects are vital to the transportation of fuels for energy. The inland waterways carry coal and petroleum products. And the coastal harbors recommended by this Committee and constructed by the Corps of Engineers handle the crude oil and petroleum products which we import from other countries.

Commencing in 1971, the Corps of Engineers was authorized to undertake studies on the feasibility of deepwater ports on the Atlantic, Gulf, and Pacific Coasts. We have had access to the basic field level reports and all of the consultants' reports, such as those prepared for the Corps by Arthur D. Little, Inc., and Robert R. Nathan Associates. In addition, the Committee inspected deepwater port facilities in Saudi Arabia, Humber Estuary, England, and Bantry Bay, Ireland, observing their operation and speaking with representatives of the countries and firms involved and gaining the benefit of their experience. The information we have, and which we have considered, is as thorough and complete as any information available on deepwater ports.

It was with this background that we determined that deepwater port legislation was necessary. We were aware, of course, that the Department of the Interior had been suggested by some as the proper agency to handle the licensing of deepwater port facilities, and we gave this very serious consideration. We concluded, however, that the Department of the Interior did not possess the requisite jurisdiction and experience to qualify as the sole Federal agency to oversee the construction of deepwater port facilities. The key aspects of these facilities do not involve mineral exploration and exploitation, which

is where Interior's expertise lies, but rather navigation and transportation.

We also gave very serious consideration to placing the licensing responsibility in the Corps of Engineers. This would have made sense since it would simply have been an extension beyond the 3-mile limit of the authority the Corps presently has within the 3-mile limit.

In the end we concluded that because of the many Federal agencies concerned to a greater or lesser degree with the construction and operation of deepwater port facilities, a Commission should be established, composed of the heads of the directly interested agencies to issue the licenses. The members of the Commission are the Secretary of Transportation, the Secretary of the Interior, the Secretary of Commerce, the Administrator of the Environmental Protection Agency, and the Secretary of the Army, acting through the Chief of Engineers.

In November of 1973, our Committee reported out H.R. 10701. Following this action, the Merchant Marine and Fisheries Committee reported out a deepwater port bill—H.R. 5898—in December of that year.

Our committee, the Merchant Marine and Fisheries and Interior and Insular Affairs committees, pursuant to an agreement between the Chairmen of the Committees, jointly requested a rule on H.R. 5898 which would provide that H.R. 10701 would be in order as an amendment in the nature of a substitute. An appearance was scheduled before the Rules Committee on December 11, 1973, but was deferred at the last moment because of other pending business before the Rules Committee. Thereafter, on January 22, 1973, the Merchant Marine and Fisheries Committee appeared before the Committee on Rules to request the rule. At that January 22 meeting the Rules Committee requested that the Committees involved try to agree on a new request for consideration by the Rules Committee and that they also consider matters relating to domestic control over deepwater port facilities and State involvement and control which were brought up at the meeting.

Following that, we made every effort to reach such an agreement with the other Committees. The Chairman of the Public Works Committee established a special ad hoc subcommittee comprised of three members of the Committee to work with their counterparts on the other committees. Numerous meetings were held between the staffs of the three Committees and a preliminary draft was put together for the staffs to discuss with their respective Committee members. Following this, repeated attempts on our Committee's part to institute further discussions were made, but proved fruitless.

During these efforts to reach agreement, however, we did have an opportunity to compare the provisions of our bill with those of the other bill and to examine both with great care. As a result, we were able to draft an amendment to our bill which improves upon its original provisions, utilizes concepts in the other bill which we determined to be of value, and adds new provisions which we found to be desirable. It is this amendment which is to be offered on the floor as an amendment in the nature of a substitute.

H. Res. 1139, as reported, provides that this amendment will be in order as an amendment in the nature of a substitute to H.R. 10701. If this amendment is not agreed to, then the text of H.R. 11951, reported out by the Merchant Marine and Fisheries Committee as an amended version of its original legislation, will be in order as an amendment in the nature of a substitute.

SUBSTITUTE AMENDMENT

The substantive changes to H.R. 10701 contained in the substitute amendment are as follows. H.R. 10701 contained the concept of an "adjacent State," which was the State whose coast is nearer than that of any other State to the proposed deepwater port facility and in which all or the major part of the directly related land-based facilities would be located. An adjacent State was given a preference in the granting of a license for the port facility, and no license control could be granted for a proposed facility unless the adjacent State had an environmental program which included construction of deepwater ports and the proposed facility and the directly related land-based facilities were consistent with the environmental program. These concepts have been somewhat modified in the amendment. A preference in the granting of a license is given to a State if its coast is nearer than that of any other State to the proposed facility and if 50 percent or more of the design receiving capacity for crude oil and petroleum products is to be located in the State.

This provision is intended to give a State the opportunity, if it desires, to construct and operate a deepwater port facility. The State must, of course, meet all of the other requirements of the legislation and must, as any other applicant, show in its application that it has a bona fide intent to construct and operate a deepwater port facility, and that it will have the capability to do so, if granted the license. With regard to the requirement for an environmental program including deepwater ports, the amendment applies that requirement in the case of a State whose coast is nearer the proposed port facility than that of any other State and also in the case of a State in which 50 percent or more of the design receiving capacity for crude oil and petroleum products is to be located.

H.R. 10701 provided that the Deepwater Port Facilities Commission could not issue a license unless it had first considered the economic effects of the deepwater port facility on existing nearby ports. This provision has been changed in the amendment to provide that if a port of a State has existing plans for construction of a deep draft harbor and also has either an ongoing Corps of Engineers study for the harbor or has applied for a Corps permit to construct the harbor, then the Commissioner cannot issue a license for a port facility off the coast of that State unless it has compared the economic, social and environmental effects of the inshore and offshore facilities and determined which of the two is more in the national interest.

In the amendment, the provisions concerning cleanup of oilspills and compensation for damages caused by oilspills are considerably strengthened. The Secretary of Transportation is authorized to remove oil spilled from a vessel using a deepwater port facility or en route to or departing from the facility while in the vicinity of the facility.

The Secretary is also directed to prepare contingency plans for the removal of such oil. An owner or operator of a vessel is liable to the United States for the cleanup costs incurred, unless he can prove that the spill was caused solely by an act of God, an act of war, negligence on the part of the United States, or an act or omission of a third party.

The International Convention on Civil Liability for Oil Pollution Damage and the International Convention on the Establishment of an International Fund for Compensation for Oil Pollution Damage are two treaties which are presently under consideration by the nations of the world. The legislation provides that when these treaties are in force their provisions concerning cleanup of oilspills and liability for damages will become applicable insofar as they cover areas provided for in the legislation. Where the treaties' provisions are not applicable the provisions of the legislation would continue to govern. The provisions of the Federal Water Pollution Control Act governing cleanup of oil spills from onshore facilities into the navigable waters of the United States (Sec. 311) are made applicable to deepwater port facilities.

The amendment creates, as a body corporate, the Deepwater Port Liability Authority, to administer the Deepwater Port Liability Fund. There is one fund for all of the deepwater ports. The Fund is liable for cleanup costs resulting from any oilspill from a vessel using a deepwater port facility or en route to or departing from such a facility while in the vicinity of the facility. It is also liable for damages to real and personal property within the territorial jurisdiction of the United States caused by such an oilspill. The Fund is not liable for any damages if it can prove that the damages were caused by an act of war, or by the negligence of a damaged party making a claim. The limit of liability for any one oilspill is $100 million.

To establish the Fund, each port facility licensee is to collect a fee of 4 cents per barrel of oil unloaded until the Fund reaches the $100 million level or until the International treaties on oil spills come into effect, at which point 2 cents per barrel is to be collected. No fee is to be collected when the Fund contains $100 million or more. The Fund is subrogated to the rights of any claimant who is compensated from the Fund.

The amendment adds a provision directing the Commission to include in any deepwater port facility license provisions necessary to ensure domestic control over the port facility.

The amendment adds a provision prohibiting a deepwater port licensee from allowing a foreign vessel to use the facility unless the foreign flag state involved has agreed to recognize United States jurisdiction over the vessel and its personnel for the purpose of the deepwater port legislation and has designated an agent in the United States for the service of process.

The amendment includes specific provisions authorizing the Secretary of the Department in which the Coast Guard is operating to issue rules of the Department in which the Coast Guard is operating to issue rules and regulations relating to the safety of life and property in the water adjacent to deepwater port facilities. The Secretary is also directed to designate a safety zone surrounding each deepwater port facility.

HIGHLIGHTS OF THE AMENDMENT

The amendment establishes a Deepwater Port Facilities Commission to grant licenses for the construction and operation of the deepwater port facilities. The Commission's license is the only Federal license required. One environmental impact statement for each license is prepared by the Commission.

A State is granted a preference in receiving a deepwater port license if the State meets all of the requirements of the legislation, if the deepwater port is closer to the State's coast than to the coast of any other State, and if 50 percent or more of the design-receiving capacity for crude oil and petroleum products is to be located in the State.

In the cases of a State whose coast is nearer the port facility than that of any other State, no license may be issued for the port facility unless the State has an environmental program which includes construction of port facilities off its coast and the port facility and directly related land-based facilities are consistent with the program. The same is true for any State in which 50 percent or more of the design-receiving capacity for crude oil and petroleum products from the port facility is located.

No license can be issued until the Commission has considered the economic, environmental, aesthetic, and regional effects of the port facility on all other significantly affected States (States whose shorelines might suffer

environmental harm as a result of the port facility).

Two or more States are authorized to negotiate or enter into agreements or compacts, not in conflict with any law or treaty of the United States, for the construction and operation of deepwater port facilities, and the establishment of agencies to implement the compacts.

Provisions are included for the cleanup of oil spills, and a Deepwater Port Liability Fund is established to cover cleanup costs and damages caused by oil spills. The amendment contains provisions to insure domestic control of construction and operation of deepwater port facilities.

SECTION-BY-SECTION ANALYSIS SUBSTITUTE AMENDMENT

Section 1. This section defines certain key phrases and words used in the bill.

Section 2. This section provides for the issuance of licenses by the Federal Government for the construction and operation of a deepwater port facility (a facility off the coast of the U.S., beyond its territorial seas, and for the purpose of unloading crude oil and petroleum products). No one may construct or operate such a facility without obtaining a license.

A State is granted a preference in receiving a deepwater port license if the State meets all of the requirements of the legislation, if the deepwater port is closer to the State's coast than to the coast of any other State, and if 50 percent or more of the design-receiving capacity for crude oil and petroleum products is to be located in the State.

The State is to be notified whenever an application for a license to build a port facility off its coast is made, and the State has up to 180 days to itself apply for a license. It is intended that the notification be sent to the Governor of the State.

License applications are filed with the Deepwater Port Facilities Commission. The Commission is authorized to issue a license after it determines that the applicant is financially responsible, has the power to sue and be sued (or if a State, it has consented to be sued in connection with the port facility), the facility will not interfere with reasonable uses of the high seas, and the facility will be located, constructed and operated in a manner which will minimize or prevent any adverse significant environmental effects.

Licenses are to be for a term of no more than 30 years, with preferential right in the licensee to renew. Licenses must include conditions to insure that a bona fide effort to construct is made.

In the case of a State whose coast is nearer the port facility than that of any other State, no license may be issued for the port facility unless the State has an environmental program which includes construction of deepwater ports off its coast and the port facility and the directly related land-based facilities are consistent with the environmental program. The same is true for any State in which 50 percent or more of the design-receiving capacity for crude oil and petroleum products from the port facility is located. This allows 3 States at the most to prevent the construction of a proposed port facility by not having an environmental program including such facilities.

Also, no license can be issued until the Commission has considered the economic, environmental, esthetic, and regional effects of the port facility on all other significantly affected States (States whose shorelines might suffer environmental harm as a result of the port facility).

If a port of a State has existing plans for construction of a deep draft harbor and also has either an ongoing Corps of Engineers study for the harbor or has applied for a Corps permit to construct the harbor, and the Port applies to the Commission for a determination within thirty days of the date of the license application, then the Commission cannot issue a license for a port facility off the coast of that State unless it has compared the economic, social and environmental effects of the inshore and offshore facilities and determined which of the two is more in the national interest.

It is intended that the in-depth review required by this section shall be promptly initiated and completed within the time provided for in Sec. 3(d), namely, within 120 days after receipt of agency certifications or after completion of any hearings, whichever is later.

Section 3. This section establishes the Deepwater Port Facilities Commission, to issue the deepwater port licenses. The Commission is composed of the Secretary of Transportation, the Secretary of the Interior, the Secretary of Commerce, the Administrator of the Environmental Protection Agency, and the Secretary of the Army, acting through the Chief of Engineers. The Secretary of Transportation is the Chairman of the Commission and furnishes the administrative personnel to carry out the function of the Commission.

Only one Federal license—from the Commission—is required for a port facility. With regard to other Federal licenses or permits which might otherwise be required for the facility, the bill provides a procedure whereby these requirements will be met. The Commission must promptly forward a copy of each application it receives to those Federal agencies with jurisdiction over any aspect of the construction and operation of a facility. No license may be issued until those agencies have certified to the Commission that the aspect of the facility under their jurisdiction meets the requirements of the laws which they administer. A single environmental impact statement is to be prepared by the Commission in granting or denying a license, if such a statement is required by the National Environmental Policy Act of 1969. The certifying agencies will provide input to the Commission for the environmental impact statement.

The certification must be issued or denied within 120 days following transmittal of a copy of the application to the agencies. The Commission must issue or deny the license within 120 days after receipt of the certifications or after completions of any hearings, whichever is later.

Section 4. This section covers the procedures for the submission and consideration of applications for licenses. It provides for the prescription by the Commission of regulations, the publication of notices of applications in the Federal Register, the holding of at least one public hearing on each application, and the resolution of factual issues by an evidentiary hearing.

Section 5. This section provides for judicial review of a Commission order granting or denying a license, when such review is timely sought by a person adversely affected by the order.

Section 6. This section directs the Commission to include certain conditions, as a minimum, in any license it issues. These are as follows:

(1) Conditions to ensure that the operation of the facility will not substantially lessen competition or create a monopoly, including a requirement of non-discriminatory access at reasonable rates.

(2) Provisions requiring that, if a license is revoked or expires and is not reissued, or if the licensee abandons the facility, the licensee will render the facility harmless to navigation and the environment.

(3) Fees as reimbursement for the cost of Federal activities occasioned by the port facility.

(4) Measures to meet U.S. international obligations.

(5) Measures to prevent or minimize the pollution of the surrounding waters, including payment of cleanup costs.

(6) Provisions for the temporary storage of hazardous substances.

(7) Provisions to insure domestic control over the port facility.

This section also provides that if a licensee becomes bankrupt and unable to render the facility harmless to navigation and the environment, the United States will do so to the extent not covered by a bond as may have been required by the Commission.

Section 7. This section provides for the removal of oil spills and for liability for damages caused by oil spills.

The Secretary of Transportation is authorized to remove oil spilled from a vessel using a deepwater port facility or en route to or departing from the facility while in the vicinity of the facility. The Secretary is also directed to prepare contingency plans for the removal of such oil. An owner or operator of a vessel is liable to the United States for the cleanup costs incurred, unless he can prove that the spill was caused solely by an act of God, an act of war, negligence on the part of the United States, or an act or omission of a third party.

The International Convention on Civil Liability for Oil Pollution Damage and the International Convention on the Establishment of an International Fund for Compensation for Oil Pollution Damage are two treaties which are presently under consideration by the nations of the world. The legislation provides that when these treaties are in force their provisions concerning cleanup of oilspills and liability for damages will become applicable insofar as they cover areas provided for in the legislation. Where the treaties' provisions are not applicable the provisions of the legislation would continue to govern. The provisions of the Federal Water Pollution Control Act governing cleanup of oil spills from onshore facilities into the navigable waters of the United States are made applicable to deepwater port facilities.

Section 8. This section creates, as a body corporate, the Deepwater Port Liability Authority, to administer the Deepwater Port Liability Fund. The Fund is liable for cleanup costs resulting from any oilspill from a vessel using a deepwater port facility or en route to or departing from such a facility while in the vicinity of the facility. It is also liable for damages to real and personal property within the territorial jurisdiction of the United States caused by such an oilspill. The Fund is not liable for any damages if it can prove that the damages were caused by an act of war, or by the negligence of a damaged party making a claim. The limit of liability for any one oilspill is $100 million.

To establish the Fund, each port facility licensee is to collect a fee of 4 cents per barrel of oil unloaded until the Fund reaches the $100 million level or until the international treaties on oilspills come into effect, at which point 2 cents per barrel is to be collected. No fee is to be collected when the Fund contains $100 million or more. The Fund is subrogated by the rights of any claimant who is compensated from the fund.

Section 9. This section provides for the imposition of a civil penalty of not more than $25,000 per day for the violation of license conditions or rules and regulations of the Commission, and for judicial review of such penalties.

Section 10. This section provides that where a licensee fails to comply with any provision of the Act or regulation of the Commission, or fails to pay a civil penalty, the Commission may file a court action to suspend operations under the license or, if the failure to comply or pay is knowing and continues for 30 days after official notification, to revoke the license.

Section 11. This section applies the Constitution and laws of the United States to deepwater port facilities. The laws of the State whose coast is nearest the port facility are declared to be the law of the United States for the facility, to the extent they are not inconsistent with Federal law. Also, foreign flag vessels and others not nationals of the United States who use the port facility are deemed to consent to the jurisdiction of the United States for purposes of the deepwater port legislation.

This section also provides that a State whose coast is nearer the port facility than that of any other State and in which 50 percent or more of the design receiving capacity for crude oil and petroleum products is located may fix reasonable fees for the use of the facility. Likewise, that State and any other State in which directly related pipelines and tankfarms are located may fix reasonable fees for the use of these land-based facilities. The fees are limited to the economic costs attributable to the port or land-based facilities which cannot be recovered under other State authority, including ad valorem taxes, and to environmental and administrative costs attributable to the facilities.

This section provides for payments to compensate a State for the economic, environmental, and administrative costs attributable to the construction and operation of a deepwater port and land-based facilities. These payments, referred to as fees, are subject to the approval of the Commission. They are limited to the actual economic costs incurred by the State because of the construction and operation of the deepwater port facilities which cannot be recovered under other State authority, including ad valorem taxes, and to the environmental and administrative costs attributable to the construction and operation of the deepwater port facilities and land-based facilities. The section was carefully drafted so as not to constitute an imposition of a tax on imports but rather, as indicated above, to provide compensation for certain costs attributable to the deepwater port and land-based facilities.

Section 12. This section makes it clear that any facilities connected to a port facility and within the geographic jurisdiction of a State are subject to applicable laws and regulations of the State. A State is not precluded from imposing more stringent environmental or safety regulations when not otherwise prohibited by Federal law.

Section 13. This section prohibits the use of a deepwater port facility for the transshipment of crude oil or petroleum products destined for locations outside the United States.

Section 14. This section grants the consent of Congress to two or more States to negotiate and enter into agreements or compacts for the construction and operation of deepwater port facilities and the establishment of agencies to implement the agreements or compacts.

Section 15. This section directs the Secretary of State, in consultation with the Deepwater Port Facilities Commission, to seek effective international action and cooperation in support of the policy of the deepwater port legislation, and to present or support proposals for the development of international rules and regulations relative to the construction and operation of deepwater ports and navigation safety in the vicinity.

Section 16. This section authorizes the Secretary of the Department in which the Coast Guard is operating to issue rules and regulations relating to the safety of life and property in the waters adjacent to deepwater port facilities. The Secretary is also directed to designate a safety zone surrounding each deepwater port facility.

Section 17. This section provides that deepwater port facilities shall be deemed to be ports or places within the United States for the purpose of laws relating to coastwise trade (trade between ports and places in the United States). These include laws relating to load lines on vessels (depths to which vessels may be loaded) and laws prohibiting the use of foreign vessels.

