1975, which was to strike out all after the enacting clause, and insert:

That there is authorized to be appropriated to carry out the provisions of the Indian Claims Commission Act (25 U.S.C. 70), during fiscal year 1975, not to exceed $1,450,000 to continue the program of the Indian Claims Commission.

Mr. ROBERT C. BYRD. Mr. President, on behalf of Mr. JACKSON, I move that the Senate disagree to the amendment of the House to S. 3007 and ask for a conference with the House of Representatives on the disagreeing votes of the two Houses, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. JACKSON, Mr. METCALF, Mr. ABOUREZK, Mr. BARTLETT, and Mr. MCCLURE conferees on the part of the Senate.

ADDITIONAL COSIGNER OF CLOTURE MOTIONS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the name of my senior colleague from West Virginia (Mr. RANDOLPH) be added as a signer of both cloture motions.

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

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, I will attempt to state the program for tomorrow.

The Senate will convene at the hour of 10 a.m. After the two leaders or their designees have been recognized under the standing order, Mr. PROXMIRE and Mr. BROCK, I believe, will be recognized in that order, each for not to exceed 15 minutes, with a period for the transaction of routine morning business of not to exceed 15 minutes to follow, and statements therein to be limited to 5 minutes each.

At the conclusion of routine morning business, the Senate will take up the Older Americans Act, H.R. 11105, under a time limitation. Votes by rollcall may occur thereon or on amendments thereto.

On the disposition of that bill, the Senate will take up S. 2784, a bill to amend title 38, United States Code, to increase the vocational rehabilitation subsistence allowance, educational assistance allowances, and the special training allowances paid to eligible veterans, and for other purposes. Rollcalls may occur on that bill and/or on amendments thereto, the bill and amendments being under a time agreement.

At the hour of 3 p.m. tomorrow, the Senate will proceed, for 1 hour to debate the motion to invoke cloture on the amendment by Mr. ALLEN to the bill (H.R. 14832)—the so-called debt limit bill. Upon the conclusion of 1 hour, or at the hour of 4 p.m., to be specific, the Chair will have the clerk call the roll to establish a quorum, and upon the establishment of a quorum, the Senate will proceed to vote by mandatory rollcall on the motion to invoke cloture.

If that vote carries, then the Senate will proceed to dispose of the Allen amendment under rule XXII, and upon the disposition of the Allen amendment, should that occur tomorrow, the vote will then occur on the motion to invoke cloture on the bill.

If the vote to invoke cloture on the Allen amendment does not succeed, then the vote will occur immediately by rollcall on the motion to invoke cloture on the bill.

If that succeeds, then the Senate will proceed with the consideration of that bill to the exclusion of all other business until its disposition under rule XXII.

If that vote also fails, then we will be where we are now—on the Allen amendment.

Am I correct, Mr. President?

The PRESIDING OFFICER. The Senator is correct.

Mr. ROBERT C. BYRD. I thank the Chair. There will be several rollcall votes tomorrow.

ADJOURNMENT TO 10 A.M.

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until the hour of 10 a.m. tomorrow.

The motion was agreed to; and, at 6:35 p.m., the Senate adjourned until tomorrow, Wednesday, June 19, 1974, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate June 18, 1974:

DEPARTMENT OF STATE

Robert Stephen Ingersoll, of Illinois, to be Deputy Secretary of State.

Carlyle E. Maw, of New York, to be Under Secretary of State for Coordinating Security Assistance Programs.

CONFIRMATION

Executive nomination confirmed by the Senate June 18, 1974:

FEDERAL ENERGY ADMINISTRATION

John C. Sawhill, of Maryland, to be Administrator of the Federal Energy Administration.

(The above nomination was approved subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

HOUSE OF REPRESENTATIVES—*Tuesday, June 18, 1974*

The House met at 12 o'clock noon.

Rev. Harley J. Murray, Western Avenue Southern Baptist Church, Anaheim, Calif., offered the following prayer:

Our Father we thank You for this great Nation, America. We ask that Thou might continue to guide and preserve her. We invoke Thy blessings upon this Congress and these our Representatives. Father we ask that You might grant to them wisdom, knowledge, insight, and a spirit of discernment. We pray, O God, that there might be a desire in each of their hearts to follow Thee and to do Thy will. We ask that we might see displayed here, on the floor of the House of Representatives, that great spirit which has made America truly one nation indivisible under God. We ask all these things in Jesus' name. Amen.

THE JOURNAL

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

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

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

H.R. 8586. An act to authorize the foreign sale of the passenger vessel steamship *Independence;*

H. Con. Res. 454. Concurrent resolution to authorize the printing as a House document "Our Flag", and to provide for additional copies;

H. Con. Res. 455. Concurrent resolution to provide for the printing as a House document "Our American Government. What Is It? How Does It Work?"; and

H. Con. Res. 537. Concurrent resolution designating the 21 days from June 14 to July 4, 1974, as a period to honor America.

The message also announced that the Senate had passed with an amendment in which the concurrence of the House is requested, a concurrent resolution of the House of the following title:

H. Con. Res. 201. Concurrent resolution to reprint the brochure entitled "How Our Laws Are Made."

The message also announced that the Senate insists upon its amendments to the bill (H.R. 11864) entitled "An act to provide for the early commercial demonstration of the technology of solar heating by the National Aeronautics and Space Administration and the Department of Housing and Urban Development, in cooperation with the National Bureau of Standards, the National Science Foundation, the General Services Administration, and other Federal agencies, and for the early development and commercial demonstration of technology for combined solar heating and cooling," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Moss, Mr. KENNEDY, Mr. CRANSTON, Mr. TUNNEY, Mr. HASKELL, Mr. GOLDWATER, Mr. DOMINICK, Mr. WEICKER, and Mr. FANNIN to be conferees on the part of the Senate.

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

PERMISSION FOR COMMITTEE ON APPROPRIATIONS TO FILE A REPORT

Mr. NATCHER. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tonight to file a report on a House joint resolution making continuing appropriations for the fiscal year 1975.

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

There was no objection.

MAKING IN ORDER CONSIDERATION OF CONTINUING RESOLUTION

Mr. NATCHER. Mr. Speaker, I ask unanimous consent that it may be in order in the House on Thursday this week or any day thereafter to consider a House joint resolution making continuing appropriations for the fiscal year beginning July 1 next.

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

Mr. GROSS. Mr. Speaker, reserving the right to object, I have just been provided with a copy of this continuing resolution. I would appreciate it if the gentleman would withhold or withdraw his request at this time until we have had an opportunity to see what is proposed in this continuing resolution.

Mr. Speaker, this business of continuing resolutions maintains waivers of various conditions in the appropriation bills passed last year. In the light of changing events, it may well be possible that Members of the House would not want to subscribe to continuance of some of the provisions in those bills that were enacted many months ago. I think we ought to have just a little more time.

I fully appreciate and realize that the Committee on Appropriations can go to the Committee on Rules and obtain a rule making the resolution in order. That would give us a further opportunity to understand and know what is in the continuing resolution.

I would appreciate it if the gentleman would withhold for the time being his request with respect to the continuing resolution. Otherwise, I would be constrained to object.

The SPEAKER. The Chair will state that the gentleman has already been given permission to file. The gentleman's reservation is with respect to time for calling it up; is that correct?

Mr. NATCHER. The Speaker is correct.

The SPEAKER. The question now is whether it shall be brought up on Thursday or some day thereafter.

Mr. GROSS. Mr. Speaker, under those conditions, and because I did not understand it that way, I withdraw my reservation.

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

There was no objection.

PERMISSION FOR COMMITTEE ON APPROPRIATIONS TO FILE A REPORT

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tonight to file a report on the bill making appropriations for the agriculture, environmental and consumer protection programs for the fiscal year ending June 30, 1975, and for other purposes.

Mr. ANDREWS of North Dakota reserved all points of order on the bill.

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

There was no objection.

APPOINTMENT OF CONFEREES ON S. 628, ELIMINATING ANNUITY REDUCTIONS

Mr. DULSKI. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 628) to amend chapter 83 of title 5, United States Code, to eliminate the annuity reduction made, in order to provide a surviving spouse with an annuity, during periods when the annuitant is not married, with the House amendments thereto, insist on the House amendments, and request a conference with the Senate thereon.

The SPEAKER. Is there objection to the request of the gentleman from New York? The Chair hears none, and appoints the following conferees: Messrs. DULSKI, HENDERSON, DOMINICK V. DANIELS, WALDIE, GROSS, DERWINSKI, and HOGAN.

SPENDING MONEY FROM A BARREN TREASURE

(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, to paraphrase a statement by Winston Churchill, never in the peacetime history of the United States has a President promised to spend so much in so few days as has President Nixon on his safari to the Middle East.

Never were more glittering promises made on the basis of a more barren treasury and in contradiction to the declaration of a fight to the finish against the ravages of inflation in this country.

PRIVATE CALENDAR

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

MRS. ROSE THOMAS

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

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

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

There was no objection.

COL. JOHN H. SHERMAN

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

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

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

There was no objection.

ESTATE OF THE LATE RICHARD BURTON, SFC, U.S. ARMY (RETIRED)

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

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

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

There was no objection.

MR. AND MRS. JOHN F. FUENTES

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

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

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

There was no objection.

MURRAY SWARTZ

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

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

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

There was no objection.

RESOLUTION TO REFER BILL FOR THE RELIEF OF ESTELLE M. FASS TO THE CHIEF COMMISSIONER OF THE COURT OF CLAIMS

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

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

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

There was no objection.

RITA SWANN

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

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

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

There was no objection.

LEONARD ALFRED BROWNRIGG

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

Mr. BAUMAN. Mr. Speaker, I ask

unanimous consent that the bill be passed over without prejudice.

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

There was no objection.

FAUSTINO MURGIA-MELENDREZ

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

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

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

There was no objection.

ROMEO LANCIN

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

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

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

There was no objection.

GABRIEL EDGAR BUCHOWIECKI

The Clerk called the bill (H.R. 3190) for the relief of Gabriel Edgar Buchowiecki.

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

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

There was no objection.

LEONOR LOPEZ

The Clerk called the Senate bill (S. 280) for the relief of Leonor Lopez.

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

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

There was no objection.

ESTATE OF PETER BOSCAS, DECEASED

The Clerk called the bill (H.R. 2637) for the relief of the estate of Peter Boscas, deceased.

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

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

There was no objection.

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

CALL OF THE HOUSE

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

The SPEAKER. Evidently a quorum is not present.

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

A call of the House was ordered.

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

[Roll No. 299]

Blatnik	Green, Pa.	Powell, Ohio
Brasco	Hanna	Reid
Brown, Mich.	Hansen, Wash.	Riegle
Burke, Calif.	Harsha	Rooney, N.Y.
Chisholm	Hastings	Runnels
Clark	Hébert	Ruppe
Cleveland	Howard	St Germain
Conyers	Jarman	Sarasin
Daniels, Dominick V.	Jones, Tenn.	Shipley
	Litton	Sisk
Davis, Ga.	Long, Md.	Steele
Dellums	McFall	Stratton
Diggs	Macdonald	Stuckey
Dorn	Madden	Talcott
Drinan	Mahon	Teague
Esch	Mathias, Calif.	Thompson, N.J.
Frey	Metcalfe	Udall
Gibbons	Minshall, Ohio	Ullman
Gray	Murtha	

The SPEAKER. On this rollcall 378 Members have recorded their presence by electronic device, a quorum.

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

APPOINTMENT OF CONFEREES ON H.R. 11295, THE ANADROMOUS FISH CONSERVATION ACT

Mr. DINGELL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 11295) to amend the Anadromous Fish Conservation Act in order to extend the authorization for appropriations to carry out such act, and for other purposes, with a Senate amendment thereto, disagree to the Senate amendment, and request a conference with the Senate thereon.

The SPEAKER. Is there objection to the request of the gentleman from Michigan? The Chair hears none, and appoints the following conferees: Mrs. SULLIVAN, Messrs. DINGELL, and GOODLING.

PERSONAL STATEMENT

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

Mr. BINGHAM. Mr. Speaker, on May 30, I missed roll No. 256. Had I been present I would have cast my vote "no". I was also absent from the House the week of June 3 and on June 10 due to my attendance at the 10th Anglo-American Parliamentary Conference. For the record, had I been present I would have cast my vote as follows: Roll No. 261 "yea"; roll No. 262 "yea"; roll No. 266 "yea"; roll No. 267 "yea"; roll No. 268 "yea"; roll No. 270 "yea"; roll No. 271 "yea"; roll No. 272 "aye"; roll No. 273 "aye"; roll No. 274 "aye"; roll No. 278 "aye"; roll No. 279 "aye"; roll No. 280 "aye"; roll No. 281 "aye"; roll No. 282 "yea"; roll No. 284 "yea"; and roll No. 285 "yea".

STRIP MINE RECLAMATION BILL

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

Mr. MELCHER. Mr. Speaker, the House Interior Committee has reported out H.R. 11500, the coal strip mine reclamation bill which is badly needed as coal mining by surface methods increases.

This bill has only minimum standards for reclamation to protect our land and to prevent damage to water resources, our watersheds and streams and also underground water supplies and aquifers. It will permit the States and Indian reservations to have stronger regulations if they desire and give them the option to administer their own reclamation programs as long as they meet the minimum Federal standards established in the bill.

There are many sections of the bill which I would like to see strengthened. However, it presents a basic and sound approach and is workable.

Efforts are being made to present weakening amendments on the floor, advocated by a coalition consisting of the National Coal Association, the National Association of Electric Companies, and the administration. I have reviewed their objectives and I believe it would be valuable and constructive to discuss their proposals in the House. Reclamation procedures cannot be haphazard if they are to be effective and many of the requirements in the bill must be technical and thorough. To provide a forum for discussion of the weakening amendments that are going to be proposed on behalf of the coalition, I am having a special order on Thursday of this week. I invite all of my colleagues that are interested to participate in the discussion of the bill and the need to prevent amendments that would defeat the purposes of sound reclamation.

I hope that my colleagues will join with me in participating in considering this vital subject to become acquainted with the needed requirements in the bill before the House considers the measure.

FOOD STAMP ELIGIBILITY FOR SUPPLEMENTAL SECURITY INCOME BENEFICIARIES

Mr. MILLS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 15124) to amend Public Law 93-233 to extend for an additional 12 months (until July 1, 1975) the eligibility of supplemental security income recipients for food stamps, as amended.

The Clerk read as follows:

H.R. 15124

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 8(a)(1) of Public Law 93-233 is amended by striking out "6-month period", where it appears in the matter preceding the colon and in the new sentence added by such section, and inserting in lieu thereof in each instance "18-month period".

(b) Subsections (a)(2), (b)(1), (b)(2), (b)(3), and (e) of section 8 of such public law are each amended by striking out "6-month period" and inserting in lieu thereof "18-month period".

(c) The amendments made by this section shall be effective as of July 1, 1974.

Sec. 2. (a) Section 212(a)(3)(B)(i) of Public Law 93-66 is amended by striking out "and" after "June 1973," and inserting in lieu thereof the following: "together with the bonus value of food stamps for January

1972, as defined in section 401(b)(3) of Public Law 92-603, if, for such month, such individual resides in a State which provides State supplementary payments (I) of the type described in section 1616(a) of the Social Security Act, and (II) the level of which has been found by the Secretary pursuant to section 8 of Public Law 93-233 to have been specifically increased so as to include the bonus value of food stamps, and".

(b)(1) The amendment made by subsection (a) shall take effect on January 1, 1974.

(2) The Secretary of Health, Education, and Welfare is authorized to prescribe regulations for the adjustment of an individual's monthly supplemental security income payment in accordance with any increase to which such individual may be entitled under the amendment made by subsection (a) of this section: *Provided*, That such adjustment in monthly payment, together with the remittance of any prior unpaid increments to which such individual may be entitled under such amendment, shall be made no later than the first day of the first month beginning more than sixty days after the date of the enactment of this Act.

The SPEAKER. Is a second demanded?

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

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

There was no objection.

The SPEAKER. The gentleman from Arkansas (Mr. MILLS) will be recognized for 20 minutes, and the gentleman from California (Mr. PETTIS) will be recognized for 20 minutes.

The Chair now recognizes the gentleman from Arkansas (Mr. MILLS).

Mr. MILLS. Mr. Speaker, H.R. 15124, which was reported unanimously by the Committee on Ways and Means, would extend for 1 year, until June 30, 1975, the existing arrangements with respect to the eligibility of supplemental security income—SSI—beneficiaries for food stamps. This action is necessary to avert what the States have determined to be a critical situation on June 30 of this year if the provisions of existing laws go into effect.

At the present time, supplemental security income beneficaries in 45 States and the District of Columbia are eligible to purchase food stamps. In the other five States—California, Massachusetts, Nevada, New York, and Wisconsin—they receive an approximately equivalent amount of additional cash in lieu of food stamps. On July 1 all of these persons would have to have their eligibility determined under the provisions of Public Law 93-86, the Agriculture and Consumer Protection Act which we passed last fall. If this occurs several things will happen. More than 500,000 of the SSI beneficiaries in the States where they did not receive a cash out for their food stamps would become ineligible to purchase them. Conversely, half of more of the 900,000 beneficaries who are receiving cash instead of food stamps would also be eligible to purchase food stamps. For these persons, the Federal Government would be paying twice, once in the form of cash and again for the food stamp bonus.

The States have contended that the provisions of Public Law 93-86 while logical and well intended, are virtually if not entirely unworkable. To try to make them work will involve inordinate administrative costs according to State estimates. One large State estimates the cost at $35 million a year for administration. A second at $12 million and in my own relatively small State they believe it will be necessary to employ an additional 500 people. The Ways and Means Committee does not believe that the present arrangement is the best permanent one, and it accordingly proposes to extend the arrangement for a year during which time a permanent policy can be developed. We are convinced that with the problems that exist in the SSI program, this is not a good time to change the rules, either for the Social Security Administration or for the State welfare agencies.

The Department of Health, Education, and Welfare advises us that the cost of the bill would be negligible as some people would be made eligible and others ineligible under existing law and the Federal Government would assume some share of the very large estimated administrative costs.

The President's budget for fiscal year 1975 assumed the continuation of existing arrangements rather than the provisions which will go into effect July 1 if this bill does not become law.

Last week when I requested unanimous consent to consider the bill, there were some reservations expressed. The Committee on Ways and Means has included an amendment designed to deal with these reservations. The reservations and the amendment apply only to the five States which have substituted cash for food stamps. Of the 900,000 SSI beneficiaries in those States, approximately 850,000 receive incomes at least as large as the welfare payment plus the value of food stamps they received last December. The other 50,000 are not and are in many instances disadvantaged because they were participating in the food stamp program. The amendment would assure that each person would receive an income at least $10 higher than that which they received under the former State welfare programs. If his income today is the same as under the State welfare program in December 1973, he would get an additional $10. If it has increased by only $6, he will receive an additional $4. Since these 50,000 individuals were receiving larger amounts under State welfare programs than the adjusted payment levels which we provided under Public Law 92-603, any additional costs would fall on the States. The State estimates of additional costs are: New York—$4.5 million a year for 40,000 persons; California—$900,000 a year for 7,500 people, and Wisconsin—$300,000 a year for about 3,000 persons. The cost is believed to be nonexistent or negligible in Massachusetts and Nevada since payments have been substantially increased since January 1.

These costs are very small compared with the estimates of administrative costs if we do not pass this bill. Actually, the States would have larger net savings on administrative costs.

The amendment is so drafted that only the amount of income as compared with 1973 levels under the State programs will be considered. Whether an individual lives in a food stamp county or one which distributes surplus commodities, whether he lives with a large family, which might reduce his food stamp bonus, or whether he does not live in a family situation will not be considered. By making the change on an income basis only, the Department of Health, Education, and Welfare assures us that it could be done entirely by Federal computers and that the States will have no administrative costs involved. The computers in the Social Security Administration would also compute any deficiencies in benefits since January 1974.

Mr. Speaker, I strongly urge the passage of this bill with the committee amendment.

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

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

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

Of course I support this legislation. I am delighted that the amendment which was proposed last week by my colleague, the gentlewoman from New York (Ms. HOLTZMAN) has been included. This will correct one of the injustices that had been included although certainly it was not intended.

However, I am distressed that other deficiencies in the SSI program are not dealt with here.

For example, it seems to me and to many of us that it is an injustice to these people on social security who need increases in social security the most, but who are on SSI, that they do not get those increases because their SSI benefits go down by the amount of the increase.

We are also concerned with the absence of cost-of-living increases, and we are also concerned about the whole method of cash-out in place of food stamps which is not working well.

I wonder if the chairman could say if there is any chance that some of these other matters that many of us in the New York delegation and other delegations are concerned about and have introduced legislation about, whether these can be taken up during the remainder of this session?

Mr. MILLS. It is entirely possible. The gentleman knows the situation that we face and the effect upon all the legislative possibilities with certain developments that could occur.

I know there are some deficiencies, yes. We are never satisfied with the final product and we always find from year to year that we can make proper adjustments and correct inequities that do develop.

We have required at times that the States themselves pass through to the recipient of the State welfare benefits some of the increase that we made available to the recipients of social security and welfare. We only do that with respect to SSI under the Federal administration policy program, because we assume here for benefits to SSI beneficiaries the major cost, not only the administrative costs, but the major costs of what is being paid to them. This is a matter we can consider sometime. We may want

to do it or we may want to add to their benefits some type of cost-of-living increase. Certainly these people are at income levels that feel the effect of our 12 percent rate of inflation and we are very sympathetic to them, or we would not be doing what we are doing today.

Mr. BINGHAM. Mr. Speaker, if the gentleman will yield further, may I express the hope that, if the other body would act favorably on some of these other changes, the gentleman in conference would consider those other changes sympathetically.

Mr. MILLS. The gentleman from New York, I know, will recall that one of the objections we find to the present provisions was an amendment adopted over the objection of the committee by the House when the bill was considered.

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

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

Mr. CORMAN. During this session, the Committee on Ways and Means recommended the passthrough of $10 to SSI recipients and the House rejected that recommendation of the Committee on Ways and Means. I think it was a mistake and I hope when we take a look at the overall problems of SSI we can be more generous. The State of California decided to increase benefits at its own expense. Perhaps the State of New York will be able to do the same, now that we have saved it some administrative costs.

Mr. BINGHAM. May I respond briefly, if the gentleman will yield further.

I am quite aware of that and we regret that action. There are other matters that are deficiencies in the SSI legislation that were not acted upon by the House and it was primarily to these deficiencies I was addressing my comments.

Ms. HOLTZMAN. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I yield to the gentlewoman from New York.

Ms. HOLTZMAN. Mr. Speaker, I want to say on behalf of my colleagues from New York that we are extremely grateful for the action of the Committee on Ways and Means and especially for the leadership of the gentleman from Arkansas (Mr. MILLS) in proposing this amendment on the House floor today.

The amendment, which I originally introduced last February, will close an unintended loophole in the SSI law and correct a serious injustice, whereby many of the people who were switched from welfare to the SSI program lost benefits in terms of value of food stamps.

In restoring the lost benefits to 84,000 poverty-stricken aged, blind and disabled New Yorkers, the Committee on Ways and Means and particularly the distinguished chairman of the committee, Mr. MILLS, have done an important service.

As a result of this amendment, 84,000 of the most helpless people in New York State—the poverty-stricken aged, blind and disabled—together with thousands of SSI recipients in California, Massachusetts, Wisconsin and Nevada, will get increases in their benefits to make up for losses they suffered when SSI went into effect last January.

I originally introduced this amendment last February in a bill that was subsequently cosponsored by 39 Representatives (H.R. 12680).

When the SSI program was first created, Congress provided that persons transferred from welfare to SSI would not lose benefits. The SSI law, however, had a loophole in that this protective provision did not cover food stamp value in States which gave the cash value of food stamps instead of the stamps themselves. Thus, in the 5 States which substituted cash payments for food stamps, thousands of people lost their eligibilty for food stamps but did not get the cash payments.

Many of my constituents, in letters, phone calls and visits to my District office, told me of the hardships caused by this loophole. These elderly and disabled persons, already living at bare subsistence levels, saw their incomes reduced even further under SSI.

I know that Congress never intended to create this loophole and its cruel and inequitable result. Today's legislation will close the loophole by requiring that persons who lost food stamps without receiving compensating benefit increases, will get the bonus value of food stamps—an additional $10 per month. It will effectuate Congress' intent that no individual should suffer because of the transfer to SSI.

I would like to express my sincere appreciation to Chairman Mills for his action last Tuesday in withdrawing the committee bill to extend food-stamp eligibility rules and reintroducing it today with my amendment attached. By taking this unusual, but extremely important step, the chairman has helped to provide thousands of elderly and disabled Americans with desperately needed funds.

I am also deeply grateful to Representative HUGH CAREY whose efforts in the Ways and Means Committee were invaluable in securing passage of the amendment; and to Representative JAMES CORMAN for his work in the Ways and Means Committee as well.

Many members of the New York delegation have played important roles in securing today's action. Representative ABZUG was on the floor with me when Chairman MILLS agreed to withdraw the initial bill, and she helped to explain the need for my amendment. Representatives KOCH and ROSENTHAL also assisted in securing Chairman MILLS' agreement to the food stamp bonus value amendment.

I would like to note in conclusion that today's bill is only a small step toward vitally needed improvement in the SSI program. Under SSI, thousands, perhaps millions, of the elderly and crippled still do not have enough money to meet their basic needs for food and housing. Under SSI there is still no provision for cost-of-living increases to allow these most helpless people in our Nation to keep pace with inflation. Under SSI people lose the benefit of all social security increases as their SSI payments are reduced in the exact amount of such increases. And under SSI these poverty-stricken aged, blind and disabled may be without any funds for living expenses for weeks while waiting for lost or stolen checks to be replaced.

While I am grateful for the progress that has been made today, I regret that these many problems remain. I hope that Congress will act quickly on comprehensive SSI reform so that no elderly, blind or disabled American need suffer the desperation of helpless poverty.

Mr. MILLS. I appreciate the gentlewoman's remarks.

Let me call attention to the fact that the gentlewoman and other Members of the New York delegation called to our attention the problems that existed in the State of the gentlewoman. Frankly, I was not aware of that until the delegation, including the gentleman from New York (Mr. CAREY), did call it to my attention.

Mr. CARNEY of Ohio. Mr. Speaker, will the gentleman yield?

Mr. MILLS. Mr. Speaker, I yield to the gentleman from Ohio.

Mr. CARNEY of Ohio. Mr. Speaker, I want to commend the committee and the chairman for taking this matter up so promptly.

Mr. Speaker, I rise in support of H.R. 15124. This bill would provide a 12-month extension of supplemental security income recipients' eligibility for food stamps.

In 1972, Congress created the supplemental security income program to replace State welfare programs for aged, blind, and disabled persons. Under the SSI program, aged, blind, and disabled persons were supposed to have their food stamps cashed out or replaced by increased cash assistance equal to the value of the food stamps. Based on that assumption, the Agriculture Act passed by Congress in 1973 limited the food stamp eligibility of SSI recipients. However, only five States provided increased cash benefits to SSI recipients to offset the loss of food stamps.

Last December, Congress extended the food stamp eligibility of SSI recipients to allow further study of the problems involved in administering this provision. That extension expires in just 12 days.

On May 14, I introduced a bill to prevent aged, blind, and disabled SSI recipients from losing their eligibility for food stamps. Three weeks later the Ways and Means Committee responded to the concerns which I and several other Members of Congress expressed by reporting out a bill to extend the food stamp eligibility of SSI recipients until July 1, 1975. I commend Chairman MILLS and the members of the Ways and Means Committee for the prompt and effective steps taken to deal with this inequity.

Mr. Speaker, the present income standards for SSI recipients is $146 per month or $1,888 per year for aged individuals, and $219 per month or $2,628 per year for aged couples. These amounts are below the poverty level for 1974, which is about $2,250 per year for aged individuals, and $2,850 per year for aged couples.

Mr. Speaker, the current runaway inflation robs the pockets of every American, but it hits aged, blind, and disabled people, who live on fixed incomes, the hardest. Consequently, the continuation

of food stamp eligibility for SSI recipients is absolutely essential. I urge my colleagues to support this bill.

Ms. ABZUG. Mr. Speaker, will the gentleman yield?

Mr. MILLS. Mr. Speaker, I yield to the gentlewoman from New York.

Ms. ABZUG. Mr. Speaker, I want to commend the chairman, the committee, Mr. CAREY, Ms. HOLTZMAN, and the other members of the New York delegation, for the effort made here. I think it indicates that we can work to make corrections when it becomes necessary.

This bill as amended will guarantee to each SSI recipient who resides in a cash-out State that his or her SSI benefit level will reflect the bonus value of food stamps he or she had received while on public assistance.

The amendment corrects an error we had made in the mandatory supplementation provisions of Public Law 93–66, which were passed guaranteeing all SSI recipients that they would receive the same benefits in the SSI program as they had received on public assistance in December 1973. We will now be able to assure SSI recipients in California, New York, Nevada, Wisconsin, and Massachusetts that their benefits level will include $10 for the bonus value of food stamps and further that they will receive a reimbursement for this amount which has been missing from their SSI checks since January 1974.

Again, Mr. Speaker, I would like to commend the committee for reporting H.R. 15124 to guarantee categorical eligibility for food stamps to the SSI recipients in 45 States and to correct the injustice done to many of the SSI recipients in the five cash-out States.

However, I would like to reemphasize the issues which Mr. BINGHAM raised earlier regarding the lack of congressional action correcting other glaring errors in the SSI program. On May 14, 1974, I introduced H.R. 14753, which has 30 cosponsors, to correct many of these inequities.

The action taken today to correct the loopholes in the mandatory supplementation provisions of Public Law 93–66 is a vital and significant first step. I would urge that it be followed up and that the chairman and the members of the Ways and Means Committee consider legislation to correct the difficulties in this program. These problems include an extremely prolonged period for the processing of SSI applications, especially in the case of the disabled; inadequate review and appeal rights for those recipients whose benefits have been reduced or denied; the improper designation of a third party payee in cases where the recipient is fully qualified to administer his own funds; the lack of an adequate emergency system for the replacement of lost or stolen checks; and an inadequate SSI benefits level and State's hold harmless pool because the payments are based on State's public assistance payments of more than 2½ years ago.

But, Mr. Speaker, if there is one inequity which is more glaring than the others, it is that SSI recipients in more than 25 States have not enjoyed the two SSI benefits increases which were passed after the original enactment of the SSI legislation and prior to its implementation. These were passed because Congress recognized that the cost of living had gone up and those that are on these less than modest fixed incomes provided by SSI needed additional money. New York State recipients are among those who have not received the $16 benefit increase.

Further, there is the additional problem of those SSI recipients who are also receiving benefits from social security. These recipients have not received their social security cost-of-living increases, because the law requires that we reduce their SSI payment by the exact amount of the increase in social security. What we give with one hand we take away with the other.

It is obvious that the cost-of-living increase in SSI and in social security have absolutely no effect on increasing the benefits of SSI recipients who reside in half the States in this Nation. These recipients are denied SSI increases because their States average payment level is above the Federal floor of $140. My bill, H.R. 14753, deals with each of these problem areas and provides solutions that will have the ultimate effect, which I believe we all want, of assisting the poor who need this help the most.

I was very happy to have assisted in the drafting of the amendment today. Its acceptance by the committee and the Social Security Administration bodes well for the future. I and the other members of our delegation look forward to further cooperation with the committee and its staff with a view to making needed changes in the SSI program.

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

Mr. MILLS. Mr. Speaker, I yield to the gentlewoman from Missouri.

Mrs. SULLIVAN. Mr. Speaker, as the author of the Food Stamp Act of 1964, which now enables 13½ million Americans to eat far better than they would be able to without the existence of this law, I am well aware of its shortcomings and the widespread abuses which have been allowed to occur because of some well-meaning but unfortunate changes in the law 3 years ago and because of lax administration and enforcement at State and local levels.

Nevertheless, it still remains the most effective, most dignified, most efficient—the best—method we have ever had for supplementing the diets of low-income families who could not otherwise afford a decent and nutritious diet. Legitimate complaints have been lodged against the slowness of the Department of Agriculture in adjusting coupon allowances to reflect the cruel increases in food prices, but just imagine what would have happened to the diets of the 13½ million covered Americans if we had not had a food stamp program during these past 17 months when food prices were soaring to astronomical levels.

Ten years ago, when the present nationwide food stamp program was first authorized, the legislation was dragged out of a reluctant House Committee on Agriculture as the urban Members' condition for agreeing to consider pending farm legislation. The food stamp program's fate ever since has hinged on a combination of farm and food stamp provisions included in the same bills. But the Agriculture Committee, time after time in these past 10 years, has decried it as welfare legislation and has urged the Ways and Means Committee to take it over. The Ways and Means Committee in turn has frequently wished it dead, suggesting in its place a modest increase in case benefits for those on public assistance.

As a consequence, we now have a situation in which millions of elderly Americans who receive benefits under the successor program to old-age assistance, and other former categorical assistance programs, such as aid to the blind and aid to the disabled, are now scheduled to be taken off the food stamp program as of June 30 regardless of the fact that their incomes are too low to enable them to afford a proper diet.

It has always been a cardinal principle of the food stamp program from its very beginning as a pilot operation in early 1961—as it was a major principle of the first food stamp bill which I introduced 20 years ago—that it is the need of the individual for food assistance, not the source of that person's income, that should determine eligibility for the program. The supplementary security income program of cash assistance changed that concept by providing that if anyone received SSI benefits, he or she could not receive food stamps, regardless of how low their income might be. This is cruel. It is indefensible. We have established two classes of the poor: despite having the same incomes, one group is eligible for food stamps and another is not.