Section 18. This section provides that the deepwater port licensee shall be a common carrier and that the movement of oil from the facility to the United States by pipeline is subject to regulation by the Interstate Commerce Commission and the Secretary of Transportation.

Section 19. This section provides that for disability or death of an employee resulting from injury occurring in connection with the construction, operation or maintenance of a deepwater port facility, compensation will be payable under the Longshoremen's and Harbor Workers' Compensation Act.

Section 20. This section prohibits a deepwater port licensee from allowing a foreign vessel to use the facility unless the foreign flag state involved has agreed to recognize United States jurisdiction over the vessel and its personnel for the purpose of the legislation and has designated an agent in the United States for the service of process.

Section 21. This section requires that United States officials be afforded reasonable access to a deepwater port facility for the purpose of carrying out their responsibilities.

Section 22. This section prohibits discrimination on the grounds of sex in any program or activity carried on or receiving assistance under the deepwater port legislation.

PERMISSION FOR MANAGERS TO FILE CONFERENCE REPORT ON H.R. 7824, TO ESTABLISH LEGAL SERVICES CORPORATION

Mr. PERKINS. Mr. Speaker, I ask unanimous consent that the managers on the part of the House may have until midnight tonight to file the conference report on H.R. 7824, to establish a Legal Services Corporation.

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

There was no objection.

CONFERENCE REPORT (H. REPT. No. 93–1039)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 7824) to establish a Legal Services Corporation, and for other purposes, having met, after full and free conference, have agreed to recomend and do recommend to their respective Houses as follows:

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

That this Act may be cited as the "Legal Services Corporation Act of 1974".

SEC. 2. The Economic Opportunity Act of 1964 is amended by adding at the end thereof the following new title:

"TITLE X—LEGAL SERVICES CORPORATION ACT

"STATEMENT OF FINDINGS AND DECLARATION OF PURPOSE

"SEC. 1001. The Congress finds and declares that—

"(1) there is a need to provide equal access to the system of justice in our Nation for individuals who seek redress of grievances;

"(2) there is a need to provide high quality legal assistance to those who would be otherwise unable to afford adequate legal counsel and to continue the present vital legal services program;

"(3) providing legal assistance to those who face an economic barrier to adequate legal counsel will serve best the ends of justice;

"(4) for many of our citizens, the availability of legal services has reaffirmed faith in our government of laws;

"(5) to preserve its strength, the legal services program must be kept free from the influence of or use by it of political pressures; and

"(6) attorneys providing legal assistance must have full freedom to protect the best interests of their clients in keeping with the Code of Professional Responsibility, the Canons of Ethics, and the high standards of the legal profession.

"DEFINITIONS

"SEC. 1002. As used in this title, the term—

"(1) 'Board' means the Board of Directors of the Legal Services Corporation;

"(2) 'Corporation' means the Legal Services Corporation established under this title;

"(3) 'eligible client' means any person financially unable to afford legal assistance;

"(4) 'Governor' means the chief executive officer of a State;

"(5) 'legal assistance' means the provision of any legal services consistent with the purposes and provisions of this title;

"(6) 'recipient' means any grantee, contractee, or recipient of financial assistance described in clause (A) of section *1006*(a)(1);

"(7) 'staff attorney' means an attorney who receives more than one-half of his annual professional income from a recipient organized solely for the provision of legal assistance to eligible clients under this title; and

"(8) 'State' means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Trust Territory of the Pacific Islands, and any other territory or possession of the United States."

"ESTABLISHMENT OF CORPORATION

"SEC. 1003. (a) There is established in the District of Columbia a private nonmembership nonprofit corporation, which shall be known as the Legal Services Corporation, for the purpose of providing financial support for legal assistance in noncriminal proceedings or matters to persons financially unable to afford legal assistance.

"(b) The Corporation shall maintain its principal office in the District of Columbia and shall maintain therein a designated agent to accept service of process for the Corporation. Notice to or service upon the agent shall be deemed notice to or service upon the Corporation.

"(c) The Corporation, and any legal assistance programs assisted by the Corporation, shall be eligible to be treated as an organization described in section 170(c)(2)(B) of the Internal Revenue Code of 1954 and as an organization described in section 501(c)(3) of the Internal Revenue Code of 1954 which is exempt from taxation under section 501(a) of such Code. If such treatments are conferred in accordance with the provisions of such Code, the Corporation, and legal assistance programs assisted by the Corporation, shall be subject to all provisions of such Code relevant to the conduct of organizations, exempt from taxation.

"GOVERNING BODY

"SEC. 1004. (a) The Corporation shall have a Board of Directors consisting of eleven voting members appointed by the President, by and with the advice and consent of the Senate, no more than six of whom shall be of the same political party. A majority shall be members of the bar of the highest court of any State, and none shall be a full-time employee of the United States.

"(b) The term of office of each member of the Board shall be three years, except that five of the members first appointed, as designated by the President at the time of appointment, shall serve for a term of two years. Each member of the Board shall continue to serve until the successor to such member has been appointed and qualified. The term of initial members shall be computed from the date of the first meeting of the Board. The term of each member other than initial members shall be computed from the date of termination of the preceding term. Any member appointed to fill a vacancy occurring prior to the expiration of the term for which such member's predecessor was appointed shall be appointed for the remainder of such term. No member shall be reappointed to more than two consecutive terms immediately following such member's initial term.

"(c) The members of the Board shall not, by reason of such membership, be deemed officers or employees of the United States.

"(d) The President shall select from among the voting members of the Board a chairman, who shall serve for a term of three years. Thereafter the Board shall annually elect a chairman from among its voting members.

"(e) A member of the Board may be removed by a vote of seven members for malfeasance in office or for persistent neglect of or inability to discharge duties, or for offenses involving moral turpitude, and for no other cause.

"(f) Within six months after the first meeting of the Board, the Board shall request the Governor of each State to appoint a nine-member advisory council for such State. A majority of the members of the advisory council shall be appointed, after recommendations have been received from the State bar association, from among the attorneys admitted to practice in the State, and the membership of the council shall be subject to annual reappointment. If ninety days have elapsed without such an advisory council appointed by the Governor, the Board is authorized to appoint such a council. The advisory council shall be charged with notifying the Corporation of any apparent violation of the provisions of this title and applicable rules, regulations, and guidelines promulgated pursuant to this title. The advisory council shall, at the same time, furnish a copy of the notification to any recipient affected thereby, and the Corporation shall allow such recipient a reasonable time (but in no case less than thirty days) to reply to any allegation contained in the notification.

"(g) All meetings of the Board, of any executive committee of the Board, and of any advisory council established in connection with this title shall be open to the public, and any minutes of such public meetings shall be available to the public, unless the membership of such bodies, by two-thirds vote on those eligible to vote, determines that an executive session should be held on a specific occasion.

"(h) The Board shall meet at least four times during each calendar year.

"OFFICERS AND EMPLOYEES

"SEC. 1005. (a) The Board shall appoint the president of the Corporation, who shall be a member of the bar of the highest court of a State and shall be a non-voting ex officio member of the Board, and such other officers as the Board determines to be necessary. No officer of the Corporation may receive any salary or other compensation for services from any source other than the Corporation during his period of employment by the Corporation, except as authorized by the Board. All officers shall serve at the pleasure of the Board.

"(b)(1) The president of the Corporation, subject to general policies established by the Board, may appoint and remove such employees of the Corporation as he determines necessary to carry out the purposes of the Corporation.

"(2) No political test or political qualification shall be used in selecting, appointing, promoting, or taking any other personnel action with respect to any officer, agent, or employee of the Corporation or of any recipient, or in selecting or monitoring any grantee, contractor, or person or entity receiving financial assistance under this title.

"(c) No member of the Board may participate in any decision, action, or recommendation with respect to any matter which directly benefits such member or pertains specifically to any firm or organization with which such member is then associated or has been associated within a period of two years.

"(d) Officers and employees of the Corporation shall be compensated at rates determined by the Board, but not in excess of the rate of level V of the Executive Schedule specified in section 5316 of title 5, United States Code.

"(e)(1) Except as otherwise specifically provided in this title, officers and employees of the Corporation shall not be considered officers or employees, and the Corporation shall not be considered a department, agency, or instrumentality, of the Federal Government.

"(2) Nothing in this title shall be construed as limiting the authority of the Office of Management and Budget to review and submit comments upon the Corporation's annual budget request at the time it is transmitted to the Congress.

"(f) Officers and employees of the Corporation shall be considered officers and employees of the Federal Government for purposes of the following provisions of title 5, United States Code: subchapter I of chapter 81 (relating to compensation for work injuries); chapter 83 (relating to civil service retirement); chapter 87 (relating to life insurance); and chapter 89 (relating to health insurance). The Corporation shall make contributions at the same rates applicable to agencies of the Federal Government under the provisions referred to in this subsection.

"(g) The Corporation and its officers and employees shall be subject to the provisions of section 552 of title 5, United States Code (relating to freedom of information).

"POWERS, DUTIES, AND LIMITATIONS

"SEC. 1006. (a) To the extent consistent with the provisions of this title, the Corporation shall exercise the powers conferred upon a nonprofit corporation by the District of Columbia Nonprofit Corporation Act (except for section 1005(o) of title 29 of the District of Columbia Code). In addition, the Corporation is authorized—

"(1)(A) to provide financial assistance to qualified programs furnishing legal assistance to eligible clients, and to make grants to and contracts with—

"(i) individuals, partnerships, firms, corporations, and nonprofit organizations, and

"(ii) State and local governments (only upon application by an appropriate State or local agency or institution and upon a special determination by the Board that the arrangements to be made by such agency or institution will provide services which will not be provided adequately through nongovernmental arrangements).

for the purpose of providing legal assistance to eligible clients under this title, and (B) to make such other grants and contracts as are necessary to carry out the purposes and provisions of this title;

"(2) to accept in the name of the Corporation, and employ or dispose of in furtherance of the purposes of this title, any money or property, real, personal, or mixed, tangible or intangible, received by gift, devise, bequest, or otherwise; and

"(3) to provide, either directly or by grant or contract, for—

"(A) research (in accordance with the provisions of section 3 of the Legal Services Corporation Act of 1974),

"(B) training, and

"(C) information clearinghouse activities relating to the provision of legal assistance under this title, and for technical assistance in connection with the provision of legal assistance to eligible clients.

"(b)(1) The Corporation shall have authority to insure the compliance of recipients and their employees with the provisions of this title and the rules, regulations, and guidelines promulgated pursuant to this title, and to terminate, after a hearing in accordance with section 1011, financial support to a recipient which fails to comply.

"(2) If a recipient finds that any of its employees has violated or caused the recipient to violate the provisions of this title or the rules, regulations, and guidelines promulgated pursuant to this title, the recipient shall take appropriate remedial or disciplinary action in accordance with the types of procedures prescribed in the provisions of section 1011.

"(3) The Corporation shall not, under any provision of this title, interfere with any attorney in carrying out his professional responsibilities to his client as established in the Canons of Ethics and the Code of Professional Responsibility of the American Bar Association (referred to collectively in this title as 'professional responsibilities') or abrogate as to attorneys in programs assisted under this title the authority of a State or other jurisdiction to enforce the standards of professional responsibility generally applicable to attorneys in such jurisdiction. The Corporation shall ensure that activities under this title are carried out in a manner consistent with attorney's professional responsibilities.

"(4) No attorney shall receive any compensation, either directly or indirectly, for the provision of legal assistance under this title unless such attorney is admitted or otherwise authorized by law, rule, or regulation to practice law or provide such assistance in the jurisdiction where such assistance is initiated.

"(5) The Corporation shall insure that (A) no employee of the Corporation or of any recipient (except as permitted by law in connection with such employee's own employment situation), while carrying out legal assistance activities under this title, engage in, or encourage others to engage in, any public demonstration or picketing, boycott, or strike; and (B) no such employee shall, at any time, engage in, or encourage others to engage in, any of the following activities: (i) any rioting or civil disturbance, (ii) any activity which is in violation of an outstanding injunction of any court of competent jurisdiction, (iii) any other illegal activity, or (iv) any intentional identification of the Corporation or any recipient with any political activity prohibited by section 1007(a)(6). The Board, within ninety days after its first meeting, shall issue rules and regulations to provide for the enforcement of this paragraph and section 1007(a)(5), which rules shall include, among available remedies, provisions, in accordance with the types of procedures prescribed in the provisions of section 1011, for suspension of legal assistance supported under this title, suspension of an employee of the Corporation or of any employee of any recipient by such recipient, and, after consideration of other remedial measures and after a hearing in accordance with section 1011, the termination of such assistance or employment, as deemed appropriate for the violation in question.

"(6) In areas where significant numbers of eligible clients speak a language other than English as their principal language, the Corporation shall, to the extent feasible, provide that their principal language is used in the

provision of legal assistance to such clients under this title.

"(c) The Corporation shall not itself—

"(1) participate in litigation on behalf of clients other than the Corporation; or

"(2) undertake to influence the passage or defeat of any legislation by the Congress of the United States or by any State or local legislative bodies, except that personnel of the Corporation may testify or make other appropriate communication (A) when formally requested to do so by a legislative body, a committee, or a member thereof, or (B) in connection with legislation or appropriations directly affecting the activities of the Corporation.

"(d)(1) The Corporation shall have no power to issue any shares of stock, or to declare or pay any dividends.

"(2) No part of the income or assets of the Corporation shall inure to the benefit of any director, officer, or employee, except as reasonable compensation for services or reimbursement for expenses.

"(3) Neither the Corporation nor any recipient shall contribute or make available corporate funds or program personnel or equipment to any political party or association, or the campaign of any candidate for public or party office.

"(4) Neither the Corporation nor any recipient shall contribute or make available corporate funds or program personnel or equipment for use in advocating or opposing any ballot measures, initiatives, or referendums. However, an attorney may provide legal advice and representation as an attorney to any eligible client with respect to such client's legal rights.

"(5) No class action suit, class action appeal, or amicus curiae class action may be undertaken, directly or through others, by a staff attorney, except with the express approval of a project director of a recipient in accordance with policies established by the governing body of such recipient.

"(e)(1) Employees of the Corporation or of recipients shall not at any time intentionally identify the Corporation or the recipient with any partisan or nonpartisan political activity associated with a political party or association, or the campaign of any candidate for public or party office.

"(2) Employees of the Corporation shall be deemed to be State or local employees for purposes of chapter 15 of title 5, United States Code.

"(f) If an action is commenced by the Corporation or by a recipient and a final order is entered in favor of the defendant and against the Corporation or a recipient's plaintiff, the court may, upon motion by the defendant and upon a finding by the court that the action was commenced or pursued for the sole purpose of harassment of the defendant or that the Corporation or a recipient's plaintiff maliciously abused legal process, enter an order (which shall be appealable before being made final) awarding reasonable costs and legal fees incurred by the defendant in defense of the action, except when in contravention of a State law, a rule of court, or a statute of general applicability. Any such costs and fees shall be directly paid by the Corporation.

"GRANTS AND CONTRACTS

"SEC. 1007. (a) With respect to grants or contracts in connection with the provision of legal assistance to eligible clients under this title, the Corporation shall—

"(1) insure the maintenance of the highest quality of service and professional standards, the preservation of attorney-client relationships, and the protection of the integrity of the adversary process from any impairment in furnishing legal assistance to eligible clients;

"(2)(A) establish, in consultation with the Director of the Office of Management and Budget and with the Governors of the several States, maximum income levels (taking into account family size, urban and rural differences, and substantial cost-of-living variations) for individuals eligible for legal assistance under this title;

"(B) establish guidelines to insure that eligibility of clients will be determined by recipients on the basis of factors which include—

"(i) the liquid assets and income level of the client,

"(ii) the fixed debts, medical expenses, and other factors which affect the client's ability to pay,

"(iii) the cost of living in the locality, and

"(iv) such other factors as relate to financial inability to afford legal assistance, which shall include evidence of a prior determination, which shall be a disqualifying factor, that such individual's lack of income results from refusal or unwillingness, without good cause, to seek or accept an employment situation; and

"(C) establish priorities to insure that persons least able to afford legal assistance are given preference in the furnishing of such assistance;

"(3) insure that grants and contracts are made so as to provide the most economical and effective delivery of legal assistance to persons in both urban and rural areas;

"(4) insure that attorneys employed full time in legal assistance activities supported in major part by the Corporation refrain from (A) any compensated outside practice of law, and (B) any uncompensated outside practice of law except as authorized in guidelines promulgated by the Corporation;

"(5) insure that no funds made available to recipients by the Corporation shall be used at any time, directly or indirectly, to influence the issuance, amendment, or revocation of any executive order or similar promulgation by any Federal, State, or local agency, or to undertake to influence the passage or defeat of any legislation by the Congress of the United States, or by any State or local legislative bodies, except where—

"(A) representation by an attorney as an attorney for any eligible client is necessary to the provision of legal advice and representation with respect to such client's legal rights and responsibilities (which shall not be construed to permit a recipient or an attorney to solicit a client for the purpose of making such representation possible, or to solicit a group with respect to matters of general concern to a broad class of persons as distinguished from acting on behalf of any particular client); or

"(B) a governmental agency, a legislative body, a committee, or a member thereof requests personnel of any recipient to make representations thereto;

"(6) insure that all attorneys engaged in legal assistance activities supported in whole or in part by the Corporation refrain, while so engaged, from—

"(A) any political activity, or

"(B) any activity to provide voters or prospective voters with transportation to the polls or provide similar assistance in connection with an election (other than legal advice and representation), or

"(C) any voter registration activity (other than legal advice and representation);

and insure that staff attorneys refrain at any time during the period for which they receive compensation under this title from the activities described in clauses (B) and (C) of this paragraph and from political activities of the type prohibited by section 1502(a) of title 5, United States Code, whether partisan or nonpartisan;

"(7) require recipients to establish guidelines, consistent with regulations promulgated by the Corporation, for a system for review of appeals to insure the efficient utilization of resources and to avoid frivolous appeals (except that such guidelines or regulations shall in no way interfere with attorneys' professional responsibilities);

"(8) insure that recipients solicit the recommendations of the organized bar in the community being served before filling staff in attorney positions in any project funded pursuant to this title and give preference to filling such positions to qualified persons who reside in the community to be served;

"(9) insure that every grantee, contractor, or person or entity receiving financial assistance under this title or predecessor authority under this Act which files with the Corporation a timely application for refunding is provided interim funding necessary to maintain its current level of activities until (A) the application for refunding has been approved and funds pursuant thereto received, or (B) the application for refunding has been finally denied in accordance with section 1011 of this Act; and

"(10) insure that all attorneys, while engaged in legal assistance activities supported in whole or in part by the Corporation, refrain from the persistent incitement of litigation and any other activity prohibited by the Canons of Ethics and Code of Professional Responsibility of the American Bar Association, and insure that such attorneys refrain from personal representation for a private fee in any cases in which they were involved while engaged in such legal assistance activities.