Congress has granted one short reprieve of 6 months from the operation of this double standard of compassion. H. R. 15124 extends that reprieve for another 12 months for the people on SSI. Certainly this bill should pass. And I hope it will pass so resoundingly that the members of the Committee on Ways and Means will find it in their hearts—and they certainly are compassionate people—to repeal the provision of the SSI law which says you can no longer be assured an adequate diet if you are on SSI. The test should be not what form of public assistance you are on, but whether you have enough income to buy enough food for proper nutrition. Any other test of eligibility for food stamps is based not on logic or fairness but on the academic idea that if you are on SSI, you're supposed to have some magic power to stretch your dollars better than any other class or group of Americans can do, and battle inflation with your wits.

An elderly family on SSI may have accumulated much wisdom in a long life, but even the wisest among them cannot buy enough food without enough money to buy the food they need. This stop-gap one-year bill should be passed, of course; but remedial legislation will still be needed to eliminate the unfairness of the SSI law's restrictions on food stamp eligibility—not just for a year but permanently.

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

Mr. MILLS. Mr. Speaker, I yield to the gentleman from New York (Mr. WOLFF).

Mr. WOLFF. Mr. Speaker, I thank the gentleman for yielding to me.

I want to join with my colleagues, especially those from the State of New York, in commending the chairman for the leadership he has given on this question. I would hope that this does become a part of the permanent legislation.

Also, Mr. Speaker, I would hope that there would be some consideration given the veterans who are on pension today who have changes in social security status.

Mr. MILLS. That is a matter over which the Committee on Ways and Means does not have jurisdiction.

It is a matter on which the Committee on Veterans' Affairs has jurisdiction. It applies to provisions of law dealing with veterans' pensions.

Mr. WOLFF. Mr. Speaker, I would hope that this does not become a football between the Committee on Veterans' Affairs and the Committee on Ways and Means.

Mr. MILLS. Mr. Speaker, the Committee on Veterans' Affairs has always cooperated in the past by not allowing the social security increase to be considered as veteran's income in determining the amount of a veteran's pension.

Mr. WOLFF. Mr. Speaker, I thank the gentleman for his response.

Mr. Speaker, I rise in support of H.R. 15124, to extend food stamp eligibility for SSI recipients and to amend the inequity that has arisen for those individuals who were transferred from public assistance to SSI.

As my colleagues know, the creation of the supplementary security income program was intended to be an improvement over States' assistance programs for needy blind, aged, and handicapped. Unfortunately, however, SSI has resulted in severe financial hardship for thousands of these needy individuals in several States. Many of them have found that they are actually receiving less assistance under the new program than they did under the State's assistance program. One of the major problems has been the loss of food stamp eligibility for SSI recipients residing in the so-called cash-out States. Several months ago, I introduced legislation to restore food stamp eligibility to all SSI recipients, and I am pleased to report that several members of the New York delegation have joined together in introducing a comprehensive legislative package designed to correct the most glaring of the inequities in SSI—such as, the loss of food stamps, the lack of emergency replacement for lost, stolen or undelivered checks, the adverse effect which social security increases have on SSI payments and the need for cost-of-living increases.

I think it is important to impress upon all of my colleagues the real nature of the hardships we are discussing. In Nassau or Queens County, for example—which I represent, a single blind, handicapped or elderly person living alone with no other outside income receives a maximum of $206 a month in SSI payments.

In either Nassau or Queens it is virtually impossible to find a one-bedroom apartment for less than $150 a month. Food, as we all know, even if you are living on the bare essentials, runs anywhere from $80 to $100 a month. Thus, we are already up to about $250 a month in food and rent alone, yet this needy individual living in Nassau or Queens has only $206 a month to make ends meet.

The committee amendment we are considering today, to restore food stamp benefits to thousands of needy aged and handicapped individuals, embodies a proposal originally introduced by myself and Congresswoman ELIZABETH HOLTZMAN. The amendment seeks to correct a basic inequity that surely was not intended by Congress.

When SSI went into effect last January, thousands of needy blind, aged, and handicapped in the five cash-out States—New York, California, Wisconsin, Massachusetts and Nevada—who were transferred from public assistance to SSI, lost their eligibility for food stamps by virtue of the transfer. These individuals, some 40,000 in New York alone, did not receive a comparable increase in SSI payments to compensate for the loss of food stamps. As a result, the majority of these people are actually receiving less assistance under the new program than they got under the old. This is in spite of the fact that Congress clearly intended that the level of assistance for those who were grandfathered into the new program would not decrease.

The committee amendment would require the five cash-out States to include the bonus value of food stamps in payments to all people transferred to SSI. It would reaffirm congressional intent that people who were transferred to SSI will receive the same level of benefits as they got under the old program.

Mr. Speaker, this amendment represents only one small measure of relief needed for SSI recipients. It is by no means the final solution to the many inequities that have arisen with creation of the SSI program, in particular the inequities in food stamp eligibility; however, it does show that we are moving forward in meeting the responsibility we have to the thousands of needy aged, blind and handicapped who depend on our help. I urge my colleagues to support H.R. 15124 and the committee amendment, and then continue to work with us to insure that the needy blind, elderly and handicapped in this country receive the assistance they need to live in some measure of dignity and comfort.

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

Mr. MILLS. Mr. Speaker, I yield to the gentleman from New York.

Mr. KOCH. Mr. Speaker, I want to add my thanks to those Members who spoke earlier in expressing our appreciation to the gentleman from Arkansas the distinguished chairman of the Ways and Means Committee for responding so quickly, he and his committee, to an urgent need on the part of approximately 40,000 residents of the State of New York and thousands more in other States.

I would also take special note of our colleagues from New York (Ms. HOLTZMAN) and (Mr. CAREY) who spearheaded the fight on behalf of the New York delegation. Thousands of American citizens heretofore denied the full benefits of SSI, will eat a little better as a result of this change in the law.

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

Mr. MILLS. Mr. Speaker, I yield to the gentleman from New York (Mr. BIAGGI).

Mr. BIAGGI. Mr. Speaker, I would like to congratulate the chairman of the Committee on Ways and Means and the Members thereof, especially the gentleman from New York (Mr. CAREY) for the leadership he has displayed in this fight, and the responsiveness of the committee to the need of the people of the Nation.

Mr. Speaker, I rise in strong support of H.R. 15124, as amended, which will allow recipients of SSI to continue to receive food stamps, and will provide for increases of as much as $10 a month in food stamp benefits for some 80,000 SSI recipients in New York State. I wish to commend the distinguished chairman of the Ways and Means Committee, Mr. MILLS, who at the request of the New York Congressional Delegation, withdrew the original version of this bill last week and reported out this new version with the amendment to correct the serious inequity which had plagued these 80,000 SSI recipients in New York State.

The problem which these individuals encountered came as a result of their joining up with the SSI program after January 1. As a result, these elderly Americans were ineligible for the full food-stamp payments which were enjoyed by other SSI recipients in New York. What this meant was simply that these senior citizens, already hit hard by relentless inflation, were forced to deal with inflation with as much as $10 a month less with which to buy food, an item which traditionally takes up a major part of an elderly person's budget. However, thanks to this legislation, not only will these people be brought up to equal levels with other SSI recipients, almost 64,000 of them will also be receiving a $60 check to compensate for the losses in food-stamp benefits they have incurred since the SSI program went into effect in January.

The complexities of the SSI program and food-stamp eligibility and benefits payments have long perplexed both the administrators and recipients of SSI. Under the terms of Public Law 93–233 those provisions of Public Law 93–86, the Agriculture and Consumer Protection Act dealing with food-stamp eligibility, were suspended. As a result, millions more older Americans became eligible for food stamps.

Also tied in with the enactment of Public Law 93–233 was a provision that Congress would devise a comprehensive and long-range solution to the problem of food-stamp eligibility. In the absence of such a final plan, which is the case today, grave problems were likely to occur in many States at the end of the month, unless some kind of remedial legislation could be enacted. An example would be New York which, as previously mentioned, chose to cash out the value of food stamps for their SSI recipients. Un-

less this bill is passed New York would be forced to recertify and recalculate food-stamp eligibility for each of their 280,000 SSI recipients effective July 1.

Therefore in an effort to prevent this economic and administrative nightmare from occurring, not only in New York but nationwide, H.R. 15124 was introduced to extend food-stamp eligibility for an additional 12 months, as well as bringing the aforementioned 80,000 individuals up to par with food-stamp benefit payments. It is a necessary concept, and I am happy to give it my support.

However, I do remain opposed to these stopgap and piecemeal approaches to solving the many other problems besides food stamps which afflict the SSI program. SSI, although laudable in concept, has encountered numerous difficulties in practice. Countless administrative problems have plagued this program almost since its inception. I receive calls and letters daily from distraught senior citizens who cite SSI problems ranging from lost or stolen checks to questions about eligibility.

In an effort to make SSI the meaningful program it was designed to be, I have introduced legislation which will provide the needed administrative remedies. My objective is to provide those presently receiving SSI with the means to enjoy the full benefits of the program, and to insure that as many eligible older Americans as possible can participate in the program.

While passing this legislation will solve the important question dealing with food-stamp benefit payments and eligibility, we need action on other fronts as well. It is my hope and the hopes of millions of SSI recipients in this Nation that this Congress will act on other equally important SSI reform bills. The economic security of millions of blind and disabled Americans may rest with the action or inaction of this Congress.

Mr. Speaker, the mandate of the SSI program is far from being realized today. Yet, we do have the legislation which can correct these problems. Today's bill is but one of them. We must pass it if we are to effectively serve the immediate interests of all elderly food-stamp recipients, but let us not stop here. The need for the reform of the SSI program is apparent, and I call upon my colleagues to respond to the challenge before it becomes too late for the senior citizens of this Nation.

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

Mr. MILLS. Mr. Speaker, I yield to the gentleman from Florida.

Mr. FASCELL. Mr. Speaker, I rise in strong support of H.R. 15124, the bill to extend present food stamp eligibility rules for SSI recipients until July 1, 1975. Unless favorable action is taken on this bill by both Houses of Congress, the eligibility of SSI recipients for this important assistance will expire on June 30. It is imperative that we act quickly and favorably.

Food prices are at an all time record high, and inflation continues to eat away the purchasing power of the dollar. All Americans are having a very difficult time making ends meet, and the burden is greatest on those living on fixed incomes such as SSI benefits. To deny food-stamp assistance to those persons would make it virtually impossible for them to make ends meet.

The Congress is concerned that those needy blind, aged, and disabled persons now receiving supplemental security income benefits receive the assistance they require. The 12 month extension of eligibility to continue receiving food-stamp benefits will give the Congress the time necessary to work out a permanent solution to the question of eligibility.

I strongly urge that H.R. 15124 be passed.

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

Mr. MILLS. Mr. Speaker, I yield to the gentleman from New York.

Mr. BADILLO. Mr. Speaker, I join with my colleagues in commending the chairman and the members of the committee for this important legislation.

Mr. PETTIS. Mr. Speaker, I support H.R. 15124, which would extend for an additional year the eligibility of supplemental security income recipients for food stamps. It also would prevent what has been described in some States as a very costly administrative nightmare.

In order to explain the problem which this legislation is designed to alleviate temporarily, it is necessary to go back to Public Law 92–603. This is the act which established the supplemental security income—SSI—program, a federalized version of the old State-operated system of cash assistance to the aged, blind, and disabled.

Under Public Law 92–603, persons eligible for SSI payments were not to be eligible for food stamps. As compensation, however, adjustments were made in the new Federal payment standards. SSI benefits were raised to reflect the loss of the food stamp bonus, and savings clause for the States was incorporated. Under the savings clause, the Federal Government would assume all of a State's costs of supplemental payments which exceeded its calendar year 1972 share of expenditures under the old program of aid to the aged, blind, and disabled. This coverage, applicable only to State supplementation required to maintain the State's assistance levels in effect as of January 1972, also covered an upward adjustment over the January 1972 levels to the extent necessary to offset elimination of food stamp eligibility.

Public Law 92–603 was enacted in October of 1972, and the SSI program became effective in January of this year. In 1973, however, the Agriculture and Consumer Protection Act was passed, establishing new criteria for determining food stamp eligibility. This legislation, which became Public Law 93–86, provided that beneficiaries receiving a greater total payment in SSI benefits and State supplementation under the new program, than they would have received, including the food stamp bonus, under the old program as of December 1973, would not be entitled to food stamps. Conversely, those receiving less under the new program than they would have received under the old program would be eligible for food stamps.

The objectives of this provision were most understandable, but the administrative complications, which would be caused by the eligibility criteria, alarmed a number of State officials. They pointed out that Public Law 93–86 would require them to determine how much income each applicant would have had under a program which no longer was in existence. The apparatus for operating the old program might have been dismantled, but meeting the new criteria might require its reassembly, which surely would be costly, and in some cases might be virtually impossible.

The Governor of California, calling attention to the problem, termed it potentially an administrative nightmare, and estimated it could cost his State as much as $35 million, not one cent of which would go to needy recipients.

In light of this situation, the Congress included, in Public Law 93–233, which was enacted late last year, a provision to suspend the operation of pertinent portions of both Public Law 93–86 and Public Law 92–603 for 6 months, or through June 30 of this year. The net effect was to continue during this "grace period" the eligibility of SSI beneficiaries for food stamps in States where there had been no "cash out." In the five States—California, New York, Massachusetts, Wisconsin, and Nevada—where provision had been made for a "cash out," SSI beneficiaries would remain ineligible for food stamps.

It was hoped, at the time this stopgap provision was enacted, that the Congress would be able to reach a more lasting solution to the SSI-food stamp problem before the end of the fiscal year. This was not possible however, and we are faced today with the necessity of extending that grace period for another 12 months, or through fiscal year 1975.

If we fail to act, a substantial number of SSI beneficiaries in 45 States would lose food stamps without receiving cash compensation. In the five "cash out" States, some SSI beneficiaries would be eligible not only to purchase food stamps but to receive the "cash out" value of about $10 as well, with the Federal Government footing the bill for the double benefit.

In several States, most notably New York, many thousands of SSI beneficiaries would continue to receive less in total assistance than they were receiving under the old welfare program. The bill before us includes an amendment, which the chairman has described, to rectify that situation by assuring the affected beneficiaries that they will receive amounts equal not only to the cash assistance previously provided, but to the food stamp bonus as well.

Mr. Speaker, I can see no practical alternative to prompt enactment of this legislation. I also can see no alternative to a thorough congressional review, as soon as possible, of the underlying problems with respect to SSI and food stamps.

The SSI program, which is under jurisdiction of the Committee on Ways and Means, is new and needs to be reviewed in light of practical experience under the law. The food stamp program, under jurisdiction of the Agriculture Committee, is not new, but it is large and growing and should be examined in light of changing needs and national policies on the production and distribution of food.

We simply must find the time, within the year of grace which this bill provides, to confront these issues squarely and reach permanent solution which will be both practical and equitable. Today, however, we have no choice, and I urge my colleagues to act favorably on H.R. 15124.

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

Mr. PETTIS. Mr. Speaker, I yield to the gentleman from Colorado.

Mr. BROTZMAN. Mr. Speaker, I supported this legislation in the Ways and Means Committee on which I shall, and I rise in its support on the floor today.

This legislator helps to temporarily correct an inequity relating to some of our senior citizens, particularly the blind and disabled. It should assist them in combating inflation which militates against their nutritional requirements.

Additionally, the passage of this bill will give Congress the time it needs to develop a long-range resolution of the issue of food stamp eligibility that is both equitable and administratively feasible. As a member this committee, I will continue to work for this type of solution.

Mr. BADILLO. Mr. Speaker, I want to express my thanks to the chairman of the Committee on Ways and Means (Mr. MILLS) for taking the initiative to correct a technical oversight in the supplemental security income program which has caused considerable hardship for a number of my constituents.

When SSI was enacted, Congress intended to hold harmless participants switching from State welfare to the Federal program. Unfortunately, no mandatory supplementation of the bonus value of food stamps was stipulated in the hold harmless provisions. Consequently, in the five cashout States, including New York, the benefits of some recipients were reduced by the amount of their former food stamps bonus. Without Federal intervention, New York State could only correct this inequity by unilaterally raising the benefit levels of the 40,000 individuals thus affected.

Today's action in the House corrects the original oversight. The bonus value of the food stamps is included in the mandatory supplementation payments and will go a long way, I am sure, toward alleviating the plight of the poorest of the poor in these days of runaway inflation.

Mr. MIZELL. Mr. Speaker, I rise in strong support of legislation which will continue to allow the purchase of food stamps by supplemental security income recipients.