"(b) No funds made available by the Corporation under this title, either by grant or contract, may be used—

"(1) to provide legal assistance with respect to any fee-generating case (except in accordance with guidelines promulgated by the Corporation), to provide legal assistance with respect to any criminal proceeding, or to provide legal assistance in civil actions to persons who have been convicted of a criminal charge where the civil action arises out of alleged acts or failures to act and the action is brought against an officer of the court or against a law enforcement official for the purpose of challenging the validity of the criminal conviction;

"(2) for any of the political activities prohibited in paragraph (6) of subsection (a) of this section;

"(3) to make grants to or enter into contracts with any private law firm which expends 50 percent or more of its resources and time litigating issues in the broad interests of a majority of the public;

"(4) to provide legal assistance under this title to any unemancipated person of less than eighteen years of age, except (A) with the written request of one of such person's parents or guardians. (B) upon the request of a court of competent jurisdiction, (C) in child abuse cases, custody proceedings, persons in need of supervision (PINS) proceedings, or cases involving the initiation, continuation, or conditions of institutionalizational, or (D) where necessary for the protection of such person for the purpose of securing, or preventing the loss of, benefits, or securing, or preventing the loss or imposition of, services under law in cases not involving the child's parent or guardian as a defendant or respondent;

"(5) to support or conduct training programs for the purpose of advocating particular public policies or encouraging political activities, labor or antilabor activities, boycotts, picketing, strikes, and demonstrations, as distinguished from the dissemination of information about such policies or activities, except that this provision shall not be construed to prohibit the training of attorneys or paralegal personnel necessary to prepare them to provide adequate legal assistance to eligible clients;

"(6) to organize, to assist to organize, or to encourage to organize, or to plan for the creation or formation of, or the structuring of, any organization, association, coalition, alliance, federation, confederation, or any similar entity, except for the provision of legal assistance to eligible clients in accordance with guidelines promulgated by the Corporation;

"(7) to provide legal assistance with respect to any proceeding or litigation relating to the desegregation of any elementary or secondary school or school system;

"(8) to provide legal assistance with respect to any proceeding or litigation which seeks to procure a nontherapeutic abortion or to compel any individual or institution to perform an abortion, or assist in the performance of an abortion, or provide facilities for the performance of an abortion, contrary to the religious beliefs or moral convictions of such individual or institution; or

"(9) to provide legal assistance with respect to any proceeding or litigation arising out of a violation of the Military Selective Service Act or of desertion from the Armed Forces of the United States.

"(c) In making grants or entering into contracts for legal assistance, the Corporation shall insure that any recipient organized solely for the purpose of providing legal assistance to eligible clients is governed by a body of at least 60 percent of which consists of attorneys who are members of the bar of a State in which the legal assistance is to be provided (except that the Corporation (1) shall, upon application, grant waivers to permit a legal services program, supported under section 222(a)(3) of the Economic Opportunity Act of 1964, which on the date of enactment of this title has a majority of persons who are not attorneys on its policy-making board to continue such a nonattorney majority under the provisions of this title, and (2) may grant, pursuant to regulations issued by the Corporation, such a waiver for recipients which, because of the nature of the population they serve, are unable to comply with such requirement) and which include at least one individual eligible to receive legal assistance under this title. Any such attorney, while serving on such board, shall not receive compensation from a recipient.

"(d) The Corporation shall monitor and evaluate and provide for independent evaluations of programs supported in whole or in part under this title to insure that the provisions of this title and the bylaws of the Corporation and applicable rules, regulations, and guidelines promulgated pursuant to this title are carried out.

"(e) The president of the Corporation is authorized to make grants and enter into contracts under this title.

"(f) At least thirty days prior to the approval of any grant application or prior to entering into a contract or prior to the initiation of any other project, the Corporation shall announce publicly, and shall notify the Governor and the State bar association of any State where legal assistance will thereby be initiated, of such grant, contract, or project. Notification shall include a reasonable description of the grant application or proposed contract or project and request comments and recommendations.

"(g) The Corporation shall provide for comprehensive, independent study of the existing staff-attorney program under this Act and, through the use of appropriate demonstration projects, of alternative and supplemental methods of delivery of legal services to eligible clients, including judicare, vouchers, prepaid legal insurance, and contracts with law firms; and, based upon the results of such study, shall make recommendations to the President and the Congress, not later than two years after the first meeting of the Board, concerning improvements, changes, or alternative methods for the economical and effective delivery of such services.

"RECORDS AND REPORTS

"SEC. 1008. (a) The Corporation is authorized to require such reports as it deems necessary from any grantee, contractor, or person or entity receiving financial assistance under this title regarding activities carried out pursuant to this title.

"(b) The Corporation is authorized to prescribe the keeping of records with respect to funds provided by grant or contract and shall have access to such records at all reasonable times for the purpose of insuring compliance with the grant or contract or the terms and conditions upon which financial assistance was provided.

"(c) The Corporation shall publish an annual report which shall be filed by the Corporation with the President and the Congress.

"(d) Copies of all reports pertinent to the evaluation, inspection, or monitoring of any grantee, contractor, or person or entity receiving financial assistance under this title shall be submitted on a timely basis to such grantee, contractor, or person or entity, and shall be maintained in the principal office of the Corporation for a period of at least five years subsequent to such evaluation, inspection, or monitoring. Such reports shall be available for public inspection during regular business hours, and copies shall be furnished, upon request, to interested parties upon payment of such reasonable fees as the Corporation may establish.

"(e) The Corporation shall afford notice and reasonable opportunity for comment to interested parties prior to issuing rules, regulations, and guidelines, and it shall publish in the Federal Register at least 30 days prior to their effective date all its rules, regulations, guidelines, and instructions.

"AUDITS

SEC. 1009. (a)(1) The accounts of the Corporation shall be audited annually. Such audits shall be conducted in accordance with generally accepted auditing standards by independent certified public accountants who are certified by a regulatory authority of the jurisdiction in which the audit is undertaken.

"(a) The audits shall be conducted at the place or places where the accounts of the Corporation are normally kept. All books, accounts, financial records, reports, files, and other papers or property belonging to or in use by the Corporation and necessary to facilitate the audits shall be made available to the person or persons conducting the audits; and full facilities for verifying transactions with the balances and securities held by depositories, fiscal agents, and custodians shall be afforded to any such person.

The report of the annual audit shall be filed with the General Accounting Office and shall be available for public inspection during business hours at the principal office of the Corporation.

"(b)(1) In addition to the annual audit, the financial transactions of the Corporation for any fiscal year during which Federal funds are available to finance any portion of its operations may be audited by the General Accounting Office in accordance with such rules and regulations as may be prescribed by the Comptroller General of the United States.

"(2) Any such audit shall be conducted at the place or places where accounts of the Corporation are normally kept. The representatives of the General Accounting Office shall have access to all books, accounts, financial records, reports, files, and other papers or property belonging to or in use by the Corporation and necessary to facilitate the audit; and full facilities for verifying transactions with the balances and securities held by depositories, fiscal agents, and custodians shall be afforded to such representatives. All such books, accounts, financial records, reports, files, and other papers or property of the Corporation shall remain in the possession and custody of the Corporation. A report of such audit shall be made by the Comptroller General to the Congress and to the President, together with such recommendations with respect thereto as he shall deem advisable.

"(c)(1) The Corporation shall conduct, or require each grantee, contractor, or person or entity receiving financial assistance under this title to provide for, an annual financial audit. The report of each such audit shall be maintained for a period of at least five years at the principal office of the Corporation.

"(2) The Corporation shall submit to the Comptroller General of the United States copies of such reports, and the Comptroller General may, in addition, inspect the books, accounts, financial records, files, and other papers, or property belonging to or in use by such grantee, contractor, or person or entity, which relate to the disposition or use of funds received from the Corporation. Such audit reports shall be available for public inspection, during regular business hours, at the principal office of the Corporation.

"(d) Notwithstanding the provisions of this section or section 1008, neither the Corporation nor the Comptroller General shall have access to any reports or records subject to the attorney-client privilege.

"FINANCING

"SEC. 1010. (a) There are authorized to be appropriated for the purpose of carrying out the activities of the Corporation, $90,000,000 for fiscal year 1975, $100,000,000 for fiscal year 1976, and such sums as may be necessary for fiscal year 1977. The first appropriation may be made available to the Corporation at any time after six or more members of the Board have been appointed and qualified. Appropriations shall be for not more than two fiscal years, and, if for more than one year, shall be paid to the Corporation in annual installments at the beginning of each fiscal year in such amounts as may be specified in appropriation Acts.

"(b) Funds appropriated pursuant to this section shall remain available until expended.

"(c) Non-Federal funds received by the Corporation, and funds received by any recipient from a source other than the Corporation, shall be accounted for and reported as receipts and disbursements separate and distinct from Federal funds, but any funds as received for the provision of legal assistance shall not be expended by recipients for any purpose prohibited by this title, except that this provision shall not be construed to prevent recipients from receiving other public funds or tribal funds (including foundation funds benefiting Indians, or Indian tribes) and expending them in accordance with the purposes for which they are provided, or to prevent contracting or making other arrangements with private attorneys, private law firms, or other State or local entities of attorneys, or with legal aid societies having separate public defender programs, for the provision of legal assistance to eligible clients under this title.

"SPECIAL LIMITATIONS

"SEC. 1011. The Corporation shall prescribe procedures to insure that—

"(1) financial assistance under this title shall not be suspended unless the grantee, contractor, or person or entity receiving financial assistance under this title has been given reasonable notice and opportunity to show cause why such action should not be taken; and

"(2) financial assistance under this title shall not be terminated, an application for refunding shall not be denied, and a suspension of financial assistance shall not be continued for longer than thirty days, unless the grantee, contractor, or person or entity receiving financial assistance under this title has been afforded reasonable notice and opportunity for a timely, full, and fair hearing.

"COORDINATION

"SEC. 1012. The President may direct that appropriate support functions of the Federal Government may be made available to the

Corporation in carrying out its activities under this title, to the extent not inconsistent with other applicable law.

"RIGHT TO REPEAL, ALTER, OR AMEND

"SEC. 1013. The right to repeal, alter, or amend this title at any time is expressly reserved.

"SHORT TITLE

"SEC. 1014. This title may be cited as the 'Legal Services Corporation Act'."

PROVISIONS RELATING TO LEGAL RESEARCH ACTIVITIES

SEC. 3. (a)(1) Subject to the provisions of paragraph (2), the auhority of the Legal Services Corporation under section 1006(a)(3)(A) of the Legal Services Corporation Act (title X of the Economic Opportunity Act of 1964; as added by this Act) to make grants or enter into contracts for research in connection with the provision of legal assistance to eligible clients shall terminate on January 1, 1976.

(2) During the period from June 30, 1975, to January 1, 1976, the Congress may, by concurrent resolution, act with respect to the duration of authority contained in such section 1006(a)(3)(A). If the Congress has failed to take any such action, that authority shall automatically be extended until January 1, 1977.

(b) In order to assist the Congress to carry out the provisions of subsection (a) of this section, the Corporation shall conduct a thorough study of the efficiency and economy of the use of grants or contracts for research for the purpose of supporting the provision of legal assistance to eligible clients as distinguished from the direct provision of such research by the Corporation. The Corporation shall report to the Congress and the President not later than June 30, 1975, on the findings of the study required by this subsection, together with such recommendations, including recommendations for additional legislation, as the Corporation deems appropriate.

TRANSITION PROVISIONS

SEC. 4. (a) Notwithstanding any other provision of law, effective ninety days after the date of the first meeting of the Board of Directors of the Legal Services Corporation established under the Legal Services Corporation Act (title X of the Economic Opportunity Act of 1964, as added by this Act), the Legal Services Corporation shall succeed to all rights of the Federal Government to capital equipment in the possession of legal services programs or activities assisted pursuant to section 222(a)(3), 230, 232, or any other provision, of the Economic Opportunity Act of 1964.

(b) Within ninety days after the first meeting of the Board, all assets, liabilities, obligations, property, and records as determined by the Director of the Office of Management and Budget, in consultation with the Director of the Office of Economic Opportunity or the head of any successor authority, to be employed directly or held or used primarily, in connection with any function of the Director of the Office of Economic Opportunity or the head of any successor authority in carrying out legal services activities under the Economic Opportunity Act of 1964, shall be transferred to the Corporation. Personnel transferred to the Corporation from the Office of Economic Opportunity or any successor authority shall be transferred in accordance with applicable laws and regulations, and shall not be reduced in compensation for one year after such transfer, except for cause. The Director of the Office of Economic Opportunity or the head of any successor authority shall take whatever action is necessary and reasonable to seek suitable employment for personnel who do not transfer to the Corporation.

(c) Collective-bargaining agreements in effect on the date of enactment of this Act covering employees transferred to the Corporation shall continue to be recognized by the Corporation until the termination date of such agreements, or until mutually modified by the parties.

(d)(1) Notwithstanding any other provision of law, the Director of the Office of Economic Opportunity or the head of any successor authority shall take such action as may be necessary, in cooperation with the president of the Legal Services Corporation, including the provision (by grant or otherwise) of financial assistance to recipients and the Corporation and the furnishing of services and facilities to the Corporation—

(A) to assist the Corporation in preparing to undertake, and in the intial undertaking of, its responsibilities under the title, and;

(B) out of appropriations available to him, make funds available to meet the organizational and administrative expenses of the Corporation; to

(C) within ninety days after the first meeting of the Board, to transfer to the Corporation all unexpended balances of funds appropriated for the purpose of carrying out legal services programs and activities under the Economic Opportunity Act of 1964 or successor authority; and

(D) to arrange for the orderly continuation by such Corporation of financial assistance to legal services programs and activities assisted pursuant to the Economic Opportunity Act of 1964 or successor authority.

Whenever the Diretcor of the Office of Economic Opportunity or the head of any successor authority determines that an obligation to provide financial assistance pursuant to any contract or grant for such legal services will extend beyond six months after the date of enactment of this Act, he shall include, in any such contract or grant, provisions to assure that the obligation to provide such financial assistance may be assumed by the Legal Services Corporation, subject to such modifications of the terms and conditions of such contract or grant as the Corporation determines to be necessary.

(2) Section 222(a)(3) of the Economic Opportunity Act of 1964 is repealed, effective ninety days after the first meeting of the Board of Directors of the Legal Services Corporation.

(e) There are authorized to be appropriated for the fiscal year ending June 30, 1974, such sums as may be necessary for carrying out this section (a).

(f) Title VI of the Economy Opportunity Act of 1964 is amended by inserting after section 625 thereof the following new section:

"INDEPENDENCE OF LEGAL SERVICES CORPORTATION

"Sec. 626. Nothing in this Act, except title X, and no reference to this Act unless such reference refers to title X, shall be construed to affect the powers and activities of the Legal Services Corporation.".

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate to the title of the bill and agree to the same.

CARL D. PERKINS,
AUGUSTUS F. HAWKINS,
PATSY T. MINK,
LLOYD MEEDS,
ALBERT H. QUIE,
JOHN M. ASHBROOK,
WILLIAM A. STEIGER,
Managers on the Part of the House.

GAYLORD NELSON,
EDWARD M. KENNEDY,
WALTER F. MONDALE,
ALAN CRANSTON,
JENNINGS RANDOLPH,
HAROLD E. HUGHES,
WM. D. HATHAWAY,
ROBERT TAFT, JR.,
JACOB K. JAVITS,
DICK SCHWEIKER,
PETER H. DOMINICK,
J. GLENN BEALL, JR.
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 7824) to establish a Legal Services Corporation, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The House bill created an independent corporation in a separate provision that was not part of the Economic Opportunity Act. The Senate amendment created an independent corporation within the Economic Opportunity Act as a new title X. The House recedes.

The Senate amendment contained a list of findings and a declaration of purpose. There was no comparable House provision. The House recedes with an amendment clarifying the intention of the conferees that the program should be kept free from the influence of or use by it of political pressure, and a perfecting amendment.

The House bill defined legal assistance as provision of legal services under the Act. The Senate amendment defined legal assistance as legal advice and representation and other appropriate legal services consistent with the title. The conference agreement provides that legal assistance means the provision of any legal services consistent with the purposes and provisions of the title.

The House bill defined "staff attorney" as an attorney who receives more than one-half of his professional income from a recipient organization solely to provide legal assistance to eligible clients. The Senate amendment defined "staff attorney" as one who receives a majority of his professional income from provision of legal assistance pursuant to the title. The Senate recedes.

The House bill provided that the Corporation and programs assisted by the Corporation shall be eligible to be treated as tax-exempt organizations under the Internal Revenue Code, and provided that if such treatments are conferred the Corporation shall be subject to all provisions of such Code relevant to the conduct of tax-exempt corporations. There was no comparable Senate provision. The Senate recedes with a perfecting amendment.

The House bill liquidated the Corporation as of June 30, 1978, unless sooner terminated by an Act of Congress. The Senate amendment authorized appropriations for three years. The House recedes in view of the three-year authorization of appropriation.

The House bill computed the term of office of the initial Board members from the date of enactment. The Senate amendment computed the term of office of the intial Board members from the date of the first meeting of the Board. This difference occurred in several places throughout the House bill and the Senate amendment. The House recedes and the conference agreement reflects this decision throughout.

The House bill required the President to select from among voting members the chairman of the Board who shall serve a term of one year. The Senate amendment allowed the President to similarly select the first chairman who shall serve a three-year term; thereafter the chairman shall be annually selected by the Board from among its voting members. The House recedes.

The Senate amendment included offenses involving moral turpitude in the list of reasons to remove a Board member. The House bill contained no comparable provision. The House recedes.

Both the House bill and the Senate amendment required the Board to request the Governors of the several States to appoint State advisory councils. The Senate amendment required the Governor to consult the State bar association for its recommendations as to the attorney members of the advisory council. The House bill contained no comparable provision. The House recedes.

The House bill required the Board to appoint a State advisory council within 90 days if the Governor failed to do so. The Senate amendment authorized the Board to make such appointments. The House recedes.

The House bill required the State advisory council to furnish a copy of violations to the recipient affected. The Senate amendment established such a requirement as to apparent violations and required the Corporation to notify affected recipients. The Senate recedes with an amendment adding "apparent" before the word "violations" in the House language.

Both the House bill and the Senate amendment required that all the Board meetings be open to the public unless by a two-thirds vote decide that they be closed on a specific occasion. The Senate amendment required further that minutes shall be available to the public. The House bill contained no comparable provision. The House recedes.

The Senate amendment established a National Advisory Council charged with consulting with the Board and president of the Corporation. The 15-member council shall be appointed by the Board and shall serve for three-year terms and represent the organized bar, legal education, project attorneys, eligible clients, and the general public. The House bill contained no comparable provision. The Senate recedes. The conferees wish to make clear that by removing the requirement in the Senate bill that there be an advisory council they in no way intend to prohibit the Corporation in the exercise of its discretion from establishing an advisory council.

The Senate amendment required the Board to appoint a President and "other Corporation officers required by law". The House bill required the appointment of a president and "such other officers as the Board determines to be necessary". The Senate recedes.

The Senate amendment prohibited the use of political tests or qualifications in appointing or promoting or taking other personnel actions with respect to employees of the Corporation or a recipient. The House bill contained no comparable provision. The House recedes with an amendment adding "political" before "qualifications" to make clearer the restriction in the Senate amendment.

Both the House bill and the Senate amendment prohibit Board members from participating in any action with respect to any matter that directly benefits such member or pertains (specifically in the Senate amendment) to any firm or organization with which the member is then associated. The Senate amendment further required that there be no association with such firm or organization for a period of two years. The House bill contained no comparable provision. The House recedes.

The Senate amendment placed Executive Schedule level V as the maximum rate of compensation of any officer or employee of the Corporation. The House bill contained no comparable provision. The House recedes.

The Senate amendment provided that officers and employees of the Corporation not be considered officers or employees of the Federal Government and that the Corporation not be considered a department, instrumentality, or agency of the Federal Government for purposes of any Federal law or Executive order, except as specifically provided in this title. The House bill contained no comparable provision. The House recedes with a perfecting amendment.

The Senate amendment provided that nothing in this title shall be deemed to authorize any department, agency, officer, or employee of the United States or the District of Columbia to exercise any control with respect to the Corporation or any recipient or eligible client receiving assistance under this title. The House bill contained no comparable provision. The Senate recedes.

The Senate amendment permitted the Office of Management and Budget to review and submit comments upon the Corporation's annual budget request at the time it is submitted to the Congress. The House bill contained no comparable provision. The House recedes.

The Senate amendment specifically required that employees of the Corporation be considered Government employees for purposes of work injury compensation, retirement, life insurance, and health insurance, and required the Corporation to make contributions similar to other Federal agencies for these purposes. The House bill contained no comparable provision. The House recedes.