The basic premise behind the original legislation which initiated the food stamp program was that of providing a mechanism for those without any means to be able to purchase necessary food.

I support that premise, and this legislation is also another step in our effort to provide our elderly with a decent and respectful environment. America's elderly are one of our most precious resources, and it is the duty of all of us to see that their retirement years are ones, not of hardship, but of enjoyment, dignity and respectability.

Mr. GILMAN. Mr. Speaker, I rise in support of H.R. 15124, a bill I am cosponsoring and which provides a 12-month eligibility extension for food stamps for those individuals who are recipients of the supplemental security income program.

Mr. Speaker, the manifold problems of the newly established SSI program have been a plague to all us who have become aware of the hardships inflicted by the administrative bungling and poor planning of the new SSI program.

In the State of New York, where needy individuals were receiving fairly adequate assistance prior to the imposition of the SSI program, many of our elderly and disabled citizens were particularly hard hit.

One of the most glaring inadequacies of the SSI program was the substitution of a cash program in place of food stamps which had previously been given to New York's needy. The cash allotments allowed under the SSI program were not equal to the value of the food stamps and were placing onerous burdens on our disadvantaged, most of whom rely totally on this small allowance for their basic needs. Without the added assistance of food stamps, or a cash substitute of equal value, many of the recipients who had looked forward eagerly to the new program found that they could not exist on the allowances which are provided by the SSI program.

I am extremely pleased that the New York delegation has been able to join together in this effort to close the legislative loophole which is affecting thousands of individuals. I urge my colleagues to add their support to correcting this inequity by strongly endorsing H.R. 15124.

Mrs. HOLT. Mr. Speaker. I am pleased to rise in support of H.R. 15124, which would extend eligibility for the supplemental security income recipients food stamp program.

I realize that this is, at best, a stopgap measure to permit a thorough review of the entire issue of food stamp eligibility under the new supplemental security income program, and I am gratified that the committee recognizes the need for further consideration of this problem. I am firmly convinced that there is a real necessity for restoring food stamps to everyone in the SSI program without this hodgepodge of eligibility criteria. It has become painfully apparent that too many of our aged, blind and disabled would undergo real hardships if they should be cut off from the benefits of food stamps.

In my State of Maryland, alone, almost all of our 39,000 SSI recipients would be denied food stamps under the current legislation. Inequities exist to the point where an individual receiving up to $194 from social security or any other source would be permitted to purchase food stamps, while another with only $140 monthly in SSI benefits would be barred from this program. I would hope that the extension of eligibility which we have authorized today will give the Ways and Means Committee sufficient time to address themselves to this issue. We must restructure the basic authority to reflect the original congressional intention of improving the quality of life for all our elderly, blind and disabled citizens.

Mr. BURKE of Massachusetts. Mr. Speaker, I rise in support of the legislation before us, H.R. 15124, which will extend for 1 year the current authority for SSI recipients to participate in the food stamp program.

In my own home State of Massachusetts, as well as in four other "cash-out" States, the impact of this legislation will be the continuation of a cash supplement in lieu of food stamps/commodity distribution program. Without the extension, the State would have to evaluate each SSI case to determine the effect of the State's food stamp/commodity distribution cash out on each of the aged, blind, and disabled recipients, at great administrative expense and burden to the State.

Under recent Federal law, effective July 1 of this year, SSI recipients would be eligible to receive food stamps only if their current income level is lower than the combination of welfare payments and the cash value of the food stamp bonus to which they were entitled back in December 1973. Congress, subsequently, enacted a temporary suspension of this law. Under the 6-month suspension, which will expire on June 30, five States were permitted to completely cash out the food stamp benefits for SSI recipients. Massachusetts, California, Hawaii, New York, and Wisconsin now provide an additional cash supplement to all recipients of the SSI program to replace the bonus portion of the food stamp or surplus commodity distribution program benefits. In the remaining States, eligibility for food stamps is automatic for SSI recipients regardless of their income level.

The bill also remedies an unusual situation that has developed in the five cash-out States. Those SSI recipients who had been receiving more under the old welfare program—at a rate higher than the States average SSI payment level—when they were converted to SSI, did not receive the cash-out bonus value of food stamps/commodity distribution program. They were converted at the rate of public assistance they had previously received, with a total disregard for the benefits they had received through participation in the food stamp/commodity distribution program. The value of the lost income is estimated at abount $10 per person a month. For this special category of SSI recipients in cash-out States, the bill requires that States include in their mandatory supplementation payments an amount equal to the bonus value of the food stamps/commodity distribution program.

Mr. Speaker, we cannot afford to delay passage of this legislation which will extend the current food stamp eligibility rules, and cash-out provisions for the five States, for 1 year, or we will saddle the States with the mammoth task of costly eligibility determinations. The extension will allow us the time to work toward a permanent solution to the knotty question of eligibility under the SSI program.

GENERAL LEAVE

Mr. MILLS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill, H.R. 15124.

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

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from Arkansas (Mr. MILLS) that the House suspend the rules and pass the bill H.R. 15124, as amended.

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

A motion to reconsider was laid on the table.

PROVIDING FOR CONSIDERATION OF CONFERENCE REPORT ON H.R. 7130, CONGRESSIONAL BUDGET AND IMPOUNDMENT CONTROL ACT OF 1974

Mr. BOLLING. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 1171, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 1171

Resolved, That upon the adoption of this resolution it shall be in order to consider the conference report on the bill (H.R. 7130) to improve congressional control over budgetary outlay and receipt totals, to provide for a Legislative Budget Office, to establish a procedure providing congressional control over the impoundment of funds by the executive branch, and for other purposes, and all points of order against titles III and X and against sections 201 and 607 of said conference report for failure to comply with the provisions of clause 3, rule XXVIII are hereby waived.

The SPEAKER. The gentleman from Missouri (Mr. BOLLING) is recognized for 1 hour.

Mr. BOLLING. Mr. Speaker, I yield 30 minutes to the gentleman from Nebraska (Mr. MARTIN), pending which I yield myself such time as I may consume.

Mr. Speaker, there was no controversy in the Rules Committee on this rule. It provides for the waiver of points of order on two titles as to which the managers of the House on this matter of the budget control bill felt there might be some question. We thought the argument was really undecided; we did not need the waiver, but since we needed a waiver on at least one other section, we included waivers on title III and title X with respect to the scope of the conference, as well as the two that were required.

We needed a waiver on section 607, which deals with requiring a year-ahead request for an authorization of new budget authority by the President. That was not in either bill. It fits into the bill, and it fits into the philosophy of the bill. It was not technically in either bill. Therefore, it needed the waiver.

Mr. Speaker, there is a relatively obscure provision in title II that has to do with the salary of the Deputy Director of the new Congressional Budget Office, and again it is somewhat technical. But it was necessary to request the waiver because it went beyond the scope, as it finally came out.

I have neither learned nor heard of any controversy about this rule.

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

Mr. BOLLING. I am delighted to yield to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, this seems to be something of a red letter day in the House of Representatives when the Rules Committee sees fit to waive points of order on its own legislation. The legislation does come from the Rules Committee, does it not?

Mr. BOLLING. To answer the gentleman, in a sort of complicated way, it does. I will try to explain the complexity of this.

The gentleman's point is accurate. That is why I made the point that I did earlier that there was not any real objection in the Rules Committee, but there was a request of a member of the Rules Committee, supported by another member of the Rules Committee, for a waiver of points of order on legislation passed out of the Rules Committee.

Mr. GROSS. Yes; this is a notable day in the history of the House, when the Rules Committee takes care of the Rules Committee by waiving points of order. I appreciate the admission on the part of the gentleman from Missouri that we have arrived at this—let me use my own words—lowly state of procedure when this sort of thing is deemed necessary.

Mr. BOLLING. Mr. Speaker, I would have to say to the gentleman, since he puts it in that light, that the Committee on Rules was dealing with something beyond the purview of the Committee on Rules. The Committee on Rules was dealing with the conference report, which, of course, involved not only the House of Representatives, but also the other body, and, therefore, it was not purely the product of the Committee on Rules that required the waiver of points of order.

Mr. GROSS. Mr. Speaker, if the gentleman will yield further, I think the other body ought to have due credit for its contribution to the notable situation that exists today in the House of Representatives.

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

Mr. BOLLING. I will be delighted to yield to the distinguished gentleman from Oregon, who, of course, was co-chairman of the Joint Study Committee which gave birth to the product on which we are now working.

Mr. ULLMAN. Mr. Speaker, I thank the gentleman for yielding and for reminding the House of the long history of this legislation.

I want to congratulate the gentleman from Missouri for his dedication during the year in helping to put this legislation together.

I wish to remind the House that the Joint Budget Committee was established in October of 1972, when we on the Committee on Ways and Means added it to a debt ceiling bill. It was approved by both the House and the Senate. The Committee was made up of 32 Members, 16 from the House and 16 from the Senate, as follows: The seven ranking majority and minority members from the Committee on Ways and Means and a like number from the Committee on Appropriations, plus two members at large, the gentleman from Wisconsin (Mr. REUSS) and the gentleman from North Carolina (Mr. JIM BROYHILL) the seven ranking members from the Senate Finance Committee, and Committee on Appropriations, plus the Senator from Wisconsin, Mr. PROXMIRE, and the Senator from Delaware, Mr. ROTH.

When we started our efforts, it looked like a rather long and difficult job. We had an excellent staff, and I want to remind the Members, of the contribution of Dr. Larry Woodworth and others, who worked so diligently in putting the package together. We held many meetings, and there were times when the prospect looked bleak. We worked hard; we held hearings; we put together a sound proposal, and then we introduced it in the House. It was then, of course, assigned to the Committee on Rules, and that is when the gentleman from Missouri (Mr. BOLLING) came to play such an important role.

Mr. Speaker, I wish also to commend the gentleman from California (Mr. SISK) who spent a great deal of time and effort on this, as well as other members of the Committee on Rules who were likewise concerned.

The gentleman well remembers the long months of controversy that ensued over the whole concept of developing a congressional budget. I think the gentleman from Missouri will agree with me that this is a rather revolutionary development in the Congress of the United States. We are returning to the Congress the basic powers of budgeting that were originally intended by the Founding Fathers in the Constitution.

Our present problem began 100 years or more ago, obligational authority was taken from the Committee on Ways and Means, and established in a new Committee on Appropriations. There has been an increasing trend to further shift detailed obligational authority to the President and executive branch and this development of the spending pipeline gradually evaded the authority assigned to Congress by the Constitution. It now largely rests in the executive branch.

Mr. Speaker, this bill is the turning around of a process that has been going on for 100 years or more, and it is one that is vitally important.

I wish to say at this time that I want to join with the gentleman from Missouri and all of the other members in the tremendous effort before us, after this legislation is passed, in getting a staff developed which will be competent to handle the tremendous job. How it is set up during the next year is going to have a lot to do with whether this really is a milestone piece of legislation, and achieves the things we hope it will do.

Again let me congratulate the gentleman from Missouri and the House conferees for bringing forth what I consider to be a sound package.

Our original proposal, as the gentleman will indicate when he begins to explain the conference report, has been modified somewhat. However, we still have the original concept of separate committees in the House and the Senate and high level agreements for concurrent resolutions whereby we establish the disciplines and procedures for lock-

ing them into the appropriation process, and completing that process before the end of the fiscal year.

Mr. Speaker, I congratulate the gentleman for holding that kind of a package together. It is workable. I pledge to him my continued dedication to the effort of making it work, and making it a viable force in the proceedings of the Congress.

Mr. BOLLING. I thank the gentleman very much for his contribution.

Mr. Speaker, I yield back the balance of my time.

Mr. MARTIN of Nebraska. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I support this rule and the conference report on the Congressional Budget and Impoundment Control Act, even though there are several points about which I have reservations.

This conference agreement provides a mechanism by which the Congress can, if it will, take a larger role in establishing priorities and controlling Federal spending. However, there is nothing magic about the proposed mechanism. It has been designed for flexibility. While this flexibility is desirable in some ways, in other ways it may prove to be a problem. If Members abuse the degree of flexibility built into this mechanism by failling to act in accordance with the proposed time schedule, the whole system could bog down. On the other hand, if the Congress really wants to take a more active role in the budget process, this conference agreement provides a vehicle. I will not take additional time to talk about the conference report now, since we will have more time to discuss it after the rule is adopted.

A rule is necessary in this case in order to waive points of order against four provisions for failure to comply with clause 3, rule XXVIII. Clause 3 of rule XXVIII prohibits going beyond the scope of the conference, that is, putting anything into the conference report which is not in either the House or the Senate bill.

Mr. Speaker, the first provision which requires a waiver is section 201 of the conference report. This section includes provisions for a Deputy Director of the Congressional Budget Office to be paid at level IV of the Executive Schedule. The House-passed version included no provision for a Deputy Director. The Senate-passed version provided for a Deputy Director, but at a slightly lower salary level. The conference agreement goes beyond either version by providing a slightly higher salary for the Deputy Director.

The second provision which requires a waiver is title III of the conference report, which among other things sets a date for completion of enactment into law of all bills and resolutions providing new budget authority. The House bill sets this deadline at August 1. The Senate bill provided that the comparable date should be either 5 days before the beginning of the August adjournment or August 7 when there is no August adjournment. The conference agreement, because of other changes in the timetable dates, set the deadline on the seventh day after Labor Day, with provisions for a waiver of that deadline if necessary. Since the date finally agreed upon is not between the dates in the House and Senate passed versions, it can be argued that this new date is beyond the scope of conference. In order to avoid a problem, a waiver is recommended for this provision.

The third provision requiring a waiver is section 607 of the conference report which deals with year-ahead requests for an authorization of new budget authority. No similar provision was in either the House or Senate bills.

The fourth provision requiring a waiver is title X. This title deals with the subject of impoundment. The conference agreement provides a specific procedure for the handling of rescission of budget authority. Such a procedure was contemplated under the Senate bill, however, it was not spelled out. The conference agreement specifies the procedure, and therefore, in order to be on the safe side, a waiver is recommended for this provision.

Mr. Speaker, I support the rule, so that the House may proceed to consider the conference report on the Congressional Budget and Impoundment Control Act, which in my judgment is one of the most important pieces of legislation that this body has considered in the last 50 years.

Mr. BOLLING. Mr. Speaker, I yield such time as he may consume to the gentleman from Mississippi (Mr. WHITTEN).

Mr. WHITTEN. Mr. Speaker, when this idea of having a congressional budget control first came up, and when it was authorized in legislation offered by my friend and colleague, the gentleman from Oregon (Mr. ULLMAN) and even later when we created the joint study committee, few believed we would ever reach the stage at which we arrive today.

We are ready to pass the Congressional and Impoundment Control Act. I anticipate that the vote will be practically unanimous.

Mr. Speaker, I take this time to congratulate the Committee on Rules, and particularly the gentleman from Missouri, Hon. DICK BOLLING, and our friend, the gentleman from Nebraska, Hon. DAVE MARTIN for the wonderful job they have done in seeing through to a finish the views and viewpoints of the entire membership of the Congress.

I recall very vividly the first organizational meeting of the joint study committee of which I had the honor later to be named cochairman, along with my friend and colleague, the gentleman from Oregon (Mr. ULLMAN).

From that time down to today there have been many, many meetings, and many differences of opinion expressed, but I think that the course we have followed, and the many general agreements reached at each successive stage is unique in the history of the Congress. I do not believe that there has been any substantial disagreement on the necessity to get together for affirmative action, to set up a system to better provide for stability. On the joint study committee all 32 members were in agreement on the report. We were unanimous in introducing the first bill.

The bill, somewhat modified, came out of the Committee on Rules unanimously. This is particularly impressive considering the many diverse points of view, liberal, conservative, members from North and South, from East and West. Now we find these efforts brought together in the bill before us which I understand was reported back by the conferees unanimously.

To me this means that the conditions we face are so very apparent that every one agrees we must take action. The bill before us is not all I would like it to be. I wish I could say it would get rid of the $500 billion debt that we have. I wish I could say it would do away with deficit spending. I wish that it would result in cutting back a number of programs—and it may or it may not—but I believe that when there is this much unanimity in trying to reach our objective, and that much agreement to bring us a bill that we have now, that this certainly speaks well for the general understanding of our financial condition and fiscal problems. It also speaks well for this committee in ironing out the differences with the other body, and in providing language that we all understand, language that will let us, as the Congress, and let the American people, who judge us as Congressmen, be aware each and every year of the money we have coming in and the money that is going out, so that we can vote with both eyes open, and attempt to hold the line.

I wish that we could make this retroactive, but we cannot undo many of the actions that have occurred in the past but every step provided for in this bill is a step in the right direction.

It is true that time may show that we need to improve this, or change that, but at least we are off to a good start.

I want to thank my colleagues, particularly those on the Committee on Rules, for ironing out the final draft with the other body, because Mr. Speaker we end up with about 90 percent of what we started out with, and that is quite a large degree of success. Whatever its defect, I think that this action today marks the beginning of a new day.

Later in the discussion on the bill I shall go into more detail about the bill's provisions. I take this time again to thank all who have contributed. I believe we are going to find Congress itself is going to be practically unanimous in recognizing that we must take this step forward.

Mr. MARTIN of Nebraska. Mr. Speaker, I yield 1 minute to the gentleman from New York (Mr. CONABLE).

Mr. CONABLE. Mr. Speaker, I rise in strong support of this conference report and the rule that brings it to the floor. I do not expect this measure to be either the millennium or a panacea but a needed discipline that will help us face up to our responsibilities as fiscal managers of the Government. I hope that the will to govern will follow the adoption of this measure and will be greatly enhanced by the discipline it provides. Unless we are willing to make these tough, priority-setting decisions of government from which we have shrunk in the past, no procedure of this sort will avail us. I am confident that its adoption today, however, will

signal an improvement of our fiscal intentions.

Mr. MARTIN of Nebraska. Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr. PETTIS).

Mr. PETTIS. Mr. Speaker, controversy over a budget-spending ceiling and Presidential impoundments during 1972 led to the creation of a Joint Committee on Budget Control to devise a mechanism for improving congressional controls over budget outlays and receipts. The recommendations of that committee were considered and modified by the House Rules Committee in the course of drafting H.R. 7130. The House bill created a 23-member Budget Committee to recommend annual budget outlays, revenue levels and other spending policies, and established a step-by-step procedure for consideration of the budget. The fiscal year was also moved up to October 1 and certain controls were placed on the use of impoundments.

H.R. 7130 passed the House by a vote of 386 to 23 on December 5, 1973, with one amendment extending by 10 days the layover period before a budget resolution could be considered on the floor. An amended version passed the Senate on March 22 and conference meetings were held on April 9 and June 5.

The measure agreed to by conferees retains many of the provisions of the House bill. The budget consideration procedures in the two versions were similar in many respects, but differed with respect to deadlines for completion of certain actions. The impoundment-control provisions are a synthesis of House and Senate bills.

I support this legislation because I believe it is our only hope for a balanced budget.

Mrs. HOLT. Mr. Speaker, I rise in support of the conference report on H.R. 7130, the Budget and Impoundment Control Act.

I would like to commend my colleagues on the conference committee who have worked so diligently in bringing this historic legislation to the floor for final consideration. They have the admiration and respect of every Member of this body. I do, however, have grave reservations about the final timetable which echoes those of my colleague from Nebraska (Mr. MARTIN), and I certainly would have preferred the more cohesive proposals contained in the House version. I am convinced that by moving the March 31 deadline forward to May 15, we stand in danger of not completing the authorizations in time to permit an adequate period for the appropriations measures. And to further compound this by exempting appropriations legislation for which enacting authorizations have not yet been completed, and to delay consideration from August 1 to the 7th day after Labor Day, seems to me to open a Pandora's box of problems.

On balance, however, this landmark legislation will certainly provide Congress with the necessary tools to make intelligent and coordinated decisions on the proper level of Federal spending. We now have the opportunity to reassert congressional control over the budget by replacing our presently chaotic and outdated method of allocating the Federal dollar with a streamlined system which sets priorities and apportions funds in a rational and orderly manner. How we exercise this new authority remains to be seen. Optimism will never take the place of self-restraint; budget control will only be as effective as this body chooses to make it. There is no provision in this legislation for a new congressional backbone. It will take a concerted effort on the part of each Member to make this authority effective by perseverant self control.

Mr. Speaker, I urge my colleagues to exercise "the dauntless spirit of resolution" and to return our Nation to a sound fiscal policy through a thoughtful and considered implementation of the Budget and Impoundment Control Act.

Mr. HAMMERSCHMIDT. Mr. Speaker, I rise in support of the conference report on H.R. 7130, Congressional Budget and Impoundment Control Act. In my judgment, this legislation may well be the most important proposal considered by the 93d Congress. If enacted, it could be the most important law to come out of several Congresses.

Fiscal responsibility on the part of the Federal Government, which has always been necessary, is now critical. Among the economic issues facing our Nation, inflation presents the greatest challenge and the gravest consequences. The long and arduous effort to produce H.R. 7130 in the final form presented to us today originated with the Joint Committee on Budget Control in 1972, and their recommendations were studied by the House Rules Committee and the Senate Government Operations Committee in the formulation of the two versions of the bill. The conference report demonstrates the extent to which the Congress has taken inflation seriously, and the extent to which it is ready to embark on a program to relieve it.

Uncontrollable spending and the lack of budget flexibility is both frustrating and serious; the resulting inflationary impact is taking its toll on millions of Americans who are trying harder to keep up with the rising cost of living only to find themselves further behind for the effort. Last year, inflation took a sizable chunk out of the dollar of around 8 percent. In the first month of 1974, the wholesale price index rose a frightening 3.1 percent. Under these circumstances, the 1975 budget tries to achieve somewhat contradictory objectives of supporting high employment, restraining inflation and maintaining the flexibility to take further action if needed to offset the effects of energy shortages.

The 1975 budget brings the national debt to new records, increasing it by another $20 billion. In the face of demanding more governmental services than the taxpayers can afford, we are finding that deficit spending can be painful. The 1975 budget of $304 billion is based on receipts of $295 billion and is the largest budget in history.

H.R. 7130, as finalized by the conference committee, can provide the mechanism for countering the growing trend of uncontrollability of the budget by either Congress or the executive branch. Under existing law, 73 percent of the present budget is "uncontrollable," as compared with 64 percent in 1970 and 59 percent in 1967. Although the Appropriations Committees of the House and Senate review spending every year and our House committee has stayed under the budget for 30 straight years, the so-called "backdoor spending" which bypassed the Appropriations Committee has created the excesses.

The "backdoor" mechanisms include the special trust funds and Federal insurance and guarantee programs, contract authority and the use of entitlement provisions. While in 1952 only 17 percent of the budget was outside the appropriations process, we now have a figure in the neighborhood of 40 percent.

H.R. 7130 is also designed to ease the long-waged controversy between the executive and legislative branches over the impoundment of funds. Although impoundment is one way to curb the level of Federal outlays, it works to substitute executive priorities for legislative priorities. It, therefore, preempts the decision-making prerogative of the Congress elected to represent the people. It has frequently lead to impasses which are not in the best interests of good government. Today, our country's economic condition is most perplexing, and we cannot afford to prolong the conflict.

The Congressional Budget and Impoundment Control Act of 1974 provides the tools for achieving far-reaching reforms in the budget process. It would establish House and Senate Budget Committees and a Legislative Budget Office to provide the necessary services and special assistance. In line with a budget process timetable for a more orderly legislative procedure, it would shift the fiscal year from October 1 through September 30.

H.R. 7130 embodies target dates for submission of the President's budget and reports on budget estimates from all standing committees to the House and Senate budget committees. Based on analyses of the various committee estimates, fiscal policy and national priorities, the budget committees would recommend revenue levels within major categories. A deadline would be established for all committees for reporting authorizing legislation, with appropriate emergency waivers. A first budget resolution would have to be passed before authorizations, backdoor spending and changes in revenue and debt are considered. Action on regular appropriations bills would ensue, followed by enactment of the second budget resolution. Standing committees would then adopt reconciliation bills after which approved spending levels could not be exceeded or revenue levels reduced.

The impoundment control provisions of H.R. 7130 require that the President submit reports to Congress when funds are withheld. If he determines that budget authority is no longer required to carry out a program or should be rescinded for fiscal policy reasons, he must submit to Congress a rescision message explaining his actions. Both the House and Senate, within a reasonable time limitation, must pass a rescision

bill; otherwise the funds will be made available as appropriated.

Although the reform potential in H.R. 7130 has great potential, it will not be an easy program to implement. It will involve not only hard work, but a considerable amount of discipline on the part of the Congress. Target dates must be met and, after adoption of the first budget resolution, the reconciliation process will be tedious and may involve unpopular cutbacks in Federal programs. If this new congressional budget process is to work effectively, it will require the full cooperation of the budget, authorizing, and appropriations committees. Slippage in the schedule could lead to uncertainty and ultimate chaos. Limitations on spending authority may be hard to live with. The impoundment control provisions could be abused by either the executive or legislative branches.

In the fiscal history of this Nation and others, once a spending program is launched it is nearly impossible to wind it down. The more democratic the society, the more difficult it is to exert the discipline to have some control over spending in apparently vital and important programs for health, education, welfare, housing, public service projects, and many, many others. Further spending increases without accompanying increases in revenues will only bring about greater economic ills. And the citizens of this country cannot bear a greater tax burden to foot the bills. We must dedicate ourselves to fiscal responsibility, and H.R. 7130 provides a framework for meeting this goal. I urge my colleagues to adopt the conference report on the Congressional Budget and Impoundment Control Act.

Mr. YOUNG of Illinois. Mr. Speaker, it has long been my view, shared by many, many of my colleagues, that the most important responsibility that Congress has is to determine Federal budget spending and the means of raising the money to meet spending appropriations.

For a long time, Congress has been derelict in controlling the Federal budget. The Congressional Budget and Impoundment Control Act of 1974 can be an outstanding piece of legislation. I compliment my colleagues on both sides of the aisle for their bipartisan support in the passage of this legislation. I also compliment the Senate on their work on this bill.

Truthfully, I say that "perhaps" this is the most important legislation passed by Congress since 1914. In 1914, the U.S. income tax was enacted.

Why do I say "perhaps"? The proposed law provides the tools for Congress to be fiscally responsible. The means are provided to focus public political pressure on the Congress to get results. The question marks are: First, will Congress set ceilings on spending based on projected income, or continue its past record of approving deficit spending? Second, will the public express their strong opinions to Congressmen that they want a balanced budget?

The budget control bill provides Congress the tools that it needs. Some of the provisions are as follows:

First. The Government fiscal year is changed to commence on October 1. This gives Congress a longer period to enact the next budget.

Second. Adequate staff is provided with a Congressional Budget Office to give Congress equal capability with the Office of Management and Budget of the executive branch of Government.

Third. Economic information about the state of the Nation and projected revenue of the Federal Government will be provided to Congress before it sets a ceiling on spending.

Fourth. Congress will adopt a joint resolution setting a ceiling on spending by May 15. This is a tentative ceiling and must be finalized and adopted by Congress in an appropriate joint resolution by September 15.

Fifth. Most "backdoor spending" is required to go through the regular Appropriations Committee. Exempt are social security and general revenue-sharing programs.

Sixth. Congress must set an overall ceiling and also set subcategory ceilings of spending in 14 different areas. In other words, Congress must set the priorities and take responsibility for the priorities.

Seventh. Impoundments of spending by the President are subject to new requirements. Deferrals of spending constitute the majority of impoundment actions. Other impoundments are for routine financial purpose and do not involve questions of policy, and such impoundments will continue. Congress, however, can disapprove of such deferral by majority action of either House. If the President proposes to rescind budget authority, then the President must submit a rescission message, which must be approved by the House and the Senate within 45 days or the rescission must cease. The bill will improve reporting procedures on spending by the executive branch to the Congress.

A review of the increases in the Federal budget and the increases in the national debt over the last 40 years reveals a strong trend of excessive spending and a serious weakness of excessive borrowing in our Federal Government. Congress has been able to "have its cake, and eat it too" under our present system of appropriating funds piecemeal. The political popularity of spending programs and the political unpopularity of taxing programs are well-known. The result of this trend has been the devastating inflationary problems of the last 5 years. It is also most difficult for the taxpayer to understand the process of congressional authorization and appropriation, and even more difficult for him to fix responsibility on his particular representative.

The American taxpayer is suffering under the present 11-percent annual rate of inflation. The average wage earner with an income of $12,000 per year will have to spend an estimated additional $1,200 to maintain his standard of living. His food bill will be up $400; his housing cost will be up $160; and he will have to spend $70 more for clothing. In addition, if he has to borrow money, he will be required to pay at least 11 percent interest if he can find a lender. The American taxpayer knows that this inflation has been caused by excessive Government spending and borrowing.

The taxpayers of the 10th Congressional District favored Presidential "impoundment." They did so because they realized the dangers of overspending and the failure of Congress to act responsibly.

When this new bill becomes law, it should make Congressmen more accountable to their constituents, and thus, it should enhance the Democratic aspects of our representative form of government.

GENERAL LEAVE

Mr. BOLLING. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on House Resolution 1171. I also ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report on the bill H.R. 7130.

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

There was no objection.

Mr. BOLLING. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PERMISSION FOR COMMITTEE ON RULES TO FILE PRIVILEGED REPORTS

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

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

There was no objection.

CONFERENCE REPORT ON H.R. 7130, CONGRESSIONAL BUDGET AND IMPOUNDMENT CONTROL ACT OF 1974

Mr. BOLLING. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report on the bill (H.R. 7130) to improve congressional control over budgetary outlay and receipt totals, to provide for a Legislative Budget Office, to establish a procedure providing congressional control over the impoundment of funds by the executive branch, and for other purposes.

The Clerk read the title of the bill.

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

There was no objection.

Mr. BOLLING. Mr. Speaker, I ask unanimous consent that the statement of the managers be read in lieu of the report.

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

There was no objection.

The Clerk read the statement.

(For conference report and statement see proceedings of the House of June 11, 1974.)

Mr. BOLLING (during the reading). Mr. Speaker, I ask unanimous consent

that further reading of the statement of the managers be dispensed with and that it be printed in the RECORD.

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

There was no objection.

The SPEAKER. The gentleman from Missouri (Mr. BOLLING) will be recognized for 30 minutes, and the gentleman from Nebraska (Mr. MARTIN) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Missouri.

Mr. BOLLING. Mr. Speaker, rather than go into a lengthy, detailed explanation of this matter, I am going to do the same thing that I did when we first considered budget and impoundment control in December of last year in the House. I got unanimous consent for all Members to revise and extend their remarks. Under that general leave I am going to put in an outline of the salient features as the first item of my insertion, and then a statement which describes them in greater detail than does the outline. In effect, this gives to the Members an outline, a relatively brief statement, and then the statement of the managers, which is rather detailed.

Mr. Speaker, the outline and my statement follow:

OUTLINE

1. BUDGET COMMITTEES AND CONGRESSIONAL BUDGET OFFICE

23-member House Budget Committee, exactly as in House bill. Rotating membership with 5 each from Appropriations and Ways & Means; 2 from leaderships; and 11 at large.

Congressional Budget Office with Director appointed by Speaker and President pro tem with recommendations from Budget Committees. Director has 4-year term and can be removed by House or Senate.

Congressional Budget Office main responsibility to Budget Committees. Also to give very high priority to Appropriations and tax Committees. Assistance to all other committees and Members also provided.

2. TIMETABLE OF BUDGET PROCESS

Congress has to move to advance authorizations for process to work most effectively. Section 607 requires President to propose advance authorizations.

Current services budget by November 10 each year; no change in date for January submission of regular budget.

Each standing committee to give Budget Committee its view and recommendations on budget matters by March 15; CBO report to Budget Committees by April 1; first budget resolution reported by April 15.

May 15 adoption date for first budget resolution. Also deadline for committee reporting of authorizing legislation.

Regular consideration of appropriation bills completed by early September. Then second budget resolution and reconciliation actions.

3. BUDGET RESOLUTIONS AND RECONCILIATION PROCESS

Spring budget resolution is a target; Fall budget resolution is a ceiling. Congress can adopt additional budget resolutions, but all revenue and spending must be in accord with latest resolution.

Budget resolutions deal with macroeconomic matters and broad functional allocations. More detailed spending information in committee reports. Procedure in bill for relating functional allocations to jurisdictions of committees and subcommittees.

Revenue, spending, debt, and entitlement legislation cannot be considered before first budget resolution. Doesn't apply to advance revenues and advance appropriations.

4. ENTITLEMENTS AND BACKDOOR SPENDING

Special procedures apply only to new backdoors. Do not apply to social security or to 90 percent self-financed trust funds. Status of general revenue sharing deferred to future legislation.

Contract and borrowing authority to be effective only as funding is provided in appropriations.

Entitlements to be referred to Appropriations Committee with opportunity for amendment (15-day time limit) prior to floor consideration. Applies only if entitlement is in excess of level in budget resolution.

Entitlements cannot be considered before adoption of first budget resolution and (except exempt ones) cannot become effective before start of next fiscal year.

5. IMPOUNDMENT CONTROL

Combines features of House and Senate bills to provide more effective and comprehensive controls.

Amends Antideficiency Act to eliminate its use for policy impoundments.

Recissions proposed by President must terminate unless approved by both Houses of Congress within 45 days.

Deferrals proposed by President must cease if disapproved by either the House or Senate.

Monthly reports by President on Rescissions, Reserves and Deferrals plus reports by Comptroller General if President has failed to report action.

Comptroller General suits to enforce congressional action, but with 25-day waiting period and notification of Speaker of House and President of the Senate.