The Senate bill included in several places the requirement that the Corporation in exercising its powers must at all times insure the protection of attorneys' professional responsibilities. The House bill contained no comparable provision. The Senate recedes in light of an agreement to include this provision in a single section—1006(b)(3)—as applicable to the end title.

Both the House bill and the Senate amendment authorized the Corporation to make grants to and contracts with State and local governments. The Senate amendment limited this authority to cases, upon special determination by the Board, that would provide supplemental assistance which would not be adequately provided through nongovernmental arrangements.

The House bill included in the list of recipients "other appropriate entities". The Senate amendment modified "organizations and corporations" by "nonprofit". The conference agreement combines the provisions, with the understanding that the words "firms, partnerships, and corporations" are intended to refer to entities of attorneys authorized to practice law in the State in question.

The conference agreement provides that the Corporation is authorized to provide financial assistance to qualified programs furnishing legal assistance to eligible clients and to make grants to and contracts with individuals, partnerships, firms, corporations, and non-profit organizations, and with State and local governments only upon special determination by the Board that such services will not be adequately provided through non-governmental arrangements.

The conferees agree with the need to protect the legal services program from unwarranted interference, particularly interference which is brought for political purposes. It is recognized, however, that there may be circumstances where the best interests of the program would be served in using State and local governments. The conference agreement provides the corporation with limited discretion in these cases, but it is not intended that there should be any substantial shift of resources away from the present classes of recipients to State or local governments.

The Senate amendment authorized the Corporation to make such other grants and contracts as necessary to carry out the purpose of the title. The House bill contained no comparable provision. The House recedes.

The House bill authorized the Corporation to undertake directly (not by grant or contract) research, training, and technical assistance, and clearinghouse activities. The Senate amendment allowed a similar list of activities specifying "recruitment", to be carried on either directly or by grant or contract. The conference agreement provides that the Corporation may provide for either directly or by grant or contract, research, training, information clearinghouse activities and technical assistance.

With respect to "research" the conference agreement provides that the authority to make grants or contracts for research in connection with the provision of legal assistance to eligible clients shall terminate on January 1, 1976, unless Congress by concurrent resolution between June 30, 1975, and January 1, 1976, acts with respect to the duration of such authority. If the Congress fails to take any such action during such period, the authority is automatically extended until January 1, 1977.

The Corporation is directed to make a thorough study of the efficiency and economy of conducting research by grants or contracts as opposed to conducting it directly, and to report to the Congress and the President, with recommendations as it deems appropriate, not later than June 30, 1975.

The terms "research" and "research in connection with the provision of legal assistance to eligible clients" are understood by the conferees to mean the types of research activities currently being conducted under the authority of section 232 of the Economic Opportunity Act of 1964, including the provision of co-counsel, but not to extend to clearinghouse activities such as the Poverty Law Reporter service.

The functions authorized by this provision are of utmost importance for the continuation of high quality legal services of the conferees. Such functions include programs concerned with clinical legal education, research, specialized litigation, and training in the area of paraprofessional personnel, as well as similar activities designed to harness available resources of legal education and the organized bar to improve the quality and effectiveness of the provision of legal services to the poor and to ensure opportunities for minority and poor persons to engage in legal services programs, and in the legal profession and related professions.

The House bill provided the Corporation with authority to terminate recipients after a hearing for violation of rules and regulations. The Senate amendment provided similar termination authority after other appropriate remedial measures had been exhausted and after a hearing in accordance with section 1011. The Senate recedes with an amendment retaining a reference to section 1011 procedures. The conferees intend that remedial measures short of termination be utilized prior to termination.

The House bill required the recipient to take appropriate disciplinary action against an employee who violates the Act or its by-laws or guidelines. The Senate amendment required similar remedial or disciplinary action in accordance with due process procedures. The House recedes.

Both the House bill and the Senate amendment prohibited attorneys from receiving any compensation for the provision of legal assistance under this Act unless such attorney is "authorized to practice" in the House bill or "admitted or otherwise authorized by law, rule or regulation" in the Senate amendment. The House recedes.

The House bill applied restrictions with

respect to picketing, boycotts, and strikes to employees of the Corporation and recipients who receive a majority of their annual professional income from the provision of legal assistance under the Act. The Senate amendment applied similar restrictions (except as permitted by law in connection with an employee's own employment situation) to all employees of the Corporation and recipients. The House recedes. The conferees intend that the prohibtion against "encouraging" these activities should not be interpreted so as to preclude legal advice and representation for an eligible client with respect to such client's legal rights and responsibilities.

The House bill and the Senate amendment contained substantially similar provisions requiring the Corporation to insure that its employees and employees of recipients refrain from participation in, and from encouragement of others to participate in, rioting or civil disobedience, violation of an injunction, or any illegal activity. The House recedes.

In addition, the Senate amendment prohibited employees from engaging in public demonstrations and from intentionally identifying the Corporation with any prohibited political activities. The House bill contained no comparable provision. The House recedes.

The conference agreement, therefore, provides that the Corporation shall insure (1) that no employees of the Corporation or a recipient (except as to the employee's own employment situation), while carrying out activities assisted under this title, engage in or encourage others to engage in public demonstration or picketing, boycott, or strike, and (2) that no such employees shall at any time engage in or encourage others to engage in any of the following activities: (i) any rioting or civil disturbance, (ii) any activity which is in violation of an outstanding injunction of any court of competent jurisdiction, (iii) any other illegal activity, or (iv) any intentional identification of the Corporation or any recipient with any political activity prohibited by section 1007 (a) (6). The Board is required to issue rules and regulations to provide for the enforcement of this paragraph as well as section 1007(a) (5), which shall include remedies in accordance with the procedures of section 1011.

The Senate amendment required termination after appropriate remedial measures and after a hearing in accordance with section 1011. The House bill left these procedures to the Board. The House recedes with a clarifying amendment.

The Senate amendment required the Corporation to insure that in areas where the predominant language is other than English, the predominant language would be utilized in the provision of legal assistance whenever feasible. The House bill contained no comparable provision. The House recedes with an amendment modifying the requirement of the Senate amendment to provide that "the Corporation shall, to the extent feasible, provide that their principal language is used in the provision of legal assistance".

Both the House bill and the Senate amendment prohibit the Corporation from undertaking to influence the passage or defeat of any legislation by the Congress or by any State or local legislative body. The Senate amendment allowed the Corporation to testify and make appropriate comment in connection with legislation or appropriations directly affecting the activity of the Corporation. The House bill contained no comparable provision. The House recedes.

Both the House bill and the Senate amendment prohibited assets of the Corporation from being used to benefit any director, employee, or officer except as reasonable compensation for services. The Senate amendment explicitly allowed reimbursement for expenses. The House bill contained no comparable provision. The House recedes.

The House bill and the Senate amendment prohibited the Corporation and any recipient from making available corporate funds, program personnel, or equipment for use in advocating or opposing ballot measures, referendums, or initiatives. The Senate amendment contained an exception to this prohibition where such provision of legal advice and representation is necessary by an attorney, as an attorney, for any eligible client with respect to such client's legal rights and representation. The House bill contained no comparable provision. The conference agreement prohibits advocating or opposing such measures, but provides that an attorney may provide legal advice and representation as an attorney to any eligible client with respect to such client's legal right.

The Senate amendment prohibited class action suits, class action appeals, and amicus curiae class actions from being undertaken except with the express approval of the recipient's project director in accordance with policies established by the governing body of the recipient project. The House bill contained no comparable provision. The House recedes.

The Senate amendment prohibited employees of the Corporation or recipients from intentionally identifying the Corporation with any partisan or nonpartisan activity of a candidate for public or party office. The House bill contained no comparable provision. The House recedes.

The Senate amendment made applicable to employees of the Corporation the provisions of the Hatch Act prohibiting active participation in political management or political campaigns and prohibiting interference in elections or coercing of contributions for political purposes. The House bill contained no comparable provisions. The House recedes.

The House bill provided that all attorneys while engaged in activities supported by the Corporation refrain from any political activity. The Senate amendment prohibited political activity associated with a political party or association, or campaign for public or party office. The Senate recedes.

Both the House bill and the Senate amendment prohibited use of Corporation funds for transportation to the polls and voter registration activities. The House bill excepted representation in civil or administrative proceedings and legal representation in registration cases. The Senate amendment excepted legal advice and representation to any eligible client with respect to such client's legal rights and responsibilities. The conference agreement makes the exception for "legal advice and representation".

The Senate amendment prohibited certain political activity of staff attorneys in their "off time" by cross referencing certain provisions of the Hatch Act prohibiting interference in an election and coercing of political contributions. The House bill prohibited taking an active part in partisan or nonpartisan political management or in partisan or nonpartisan political campaigns. The Senate recedes with a clarifying amendment to make reference to the provisions of the Hatch Act prohibiting interference in an election, coercing of political contributions, and taking an active part in political management or political campaigns, and applies the political activities prohibition, as in the House bill, to both partisan and non-partisan political activities.

The House amendment provided that in any action commenced by the Corporation or a recipient on behalf of any party in which a final judgment is rendered in favor of a defendant against the Corporation or a recipient's plaintiff, the court may award reasonable costs and legal fees to such defendant and such costs shall be paid by the Corporation. The Senate amendment contained no comparable provision. The conference agreement provides that a court may, upon motion by the defendant and upon a finding by the court that the action was commenced or pursued for the sole purpose of harassment of the defendant or that the Corporation or a recipient's plaintiff maliciously abused legal process, enter an order (which shall be appealable before being made final) awarding reasonable costs and legal fees incurred by the defendant in defense of the action, except when in contravention of a State law, a rule of court, or a statute of general applicability. Any such costs and fees shall be directly paid by the Corporation.

Both the House bill and the Senate amendment required the Corporation to establish guidelines for client eligibility. The Senate amendment required consultation with the Governors of the several States. The House bill contained no comparable provision. The House recedes.

The House bill and the Senate amendment required that the eligibility guidelines take into account family size, cost of living in the locality, and other related matters. The House bill further added assets, income, fixed debts and medical expenses. The Senate amendment required the determination to be based on appropriate factors relating to financial inability to afford legal assistance. The conference agreement consolidates both provisions.

The House bill prohibited eligibility for any individual capable of gainful employment if his lack of income resulted from refusal or unwillingness without good cause to seek or accept employment. The Senate amendment provided that eligibility guidelines take into consideration evidence of a prior determination that lack of income resulted from a refusal to seek or accept employment without good cause commensurate with such individual's age, health, education and ability. The conference agreement generally combines both provisions. It eliminates the phrase "commensurate with such individual's age, health, education, and ability," and provides that "evidence of a prior determination" that an individual's lack of income results from a failure "without good cause, to seek or accept an employment situation" will be a disqualifying situation.

The House bill required the Corporation to insure adequate assistance in both urban and rural areas. The Senate amendment required the Corporation to insure the most economical, effective, and comprehensive delivery of legal assistance to persons in urban and rural areas. The conference agreement provides that the Corporation shall insure the most economical and effective provision of legal assistance to persons in urban and rural areas.

The Senate amendment further required assurance of equitable services to significant segments of the population of eligible clients (including handicapped, elderly, Indians, migrants, and others with special needs). The Senate amendment also included a requirement to provide special consideration for utilizing organizations and persons with special experience and expertise in providing legal assistance to eligible clients. The House bill contained no comparable provision. The Senate recedes. The conferees agreed that service to these deprived segments of the population should be a special concern of the Corporation.

The House bill contained an absolute prohibition on the outside practice of law for attorneys employed full time in activities supported by the Corporation, and required that they represent only eligible clients. The Senate amendment prohibited attorneys employed full time in legal assistance activities supported in major part by the Corporation from any compensated outside practice of

law and any uncompensated outside practice of law except as authorized in guidelines promulgated by the Corporation. The House recedes.

The House bill required that no funds made available to recipients be used to influence an executive order or similar promulgation by a Federal, state, or local agency or to influence the passage or defeat of legislation by Congress or state or local legislative bodies, except that recipient personnel may (1) testify when requested to do so by a governmental agency, a legislative body or committee or member thereof, or (2) in the course of providing legal assistance to an eligible client (pursuant to Corporation guidelines) make representations or testify only before local governmental entities. The Senate amendment also prohibited use of funds to influence the passage or defeat of legislation except when such representations are requested by a legislative body, a committee thereof, or when such representation by an attorney as an attorney is necessary to the provision of legal advice and representation for any eligible client with respect to such client's legal rights and responsibilities. The Senate prohibition did not apply to executive orders.

The House recedes with the following amendments: the prohibition is extended, as in the House bill, to influencing the issuance, amendment, or revocation of any executive order or similar promulgation of any governmental body; the exception with respect to requested representations by attorneys is extended, as in the House bill, to include a request by a governmental agency; and the exception permitting attorneys to represent particular clients is qualified by stating that such exception shall not be construed to permit a recipient or an attorney to solicit a client for the purpose of making such representation possible, or to solicit a group with respect to matters of general concern to a broad class of persons as distinguished from acting on behalf of any particular client.

The House bill required the Corporation to establish guidelines for consideration of appeals to be implemented by each recipient to insure efficient utilization of resources except that such guidelines shall in no way interfere with attorneys' responsibilities. The Senate amendment required recipients to establish guidelines for a system of review of appeals to insure efficiency and avoid frivolous appeals. The conference agreement combines both provisions.

The House bill required recipients to solicit recommendations of the organized bar in the community being served before filling staff attorney positions and to give preference in filling such positions to qualified persons who reside in the community to be served. The Senate amendment contained no comparable provision. The Senate recedes. The conferees agree that the term "organized bar in the community being served" means the bar organization (or organizations) for the geographical area which most closely corresponds to the area to be served by the project.

The Senate amendment required that every grantee, contractor, or person or entity receiving financial assistance under the title or predecessor authority under the Economic Opportunity Act which files with the Corporation a timely application for refunding be provided interim funding necessary to maintain its current level of activities until (1) the application has been approved and funds pursuant thereto received or (2) application has been denied in accordance with the due process procedures of section 1011. The House bill contained no comparable provision. The House recedes.

The House bill required the Corporation to insure that all attorneys engaged in legal assistance supported under the Act (1) refrain from the "persistent incitement of litigation". (2) refrain from any other activity prohibited by the Canons of Ethics and Code of Professional Responsibility of the American Bar Association, and (3) refrain from personal representation for a private fee for a period of two years in any cases which were first presented to them while engaged in legal assistance activities supported by this Act. The Senate amendment contained no comparable provision. The Senate recedes with an amendment changing the 2-year prohibition to an absolute prohibition against legal services attorneys providing personal representation, for a private fee, in any cases in which they were involved while engaged in legal assistance activities.

Both the House bill and the Senate amendment prohibited funds to be used by grant or contract for the provision of legal assistance with respect to a criminal proceeding.

Both the House bill and the Senate amendment prohibited provision of legal assistance with respect to any criminal proceeding. The conferees understand "criminal proceedings" to refer to proceedings brought by the Government of the United States or any of the States. It is not the intent of the conferees to prohibit representation of Indians charged with misdemeanor offenses in tribal courts, as distinct from criminal charges in Federal or State courts. Due to the unique legal problems encountered by Indians on reservations, this provision should not be construed to limit representation of Indian clients in tribal courts such as is now being provided in certain legal services programs on Indian reservations.

The House bill extended this prohibition to (1) fee-generating cases (except in accordance with guidelines promulgated by the Corporation) and (2) the provision of legal assistance in civil actions to persons who have been convicted of a criminal charge where the civil action arises out of alleged acts or failures to act connected with the criminal conviction and such action is brought against an officer of the court or against a law enforcement official. The Senate amendment contained no comparable provision. The Senate recedes with an amendment prohibiting the use of Corporation funds to provide legal assistance in civil actions to persons who have been convicted of a criminal charge where the civil action arises out of alleged acts or failures to act for the purpose of challenging the validity of the criminal charge.

The guidelines that the Corporation issues with regard to fee-generating cases should insure that staff attorneys do not unnecessarily compete with private attorneys while at the same time guaranteeing that eligible clients are able to obtain adequate legal assistance in all cases. Generally the private bar is eager to accept contingent fee cases (negligence cases or workmen's compensation cases); however, there may be instances in which no private attorney will be willing to represent such an individual either because the recovery of a fee is unlikely or the fee is too small or there is some other reason for which the private bar will not accept the case. The Corporation must be able to provide guidelines so that eligible clients will be able to obtain legal assistance in all appropriate cases whether fee-generating or not.

The House bill prohibited the Corporation from making grants to or contracts with any "private law firm" which expends more than 50% of its resources and time litigating issues either in the broad interests of a majority of the public or in the collective interests of the poor, or both. The Senate amendment prohibited grants to or contracts with any "public interest law firm" which expends 50% or more of its resources and time litigating issues in the broad interests of a majority of the public. The Senate recedes with an amendment striking from the House language "or in the collective interests of the poor, or both".

The House bill prohibited the Corporation from supporting or conducting training programs for the advocacy of any particular public policies or which encourage political activities, labor or antilabor activities, boycotts, picketing, strikes and demonstrations, except that this provision shall not be construed to prohibit the training of attorneys necessary to prepare them to provide legal assistance to eligible clients. The Senate amendment had a similar provision with the following exception: the word "illegal" is inserted before "boycotts, picketing, strikes, or demonstrations" and "encouraging" or "encourage can not be construed to include the provision of legal advice and representation by an attorney as an attorney for any eligible client with respect to such client's legal rights and responsibilities. The Senate recedes with an amendment clarifying the House exception especially with regard to training of attorneys and paralegal personnel.

The House bill prohibited the Corporation from providing funds to organize, to assist to organize or to encourage to organize or to plan for the creation or formulation or structuring of any organizations except for the provision of appropriate legal assistance as in accordance with guidelines promulgated by the Corporation. The Senate amendment contained a similar provision with the substitution of the following exception: except for the provision of legal advice and representation by an attorney as an attorney for any eligible client with respect to such client's legal rights and responsibilities. The Senate recedes with an amendment striking out "appropriate" and inserting "to eligible clients" with respect to legal assistance. The conferees intend that guidelines promulgated by the Corporation would be consistent with attorney's professional responsibilities.

The House bill prohibited the Corporation from providing funds to provide legal assistance to any person under 18 years of age without the written request of one of such person's parents or guardians or any court of competent jurisdiction except in child abuse cases, custody proceedings, and PINS proceedings. The Senate amendment prohibited providing legal assistance to any unemancipated person of less than 18 years of age except with the (1) written request of one of such person's parents or guardians, (2) upon the request of a court of competent jurisdiction, (3) in child abuse cases, custody proceedings, PINS proceedings, or cases involving the initiation, continuation, or conditions of institutionalization, (4) where such assistance is necessary for the protection of such persons for securing or preventing the loss of benefits or services to which the person is legally entitled, (5) in other cases pursuant to criteria which the Board shall prescribe for these persons. The House recedes with an amendment deleting the fifth category and amending the fourth category to include the "imposition of services" and by adding at the end "in cases not involving the child's parent or guardian as a defendant or respondent".

The House bill prohibited the Corporation from providing funds to provide legal assistance with respect to any proceeding or litigation relating to desegregation of any school or school system. The Senate amendment contained no comparable provision. The Senate recedes with an amendment inserting "elementary or secondary" before "school or school system."

The House bill and the Senate amendment prohibited the use of Corporation funds with respect to any proceeding or litigation which seeks to procure or compel the performance of an abortion contrary to individual or insti-

tutional religious or moral beliefs. The House bill described an abortion as a "non-therapeutic" abortion. In the Senate amendment the description is "an abortion, unless the same be necessary to save the life of the mother". The Senate recedes.

The House bill prohibited the use of corporate funds to provide assistance with respect to any proceeding or litigation relating to the desegregation of any institution of higher education. The Senate amendment contained no comparable provision. The House recedes.

The House bill required that two-thirds of the governing body of a recipient be lawyers who are members of the bar of a State in which assistance is to be provided. The Senate amendment required a majority of the Board to be lawyers of such a State. The Senate recedes with an amendment requiring that the governing Board be at least 60% lawyers.

The House bill allowed a waiver of the above requirement pursuant to regulations issued by the Corporation for recipients which serve a population unable to meet this requirement. The Senate amendments provided a mandatory waiver for programs currently supported under the Economic Opportunity Act which do not meet this requirement on the date of enactment, and a discretionary waiver for cause shown. The conference agreement combines both provisions.

The Senate amendment required the governing board of recipients to include an appropriate number of eligible clients. The House bill contained no comparable provision. The House recedes with an amendment requiring at least one individual eligible to be a client, to be on the governing board.

The House bill provided that lawyers shall not, while serving on a governing body, receive compensation from a recipient or the Corporation from any other source. The Senate amendment provided that members of the governing body shall not, while serving on such body, receive compensation from a recipient. The House recedes. It is the intent of the conferees that compensation does not include reimbursement of reasonable expenses.

The House bill and the Senate amendment required the Corporation to monitor and evaluate programs supported under the title to insure that the bylaws and guidelines of the title are carried out. The Senate amendment required the Corporation to provide for independent evaluations of programs supported under the title to insure that bylaws and regulations are carried out. The House recedes.

The House bill authorized the president of the Corporation to enter into contracts and make grants in the name of the Corporation and required the Board to review and approve any grant or contract entered into with a State or local government prior to such approval by the president. The Senate amendment authorized the president to make grants and contracts pursuant to this title. The House recedes in view of the requirement that the Board make a special determination included in section 1006(a)(1)(A)(ii).

The House bill authorizes the Corporation to establish other classes of grants or contracts that must be reviewed prior to approval by the president. The Senate amendment contained no comparable provision. The House recedes.

The House bill required the Corporation to notify the Governor and the Bar Association of the State where legal assistance will be offered thirty days prior to the approval of the grant. The Senate amendment required comparable notification with respect to Corporation-run activities as well as grants or contracts and also required public announcement of all such activities. The House bill had no such requirements. The House recedes.

The House bill required the Corporation to conduct a study of alternative methods of delivery of legal assistance to eligible clients. The Senate amendment required the Corporation to provide for comprehensive, independent study of the existing staff attorney program under the Economic Opportunity Act and, through the use of appropriate demonstration projects, to study alternative and supplemental methods of delivery of legal services to eligible clients. The House recedes.

The House bill required the Corporation to report to the President and the Congress on or before June 30, 1974, and to make recommendations concerning improvements, changes, or alternative methods for the delivery of legal assistance. The Senate amendment required the Corporation to report to the President and the Congress not later than two years after the first meeting of the Board, and specifically required the report to include a discussion of the economy and effectiveness of changes in the delivery of services. The House recedes.

Both the House bill and the Senate amendment authorized the Corporation to prescribe the keeping of records with respect to funds provided and insure access to such records at reasonable times for assuring compliance with the grant or contract. The Senate amendment specified that compliance may also be with respect to the terms and conditions upon which financial assistance was rendered. The House bill contained no comparable provision. The House recedes.

Both the House bill and the Senate amendment required evaluation reports to be maintained in the principal office of the Corporation for a period of 5 years and that such reports shall be available for inspection by the general public. The Senate amendment further required that copies of any reports filed with the Corporation shall also be submitted upon a timely basis to the grantee, contractor, or entity upon which the evaluation was performed. The House recedes.

The House bill required the Corporation to afford notice and opportunity for comment to all interested parties prior to issuing rules, regulations, and guidelines, and further required the Corporation to publish in the Federal Register on a timely basis all of its bylaws, rules, regulations, and guidelines. The Senate amendment contained a similar provision regarding notice but required publication in the Federal Register 30 days prior to the effective date of rules, regulations, guidelines, instructions, and application forms. The Senate recedes with an amendment requiring publication in the Federal Register 30 days prior to the effective date of such rules, regulations, guidelines, and instructions.

Both the House bill and the Senate amendment required annual audits of the Corporation. The House bill (1) required such audits to be conducted by independent certified public accountants who are authorized to ocnduct such audits in the jurisdiction in which the audit is undertaken, (2) provided access to the necessary records to conduct such audit, and (3) provided that the annual audit must be filed with the General Accounting Office. The Senate recedes.

The Senate amendment required the GAO to conduct an audit and such report shall be submitted to the Congress and the President. The House bill specified that the GAO may audit, and, if such audit is performed, such report shall be submitted to the Congress and the President. The Senate recedes with certain technical amendments.

Both the House bill and the Senate amendment provide that nothing in this subsection shall give either the Corporation or the Comptroller General access to any reports or records subject to the attorney-client privilege. The Senate amendment extended this prohibition to the records and reports section. The House bill contained no comparable provision. The House recedes.

The House bill authorized the appropriations of such sums as may be necessary to carry out the activities of the Corporation until dissolved (June 30, 1978). The Senate amendment authorized the appropriation of $71.5 million for F.Y. 1974, $90 million for F.Y. 1975, and $100 million for F.Y. 1976. The conference agreement authorizes the appropriation of $90 million for F.Y. 1975, $100 million for F.Y. 1976, and such sums as may be necessary for F.Y. 1977.

The House bill made the first appropriation available to the "Board" at any time after six or more members have been appointed and qualified. The Senate amendment made the first appropriation available to the "Corporation" after six or more members have been appointed and qualified. The House recedes.

The Senate amendment provided that subsequent appropriations shall be available for not more than 2 fiscal years, and that any subsequent appropriation for more than 1 year shall be paid to the Corporation in annual installments at the beginning of each fiscal year. The House bill contained no comparable provision. The House recedes with perfecting amendments.

The House bill and the Senate amendment both required the Corporation and recipients to account for, separately, any non-Federal funds.

The House bill prohibited the expenditure by recipients of such non-Federal funds for a purpose prohibited by the title but also provided that this provision shall not be construed to make it impossible to contract with or make other arrangements with private attorneys or private law firms, or with legal aid societies which have separate public defender programs. The Senate amendment contained no comparable provision. The conference agreement provides that funds received by any recipient from a source other than the Corporation for the provision of legal assistance shall not be expended by such recipients for any purpose prohibited by the title, except that this provision shall not be construed in such a manner as to prevent recipients from receiving other public funds or tribal funds (including foundation funds benefiting Indians or Indian tribes) and expending them in accordance with the purposes for which they are provided, or to prevent contracting or making other arrangements with private attorneys, private law firms, or other State or local entities of attorneys, or with legal aid societies having separate public defender programs, for the provision of legal assistance to eligible clients under the title.

The House bill provided that effective on the date of enactment the Secretary of HEW shall take such actions as he deems necessary including the provision of financial assistance to (1) assist the Corporation in preparing its initial undertaking, and (2) to assist recipients in the provision of legal assistance until 90 days after the date of the first meeting of the Board of Directors.

The Senate amendment provided that the Director of the Office of Economic Opportunity shall take such action as necessary, in cooperation with the president of the Corporation, to arrange for orderly continuation of legal services programs assisted pursuant to the Economic Opportunity Act, and that the Director of the Office of Economic Opportunity shall assure that any grant or contract that will extend beyond 6 months after the date of enactment of the Act shall include a provision to assure that obligations

to provide financial assistance may be assumed by the Corporation. The conference agreement combines both provisions.

The Senate amendment specified procedural requirements to insure that (1) financial assistance not be suspended unless the recipient has been given reasonable notice and opportunity to show cause why such action should not be taken, and (2) financial assistance shall not be terminated or an application for refunding shall not be denied and a suspension of assistance shall not continue longer than 30 days, unless the recipient has been afforded reasonable notice and opportunity for a timely, full, and fair hearing. The House bill provisions relating to procedural requirements are discussed above. The House recedes.

The Senate amendment provided that the President may direct that particular support functions of the Federal Government, such as GSA, FTS, and other similar facilities, be utilized by the Corporation and its recipients. The House bill contained no comparable provision. The conference agreement allows the President at his discretion to make available support functions of the Federal Government to the Corporation for it to use to carry out the purposes of the title.

The Senate amendment contained a severability clause as to the invalidity of any provisions or any applications of this Act. The House bill contained no comparable provisions. The Senate recedes. The conferees understand that such a provision has been rendered superfluous by court decisions.

The House bill authorized the appropriation of such sums as may be necessary for transitional purposes during fiscal year 1974. The Senate amendment contained no comparable provision. The Senate recedes with a conforming amendment.

The Senate amendment added a new section of title VI of the Economic Opportunity Act providing that no authority in the Economic Opportunity Act shall be construed to affect the power of the Corporation unless such authority specifically refers to the Corporation. The House bill contained no comparable provision. The House recedes.

The Senate amendment amended the title of the House-passed bill to reflect the fact that the Senate amendment is an amendment to the Economic Opportunity Act. The House recedes.

CARL D. PERKINS,
AUGUSTUS F. HAWKINS,
PATSY T. MINK,
LLOYD MEEDS,
ALBERT H. QUIE,
JOHN M. ASHBROOK,
WILLIAM A. STEIGER,
Managers on the Part of the House.

GAYLORD NELSON,
EDWARD M. KENNEDY,
WALTER F. MONDALE,
ALAN CRANSTON,
JENNINGS RANDOLPH,
HAROLD E. HUGHES,
WM. D. HATHAWAY,
ROBERT TAFT, Jr.,
JACOB K. JAVITS,
DICK SCHWEIKER,
PETER H. DOMINICK,
J. GLENN BEALL, Jr.
Managers on the Part of the Senate.

COMMITTEE REFORM LEGISLATION

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

Mr. MARTIN of Nebraska. Mr. Speaker, it is a sad day for the House and for the entire Nation when one political party can arbitrarily manhandle committee reform legislation as the Democratic Caucus did last Thursday in stopping activity on the resolution reported by the Select Committee on Committees. This legislation was reported unanimously by a bipartisan committee. Certainly it should be allowed to be brought to the floor for the entire House to exercise its best judgment. But, instead, we witnessed the sorry spectacle of a mere 111 number of a political caucus in effect tying the hands of 435 Members. That action is regrettable and unfortunate from the point of view of denying the House an opportunity to achieve needed committee reorganization. It is possibly even more regrettable and unfortunate in that it represents a brazen attempt to convert this legislation into a vehicle for partisan advantage. I hope everyone sees that action for what it is and will give their support to get this legislation back on the high road of bipartisan cooperation to do a job that badly needs to be done.

Again, Mr. Speaker, I reiterate the responsibility for killing this Reorganization Act, which is so widely demanded by the American public, rests squarely on the shoulders of the Democratic Party in the House.

PRESIDENT NIXON SHOULD NOT RESIGN

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

Mr. DERWINSKI. Mr. Speaker, I take the floor this afternoon to express my conviction that President Nixon should not resign from office. I do so after carefully weighing all factors, recognizing the slow pace set by the House Judiciary Committee and further recognizing the growing volume of cries for resignation of the President.

Resignation under fire would create a precedent that would haunt our future Presidents. This step, while standard in countries where the parliamentary system operates, does not really fit our governmental structure. I would prefer that the President meet the impeachment issue head on, win or lose, rather than resign.

In my judgment, sufficient evidence has yet to be developed to warrant impeachment. However, recognizing the responsibilities that all of us in the House will face, I call to attention of the Members that I am one of the cosponsors of House Resolution 1078 which, if adopted, would require an oath prior to our consideration of any resolution on impeachment. The oath would simply state:

> I solemnly swear (or affirm) that in all things appertaining to the Resolution of Impeachment of ---------- ----------, now pending I will do impartial justice according to the Constitution and the laws; so help me God.

While I intend to maintain objectivity on the question of impeachment, I certainly do not condone the actions of the President's subordinates whose arrogance, stupidity, and indiscretion have created this monstrous problem. The President was certainly guilty of blind loyalty to them before obtaining their resignations. I am, of course, referring to Messrs. Haldeman, Ehrlichman, Dean, Magruder, and other members of the White House entourage.

However, it must be recognized, Mr. Speaker, that especially here in the Congress the critics of the President are not entirely motivated by philosophical nobility, and that partisan considerations on the part of many Democrats are too obvious to overlook. There are a number of Democrats who wish to drive Mr. Nixon from office so as to overturn the results of the 1972 Presidential election.

Others who have opposed the President's legislative recommendations for 6 years often express their opposition in terms of "limiting the powers of the Presidency." In my judgment, if we had a Democratic President at this time, this Democratic-controlled Congress would be giving him a blank check for spending and a blank check for manipulating the economy. It is ironic that most of the cries to limit the President's power come from Democrats who have spent the last 44 years surrendering legislative authority to Democratic Presidents. One has only to look at the record of Democratic Congresses under Presidents Roosevelt, Truman, Kennedy and Johnson to recognize that it was the Democratic-controlled Congresses that were completely subservient to the demands of their party's President for carte blanche power.

If the next President should by any chance be a Democrat and the Congress should remain in Democratic control, the cries to restore the check and balance system among the Democrats would be stilled, and there would only be lonely Republican voices calling for maintenance of the check and balance system.

Mr. Speaker, I, of course, recognize the political motivation behind the cries of many Republican members, including some of my so-called leaders, calling for the President to resign. My advice to my Republican colleagues is to work hard, run on your own record, stress the positive record of this Administration, and also stress the areas where you have a legitimate difference of opinion with the administration on legislation or on policy matters. Since the President did not provide any real coattails in the 1972 campaign, his present unpopularity is not necessarily a negative factor in the 1974 campaign. Present political differences can be overcome by hard work and by accurately describing the dismal record of the Democratic-controlled Congress.

Mr. Speaker, again I emphasize my conviction that President Nixon should not resign. For the good of the country, it would be far better that he face the impeachment procedure rather than resign since his resignation would be a precedent that would haunt future Presidents.

CHANCE FOR REFORM OF LEGISLATIVE PROCESS BLOCKED

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

Mr. STEELMAN. Mr. Speaker, I think it is almost unbelievable that the House Select Committee on Committees' report has been buried by the Democratic caucus. Fourteen months of work had finally resulted in a document that suggested minimal reforms that are being demanded by the public. And by using such a shoddy, secret, political maneuver to not allow this report to reach the floor of the House the Democratic caucus stands guilty of the very practices held most in contempt by the American people.

What business person could run an enterprise in the manner the House of Representatives is run? What institution in America has not experienced change in 28 years? What other institution could turn its back on reform when only slightly more than 20 percent of the citizenry express confidence in it?

Last week, by a secret vote in a closed caucus, debate and an up-or-down vote on the House floor by Representatives of a very frustrated people was prevented on the major chance for reform of the legislative process in this Congress. The action of the Democratic caucus has not fooled anyone. Self-interest and pressure politics choked off the only chance to give the public a reason to believe in one branch of Government—something vitally needed now. The method in which it was done is shameful.

I for one am not satisfied and hope that Members of both sides of the aisle will join in seeing this very important reform through to reality.

ROTARY CLUB OF DOWNEY, CALIF., CELEBRATES 50TH YEAR

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

Mr. DEL CLAWSON. Mr. Speaker, honoring its founders and original membership the Rotary Club of Downey, Calif., will celebrate 50 years of service to the community on May 18. The occasion has been proclaimed "Rotary Golden Anniversary Day" by Downey's mayor, Richard M. Jennings, in recognition of the many contributions made by the club to the civic life of the city of Downey through the years. Outstanding projects involving the youth of the community—scholarships, exchange programs, and safety programs, as well as involvement in worldwide Rotary efforts to foster peace and world understanding have occupied the energies of this fine organization since its charter was awarded in 1924.

Beginning with informal meetings organized by William John Currer, a group of Downey business and professional men first began informal meetings in February of 1924. Mr. Ernest Hess was designated president in March of that year and the club's official standing was established by charter on May 19. The intervening years have truly been "golden" years in every sense of the word. The club has gone on to win the coveted Rotary "Best Club Award" in 1970–71 and 1972–73. The current membership may be justly proud that the distinction was earned once again by Downey Rotary in the current Rotary year 1973–74.

It is a pleasure to join with other citizens of the city of Downey and our mayor in honoring the past and present accomplishments of this club and the high ideals of community service it is pledged to uphold.

CONGRESSMAN ROBERT W. DANIEL, JR., SAVES THE LIFE OF A RICHMOND MAN

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

Mr. WHALEN. Mr. Speaker, the first weekend of this month, the gentleman from Virginia (Mr. ROBERT W. DANIEL, JR.) heroically saved the life of a Richmond man.

On Saturday, May 4, Congressman DANIEL was piloting his cabin cruiser, *Typhoon*, on windswept Chesapeake Bay. After being alerted by a passing freighter, he turned his boat around and followed a line of debris which led to an overturned boat to which a man was clinging. After rescuing that individual and radioing the Coast Guard, Representative DANIEL remained on the scene in the hope that a missing man would be found.

Mr. Speaker, I take this opportunity to acknowledge this unique deed by a Member of this Chamber. I congratulate him, and I am pleased to insert several newspaper accounts of his praiseworthy actions:

[From the Washington Star-News, May 6, 1974]

REPRESENTATIVE DANIEL HELPS SAVE MAN IN BAY

(By Allan Frank)

A Virginia congressman rescued a 36-year-old Richmond man from wind-whipped Chesapeake Bay this weekend after the man's boat was swamped and his two cousins were washed overboard.

The body of one of the men was also pulled from the water by the congressman. A Coast Guard search of the Bay that continued until late yesterday failed to locate the third man, who is presumed drowned.

Rep. Robert W. Daniel, Jr., R–Va. said he and a party of seven were heading out to fish for bluefish Saturday when seamen aboard a passing freighter began hailing and yelling wildly.

"I was running alongside the freighter," Daniel said, "and we were watching their bridge. They started waving a red flag and yelling through a megaphone 'You have two men in the water.'

"That alarmed me and I thought they were from my boat. We did a quick end count (of the other seven persons aboard) and they were all present," Daniel said. "I turned around and spotted a line of debris—cushions, fuel tanks, things like that."

Daniel said he then spotted what remained of a small red and white outboard-equipped boat and saw a man clinging to the wreckage.

"When I spotted the boat, it was vertical—bobbing up and down like a buoy with four feet to nothing showing," Daniel said. "Only the decked-over area forward was afloat."

The 38-year-old congressman said the man in the water "got the first line we threw. If he had shown any inability to take the line that was thrown to him the first time, we would have gotten him."

Daniel Bishop, the man Daniels pulled in, told the Coast Guard that he and his cousins, Lonnie Bishop, 29, and Bobby Bishop, 25, had gone onto the bay to fish Saturday in a 17-foot-boat.

Bishop said his boat was swamped by four-foot swells in the rough seas and his two cousins were swept overboard. None of the men was wearing a life jacket. He said he had been in the water for about an hour before he was rescued.

After Bishop was pulled on board, Daniels said, he found the body of Lonnie Bishop entangled in lines from the sunken boat. The third man was not spotted near the craft.

The Coast Guard dispatched a helicopter and patrol boat to search for Bobby Bishop near Chesapeake Bay Bridge Tunnel.

Daniel Bishop was taken to the Little Creek Naval Station where he was admitted to the Boone Clinic. After an initial examination, Bishop was moved to the Virginia Beach General Hospital where he is being treated for exposure.

The Coast Guard announced it had abandoned the search for Bobby Bishop late yesterday.

"It was blowing so hard, I was on the verge of abandoning the whole idea of being out there," Daniel said, "The conditions were so adverse that I would have gone in a very few minutes."

[From the Virginian-Pilot (Norfolk, Portsmouth, Chesapeake, Virginia Beach, Va.), May 5, 1974]

MAN DROWNS, ONE MISSING IN BOAT ACCIDENT

(By Steve Goldberg)

VIRGINIA BEACH.—One man drowned and his brother was missing after their motorboat overturned Saturday in the Chesapeake Bay.