STATEMENT

For more than a year, a succession of committees has worked to devise a congressional budget process that can restore meaningful spending control to the legislative branch. The effort began with the Joint Study Committee on Budget Control which was established in 1972 and issued its final report in April 1973. Although the Joint Study Committee set the overall framework for budget reform legislation, it provided a rigid and probably unworkable set of procedures. The Study Committee's plan did not contain any provision for taming the proclivities of the President to impound funds rightfully appropriated by Congress.

Following extensive hearings by the Rules Committee, the House passed an anti-impoundment bill in July 1973, and comprehensive budget and impoundment control legislation in December. After Senate action on companion legislation in March of this year, House and Senate conferees formulated an agreement which combines balanced and realistic budget reform and impoundment control into a cohesive and consistent budget process. I hope that this measure will be enacted and that its implementation will begin during this session of Congress.

These first steps have been difficult enough, but the hard part of budget reform is yet to begin. This legislation is only the beginning for it will not be an easy or painless task to weld the fragmentary spending procedures of Congress into a comprehensive and coordinated budget process. It will not be easy to adhere to the carefully tuned timetable fixed in this legislation. It will not be easy to resist the temptation for new forms of backdoor spending which evade our own appropriations machinery. It will not be easy to reconcile individual spending decisions with our overall budget determinations.

Yet I am convinced that the methods incorporated in this conference report can be made to work. They can return to Congress the power and responsibility of the purse. They can put an end to illicit impoundments of appropriated funds without crippling the capability of the President to manage the federal bureaucracy. They can provide a mechanism for the determination of macroeconomic policy by Congress and for the setting of appropriate budget levels in the light of current economic conditions.

No one can foretell exactly how the new congressional budget process will operate. It will require discipline and toughness to change the comfortable practices of the past. The pending enactment of this legislation offers encouragement that Congress is willing to make the effort. If this is true, effective congressional budget control soon will be a reality.

I do not consider it necessary to review every detail of this legislation. There is an ample legislative record and the conference agreement adheres in its important features to the legislation approved by the House last December. I will concentrate on the more salient and difficult portions of the bill and explain the major decisions made in conference.

BUDGET COMMITTEES AND STAFFS

Throughout the period that this legislation has been under consideration, there has been recognition of the need for new budget committees and for a congressional budget staff. The main issues have related to the composition of the committees and the responsibilities of the budget staff.

The conference agreement strictly adheres to the decisions voted by the House last December concerning the composition of the House Committee on the Budget. This 23-member committee will draw (in accord with prescribed quotas) from the Appropriations and the Ways and Means Committees, the membership at large, and the majority and minority leaderships.

My initial preference was that the Budget Committees have no staff of their own but that they utilize the new budget office which would be chartered to serve both of these committees and to assist other committees and Members. The Senate conferees took the position that the Senate Budget Committee must be given the status of a regular standing committee in matters of staffing. Accordingly, it is appropriate that the House Budget Committee have a staff of its own.

The bill establishes a Congressional Budget Office with a Director appointed by the Speaker and the President pro tempore after considering the recommendations of the House and Senate Budget Committee. The conference agreements sets forth the priorities which are to guide the Budget Office in its assistance to Committees and Members. The priority responsibility of the Budget Office must be to the two new Budget Committees whose function it will be to superintend the congressional budget process. Assistance to the Budget Committees shall include the development of budgetary information, analytic studies, assignment of personnel, and annual reports by the Budget Office to the Committees on fiscal policy and national budget priorities. The Managers' statement expresses the clear intent of this legislation that the Budget Committees have first claim on the resources of the new Budget Office.

Very high priority must be given to the two Appropriations Committees and to the House Ways and Means and Senate Finance Committees. The jurisdictions of these committees are closely related to the congressional budget process, and at the request of these committees, the Budget Office is to furnish information and staff assistance.

Assistance also is to be rendered to other congressional committees, primarily in the form of available information and Budget Office discretion to provide staff on a temporary basis. Finally, assistance may be given to Members with respect to available budget information.

The House conferees have been very determined to avoid the creation of a large and duplicate agency within Congress. Accordingly, the bill provides and the Managers' statement emphasizes that the Congressional Budget Office is to utilize the resources and capabilities of existing congressional agencies. It is anticipated that the Budget Office will coordinate its work with the GAO, the Library of Congress, and the Office of Technology Assessment.

TIMETABLE OF THE CONGRESSIONAL BUDGET PROCESS

Extended and careful consideration has been given to the formulation of a budget timetable that harmonizes the many different phases of the budget process. Questions of timing have proven to be among the most difficult and sensitive and it is with considerable satisfaction that I report an accommodation which will allow an adequate amount of time for each stage as well as completion of the process before the fiscal year starts.

Simply stated, the problem is that even with a shift in the start of the fiscal year to October 1, there is only a limited amount of time within which to complete the several stages of the budget process. Programs must be authorized; an initial budget resolution adopted; funds appropriated; and the final budget reconciliation aproved. The various parts of the process are interdependent: appropriations cannot be voted until all relevant programs have been authorized; the budget reconciliation cannot be completed until the spending bills have been approved. A delay at one stage of the process can prevent the successful completion of ensuing parts of the process.

I am convinced that the most sensible—and in the long run, necessary—solution would be the enactment of authorizing legislation in the year before the appropriations are made. If this were done, Congress would be able to proceed to early consideration of appropriation bills and the dismal practice of continuing resolutions would be ended. The conference bill moves in the direction of advance authorizations by requiring the President to submit requests for new authorizations in the calendar year prior to the one in which they are to take effect. The bill also calls for a study of the desirability and feasibility of advance appropriations.

To encourage the early commencement of the annual congressional budget process, the bill provides that by November 10 of each year, the President shall submit a current services budget to Congress—an estimate of the costs of continuing government programs during the next fiscal year without any policy changes. This "preliminary" estimate would be followed by submission of the regular budget in January, shortly after Congress convenes.

Standing committees of the House and Senate would have approximately two months—until March 15—to prepare their views and estimates on budget matters within their jurisdiction and to transmit these to the Budget Committees. The conference bill mandates these reports by standing committees in the expectation that the budget process will function more effectively if all relevant factors are known prior to adoption of the first budget resolution.

May 15 is set as the deadline for approval of this budget resolution. Prior to this date, Congress may not consider any spending, revenue, debt, or entitlement legislation (except for advance revenues and expenditures.) The ban against prior consideration of these bills will enhance the status and meaning of the first budget resolution. As it takes up individual entitlement, spending, or tax bills, Congress will be able to compare them to the targets fixed in its initial budget resolution.

May 15 also is the deadline for the reporting of authorizing legislation by committees. Beyond, this date, authorizations may be considered only through special waiver procedures in the House and the Senate.

The House bill provided a March 31 deadline for the enactment of authorizations. Because the lack of necessary authorizations is the leadeing cause of bottlenecks in the appropriations process, it would be best to impose a cutoff date on enactments. The Senate conferees, however, took the position that they could accept only a late deadline on the enactment of authorizations, perhaps one as late as June 30. I was concerned that a late date would be worse than no date at all. First, it would be logistically impossible to clear all appropriation bills in time if authorizations were deferred until a late date. Second, there is the real danger that a late deadline would become the norm and that Congress would slip into the tendency of considering major authorizations only shortly before the deadline.

A prudent course, therefore, was to set a reasonable deadline on the reporting of authorizations by committees in the expectation that floor consideration would be scheduled shortly after the committees had reported. Although the May 15 deadline is a compromise between those who would prefer an early completion of authorizations and those who would give the authorizing committee more time for their work, I believe it represents a workable solution to one of the most sensitive issues in this legislation. Moreover, the cutoff date for the reporting of authorizations must be viewed in the light of my previous remarks that the preferred procedures would be advance authorization in the preceding year.

In the months following adoption of the first budget resolution and the authorizations, Congress will take up the various spending bills in the manner that it now does. The conference bill atuhorizes Congress to adopt optional procedures for appropriation bills, but this is a matter to be decided after the congressional budget process is in operation. If all authorizations have been enacted on a timely basis, it is contemplated that Congress will complete action on appropriations shortly after it returns from the Labor Day recess. This will allow approximately three weeks for adoption of a second budget resolution plus reconcilation measures to implement the congressional budget.

Obviously, this is a tight timetable and all parties will have to do their utmost to avert the fallback on continuing resolutions. But if the process is working properly, we can anticipate that the second budget resolution will be reported during the summer recess and that Congress will be in a position to wrap up the budget process before the start of the new fiscal year.

THE BUDGET RESOLUTIONS AND RECONCILIATION PROCESS

I am happy to report that the conference bill maintains the House concept of a budget resolution that is addressed primarily to broad issues of fiscal policy and budget priorities. Throughout the period that I have been involved with this legislation, I have advanced the proposition that the foremost responsibility of Congress must be the determination of macro-economic budget policy. Toward this end, the budget resolution deals primarily with overall budget aggregates: the total amounts of revenue, spending, and surplus or deficit. Within these totals, it is appropriate for Congress to give attention to broad spending issues, using the familiar functional categories in the budget. However, the budget resolution does not get into particular programs, agencies, appropriations, or projects. To do so would destroy the utility of the congressional budget process as an instrument for making national economic policy.

Yet I am sympathetic to the argument that Congress should be able to relate its overall budget decisions to its subsequent appropriations actions and to more specialized matters. The conference bill sensibly allows the amplification of background information in the committee reports accompanying the budget resolution. Thus while the resolution will be a concise and straightforward statement of the principal budget amounts, the committee reports will furnish information on new and continuing programs, permanent and regular appropriations, and controllable and other expenses. The bill also establishes a procedure for relating the functional allocations in the budget resolution to the spending legislation handled by congressional committees and subcommittees.

In brief, then, the budget reform legislation provides for a substantial amount of information in committee reports without diverting Congress from its central concern with overall budget levels and functional allocations.

The first budget resolution which (as previously noted) is to be adopted by May 15, will be in the form of a target. I am convinced that the ultimate effectiveness of the new budget process will depend in good on the extent to which Congress utilizes these guidelines in considering subsequent spending and revenue legislation. Built into the new process will be various scorekeeping procedures to enable Congress to compare its spending decisions with the levels specified in the targeting resolution.

Firm budget decisions will be made in the second budget resolution to be adopted before the start of the next fiscal year. In considering this ceiling resolution, Congress will have the benefit of updated budget figures and, most importantly, concrete knowledge of its previous actions on entitlement, and spending measures. Congress will be in a position to affirm these decisions or to set into motion a reconciliation process whereby spending, revenue, and debt legislation are adjusted in conformity with the second resolution. The reconciliation process thus will be able to reach any or all components of the budget and it will provide the context for establishment of a comprehensive and consistent budget policy.

After the second budget resolution and any required reconciliation have been adopted, all subsequent revenue and spending actions would not be able to violate the levels fixed in the resolution. Congress would have the option to adopt additional budget resolutions any time during the fiscal year, but it would not be able to violate the levels fixed in its latest budget decisions.

By combining flexibility and firmness in its new budget process, Congress strengthens the prospects that the process will work. As I stated when the House considered the legislation last December, the overriding objective of budget reform must be to make Congress informed about and responsible for its budget decisions, not to prevent Congress from implementing its will. The conference bill fully upholds this objective.

ENTITLEMENTS AND BACKDOOR SPENDING

Backdoor spending long has been the nemesis of effective spending control. By circumventing the appropriations process, Congress has debilitated its traditional and time tested procedure for maintaining its power of the purse. All of us are familiar with the statistics that show that year after year Congress appropriates less money than was requested by the President. But year after year, also, Congress authorizes backdoor spending above the amounts in the President's budget.

The time has come to close the backdoor. This simple imperative has been recognized by all who have been involved in the development of the budget control legislation. Ideally, we would close the backdoor to all programs which now benefit from special

procedures outside of the appropriations process. The House bill would have ended all backdoors as of October, 1978, thereby allowing a transition period during which all programs would be returned to the appropriations process. The conference bill stops short of this absolute requirement and it recognizes that the new procedures can be most realistically applied to new programs.

The procedures themselves have been refined to distinguish between the various forms of backdoor spending. The House bill imposed the same requirement on contract, borrowing, and entitlement authority—the three types of backdoor spending. All such authority would have been effective only to the extent subsequently provided in appropriations.

The conference bill retains this procedure for contract and borrowing authority. In the future, both of these types of enactment would have the same status as ordinary authorizing legislation. The amount of funding will be determined through the regular appropriations process. The situation is somewhat different for entitlement legislation. As provided in the conference report, new entitlement legislation would be referred to the Appropriations Committee for its review prior to floor consideration. This procedure which would apply only to entitlements in excess of the allocations provided in the budget resolution would give the Appropriations Committee an opportunity to evaluate the fiscal impact of the entitlement and to report amendments scaling down the amount of entitlement authority.

Certain types of programs would be exempted from the new procedures for backdoor spending and entitlements. These include all social security trust funds and other funds which are 90 percent self financed. However, these latter types of funds would also be subject to the same controls in the new budget system as are applied to the appropriation bills. The transactions of government corporations would be excluded from the procedures while the status of revenue sharing would be left for future determination.

I consider the changes made in the treatment of entitlements an improvement over the original version. By their very character, entitlements can be controlled only before they are enacted. Even when entitlements are funded through the regular appropriations process—as they are for a number of programs—it is virtually impossible to control them at that stage. Once the entitlement has been tendered, the appropriation becomes a perfunctory act. Accordingly, the procedure adopted in the conference bill to subject entitlements to review by the Appropriations Committees before they have been enacted offers a more realistic opportunity for controlling them.

IMPOUNDMENT CONTROL

From the start I have held to the position that impoundment control is an essential component of budget reform. It makes no sense for Congress to establish new procedures for the appropriation of funds if the President can override the will of Congress by means of impoundment. At the same time, the methods used to control Presidential impoundments must be reasonable and appropriate. They should neither deny the President the capability to manage the executive branch nor impose upon Congress the burden of redoing its previous decisions. In line with this position, the House last year passed H.R. 8480 to provide for the veto of any impoundment by either the House or Senate and a similar provision was incorporated into H.R. 7130 when it was approved by the House last December.

I can report that the conference bill both upholds the position of the House and makes some worthwhile elaborations in the procedures of expenditure control. The bill addresses the various types of impoundments and provides appropriate procedures for each. First, it provides for disapproval by either the House or the Senate of Presidential proposals to defer the expenditure of funds. Analysis has shown that deferrals constitute the lion's share of impoundment actions and many of these are for routine financial purposes and involve neither questions of policy nor attempts to negate the will of Congress. In the case of deferrals, disapproval can be expressed by resolution of either the House or the Senate. Such disapproval will clearly instigate the view of Congress that the deferral is not merely a routine financial matter. When disapproved by either House or Senate, a deferral must cease at once.

A different situation is presented when the President proposes to rescind budget authority previously voted by Congress. In such instances, the President must submit a rescission mesage and unles approved by both the House and the Senate within 45 days, the rescission must cease and any withheld funds released. Inasmuch as a rescission represents the undoing of what Congress previously enacted, it is entirely appropriate that no rescission be authorized except by affirmative vote of both Houses.

The conference bill also amends the Antideficiency Act to clarify and limit the purposes for which funds may be reserved from apportionment. Such reserves may be established only to provide for contingencies, or because of savings secured through efficient operations or changes in requirements. When the President wishes to withhold funds for policy purposes, he must propose a rescission rather than use the authority under the Antideficiency to establish budgetary reserves.

The conference bill also improves the procedures for special and cumulative reports on budgetary reserves, deferrals, and rescissions, and it assigns to the Comptroller General the role of reporting to Congress when the President has failed to submit a required impoundment message. In addition, the Comptroller General would be able to bring court action, after a 25 day waiting period and notification of the Speaker of the House and the President of the Senate, to enforce the new impoundment controls.

The budget legislation is a lengthy and complex matter. I have reviewed only its most salient features. It has taken a long time to bring this legislation to the brink of enactment. Improvements have been made at every stage. I commend this bill to the House as a practical and workable approach to budget reform.

Having inserted that matter, I propose to rather briefly outline the events that took place since the matter was before the House of Representatives in December. I have already gotten unanimous consent for all Members to revise and extend their remarks on the conference report as well as on the rule so that any Member who wishes to do so may use that privilege, but what I would like to do now is talk about what really happened.

The other body passed a rather substantially different version, at least as to length and as to variety of relatively minor matters on budget control. When we contemplated going to conference with that bill, which had passed the Senate unanimously, we realized that the great danger of failure probably would not come on the budget control items. There were a great many differences that had to be reconciled and of course they successfully were, but the dilemma that confronted us was a Senate position on impoundment which was virtually the exact opposite of the House position. We recognized that we must come to grips with that matter or we probably would lose the whole matter, both budget control and impoundment control.