A third man was pulled to safety aboard a cabin cruiser piloted by 4th District Rep. Robert W. Daniel Jr.

The Coast Guard pulled the body of Lonnie Bishop, 29, of Richmond from the water about noon. His brother, Bobby Bishop, 25, was missing Saturday night.

Daniel Bishop, 36, a cousin of the two men, was reported in good condition Saturday in General Hospital of Virginia Beach.

The three were fishing in the Baltimore Channel of the Bay in their 17-foot craft when it apparently swamped in 4-foot seas about 10 a.m., the Coast Guard said.

Rep. Daniel said he and six companions were passing between the third and fourth islands of the Chesapeake Bay Bridge Tunnel about 10:45 a.m. when a freighter hailed him by megaphone and said "something about men in the water."

Turning the cruiser Typhoon around, Daniel said he saw a "line of debris . . . a fuel tank, some cushions, things like that."

Following the trail of wreckage, Daniel said he came upon Bishop's boat sticking straight out of the water with a man clinging to a line.

A rope was thrown to the man, and he was hauled to safety aboard the Typhoon.

Daniel said he could see the leg and foot of another man entangled in some lines just beneath the surface. Other members of his party saw another victim under the boat.

Daniel said he remained at the scene after radioing the Coast Guard in hope that other survivors might surface. The rescued man,

Daniel Bishop, said he had been in the water about an hour.

The three men left Richmond Saturday morning and cast off from a marina in Hampton for a day of fishing, Virginia Beach police reported.

Two Coast Guard Boats and a helicopter were searching Saturday night for the third man.

Divers from the Norfolk Police Department also were assisting in the recovery effort.

A native of Washington County Lonnie Bishop was the husband of Mrs. Sandra Timberlake Bishop and a son of John H. and Mrs. Myrtle Nichols Bishop.

He worked for Dixie Container Co. in Richmond.

Other survivors include two sons, William Eugene Bishop and John Keith Bishop of Richmond; five sisters; and six brothers.

The body was sent from Hollomon-Brown Funeral Home, Tidewater Drive, to Joseph W. Bliley Funeral Home, Richmond, for a funeral service and burial.

PROPOSED AMENDMENT TO TITLE IX OF THE AGRICULTURAL ACT OF 1970

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

Mr. SEBELIUS. Mr. Speaker, last Thursday I joined with my very able colleague, the Honorable BILL ALEXANDER, chairman of the Family Farms and Rural Development Subcommittee of the House Agriculture Committee in introducing a technical amendment to change the reporting date for the Annual Report of the President on Government Services to Rural America, H.R. 14723.

This report is required under title IX, section 901(e) of the Agricultural Act of 1970. Due to the use of interagency data which is not collected and available until December for the previous fiscal year, it is impractical to require a report before this data can be collected and analyzed.

Our intent in the original legislation was to use this report as a service to rural communities and local civic leaders outlining the programs and Government services of potential benefit to them. Approval of the amendment we offer today would simply change the reporting date from September 1 to May 15. This would provide for the proper use of analysis of available data so that the report can better serve its intended purpose. It would allow local officials to use the tools of government in countryside America.

We are hopeful that it will be possible to expedite approval of this technical improvement in the provisions of title IX of the Agricultural Act of 1970.

DIFFERENCES BETWEEN THE OLD AND NEW POST OFFICES

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

Mr. GROSS. Mr. Speaker, a month ago, on April 17, Postmaster General Klassen delivered a major address to the National Association of Accountants in which he discussed "some of the significant differences between the old and new Post Offices."

Several of his comments on the subject of finances are worthy of note and, in my opinion, really highlight a most significant difference between the old and new Post Offices.

He told the accountants:

I believe the bill for mail service should be paid by the customer himself and not through hidden subsidies imposed on the unsuspecting taxpayer. Cost overruns charged to the taxpayer totalled nearly 2 billion dollars in the years between fiscal 1946 and 1971.

As I have pointed out here repeatedly during the past 2 weeks, the taxpayers, in this one fiscal year of 1974, are being called upon to subsidize the new Postal Service by an identical amount—almost $2 billion.

In other words, Mr. Speaker, in just 1 year the new Postal Service is costing the taxpayers as much as the old post office operation cost them in the 25-year period from 1946 to 1971, according to Mr. Klassen's own figures.

I submit that this is an enormous difference between the old and the new. I also submit that today's taxpayers are not so unsuspecting as Mr. Klassen might think. And luckily for him, the accountants did not have access to his budget figures during his address.

COMMUNICATION FROM THE COMMITTEE ON PUBLIC WORKS

The SPEAKER laid before the House the following communication from the chairman of the Committee on Public Works, which was read and together with the accompanying papers, referred to the Committee on Appropriations:

COMMITTEE ON PUBLIC WORKS,
May 8, 1974.

Hon. CARL ALBERT,
Speaker of the House,
House of Representatives,
Washington, D.C.

MY DEAR MR. SPEAKER: Pursuant to the provisions of the Public Buildings Act of 1959, as amended, the Committee on Public Works of the United States House of Representatives on May 2, 1974 approved the following construction prospectuses: Columbia, South Carolina (as amended); Marfa, Texas; Saginaw, Michigan. Repair and improvement prospectuses: Bayonne, New Jersey; St. Louis, Missouri; Washington, D.C., Agriculture Administration; Post Office Building (new); Tariff Building. Lease prospectuses: Research Triangle Park, North Carolina; Washington, D.C., 1800 G Street, N.W. and a resolution for a feasibility study for Harvey, Illinois.

Sincerely,

JOHN A. BLATNIK,
Chairman.

GOVERNMENT SERVICES IN RURAL AMERICA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arkansas (Mr. ALEXANDER) is recognized for 5 minutes.

Mr. ALEXANDER. Mr. Speaker, I was pleased to join my very able colleague, the Honorable KEITH G. SEBELIUS, ranking minority member of the Subcommittee on Family Farms and Rural Development and hardworking friend of the countryside, Thursday in introducing H.R. 14723. This bill is simply a technical amendment to change the reporting date for the Annual Report of the President on Government Services in Rural America.

This report is required to be provided to the Congress not later than September 1 of each year by title IX, section 901(e) of the Agriculture Act of 1970. The data which would be most useful in this report is collected in an interagency system which does not make it available until December of each year. This means, for instance, that if this data is used the report submitted in September 1974 would have to be made on data which was collected for the fiscal year ending June 30, 1973. Our proposal would change the date on which the report is due from September 1 to May 15. In other words, had this change been in effect this year the report which would have been provided would have been based on data which became available in December and the report would have been released three and a half months earlier than is called for under the present law.

The intent of the Congress in enacting the provision requiring this report was basically threefold: To prompt the executive branch to take an annual look at what Federal programs are doing for the countryside; to give the Congress a regular report on countryside development; and to help local and State governments to make a review of programs which might be useful to them in attempts to revitalize their small communities' economics.

I would hope, in view of the nature of this amendment, that its approval can be rapidly achieved.

FINANCIAL DISCLOSURE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. ROBISON) is recognized for 5 minutes.

Mr. ROBISON of New York. Mr. Speaker, since I am not a candidate for reelection much of what is to follow may be of academic interest, in the main.

However, as other Members of the bipartisan New York delegation have previously noted in this RECORD, earlier this year we were all asked by a representative of the New York Times to make certain disclosures to it of our individual net worth and of our respective income-tax reporting and liabilities.

Following that request, and apparently in recognition of the fact that there is no clear public interest to be served by requiring elected public officials to disclose the more personal aspects of their individual income-tax returns, the Times somewhat modified its original request in that regard. In subsequent days, an ad hoc committee of the bipartisan New York delegation—which committee I served—attempted to determine the most appropriate response to what is, clearly, a legitimate public interest in the question of actual or potential conflicts of interest, insofar as the same may impinge upon those of us privileged to be Members of Congress from New York.

In time, our ad hoc committee reached certain tentative conclusions as to what was desirable under the circumstances—

and we made our recommendations based thereon, accordingly, to other Members of our delegation, understanding full well that the same were recommendations, only, and that each Member was free to do as he, or she, wished and that the actual response would, therefore, vary substantially from Member to Member.

This statement is, then, my own effort at complying—as best I can—with those recommendations, which were patterned after the disclosures mandated upon all of us by Rule XLIV of the House of Representatives, but going well beyond its present requirements.

Prior to this date, I have filed—with the Committee on Standards of Official Conduct—the so-called "Financial Disclosure Report" as due on or before this April 30. In doing so, I sought to give all information appropriate in the open part A thereof, so that the sealed part B thereof was rendered unnecessary—and I assume that, if anyone is interested, the news media people covering my office will examine, and report on, that document as supplemental to this statement.

But, following now the ad hoc committee's recommendations, I would now state:

The sources of my 1973 noncongressional income were as follows—and all as reported on my 1973 Federal and State income-tax returns:

First, from Robison & Manyon, attorneys-at-law, 2 North Ave., Owego, N.Y., $4,693.13. This firm is the follow-on of my own individual law practice in which I was engaged, at the same address, prior to entering Congress in 1958. It is a general law practice—a typical "country law-office" operation—in which I first joined with my late father, and even then at the same address, upon my graduation from Cornell Law School, in 1939. For obvious reasons, I am largely inactive therein but, through arrangement with my active partner, Peter J. Manyon, retain an interest in certain residual business—in the main, estate work. As a result my income therefrom varies, from year to year; in 1972, my income therefrom was $1,626.33—in 1971, I had no income therefrom. One supposes that some sort of a conflict of interest might arise from my continued affiliation with Mr. Manyon but, given the nature of the practice, that is remote and, to my knowledge, none such conflict has ever arisen. In the past, I have had some correspondence with John Gardner, of Common Cause, about continuing that affiliation but "stumped" him—it would seem, since he never thereafter responded—when I pointed out that, if I scratched my name, as an attorney, off the downstairs door, I would only have to paint it back on as a Congressman since I paid rent out of my own pocket for one of the rooms upstairs over the Rexall Drug Store at that address which I used as an occasional district office. I have gone to such explanatory lengths on this item, Mr. Speaker, because I have in the past deemed it a bit unfair to require all lawyer-Congressmen to cut all their professional ties "back home" merely because a few may have abused the public trust imposed on them.

Second, executor's commissions, from a decedent's estate, as allowed me by the Tioga County, N.Y., Surrogate's Court, $6,071.26.

Third, dividends on IBM stock—41 shares, sold on December 28, 1973, at a loss—$184.24.

Fourth, interest on time deposits—myself and my wife—$144.94.

Fifth, sale of rights, one-fourth share of IBM stock—$77.37.

Sixth, long-term capital gain, as partner with my uncle, T. Burr Charles, on sale of rental property, North Avenue, Owego, N.Y.—$4,269.32. This property was acquired in 1949, as a so-called business-investment, but has always been a "white-elephant" to us; actually, we sold it at a loss but, with the depreciation taken over the years, we ended up with the foregoing, equal "paper" profit. May the Lord spare me, Mr. Speaker, from similar investments in the future.

I believe that does it, insofar as noncongressional income is concerned, but in combination with congressional income it produced—for myself and my wife—an adjusted gross income for tax purposes of $52,815.50, on which we have reported, and paid, $13,141.69 in Federal income—and social security, self-employment—taxes, plus $5,071.54 in income taxes to New York State.

Now, Mr. Speaker, I am evidently supposed to say something about my net worth—even though one can search, in vain, through the Constitution to find any requirement that one has to be either a rich, or a poor man, or even somewhere in between, to qualify as a Member of Congress. If one discloses his sources of noncongressional income, it would seem that would automatically disclose most of the areas of potential conflicts of interest. Thus, the only true value of publishing so-called net worth statements every campaign year might be to help the public find out whether or not their Representative, somehow, grew rich on the job.

I have gone this route in the past and, thus, do not really mind so much doing it, again—especially since it is the last time. Thus, for what it—and I—might be worth:

First, for residential purposes, my wife and I occupy a rented apartment at R.D. 2, Candor, N.Y. In addition, we own together our Washington-area dwelling at 3903 Franklin Street, Kensington, Md., that we bought for $40,000 some 10 years or so ago but which, today—thanks to real estate inflation locally—might be worth twice that, and I am glad to note that the mortgage on it, held by National Permanent Savings & Loan Association is down to just over $23,000. When we sell that property, later on this year, we will have a capital gain to worry about, but I will worry about that later.

Second, we also own, together, a summer cottage on Highland Lake, near Warren Center, Pa., that we bought about 3 years ago—and, although it is a guess, I suspect our equity therein is about $10,000.

Third, we have some cash, on time deposits, plus a balance in our checking account—I hope—but the total should not exceed $6,000.

Fourth, I own a one-quarter interest, with three partners, in some undeveloped land of about 100 acres, near the IBM plant in the town of Owego, Tioga County, N.Y., which we bought nearly 20 years ago as another of those investments and, if and when someone comes along and wants to buy it from us, my share therein might be worth, again at a guess, some $15,000 or $20,000.

Fifth, having sold my IBM stock, I do not own—nor does my wife—any stock or bonds, but I do have some life insurance, some of which has been borrowed against, so the cash value remaining therein would not exceed, perhaps, $3,000.

Sixth, as of last December 31, my contributions to the Federal retirement system—equivalent to cash—totaled $37,096.04. That total will increase through further contributions during this year by about $3,400 meaning, in effect, that for the first 2 years of my contemplated retirement, plus a few months, I will, in benefits received, merely be getting my own money back.

Seventh, the automobile I drive is, in effect, leased, but my wife owns a 1973 Pontiac LeMans sedan, worth perhaps $4,000 against which we owe $800. There is, in addition finally, our household and personal possessions to which I have not tried to assign a value, plus one gray tomcat who is worthless but for which we would not take any amount of money.

Now, Mr. Speaker, if anyone can figure out my net worth from all of the foregoing, they are welcome to try. When they have it so figured out, I wish they would let me know, but I do hope I have complied with what was expected of me as a Member of the New York congressional delegation.

BARTERING OUR FOREIGN AID—A FAIR EXCHANGE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. MILLER) is recognized for 5 minutes.

Mr. MILLER. Mr. Speaker, each Member of the House is fully aware of the extensive proposals that are now flooding this body concerning various studies that should be made regarding the Nation's energy needs and future deficiencies. While I feel that the proper utilization of these studies can be very beneficial to our planning, it is necessary to take positive action soon to insure that our national economy remains strong. To do otherwise will mean that any future study results will have no impact on an already crippled economy.

Toward that goal I have sponsored legislation along with 48 other Members that will allow the United States to barter its foreign aid in return for strategic or critical raw materials. For years the United States has sent billions of dollars abroad and has received nothing in return. Why not begin to get something back for our dollars? In the past this aid has gone largely unappreciated. At the time the prevailing attitude of the supporters of foreign aid seemed to be that it did not matter—our wealth was endless. Today they know better.

Each citizen has been made acutely aware during the last 6 months that we are not a self-sufficient Nation. Even with the end of the Arab oil embargo our awareness has not been diminished. Throughout the country there are shortages of many basic materials. There is hardly a single citizen who is not affected in some manner. The sad fact is that, unless we take action now, the problems will increase in the future. We are fast outstripping our capacity to meet our raw material demands. Much of what we need must be imported. This trend will not change in the foreseeable future. However, we can do something about the basic problem by bartering our foreign aid for minerals that the recipient countries are sitting on. It will insure our future and provide for what is only a fair exchange for both parties.

Mr. Speaker, I think this barter concept is an extremely valid idea. I urge each of my colleagues to give it their careful consideration and support.

TURKISH OPIUM BAN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. WOLFF) is recognized for 15 minutes.

Mr. WOLFF. Mr. Speaker, today I joined with the distinguished gentleman from New York (Mr. RANGEL) in introducing a concurrent resolution directing the President to immediately initiate negotiations at the highest levels of the Turkish Government in order to prevent the dissolution of the ban on Turkish opium cultivation. If the negotiations prove unsuccessful, and Turkey resumes production of opium, the resolution directs the President to exercise his power under the Foreign Assistance Act to terminate all assistance to Turkey. In the Senate, an identical resolution was introduced by Senators BUCKLEY and MONDALE.

Mr. RANGEL, and Mr. RODINO, and I are joined by a distinguished list of cosponsors, including House Speaker ALBERT, Majority Leader O'NEILL, Chairman MADDEN of the House Rules Committee, Majority Whip MCFALL, and over 30 of our distinguished colleagues.

Until 1972, the poppy fields of Turkey were the beginning of a long and ruinous road of corruption and profiteering that stretched halfway across the world to the streets of New York, its environs and suburbs, where its lethal traffic was dispersed to pollute untold numbers of men, women, and children as heroin addicts.

Today, after 2 years of the Turkish opium ban on the free and open cultivation of the opium poppy, the corrosion of our society by heroin addiction has been significantly abated as the supply of illegal heroin reaching the United States diminished and the incidence of related lawlessness and crimes of violence declined.

While the illicit traffic in narcotics still flourishes from Asia sources, primarily the Golden Triangle area of Burma, Laos, and Thailand, the quantity destined for our eastern shores is miniscule by comparison to the vast amount of heroin formerly derived from Turkish poppies—up to 80 percent—via the now nearly defunct French Connection.

Overall traffic in heroin to the United States is decreasing largely as the result of the Turkish opium ban . . . the continued effectiveness of the opium ban in Turkey has greatly reduced the required raw materials needed for the production of illicit heroin in Western Europe.—John Bartels, Jr., Administrator, U.S. Drug Enforcement Administration at Third Session of United Nations Commission on Narcotic Drugs, Geneva, Switzerland, February, 1974.

I am firmly convinced that if we are ever to contain the wave of heroin addiction that swept this Nation in near epidemic proportions in the 1960's and early 1970's, and if we are to stop the addicts who steal and plunder to support their habits, we must see to it that the illicit supply is completely eradicated at the sources. America cannot afford to continue to pay the staggering price of allowing its citizens and institutions to be contaminated by drugs.

Did you know that $27 billion worth of property is stolen each year in the United States in connection with heroin addiction? Did you know that the average addict needs 50 milligrams a day to maintain his habit and at today's price of $1.52 per milligram, this adds up to $76 per day, or more than $27,000 each year? Did you know that nationally, $16 million a day—nearly $6 billion a year—is being spent on illegal heroin?

Today, the French Connection is broken.

During the last year, the opium ban in Turkey has created a severe shortage of morphine base in Western Europe and traffickers found it increasingly difficult to manufacture heroin. Traffic to North America has been drastically reduced. Heroin is in such short supply in France that addicts are turning to low grade granular pink heroin smuggled from southeastern Asia to Holland and thence to France. However, shipments are small and sporadic—Francois LeMoel, Director French Police Central Narcotics Office, at U.N. Commission, Geneva, February, 1974.

With regard to morphine and heroin it is safe to say that the effects of the suppression of cultivation of the opium poppy because of the ban in Turkey after the 1972 harvest are beginning to be felt. Intelligence information indicates that there is a shortage of morphine base in general—Representative of Interpol at U.N. Commission, Geneva, February, 1974.

It is apparent that the Turkish ban on the cultivation and production of opium is working and I applaud the cooperation and understanding being exerted by those Turkish officials who wish to continue this policy. Their support, which has severed the heroin pipeline, is both courageous and humanitarian. Agitation by greedy forces, including some American pharmaceutical companies and some demagogic Turkish politicians to reverse this policy and renew the illicit cultivation of the opium poppy must not succeed for the result will only be to open the floodgates of further heroin addiction.

Since 1972, when the Turkish government in return for compensation from the United States agreed to suppress the growth of opium poppy, there has been a dramatic decrease in the amount of heroin available in the streets of New York. Data compiled by our agency indicates not only that heroin is relatively unavailable in our streets but that this scarcity reflects the national situation. According to one recent congressional study, the number of pure heroin addicts has decreased nationally from at least ½ million to no more than 200,000 in the last two years. . . . If the United States government, bowing to pressure from Turkish poppy growers and the domestic pharmaceutical industry agrees to a lifting of the ban, it will be a backward step that is almost guaranteed to lead to an upsurge in heroin addiction nationally with the consequent rise in addict-related crimes. We are now on the threshold of coming to grips with not only the heroin problem, but the entire drug abuse problem. Therefore, it is now time to stop the tide of drug addiction by drying up the Turkish poppy fields.—Jerome Hornblass, Commissioner New York City Addiction Agency, April, 1974.

Concerned with the increasing reports that Turkey is weighing the necessity and propriety of resuming open cultivation for the world market, I, as chairman of the House Special Subcommittee on International Narcotics Control, went to Turkey during the March 1974 congressional recess to talk firsthand with Turk officials and farmers, Ambassador Macomber, and American and Turkish drug enforcement agents. Together with Representative CHARLES RANGEL, whose Manhattan congressional district is one of the most drug-plagued in America, we learned that the average Turk is unaware of the effects of heroin addiction in the United States—since it is not a problem in their own country—and that the U.S. aid was not reaching the farmers. The average Turkish farmer we visited realizes between $35 and $50 per year from the sale of legal morphine gum to the Turkish Government and is hard-pressed to live on this meager sum. However, he is totally unaware of the destruction wrought by the poppy which he previously channeled to the illegal market for greater remuneration. He uses the poppy seed himself for cooking oils and native bread, not as an opiate—a practice he shuns.

Additionally, in our talks with Foreign Minister Gunes and other Turkish officials we learned that several American pharmaceutical companies were encouraging the Turkish Government to rescind the ban—even to the point of using the opium culture as a tool to foster the Turkish political issue of "national independence from U.S.A. influence."

Congressmen like Wolff can be useful in foreign relations . . . a Congressman can make threats that diplomats can't and sometimes the diplomats like having Congressmen speak out.—Government official quoted in Newsday article by Anthony Marro, Washington Bureau, April 1, 1974.

It should be noted that Turkey, in 1960, should as the result of world pressure, recognized the addiction problem its poppies spawned and voluntarily cutback on opium production from 42 provinces to 7, and at the time the opium ban was effected early in 1972, production was limited to 4 provinces for legal purposes only. Today, there is no production in Turkey. The world's major producers of illicit opium are Burma, Laos, and Thailand. The world's controlled producers of legal opium to supply medic-

inal morphine and codeine are primarily India and the U.S.S.R. There is no shortage of opium in the world, ample supplies exist—it is the diversion to illegal channels that is creating the problem—total legal production is 1,400 tons annually; illegally production 1,500 tons annually

In our discussions in Turkey, Congressman RANGEL and I conveyed the serious manner in which Congress views this drug situation and emphasized the high priority this Nation places on combatting the illegal narcotics traffic and its direct relationship to crime. I reminded the Turkish Government that both the House and the Senate—during the height of the American involvement in Indochina—passed an amendment to the Foreign Assistance Act, which I authored, to cut off U.S. aid to Thailand unless it cooperated fully with our drug enforcement efforts.

Just *recently*, my amendment to impose trade sanctions on any noncooperating nation was included in the new U.S. trade bill. The actions, I believe, are necessary for we have too often paid the piper without calling the tune.

The situation in Turkey is somewhat different from that in the Far East. Turkey is our long-standing military ally and friend, and traditionally has played a strategic role in NATO. The question of the Dardanelles as essential to the defense of the free world was also reviewed. High U.S. military officers hold that the Dardanelles are no longer the military imperative they once were. Indeed, U.S. air power could close off these straits to enemy warships at any time. The Turk is fully cognizant that sea and land power in the Dardanelles has yielded to air power and that Turkey no longer maintains the strategic position it once held when NATO was founded.

As to the question of why Turkey has been singled out to be the world's target of an opium ban when India is not only permitted to produce for the legal market but is being encouraged to increase production, we cannot quarrel with Turkey's concern. But, it is known that Turkey cannot control its illegal production and traffic in opium.

What, then, is really behind the recent activity on the part of the Turks to resume opium production after the ban has proven so successful?

Is it economic? Only 1 percent of Turkey's gross national production was in legal production of opium at the time the ban was instituted. The legal export of opium by Turkey from 1969 until the ban was imposed brought the Turks less than $5 million a year.

Is it people? Less than 1 percent of the population of Turkey was engaged in opium poppy growing at the time the ban was instituted.

I think the reason is much more sinister. It is quite obvious that the influence of organized crime and selfish interests of others are overpowering the humanitarian need to halt international narcotics trafficking.

The problem is compounded and made even more acute by local Turkish politicians who are attempting to use the issue of the ban as a device to mask the severe economic problem Turkey is now facing. There are some who are critical of the hard line I have taken pertaining to the reciprocal elements in our foreign aid policy. We do have a mutual defense treaty with Turkey, and over the years we have given more than $3 billion in military assistance to Turkey. This year we will give Turkey more than $300 million in total assistance.

America today is engaged in a war on drugs. Is it too much for us to ask Turkey to come to our assistance and join in this fight, just as we have joined in their defense?

Therefore, I have made it apparent to the Turkish Government—not through so-called gunboat diplomacy—that we in Congress intend to deny our enemy—organized crime—the supplies it needs to wage its insidious war on our youth. If Turkey refuses to uphold its end in the war on drugs for our mutual defense, I believe we should cut off all aid, both military and economic.

The get-tough policy on drugs that I advocated 2 years ago in Thailand paid off. There is now a massive clampdown on narcotics in Thailand where, for instance they burned 26 tons of opium, and in Hong Kong there is little or no trawler traffic which up until 2 years ago had operated like a commuter train system on a schedule.

Recent data indicates that a six-year pattern of increasing numbers of new addicts has been reversed. The rates of overdose deaths, drug related hepititus and drug-related property crimes, indicators of instances of heroin dependence, have declined throughout the U.S. for the first time in six years.—Dr. Robert DuPont, Director Special Section Office for Drug Abuse Prevention, at U.N. Commission, Geneva, Feb., 1974.

I intend to vigorously pursue my efforts to insure that the American people will never again be subject to the level of availability of heroin in our streets, the attendant crime and the deterioration of our society so prevalent prior to the heroin ban. If Turkey reenters the opium business, I reluctantly predict that these ills will strike our communities again and that would prove disasterous.

THE 1974 DANTE AWARD GOES TO JOHN MADIGAN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. ANNUNZIO) is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, I would like to call to the attention of my colleagues that on Thursday, May 16, the award-winning WBBM News Radio 78 political editor from Chicago, John Madigan, will be the recipient of the third annual Dante Award.

The Dante Award has been established by the Joint Civic Committee of Italian Americans, an umbrella organization comprised of more than 40 civic organizations in the Chicago area, to extend recognition annually to an individual in the mass media communication field who has made a positive contribution toward fostering good human relations.

Mr. Speaker, I have known John Madigan for 25 years and he has always been dedicated and devoted to his family and to his community. He loves people, reports the facts as they are, and he has a long and solid record of achievement in every news medium. It is for these reasons that he so richly deserves the Dante Award, because it was Dante Alighieri, in his "Divine Comedy," who said, "Men should never be timid about the truth."

John Madigan began his career in journalism as a newsman with the Chicago American in the late 1930's. His career was interrupted by World War II, during which he was awarded the Bronze Star for his participation in the New Guinea and Philippine invasions. After the war, John returned to Chicago's American and, in 1951, was appointed political editor of the newspaper. The following year he was assigned to cover the Presidential conventions and the ensuing campaigns for the Hearst newspaper chain.

In January, 1953, Madigan was transferred to the Hearst Washington Bureau and a year later joined Newsweek magazine's capitol bureau. While on this assignment, he served as a regular panelist on the weekly CBS television network series "Face the Nation." Earlier, he appeared frequently on "Meet the Press" on the NBC television network.

The native Chicagoan returned to his home city and Chicago American as assistant managing editor and national editor in 1957. Shortly thereafter, he added the post of city editor to his duties.

In 1961 Madigan joined WBBM–TV as a news broadcaster. The following year he was named editorial assistant to the general manager, and was appointed news director in 1963. He joined WBBM radio as political editor in April 1968.

John Madigan and his wife reside in Chicago with two of their children. They also have a married son living in California.

The Third Annual Dante Award Luncheon to honor John Madigan will be held at the Como Inn and among over 250 people in attendance will be many political dignitaries, civic leaders, and leaders of the communications industry.

Last year at the award ceremonies, Irv Kupcinet, Chicago Sun-Times columnist, was honored and in 1972, the Dante Award went to John C. Severino, vice president and general manager of WLS–TV in Chicago.

Mr. Speaker, Mrs. Annunzio and I congratulate John Madigan, his wife, and his children, for the strong and constructive impact he has made on our community. His career, his character, and his record prove that he is indeed a "friend to truth," and we are proud to have him as one of our friends.

THE MEDIA AND PRESIDENTIAL RESIGNATION

(Mr. DEVINE asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. DEVINE. Mr. Speaker, We have been inundated over the last few days with pious calls for the President's resignation, some by members of the minority party. I have read and seen with systematic regularity the demands for the President's impeachment, especially by some in the majority party.

These calls and these demands have rested on charges which stretch the imagination and defy credulity. I suspect most Members have been influenced by television, radio, and press reporting of the transcripts—each reporter giving us the benefit of his own opinions, biases, and analyses. Make no mistake about the awesome power of the media, and make no mistake a good deal of it is anti-Nixon. I was interested to see an article in this week's T.V. Guide by Edith Efron that concludes there is a conspiracy among the intellectual left to destroy the President. Edith Efron is a nationally known analyst of network news patterns, author, and magazine writer. This article will appear at the conclusion of these remarks.

We now know the charges: The President curses—so throw him out. The President did not put John Dean in jail within 30 minutes of his shocking revelations—so impeach him.

We have been lectured with the fine moralisms of some of our more angelic officeholders. Given the atmosphere, I am only too pleased that the recording devices were not placed in the House cloakrooms. Were that the case, my friends on the Ethics Committee would have business enough to command their attention for a generation.

With all these charges and allegations and aspersions on the integrity of the President of the United States, I raise one question for my colleagues. How many have read the entire transcripts word for word? If you have, will you point out any impeachable, indictable, or criminal offense within the confines of those blue covers.

It is important to know how many of us have actually read this document to justify the charges which have flown forth. I do not mean, who has read the "good parts." I mean who has read it word for word?

I do not mean, who has had his staff read it for him. I mean, who has taken it upon himself to know what each of those conversations say?

How can charges be made by many who have admittedly not read the entire document? I repeatedly have seen mention in the press of such charges as: "I have only read a portion of it, but I think he ought to resign or he ought to be impeached." Those kinds of charges are foul and unfair. They are the very kinds of out-of-context distortions which our system of justice so correctly abhors. So I ask you today—please let me know by the close of business tomorrow if you have read the entire document, word for word, and then tell me if this man should be impeached.

I can only pray that this great and historical body of Congress will not judge the President on the basis of reading snatches of the transcripts. I can only hope that more charges will not be forthcoming based on what our administrative assistants or student interns or the biased media or the impeachment lobby have to say.

We have a solemn responsibility. That responsibility is to make a judgment on the facts. I am disheartened by the manner in which charges have been made by those who have read bits and pieces of the famous transcripts.

Richard Nixon was confronted with a coverup of 9 months duration which was led by one who even withheld the truth as he claimed he was speaking the truth. The President, in less than 6 weeks, uncovered the Watergate matter. That effort speaks for itself—but it requires us to read the whole story. I invite my colleagues to try it before they make further charges. I ask those that have read the entire transcript to call me by the end of the day on Tuesday.

IS THERE TRUTH IN CHARGES OF ANTI-NIXON BIAS?

(By Edith Efron)

For months now, information has been pouring off the presses that sets the Watergate illegalities in historical and bipartisan context. Books such as Arthur M. Schlesinger Jr.'s "The Imperial Presidency" and David Wise's "The Politics of Lying," and assorted essays in scholarly journals have been documenting the long history of such illegal practices in former Administrations, going all the way back to Franklin Delano Roosevelt. Here's the kind of thing these scholarly writers have been saying:

Philosopher Michael Novak, a McGovern supporter, writes in Commentary: "Plainly, Richard Nixon gathered unto himself all the prerogatives employed by other Presidents in the past. John Kennedy and Lyndon Johnson had shared in wire taps on Martin Luther King and others. Impoundment, executive privilege, tampering with elections, illicit military ventures, counterespionage episodes within the United States and other kinds of activity of which Richard Nixon stands accused are not in the least unknown in recent history."

And Professor Leo Ribuffo, a harsh critic of Mr. Nixon, writes in Dissent: "High officials have abused our liberties for a long time, and the abuse has regularly been rationalized. The Roosevelt administration unleased the Internal Revenue Service on insurgent Huey Long while loyal Frank Hague stuffed his wallet in Jersey City. . . . The Truman administration revoked press credentials and passports from its critics. . . . For 25 years the fear of subversion has been manipulated for political advantage by both Republicans and Democrats. By failing to associate recent buggings, phone taps, enemy lists, tax audits, and break-ins with that tradition, [Sen. Lowell] Weicker symbolizes the prevalent tunnel vision regarding Watergate."

And this is just a splinter fragment of what is now on the record—and, indeed, has always been on the record. Yet almost none of this bipartisan material has found its way onto the network news programs. The Nation has been told *ad nauseam* by most voices on the nets that the misdeeds of the Nixon Administration have constituted a unique, unprecedented evil in American politics. This is a serious historical falsehood. It can perhaps be argued that the evil has grown cumulatively with the decade and, under Nixon, reached a climactic state. But nothing can justify the doctrine of Nixonian original sin. That is sheer demagoguery.

On April 8, Howard K. Smith of ABC violated the dominant network pattern with a bang. He pointed out that Mr. Nixon did not invent his political sins, and that White House predecessors had blazed the bugging, burglarizing and other unlovely trails. It is unfair to the President, says Mr. Smith, historically to impeach him and leave the public with the impression that the Watergate illegalities were a uniquely Nixonian phenomenon. Mr. Smith also suggested that the time had come to take a hard look at the tax records of former Presidents, such as Lyndon B. Johnson, who acquired an immense fortune while in public office. . . . An admirable commentary.

Mr. Smith, however, left one question unasked and unanswered: Whose responsibility was it to be "fair" to Mr. Nixon, and to inform the public systematically of this background of bipartisan corruption? To ask the question is to answer it. It was the responsibility of the press and, because they are the chief suppliers of political information to the Nation, it was the particular responsibility of the network news and public-affairs departments. They didn't recognize it, accept it, or excuse it. Why?

In part, the answer is plain old vulgar bias. As Timothy Crouse, McGovern supporter, says in his book "The Boys on the Bus": "[Nixon's] accusations of bias contained some truth. In 1960, many reporters had become shills for Kennedy, as they would later become shills for Johnson in the honeymoon months following Kennedy's assassination, and, later still, shills for Robert Kennedy." From Democratic Party "shills" one could expect a frenzied lunging at only one aspect of the story. But this is only part of the reason.

A more fundamental explanation comes from philosopher Novak, discussing liberal control of the media: "Whoever shapes the sense of reality, the narrative line, and the symbolic context of the day's news goes a very long way toward shaping political reality. For political power is, in essence, power over symbols—power over the construction of reality. Since World War II, TV has more and more come to control that power, and the main lines of network news reflect the Northeastern style, values—and politics."

And Democrat and ex-Watergate prosecutor Archibald Cox names the power play and the chief players even more bluntly. I had quite a few misgivings about the way they [the press] handled Watergate. . . . The media are turning gradually to a more active role in shaping the course of events through their news columns and commentaries as well as on their editorial pages. It isn't true of smaller papers around the country, but I think it's true of the Washington Post, The New York Times, Newsweek, and of the network presentations. It does seem to me that the selection of items emphasized reflects the notion that the press is the fourth branch of government and it should play a major role in government. I'm not sure that I want it that way when there are only three networks. To me, that's an awful lot of power to give to whoever runs the three networks."

Put the Crouse-Novak-Cox comments together, and you'll see why political "reality" has come out as it has on the networks: Mr. Nixon as a unique devil, being exorcised in a religious frenzy by good men and true . . . and any corruption of prior Presidents being largely kept off the national airwaves.

It has been a gigantic manipulation of political symbols, and the results are already obvious. The detested electoral results of 1972 have been wiped out. The Republican Party has been devastated. And the heirs to this massive political action stand quietly in the wings, ready to assume the role of moral cleansing agent of the Republic—among

them, Ted Kennedy, the cover-up artist of Chappaquiddick, whose grand jury and courtroom secrets somehow never leak . . .

The joke is on Republicans and conservatives who had more than a year in which to put this catastrophe in historical perspective and utterly failed to do so. Justice to their President and to their party is being executed—but not by them. It is coming from the intellectual left.

DON McBRIDE

(Mr. ALBERT asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. ALBERT. Mr. Speaker, Mr. Don McBride, former water resources adviser to the late Senator Robert S. Kerr, of Oklahoma, and now a director of the Tennessee Valley Authority, was recently presented the Department of the Army Distinguished Civilian Service Award for his activities in support of national water resources development programs.

Over the past 35 years, Mr. McBride has played a giant role in water resources development at both the State and National levels. I have been honored and privileged to work with him and am truly thinkful for his unstinting dedication to the causes of water development. I congratulate Mr. McBride on this well-deserved award.

The award to Mr. McBride was presented by Maj. Gen. John W. Morris, Director of Civil Works, Office of the Chief of Army Corps of Engineers, during the annual meeting of Oklahoma Water, Inc., in Oklahoma City, Okla.

The citation to Mr. McBride reads as follows:

For noteworthy assistance to the Department of the Army during the period of 1939 through 1973. During this period while serving in such positions as Chief Engineer and Chairman of the Oklahoma Water Resources Board, as Secretary-Manager of the National Reclamation Association, as water resources advisor to the Senate Select Committee on National Water Resources, and as a director of the Tennessee Valley Authority, Mr. McBride enthusiastically and energetically supported water resources development programs. His invaluable assistance and support, which reflect his deep-seated sense of public responsibility, contributed significantly to the ability of the Department of the Army to accomplish its water resource development missions.

Mr. McBride began his career in the water resources field in 1939 and in 1944 he was appointed chairman of the Oklahoma Water Resources Board by the then Gov. Robert S. Kerr. In 1946, Mr. McBride became secretary-manager of the National Reclamation Association and later was named to represent Oklahoma's congressional delegation as a special assistant in the field of water resources conservation.

While serving with the Oklahoma delegation, he helped prepare Senate Document 13, which called for the comprehensive development of the Arkansas-White-Red River Basins. Senate Document 13 became the basis for legislation creating a statutory River Basin Planning Committee for the Arkansas-White-Red River Basins.

In 1958 he helped draft legislation which passed establishing the Texas Basin Study Commission and the Southeast Basin Study Commission to develop plans for comprehensive development of water and related land resources in these regions.

After that, Mr. McBride assisted the Senate Select Committee on National Water Resources in its lengthy study of the Nation's water needs between 1960 and 1980. Senator Kerr was chairman of the select committee and when the report was published in early 1961 it became the basis for legislation which authorized development of river basin plans in cooperation with the individual States.

Mr. McBride was appointed Director of the Tennessee Valley Authority in 1966 where he continues to serve the Nation in the water resources development field.

In presenting the award, General Morris said that—

Mr. McBride is so well known for his dedication and devotion to the causes of water development in Oklahoma and adjacent states, that his name is admost a household word in the Southwest United States. The positions that Mr. McBride has held during his career are indicative of his professional growth and the confidence and trust in his outstanding abilities held by the leaders in the water resources community.