Curiously enough we discovered the way in which to resolve that was a rather unusual way. We found at the first conference that we had 7 Members of the House as conferees and 14 Members of the other body as conferees. We realized there were a great many other Senators as well as other Members of the House who had a great interest, so what we tried do to in the initial conference was to make very clear what the conflicts were and then in subsequent conversations make very clear what kind of reconciliations seemed essential.

This is where the conference proceeded in a very unusual fashion and I think it is important that the House understand it. It is not too much to say that literally dozens of Members of the House, not only those who served on the Joint Study Committee but also many others were involved in every step of the way. I have never seen anything like the interest that Members expressed in this particular proposition. There was almost universal support.

The leadership of both sides was most helpful to those of us who worked on this matter at every stage. As the gentleman from Oregon (Mr. ULLMAN) has already pointed out there was a tremendous input before it came to the Rules Committee. When it came to the Rules Committee there was great cooperation on both sides in resolving the problem in the initial stage as we tried to prepare legislation to bring to the floor in December, which we did, and to pass it, and there was a great deal of cooperation from all Members, including the cochairmen of the Joint Study Committee and the Committee on Ways and Means, including its chairman and the ranking minority member, and the same was true of the Committee on Appropriations. Many other committees and Members participated. The staff of the Joint Study Committee were most helpful. Certainly the staff of the Rules Committee on both sides, Democrat and Republican, were most helpful.

The committee staff's job under the supervision of the Members was to work out a reconciliation, and it was enormously difficult.

I know that the people I had the privilege of working with in that latter stage, in the period from March until now, prefer anonymity but I think this bill is so important that I would like to mention the five people whom I, as the manager of the House side of the conference, in addition to the members of the conference from the House, and in addition to all members of the Rules Committee, and in addition to members of the Joint Study Committee, I thought did such a remarkable job.

Now, each of them told me separately that they wished I would keep my mouth shut, that they preferred to be anonymous; but I am going to name five people without whom this matter would not be complete. They are all members of staffs of the House or of groups that support the House: Eugene Wilhelm was our chief negotiator. Many of us know him.

Bruce Meredith was of enormous assistance to us.

Laurence Filson from the legislative counsel's office was invaluable, as was Allen Schick from the Congressional Research.

Last, but by no means least, John Barriere of the Speaker's staff, the Democratic Steering Committee staff, was very helpful.

I think this matter is important enough so that Members should know that we could not have accomplished what we did without the hundreds of hours—not dozens of hours—that loyal staff members put in with careful supervision, with careful checking with members of the conference, to achieve this result. I cannot say enough, either for the Members of the House or for the staff that worked with the House Members primarily involved in a cooperative endeavor which resulted in a very remarkable experience for me. Just after the second conference—the conference only met twice—just after the second conference in which there was unanimous agreement between the House conferees and the Senate conferees, Senator ERVIN, who was the chief Senate conferee, said in effect that he thought we had improved upon the bills, both the House bill and the Senate bill.

I feel that this bill, which follows the original version proposed by the Joint Study Committee, which is very like the version passed by the House, is an excellent bill, a bill that can work.

I would emphasize that it is only the beginning. The 20 months of work that bring us to this point is only the beginning. The effort that will have to go into making this design work, and it essentially follows the House approach with relatively minor modifications, to make this design work is going to be just as onerous, perhaps more onerous and more difficult, than coming up with the design; but we feel this is a workable product, one that can succeed. Whether it does succeed will depend almost entirely on the will of the Members of this House and of the other body in this Congress and in the next two Congresses. This can be a worthless endeavor unless we understand that it is the beginning, that this structure is one that can work and can be modified to work better; but unless we are determined to make it work, this will all turn out to be empty rhetoric, as was the rhetoric on this same subject back when the Reorganization Act of 1946 was passed.

I will be delighted to yield to Members if they wish later; but I reserve the balance of my time.

Mr. MARTIN of Nebraska. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I support this conference report, even though I do not agree with all the provisions in it. I support it because it will provide an improvement over the present congressional budget procedure.

Under our present procedure, each spending bill is considered by Congress as a separate entity and there is little assessment of relative priorities. One result is that by the time we add up the totals, the Congress has usually spent far more than it has taken in. The Nation is left with a large deficit which contributes to inflation, and leaves future generations of Americans with an ever-increasing debt burden.

This conference report establishes mechanisms to allow Congress to vote on the overall level of spending, the overall level of revenues, the overall level of deficit or surplus, and the overall level of debt.

In summary form, the procedures will operate as follows. Two new committees on the budget will be established, one in the House and one in the Senate. The Senate committee will have 15 members, the House committee, 23 members.

The 23 Members from the House side are composed of five from Appropriations, five from Ways and Means, 11 from other legislative committees, one Member representing the majority leadership and one Member representing the minority leadership. A new Congressional Budget Office is established to provide a central point for coordinating the legislative budget. The Director of the Congressional Budget Office will be appointed for a 4-year term by the Speaker of the House and President pro tempore of the Senate, after recommendations by the Budget committees. The Director may be removed by either House.

Under this conference agreement, the fiscal year will begin on October 1. In addition, a number of dates are specified for completion of various stages in the budget process. The President will continue to submit his budget at the same time that he does under present law, that is, 15 days after Congress meets.

By March 15 other committees are to submit reports to the Budget Committees on budget matters within their jurisdictions. By April 1, the Congressional Budget Office is to report to Congress on national budget priorities. By April 15 the Budget Committees are to report an initial concurrent resolution on the budget, setting target levels for spending, revenues, deficit, or surplus, and debt. By May 15 all authorizing legislation is to be reported from committees and on the same date, Congress is to complete action on the initial budget resolution. By the seventh day after Labor Day, all appropriations bills are to be enacted into law. By September 15, action is to be completed on a second required concurrent budget resolution which will reaffirm or revise levels of spending, revenues, surplus or deficit, and debt established in earlier budget resolutions. This second required concurrent resolution may direct the appropriate committees to either raise taxes or the debt, or cut spending. By September 25, action on a reconciliation bill is to be completed. And, by October 1, the new fiscal year begins.

Mr. Speaker, I have several reservations about the workability of this budget timetable. First, this timetable does not even require authorizations to be reported from committee until May 15, and sets no specific deadline by which authorizations must be enacted. By way of comparison, the House-passed version of this bill provided that all authorizing legislation had to be enacted by March 31, with provisions for a waiver of this deadline if necessary.

There were objections on the floor of the House to this mandatory provision in the House bill. After considerable debate on this proposal, an amendment was offered by the Chairman of the Armed Services Committee to strike out this mandatory date. The House, by a recorded vote, upheld the position of the Rules Committee in its recommendations for the March 31st cutoff date by a vote of 300 to 106. The House Conferees did not uphold the House position in regard to this date, which concerned me somewhat because I do feel that we must have a mandatory date in which authorizations must be cut off and will no longer be considered for appropriations.

The Members will note, as I pointed out, that the mandatory date is eliminated when authorizing bills must be passed, and now we have in the Conference Report a May 15th date when they must be reported.

The Senate version had no deadline by which authorizing legislation had to be enacted. The conference agreement should have retained the House passed March 31 deadline for enactment of authorizations. By moving the deadline date for reporting authorizing legislation to May 15, and completely removing the deadline for enacting authorizations, the danger is that authorizations will be enacted too late to allow time for the appropriations process.

The result could be that the end of the fiscal year will arrive without all the necessary authorizations and appropriations having been enacted. Such a situation will make it almost impossible to do the kind of reconciliation process that is supposed to occur before the beginning of the new fiscal year.

There is a great deal of difference between reporting and passage, and it could mean a delay in the time schedule as set up in this Conference Report for the final action on the second budgetary control resolution.

Mr. Speaker, a second reservation which I have about this conference report concerns the date by which the President is required to submit his budget to the Congress.

Present law requires that the budget be submitted 15 days after Congress convenes, and this was the House position. However, the Senate version allowed the President to submit his budget up to February 15. This extra time is necessary because under this conference report, the previous fiscal year will end on September 30, instead of June 30. So the administration will have 3 months less to assemble the final figures from the preceding fiscal year and prepare careful budget estimates for the next fiscal year. This time squeeze will affect any administration—Democratic or Republican. In order to allow any administration time to prepare its new budget, the date for submitting the President's budget should have been moved to February 15.

In the conference meeting, I raised this problem, and there seemed to be agreement, that if the administration found it impossible to meet the current deadline for submitting the budget to Congress, some flexibility would be provided.

Mr. Speaker, in order to make legislative history, I would like to ask the chairman, the manager of the bill, as to his understanding on this point.

Mr. BOLLING. My understanding is precisely as stated by the gentleman from Nebraska as to what his understanding is. Several Senators made it clear, and I think some Members on our side, that any President making a request for additional time would surely be granted that additional time.

This is a matter that came up before in connection with some of the messages in the beginning of the year, and I think it would be inconceivable that there would be any serious difficulty in that respect.

Mr. MARTIN of Nebraska. Mr. Speaker, I thank the gentleman for his reply to my inquiry.

Mr. Speaker, the third item about which I have reservations is in section 309 of the conference report. This section includes a provision that the Congress complete action on all appropriation bills no later than the seventh day after Labor Day. However, this deadline does not apply to any appropriation bills whose consideration has been delayed because necessary authorization has not been timely enacted.

As a result, Mr. Speaker, we could have a situation where all appropriation bills have not been enacted by the September 15 date, when the second final budgetary resolution has to be adopted on the floor of the House. This could create some very serious problems if we do not have proper cooperation from the chairmen of the authorizing committees and from those committees in the House.

Mr. Speaker, it is a mistake to exempt appropriation bills from this deadline, just because authorizing legislation has not been enacted. This is another place where the schedule is too loose. The deadline on appropriations should apply to all appropriations, with no exception.

In summary, Mr. Speaker, I do have reservations about this conference agreement, but I support it because it provides a mechanism by which Congress can play a more responsible role in the budget process.

If it is going to be successful, however—and I want to make this point very strongly—if this vehicle is going to be successful, it will require the work of the chairman and the complete cooperation of all the Members of the House and the other body, if this to work.

Mr. Speaker, I sincerely hope and trust that it will work as the committee has intended.

Mr. ROBISON of New York. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Nebraska. I yield to the gentleman from New York.

Mr. ROBISON of New York. Mr. Speaker, I rise in strong support of this legislation. Although I have certain reservations about it, which are either comparable to those the gentleman has mentioned or of some other nature, I agree with him that this is, at least potentially, landmark legislation.

I would like to congratulate the gentleman from Nebraska (Mr. MARTIN), the gentleman from Missouri (Mr. BOLLING), and all the other Members who have worked on this truly necessary piece of legislation in order to bring it to us today.

Mr. Speaker, I have one question that perhaps the gentleman from Nebraska could help me find the answer to: What will the impact of this legislation, or of this procedure once it is in place, be on the present Office of Management and Budget?

Is it the gentleman's judgment that the Office of Management and Budget will continue to carry a substantial workload, comparable to the workload it now has, or will that workload be reduced as a result of this new congressional procedure?

Mr. MARTIN of Nebraska. Mr. Speaker, in my judgment, I would say to the gentleman that OMB would still continue to carry the same workload that they carry at the present time. On the other hand, we would have a virile committee and an organization and staff up here in the legislative branch of the Government that would receive a great deal of information from OMB, as well as assistance and help, in the compiling of the legislative budget. I feel it would be necessary for both to continue to cooperate.

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

Mr. MARTIN of Nebraska. I yield to the gentleman from Michigan.

Mr. CEDERBERG. Mr. Speaker, it would seem to me that this legislation, at least initially, has to place an extra burden on the Office of Management and Budget, first, because of the change of the fiscal year. That is going to place some real problems before them initially. Once they get over that point, I can see that it will level out.

On the other hand, it is my understanding that all impoundments will have to be reported; is that correct?

Mr. MARTIN of Nebraska. The gentleman is correct.

Mr. CEDERBERG. So any impoundment would be reported, and the definition of "impoundment" can be very broad. So those reporting requirements are obviously going to put additional burdens on the Office of Management and Budget as long as that requirement exists.

Mr. MARTIN of Nebraska. The gentleman is exactly correct.

Mr. ROBISON of New York. Mr. Speaker, will the gentleman yield further?

Mr. MARTIN of Nebraska. I yield to the gentleman from New York.

Mr. ROBISON of New York. Mr. Speaker, the reason I brought this point up this afternoon is that, next week, if the schedule is not changed, the House will be considering the annual appropriation for the Office of Management and Budget. While we are acting here today in an objective and responsible fashion, I would hope—I will say to my friend, the gentleman in the well—that next week, when the House considers an amendment to drastically reduce the budget level and, therefore, the personnel level of the Office of Management and Budget, it would consider the impact of any such action on the workability and the effectiveness of these new congressional procedures.

Mr. Speaker, I thank the gentleman for yielding.

Mr. MARTIN of Nebraska. Mr. Speaker, I share the gentleman's views.

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

Mr. MARTIN of Nebraska. I yield to the gentleman from Florida.

Mr. ROGERS. Mr. Speaker, I wish to commend the gentleman from Missouri (Mr. BOLLING) and all the other Members who have contributed to bringing us to this stage.

Mr. Speaker, I thank the gentleman. I wish to express my strong support for the bill H.R. 7130, the Congressional Budget and Impoundment Control Act of 1974, as reported from conference. I would only observe that this legislation, which would work fundamental changes in the process by which Congress makes its spending decisions, could not come at a better time. The world is afflicted with double-digit inflation of which the United States has also been a victim. This inflation is causing dislocations in our economy and hardship for each American. Particularly hard hit have been those who depend on fixed or low incomes.

This bill would be helpful in the fight against inflation, because it provides hope for bringing Federal spending under control. The impact of Federal deficit spending on inflation should not be underestimated. In recent years, $15 and $20 billion deficits have become commonplace. The President's budget request for the coming fiscal year for the first time exceeds $300 billion and projects a unified budget deficit of $11.4 billion. A Federal deficit has become so built into our economy that even this budget is considered economically restrictive, with many advocating a tax cut to stimulate production.

The national debt is fast approaching $500 billion—half a trillion—and one-fourth of this amount has been accumulated during the past 5 years. This debt would be increased by another $19.9 billion under the President's budget request.

I submit, Mr. Speaker, that there is grave danger in pursuing a national spending policy under which the Federal Government consistently spends $15 billion more than it earns, and mortgages future generations in the amount of $20 billion per year just in interest on this ever growing debt. The illogic of this policy is obvious; the inflationary impact must be recognized.

Reversing this trend is difficult—there has been little that any one Member of Congress or even any one committee could do alone. We have passed, and I have introduced and supported, legislation which would place a ceiling on total Federal expenditures, and on the national debt. But these have proved inadequate tools—the first leaves basic spending decisions with the President through the impoundment process, and the second is an idle threat to shut down the entire Government.

The trend has also proved difficult to reverse because, while the appropriations process has served Congress well—appropriations have at least been below the budget request for the past 30 years—the mandatory and back door forms of spending outside the appropriations

process have proved relatively uncontrollable.

In this bill, we attempt to bring this spending, too, under control. Congress is forced to make the basic spending and taxation decisions which have not been adequately dealt with in the past.

The new process will probably prove difficult to implement as old ways give way to new. But I would ask each Member of the House to bend every effort to make this process work. I submit that excercising firm control over the spending decisions of the Federal Government should be the No. 1 priority of the 93d and 94th Congresses. These are difficult economic times. I support this legislation in the spirit of providing for better times to come.

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

Mr. MARTIN of Nebraska. I yield to the gentleman from California.

Mr. VEYSEY. Mr. Speaker, I wish to congratulate the gentleman in the well for his role in this legislation, and I wish to congratulate all of those Members who have participated in the development of this landmark legislation. It seems to me it is the most significant legislation, with its long-range impact, that has come before the House during my several years here.

Mr. Speaker, the 93d Congress is making important legislative history in what I hope will be final passage of the Congressional Budget and Impoundment Control Act. I urge my distinguished colleagues to support this conference report.

However, before we vote on this report, I would like to address myself to a few important underlying issues that spawned this measure.

The controversy surrounding Presidential impoundment during 1972 jarred the Congress into positive action. But I believe that the real issue is that we, the Congress, for years have buried ourselves and the country in a mountain of deficits, broken budgets, and runaway spending on ill-conceived programs.

We do not presently have the capacity to study the overall impact of spending in any single area, much less all Federal programs collectively. The proposed Congressional Budget Office, by providing special assistance to budget committees, House and Senate appropriations and tax committees, will give us the broader scope we require.

Additionally, we have never had adequate time to complete the appropriation process and more often than not, have operated on continuing resolutions. The changing of the fiscal year from July 1–June 30 to October 1–September 30, will give us the necessary time to enact more responsible appropriations.

When the Congress has a more effective and responsible budgetary process, there will be no need for Presidents to use impoundment authority. If this bill accomplishes what it is designed to do, anti-impoundment amendments will generally be superfluous. The people are demanding that Congress assert leadership in budgetary matters, and the time has passed when we can pass that responsibility to the White House and expect the President to balance the budget.