THE LATE CARNEY O. DEAN

(Mr. ALBERT asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. ALBERT. Mr. Speaker, we Oklahomans were saddened recently to learn of the passing of one of our State's most colorful personalities, Mr. Carney O. Dean of Chandler, Okla. Mr. Dean was 81 years of age. He had served as secretary-treasurer of the Deep Fork Watershed Association for 15 years, a position in which he was active right up until his death. His association newsletters were extremely interesting and contributed greatly to the development of water resources in Oklahoma.

I was pleased that Mr. Dean could come to Washington for meetings with our Oklahoma congressional delegation several years ago. He was an inspiration to all of us. To his widow, Mrs. Beulah Dean, his three daughters, eight grandchildren, a brother and a sister we extend our deepest sympathy.

An account of Mr. Dean's death and a tribute to his life appeared in his hometown newspaper, the Lincoln County News of Chandler, Okla., recently. I include the article, "County, State Lose Active Son," below:

COUNTY, STATE LOSE ACTIVE SON

Lincoln County and Oklahoma lost one of its busiest, and most colorful, citizens Monday morning.

Carney Oliver Dean died Monday at his home in Chandler. One of the first children born to settlers in what is now Lincoln County, Dean was 81.

Dean was born May 16, 1892 near Carney, the son of Hugh and Anna Shutt Dean. His parents were settlers of the Iowa Indian lands that were opened Sept. 22, 1891.

He took time off from high school at Chandler to teach in the Harmony School northeast of Tryon and at Red Oak southwest of Chandler. Dean returned and graduated from Chandler in 1915, and later served as president of the Chandler High School Alumni Association.

Dean studied at Oklahoma University, then joined the Army Medical Corps in 1917 and served in France during World War I. Before returning stateside, he studied at a college in Bristol, England. He returned to OU, graduating with a journalism degree in 1921.

Dean was later superintendent of schools at Carney and Collinsville, and was a principal in the Bartlesville school system. He was a life insurance salesman for several years, then worked at the Douglas Aircraft Company in Midwest City until the close of World War II.

He again sold insurance and worked for a Chandler newspaper before joining the State Highway Department for eight years as a right-of-way purchaser, retiring in 1960 at the age of 67.

Dean's community interests were as extensive as his life's work. In a recent interview, he said, "My greatest and most rewarding avocation has been as secretary-treasurer of the Deep Fork Watershed Association."

He held that office 15 years, publishing newsletters, lobbying, and attending water development functions concerning the central portion of Oklahoma.

"Never could there have been a man as devoted to the cause of the Deep Fork Watershed Association," Association President L. D. Wornom said. "Carney stands tall in our ranks as a man devoted to a cause in which he believed, and in which he did all in his power to rectify and solve."

On a state-wide basis, Dean originated the two-letter, four-numeral license tag system adopted by the legislature in the early 1960s. He served five terms as state vice-president of the Christian Men's Fellowship.

Dean was elder emeritus of the Chandler First Christian Church and was a member of the Lions Club, Chamber of Commerce, Matheny-Burt American Legion Post 64, Masonic Lodge of Carney and IOOF Lodge of Chandler.

He was a member and past president of the Lincoln County Historical Society, and a year ago organized the Lincoln County Barracks of World War I veterans, serving as the organization's first quartermaster.

Throughout his work and community betterment endeavors, he was bolstered by his wife of 54 years. Dean was married Sept. 4, 1919, to Beulah Maxwell at Chandler. She survives.

Also surviving are a son, Hugh, Oklahoma City; three daughters, Mrs. Margaret Terrel, Chandler; Mrs. Marion Kaufman, Columbia, Mo.; and Mrs. Dorothy Cox, Kent, Wash.; a brother, Grover C. Dean, Thayer, Mo.; one sister, Mrs. Daisy Paul, Los Angeles, Calif.; and eight grandchildren.

Services were Wednesday morning in the Curry Funeral Chapel at Chandler. Rev. Harold Shore, Christian Church minister, and Rev. Kenneth Routon, Friends Church pastor, officiated. Burial was at Oak Park Cemetery, Chandler.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. MANN (at the request of Mr. O'NEILL), for today, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legis-

lative program and any special orders heretofore entered, was granted to:

Mr. PASSMAN, on May 15, 1974, for 1 hour.

(The following Member (at the request of Mr. HANRAHAN) to revise and extend his remarks and include extraneous matter:)

Mr. MILLER, for 5 minutes, today.

(The following Members (at the request of Mr. GIBBONS) to revise and extend their remarks and include extraneous material:)

Mr. ALEXANDER, for 5 minutes, today.

Mr. WOLFF, for 15 minutes, today.

Mr. GONZALEZ, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. PICKLE, for 5 minutes, today.

Mr. MITCHELL of Maryland, for 60 minutes, May 15.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the appendix of the RECORD, or to revise and extend remarks was granted to:

(The following Members (at the request of Mr. HANRAHAN) and to include extraneous matter:)

Mr. ROBISON of New York.

Mr. WHALEN.

Mr. FINDLEY in six instances.

Mr. GILMAN.

Mr. HANRAHAN in three instances.

Mr. ASHBROOK in five instances.

Mr. SYMMS.

Mr. GOLDWATER.

Mr. FRENZEL in five instances.

Mr. HEINZ.

Mr. SEBELIUS.

Mr. ROUSSELOT.

(The following Members (at the request of Mr. GIBBONS) and to include extraneous material:)

Mr. MORGAN.

Mr. YATRON.

Mr. ANNUNZIO in six instances.

Mr. GONZALEZ in three instances.

Mr. RARICK in three instances.

Mr. DE LUGO in two instances

Mr. ROONEY of New York in two instances.

Mr. BOLLING.

Mr. VANDER VEEN in 10 instances.

Mr. WOLFF in five instances.

Mr. OWENS in 10 instances.

Mr. HAMILTON in 10 instances.

Mr. LUKEN in three instances.

Mr. DAVIS of Georgia in five instances.

Mr. EDWARDS of California.

Mr. HANNA in five instances.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 411. An act to amend title 39, United States Code, with respect to certain rates of postage, and for other purposes; to the Committee on Post Office and Civil Service.

S. 3009. An act to provide that moneys due the States under the provisions of the Mineral Leasing Act of 1920, as amended, derived from the development of oil shale resources, may be used for purposes other than public roads and schools; to the Committee on Interior and Insular Affairs.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 514. An act to amend the act of June 27, 1960 (74 Stat. 220), relating to the preservation of historical and archeological data.

BILLS PRESENTED TO THE PRESIDENT

Mr. HAYS, from the Committee on House Administration, reported that that committee did on May 10, 1974 present to the President, for his approval, bills of the House of the following title:

H.R. 5035. An act to amend Public Law 90-335 (82 Stat. 174) relating to the purchase, sale, and exchange of certain lands on the Spokane Indian Reservation; and

H.R. 5525. An act to declare that certain mineral interests are held by the United States in trust for the Chippewa Cree Tribe of the Rocky Boy's Reservation, Montana.

ADJOURNMENT

Mr. GIBBONS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 19 minutes p.m.), the House adjourned until tomorrow, Tuesday, May 14, 1974, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

[*Pursuant to the order of the House on May 9, 1974, the following reports were filed on May 10, 1974*]

Mr. POAGE: Committee on Agriculture. H.R. 12000. A bill to enable egg producers to establish, finance, and carry out a coordinated program of research, producer and consumer education, and promotion to improve, maintain, and develop markets for eggs, egg products, spent fowl, and products of spent fowl; with amendment (Rept. No. 93-1032). Referred to the Committee of the Whole House on the State of the Union.

Mr. POAGE: Committee on Agriculture. H.R. 12526. A bill to amend sections 306 and 308 of the Rural Electrification Act of 1936, as amended (Rept. No. 93-1033). Referred to the Committee of the Whole House on the State of the Union.

[*Pursuant to the order of the House on May 9, 1974, the following report was filed on May 10, 1974*]

Mr. POAGE: Committee on Agriculture. S. 3231. An act to provide compensation to poultry and egg producers, growers, and processors and their employees; with amendment (Rept. No. 93-1034). Referred to the Committee of the Whole House on the State of the Union.

[*Pursuant to the order of the House on May 8, 1974, the following report was filed on May 10, 1974*]

Mr. HÉBERT: Committee on Armed Services. H.R. 14592. A bill to authorize appropriations during the fiscal year 1975 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads and for other purposes (Rept. No. 93-1035). Referred to the Committee of the Whole House on the State of the Union.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2298. A letter from the Deputy Assistant Secretary of Defense (Installations and Housing), transmitting notice of the location, nature, and estimated cost of various construction projects proposed to be undertaken for the Army Reserve, pursuant to 10 U.S.C. 2233a(1); to the Committee on Armed Services.

2299. A letter from the Acting Administrator of General Services, transmitting the semiannual report on the stockpiling of strategic and critical materials, covering the period ended December 31, 1973, pursuant to 50 U.S.C. 98c; to the Committee on Armed Services.

2300. A letter from the Director, District of Columbia Bail Agency, transmitting an annual report of the agency covering calendar year 1973, as a supplement to the report previously submitted pursuant to 23 District of Columbia Code 1307; to the Committee on the District of Columbia.

2301. A letter from the Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation to provide assistance to local educational agencies which are in the process of eliminating discrimination or minority group isolation among students or faculty in elementary and secondary schools, and for other purposes; to the Committee on Education and Labor.

2302. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements other than treaties entered into by the United States, pursuant to section 112(b) of Public Law 92-403; to the Committee on Foreign Affairs.

2303. A letter from the Fiscal Assistant Secretary of the Treasury, transmitting the semiannual report on the inventory of nonpurchased foreign currencies, as of December 31, 1973, pursuant to 22 U.S.C. 2363(c); to the Committee on Foreign Affairs.

2304. A letter from the Librarian of Congress, transmitting the annual report of the Library of Congress, including the Copyright Office, for fiscal year 1973, pursuant to 2 U.S.C. 139; to the Committee on House Administration.

2305. A letter from the Deputy Assistant Secretary of the Interior, transmitting a copy of a proposed concession contract for the establishment, maintenance, and operation of a computerized campsite reservation system for designated areas within the national park system, for a term ending December 31, 1978, pursuant to 16 U.S.C. 17b-1; to the Committee on Interior and Insular Affairs.

2306. A letter from the Deputy Assistant Secretary of the Interior, transmitting a copy of a proposed contract with W. A. Wahler & Associates, Palo Alto, Calif., for a research project entitled "Study of High Modulus Backfill System," pursuant to 42 U.S.C. 1900(d); to the Committee on Interior and Insular Affairs.

2307. A letter from the Secretary of Commerce, transmitting the annual report of the U.S. Travel Service for calendar year 1973, pursuant to 22 U.S.C. 2125; to the Committee on Interstate and Foreign Commerce.

2308. A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to amend the Rail Passenger

Service Act of 1970 and for other purposes; to the Committee on Interstate and Foreign Commerce.

2309. A letter from the Executive Director, Federal Communications Commission, transmitting a report on the backlog of pending applications and hearing cases in the Commission as of March 31, 1974, pursuant to section 5(e) of the Communications Act, as amended; to the Committee on Interstate and Foreign Commerce.

2310. A letter from the Acting Administrator of General Services, transmitting prospectuses proposing entering into succeeding leases for space presently occupied at various locations in Honolulu, Hawaii, Rockville, Md., San Juan, Puerto Rico, and Washington, D.C.; to the Committee on Public Works.

2311. A letter from the Director, National Legislative Commission, The American Legion, transmitting statements of the financial condition of the organization as of December 31, 1973; to the Committee on Veterans' Affairs.

2312. A letter from the Chairman, U.S. Atomic Energy Commission, transmitting a draft of proposed legislation to amend the Atomic Energy Act of 1954, as amended, and the Atomic Weapons Rewards Act of 1955, and for other purposes; to the Joint Committee on Atomic Energy.

RECEIVED FROM THE COMPTROLLER GENERAL

2313. A letter from the Comptroller General of the United States, transmitting a report on efforts to solve State and local court problems with funds provided by the Law Enforcement Assistance Administration; to the Committee on Government Operations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. EVINS of Tennessee: Select Committee on Small Business. Small Business Impact of Actions and Policies by the Federal Regulatory Agencies (Rept. No. 93–1036). Referred to the Committee of the Whole House on the State of the Union.

Mr. JONES of Alabama: Committee of conference. Conference report on S. 3062 (Rept. No. 93–1037). Ordered to be printed.

Mr. POAGE: Committee on Agriculture. H.R. 13685. A bill to rename the first Civilian Conservation Corps Center located near Franklin, N.C., and the Cross Timbers National Grasslands in Texas in honor of former President Lyndon B. Johnson (Rept. No. 93–1038). Referred to the House Calendar.

Mr. PERKINS: Committee of conference. Conference report on H.R. 7824 (Rept. No. 93–1039). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ALEXANDER:

H.R. 14735. A bill relating to acquiring of certain narcotics by force, violence, or intimidation; to the Committee on the Judiciary.

By Mr. BINGHAM:

H.R. 14736. A bill to amend the Public Health Service Act and related laws to revise and extend programs of health revenue sharing and health delivery, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. BOWEN:

H.R. 14737. A bill to amend the Internal Revenue Code of 1954 to allow an individual a credit for certain household and dependent care expenses necessary for gainful employment; to the Committee on Ways and Means.

By Mr. CRANE:

H.R. 14738. A bill to amend the Internal Revenue Code of 1954 and certain other provisions of law to provide for automatic cost-of-living adjustments in the income tax rates, the amount of the standard, personal exemption, and depreciation deductions, and the rate of interest payable on certain obligations of the United States; to the Committee on Ways and Means.

By Mr. CRANE (for himself, Mr. HUNGATE, Mr. ICHORD, Mr. JOHNSON of California, Mr. KEMP, Mr. LANDGREBE, Mr. LENT, Mr. LOTT, Mr. LUJAN, Mr. MANN, Mr. MELCHER, Mr. O'BRIEN, Mr. PODELL, Mr. POWELL of Ohio, Mr. RARICK, Mr. ROE, Mr. RUNNELS, Mr. SANDMAN, Mr. SCHERLE, Mrs. SCHROEDER, Mr. SPENCE, Mr. STEELMAN, Mr. STEIGER of Arizona, Mr. SYMMS, and Mr. THONE):

H.R. 14739. A bill to amend the Par Value Modification Act; to the Committee on Banking and Currency.

By Mr. CRANE (for himself, Mr. RHODES, Mr. ABDNOR, Mr. ARCHER, Mr. BAFALIS, Mr. BAUMAN, Mr. BEARD, Mr. BLACKBURN, Mr. BURGENER, Mr. BYRON, Mr. CLEVELAND, Mr. CONLAN, Mr. DAN DANIEL, Mr. DEVINE, Mr. DULSKI, Mr. FISH, Mr. GILMAN, Mr. GOLDWATER, Mr. GROSS, Mr. GUNTER, Mr. GUYER, Mr. HANRAHAN, Mr. HINSHAW, Mrs. HOLT, and Mr. HUDNUT):

H.R. 14740. A bill to amend the Par Value Modification Act; to the Committee on Banking and Currency.

By Mr. CRANE (for himself, Mr. TREEN, Mr. WAGGONNER, Mr. WHITEHURST, Mr. BOB WILSON, Mr. YOUNG of Georgia, and Mr. YOUNG of Alaska):

H.R. 14741. A bill to amend the Par Value Modification Act; to the Committee on Banking and Currency.

By Mr. CRANE (for himself, Mr. MYERS, and Mr. TOWELL of Nevada):

H.R. 14742. A bill to amend the Par Value Modification Act; to the Committee on Banking and Currency.

By Mr. FRASER:

H.R. 14743. A bill to provide for the establishing of uniform State limitations on the size of motor vehicles using public highways, and for other purposes; to the Committee on Public Works.

By Mr. KARTH (for himself, Mrs. BURKE of California, and Mr. ST GERMAIN):

H.R. 14744. A bill to terminate the Airlines Mutual Aid Agreement; to the Committee on Interstate and Foreign Commerce.

By Mr. MORGAN (for himself, Mr. BARRETT, Mr. GOODLING, Mr. CLARK, Mr. COUGHLIN, Mr. DENT, Mr. EILBERG, Mr. ESHLEMAN, Mr. FLOOD, Mr. GAYDOS, Mr. GREEN of Pennsylvania, Mr. HEINZ, Mr. JOHNSON of Pennsylvania, Mr. MCDADE, Mr. MOORHEAD of Pennsylvania, Mr. MURTHA, Mr. NIX, Mr. ROONEY of Pennsylvania, Mr. SCHNEEBELI, Mr. SHUSTER, Mr. VIGORITO, Mr. WARE, Mr. WILLIAMS, and Mr. YATRON):

H.R. 14745. A bill to prohibit for a temporary period the exporation of ferrous scrap, and for other purposes; to the Committee on Banking and Currency.

By Mr. OBEY (for himself, Mr. MATSUNAGA, and Mr. COUGHLIN):

H.R. 14746. A bill to amend the Internal Revenue Code of 1954 to provide that interest shall be paid to individual taxpayers on the calendar-year basis who file their returns before March 1, if the refund check is not mailed out within 30 days after the return is filed, and to require the Internal Revenue Service to give certain information when making refunds; to the Committee on Ways and Means.

By Mr. POAGE (for himself, Mr. BERGLAND, Mr. BOWEN, Mr. BROWN of California, Mr. DE LA GARZA, Mr. DENHOLM, Mr. FOLEY, Mr. GOODLING, Mr. GUNTER, Mr. JOHNSON of Colorado, Mr. JONES of North Carolina, Mr. JONES of Tennessee, Mr. MATHIAS of California, Mr. MATHIS of Georgia, Mr. MATSUNAGA, Mr. MELCHER, Mr. PRICE of Texas, Mr. RARICK, Mr. ROSE, Mr. SISK, Mr. STUBBLEFIELD, Mr. THONE, Mr. VIGORITO, Mr. WAMPLER, and Mr. ZWACH):

H.R. 14747. A bill to amend the Sugar Act of 1948, as amended; to the Committee on Agriculture.

By Mr. REES:

H.R. 14748. A bill to amend the Internal Revenue Code of 1954 to provide an income tax credit for individuals for purchases of contemporary American art; to the Committee on Ways and Means.

By Mr. ST GERMAIN:

H.R. 14749. A bill to increase the availability of urgently needed mortgage credit for the financing of housing, and for other purposes; to the Committee on Banking and Currency.

By Mr. SYMMS:

H.R. 14750. A bill to exempt range sheep industry mobile housing from regulations affecting permanent housing for agricultural workers; to the Committee on Education and Labor.

H.R. 14751. A bill to incorporate the U.S. Submarine Veterans of World War II; to the Committee on the Judiciary.

By Mr. BINGHAM (for himself and Mr. FRENZEL):

H. Con. Res. 492. Conference resolution authorizing a bust or statue of Martin Luther King, Jr., to be placed in the Capitol; to the Committee on House Administration.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

475. By the SPEAKER: Memorial of the Legislature of the State of Alaska, relative to the appropriation of funds to the Bureau of Indian Affairs for school construction; to the Committee on Appropriations.

476. Also, memorial of the Legislature of the State of California, relative to Federal legislation to subsidize nonprofit sheltered workshops; to the Committee on Education and Labor.

477. Also, memorial of the Legislature of the State of Oklahoma, relative to U.S. sovereignty and jurisdiction over the Panama Canal; to the Committee on Foreign Affairs.

478. Also, memorial of the Legislature of the State of California, relative to Amtrak; to the Committee on Interstate and Foreign Commerce.

PETITIONS, ETC.

Under clause 1 of rule XXII,

436. The SPEAKER presented a petition of the Democratic Town Committee, Kent, Conn., relative to impeachment of the President; to the Committee on the Judiciary.