In conclusion, one of the key issues in the Nation is inflation and the general state of the economy. Mr. Chairman, if we fail to pass this measure we will be failing in our responsibility to the American people. We must demonstrate that we are willing to support sound fiscal policies.

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

Mr. MARTIN of Nebraska. I yield to the gentleman from Massachusetts.

Mr. CRONIN. Mr. Speaker, I rise in support of the position taken by the gentleman in the well.

Mr. Speaker, the time has long since passed for the Congress to enact budget reform legislation, and I rise once again in support of the Budget Reform Act, this time in the form of the conference report, the long-awaited final stage of congressional activity on the matter. I urge its passage by the House as a demonstration of the desire of the Congress to take the lead against inflation and irresponsibility in fiscal activity that has so long shackled the Federal Government and the American economy.

The conference report that we consider today will for the first time begin to eliminate the haphazard preparation of the budget and spending procedures that has resulted in mismanagement of the overall economic picture. It will organize the budgetary policies emphasizing structure and will recognize the Federal budget as it really is—not a forum for partisan differences of opinion, but a major component of the Government which deserves fair, rational, and carefully coordinated consideration.

Today, by passing this budget conference report we will together tell the American public that we understand the overwhelming aspects of the shrinking American dollar and rising prices. But, moreover, we will tell the American public that the U.S. Congress is going to do something about the high cost of living. We will show that through a cooperative effort on the part of every Member of Congress that our spending can be regulated and our economy healthy. I urge our unanimous vote today.

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

Mr. MARTIN of Nebraska. I yield to the gentleman from Indiana.

Mr. HILLIS. Mr. Speaker, I, too, would like to commend the gentleman for his remarks and associate myself with his position on this important piece of legislation.

Mr. Speaker, as I did last December when the Congressional Budget and Impoundment Control Act came before the House for a vote, I once again rise in support of this legislation. I urge approval of this critically important measure.

No one can deny that the need for congressional action in the area of budgetary reform has existed for far too long. In order for the Congress to reestablish the ability to exert responsible control over the Nation's purse strings, steps must be taken to update the budgetary process of the Congress. Reform is needed to insure responsible budgetary programing and accounting on the part of the Congress. Today's proliferation of authorizing committees, issues, spending needs, and complicated built-in backdoor spending programs require the closer scrutiny and expertise of an overseeing body as recommended in the Budget and Impoundment Control Act.

The Congress must accept responsibility for having followed a policy of deficit spending—a policy which must be marked as one of the basic and leading causes of inflation. Our constituents are tired of coping with continually rising prices. They are not only asking the Congress to take the appropriate actions toward solving the complicated problem of inflation, they are demanding these actions be taken.

One of the least painful yet necessary steps the Congress can take to curb inflation is to set its own house in order by following the steps recommended in the legislation before us. This bill needs to be enacted, but most important of all, the provisions contained within this measure must be implemented and made to work. This can only be done by each Member of Congress accepting the need for fiscal responsibility and acting accordingly. This course of action must be taken.

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

Mr. MARTIN of Nebraska. I yield to the gentleman.

Mr. FRENZEL. Mr. Speaker, I strongly support the gentleman's position.

Mr. Speaker, I heartily endorse and enthusiastically support the conference report on H.R. 7130, the bill to establish improved budget procedures for Congress. I think it is one of the most significant pieces of legislation I have ever voted on.

The bill will set up procedures that will tend to force us to establish our own spending priorities, to control our overspending more sensibly, and to strike a better balance between our income and our expenses. H.R. 7130 will enhance the congressional role in the budget process. All of those are desirable objectives, and ones we have had difficulty achieving in the past. In fact, we have not even come close.

But as extremely desirable as the objectives of H.R. 7130 are, we should not be deluded into thinking that this bill will do for us what we are unwilling to do for ourselves. The bill will help us, but it will not make spending priority choices for us. It won't guarantee a balanced budget, even though it makes a balanced budget more attainable.

The best inflation fighter the Congress has—and one we have not used yet—is budget control. Reduced Federal overspending reduces inflationary forces, and it sets the best kind of example for our inflation-saturated economy and our inflation-oriented society. It is about time we used our fiscal weapon against inflation. This bill will help us, but we still have to stand up and be counted.

I applaud the bill and I urge the Congress to use it and its own will power to achieve the bill's lofty purposes.

Mr. GROSS. Will the gentleman yield?

Mr. MARTIN of Nebraska. I yield to the gentleman from Iowa.

Mr. GROSS. I thank the gentleman for yielding.

Perhaps up to this point I have not been listening attentively enough. I have not heard anything about cost tag that can be put on this wonderful new piece of legislation. Has the gentleman any idea as to what this is going to cost?

Mr. MARTIN of Nebraska. I do not recall that we have any estimate of the cost of setting up this House and Senate Budget and Impoundment Control Act.

Mr. GROSS. There will be two committees created, one of 22 members and one of 15?

Mr. MARTIN of Nebraska. The members will not add to the cost, but it is the staff and the work of the staff that will.

Mr. GROSS. That is exactly the point. What will the staffs cost and all that goes with them?

Mr. ANDERSON of Illinois. Will the gentleman yield?

Mr. MARTIN of Nebraska. I yield to the gentleman from Illinois.

Mr. ANDERSON of Illinois. I thank the gentleman for yielding.

Mr. Speaker, I rise in support of the conference report.

The gentleman now in the well, as the gentleman from Missouri (Mr. BOLLING), has been very generous in praising others this afternoon for contributing to the work product which brings us to the consideration of this conference report. I think they, too, deserve special praise for their fidelity in the cause of budget reform.

I could not help but think in reading the RECORD again for yesterday when we debated the national school lunch amendments of 1974 that we had a rather clear example of why this particular piece of legislation before us today in the form of a conference report is needed.

That particular conference report passed by a vote of 345 to 15; yet I was not without some sympathy for those who felt obliged to oppose it because of their concern over the fact that it was $135 million, I believe, over the amount that had been in the House bill when it left the House.

There was an interesting colloquy on yesterday between the gentleman from Idaho (Mr. SYMMS) when he asked a question as to how long it would take at the present rate of adding to our Federal debt before we would totally debase our currency, and the gentleman from Minnesota (Mr. QUIE) who in answering that question referred to the fact that under this particular legislation we were in effect increasing from 7 cents to 10 cents the minimum assistance by the Federal Government to each school lunch and the gentleman from Minnesota doubted that that relatively small amount would be the thing that would push us over the precipice; but he also made the very valid point that no one really knows how far we can go down this road of piling deficit upon deficit. Especially he said that if we could only find a way where Congress could take into consideration these matters and reduce expenditures someplace else it would be extremely helpful. He made the point, in other words, that while we were adding justifiably to the appropriations in this area there ought to be some means for the Congress to reconcile this action by reducing expenditures elsewhere.

It seems to me that is the great hope and the great promise of this legislation. Even though, as others have said, it is not a panacea, much will depend on how willing we are to submit to the discipline of the budget committees in the House and the Senate and utilize the other procedures that the conference report refers to, but at least we have established a mechanism whereby it ought to be possible to balance the kinds of increases that were made in the legislation that I just talked about, which we voted on yesterday, with expenditure reductions in other areas so that we could hope to bring the Federal budget into balance.

Therefore I think this is indeed a red letter day in the history of this body, and I hope we will in the future look back on the 18th of June, 1974, as the date when we began this very important task of restoring a measure of fiscal discipline to the deliberations of this body so that in turn we can recover some of the prestige that I think we have lost in recent years because of the irresponsible way in which we have acted in this particular area.

Mr. Speaker, I ask the Members of this body to look at this budget reform conference report from the perspective of the average American wage earner. He is concerned, to be sure, with the need for Congress to put its fiscal house in order and to assert its rightful authority vis-a-vis the President in the determination of budget priorities. But these are surely subsidiary considerations to the overwhelming issue of how we in Congress can bring the budget process under control in the fight to stem inflation.

For the average American family earning approximately $12,000 per year, and who had to spend an additional $1,200 last year to maintain its standard of living—including $400 more for food, $170 more for housing and $60 more for clothing—the issue is inflation.

With the prime rate of interest having reached the highest levels since the Civil War, and with the consumer in some areas having to pay 14 percent for automobile and home improvement loans, the issue is also inflation.

In recent months experts have noticed that despite high interest rates consumers are beginning to stretch their credit more than ever in anticipation of further price increases. At the same time mortgage and installment loan delinquencies have reached their highest level since the end of the Korean war.

Mr. Speaker, it is no coincidence that this accelerating spiral of inflation that we have experienced in the past 4 years has been accompanied by skyrocketing Federal expenditures. In 1970 the President proposed the first $200 billion budget in the Nation's history, and this year he presented to Congress the first $300 billion budget. During the same period, we enacted a number of tax cuts. The effect has been to run up an estimated deficit of nearly $80 billion from 1970 through fiscal 1975. To allow the financing of this growing debt the administration came before the Ways and Means Committee last month and requested an increase in the national debt ceiling to $500 billion—a half a trillion dollar national debt ceiling.

We are all aware that priming the pump through deficit spending can play a constructive role in stimulating employment and income during times of normal business cycle contraction. But such has not been the use of deficit spending in the last few years. During the Vietnam war, when the economy was running at full tilt, we still ran budget deficits. In part because of that practice we created pressures that by 1970 led to the unprecedented consequence now known as "stagflation"—an economy characterized by high rates of unemployment and inflation. As far as the economy is concerned, inflation has become public enemy No. 1 in the minds of the people. And the budget, insofar as it is a source in inflation, must be tamed.

That is the most important issue before us today. With the adoption of this budget reform conference report we would be adopting a truly revolutionary new procedure that for the first time would allow Congress to assess the budget and its inflationary impact on the American people. We would be saying to the American people that the Congress is willing to assume responsibility, really for the first time, in setting the priorities of the budget within limits that will not bury the American people under an avalanche of price increases. In a very real sense whether we will make that pledge to the American people, or whether we will acquiesce to the status quo of runaway prices is what we are voting on today.

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

Mr. MARTIN of Nebraska. I yield to the gentleman from California.

Mr. LAGOMARSINO. Mr. Speaker, I thank the gentleman for yielding, and I wish to commend the gentleman from Nebraska (Mr. MARTIN) for his leadership in this very important matter, and wish to associate myself with the remarks made by the gentleman.

Mr. Speaker, the other day my wife went shopping. She saw a sweater she liked and asked the clerk if she had something more expensive along the same lines. "No," the clerk said, "but I can put this one aside and you could come back for it in a few days."

Now, Mr. Speaker, inflation is no joke. But when salesclerks can see it coming on a day-by-day basis, then matters are serious. Inflation is robbing American consumers of millions of dollars every day. And America's taxpayers are the ones who are footing the bill, in terms of lost purchasing power, higher income taxes, and higher interest rates. Inflation is the direct result of uncontrolled Government spending, especially deficit spending. And uncontrolled spending, gentlemen, starts right here, on this floor.

One way we can control inflation is to adopt this conference report. Every day we pass bills which only contribute to the problem. Today we can pass a bill which contributes to the solution. The people are demanding responsibility on the part of Congress. Let's act responsibly. Let's not make our rate of inflation a laughing

matter. Because to the people, it is no joke.

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

Mr. MARTIN of Nebraska. I yield to the gentleman from New York.

Mr. KEMP. Mr. Speaker, I appreciate the gentleman yielding to me. I strongly urge passage of this legislation.

I want to congratulate the gentleman from Nebraska on his leadership, as well as the gentleman from Missouri (Mr. BOLLING) and all those Members who have had such a major role in bringing this historic legislation to fruition.

The gentleman from Illinois (Mr. ANDERSON) has made some very important remarks with which I would like to be associated.

I believe that fiscal responsibility and the fight against inflation in this country begins and ends right here in the Congress of the United States. I believe this effort we are making today will be a large and constructive step forward in bringing to this body and the other body, the type of fiscal restraint and responsibility to our budget deliberations that are so long overdue. This is not a panacea at all, but it does provide vital guidelines and procedural machinery necessary to developing a congressional budget and spending ceiling.

I am also glad to note that the President is talking about submitting a balanced budget in 1976 to the Congress, and I welcome that as a step certainly in the right direction. I support legislation to mandate a balanced budget. Now if we can get the Federal Reserve to match their rhetoric of monetary restraint with the reality of sound monetary practices by slowing down the irresponsible growth and the expansion of the money supply, which is not matched by a concurrent growth in productivity, we will have made a positive contribution toward solving the very difficult problem of inflation in our country.

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

Mr. WHALEN. Mr. Speaker, would the gentleman yield?

Mr. MARTIN of Nebraska. I yield to the gentleman from Ohio.

Mr. WHALEN. Mr. Speaker, I rise in support of the conference report. I would like to take this opportunity to congratulate the gentleman from Nebraska (Mr. MARTIN) and the gentleman from Missouri (Mr. BOLLING) on the outstanding work they have done in bringing this legislation to the floor.

The gentleman from Illinois (Mr. ANDERSON) referred to this as a red letter day in the history of the Congress. I think it might well be termed a black letter day in the history of the Congress.

Mr. Speaker, I rise in support of the conference report on H.R. 7130, the Congressional Budget and Impoundment Control Act of 1974.

When I became a Member of the House in 1967, I discovered that the theory of fiscal policy, which I and hundreds of other economics professors had described to our students for years, deviates tremendously from fiscal practice. Indeed, I concluded that there is not now, and perhaps never has been, a congressional "fiscal policy." Instead, I found, as one noted economist has observed, that the economy shapes fiscal policy rather than fiscal policy shaping the economy.

Therefore, over 2 years ago I proposed that Congress establish new budgetary procedures. My approach, which I titled the "Speaker's Budget," was designed to overcome what I consider to be the five major weaknesses in the present congressional process. They are:

First, there can be no cohesive policy when 14 appropriations bills are considered as separate entities unrelated to any total spending goal.

Second, there is little coordination between expenditure programs and congressional revenue-producing efforts. In fact, taxation and appropriations measures emerge from different committees after little or no cross-consultation.

Third, failure to relate individual parts to the whole inhibits the establishment of spending priorities. In a sense, each bill is pitted against itself. It can be increased or decreased at the whim of Congress with little consideration given to specific total budgetary objectives.

Fourth, under the present system, pressure groups have an undue opportunity to influence congressional decisions. Rather than competing against each other, they can focus on individual bills. To use basketball terminology, a "one on one" situation prevails. As a result, Congressmen are exposed to pressures from 14 separate groups rather than from 14 competing groups. This situation helps to distort priorities in the allocation process.

Fifth, the process now is so drawn out that it interferes with departmental planning. Thus, many executive agencies do not know until well into the fiscal year what their total budgetary obligations will be.

The procedures recommended in the conference agreement which is before us this afternoon are more detailed than those contained in my proposal. However, the significant benefits which I believe will accrue to our economy through the implementation of my plan also will result from the adoption of this report.

First, by integrating the Government's spending and taxing programs, it represents a cohesive approach to our Nation's economic needs.

Second, by considering each department's needs within the context of the whole budget, this approach permits a more precise delineation of spending priorities.

Third, this process also will diminish the impact of pressure groups.

Fourth, departmental effectiveness will be increased since each agency will know its total expenditure level at the beginning of the fiscal year.

Mr. Speaker, I urge my colleagues to join me in voting affirmatively on this conference report.

Mr. MARTIN of Nebraska. Mr. Speaker, I would simply like to conclude by pointing out that in my mind this is only 50 percent of the package which the House of Representatives should adopt this year to improve the operation of the Congress itself. The second half is the Reorganization Act that is now held up by the Democratic caucus. I trust that we will soon have that on the floor of the House for consideration.

Mr. DU PONT. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Nebraska. I yield to the gentleman from Delaware.

Mr. DU PONT. Mr. Speaker, I rise in strong support of this legislation.

When I first came to the Congress, I sponsored legislation that would require the Congress to reform its budgetary process. Since that time we have seen ample evidence why this reform is so important if the Congress is to hold the line against excess deficit financing and to help control our spiraling inflation.

Unlike any other institution with which I am familiar, the Congress has had no procedure to adopt an overall budget, and has had no requirements for living within that budget. We have simply considered each spending bill as it came up, voting increases along the way in a merry fashion, with no overall view of the fiscal implications. Congress evidently thought it could please everyone and disappoint no one. For a while, it appeared that was right, but the cumulative effect of this political expediency and budgetary neglect has been rampant inflation. In 1971 and 1972 we had deficits of $24 billion. This has not only created excess Government demand for products and services, but it has also contributed to escalating interest rates. The Government has had to compete in the money markets to pay for its bills, and has driven up the interest rates. If we remove some of this excess demand for money, products and services, we will then be able to take some of the steam out of inflation.

But if we are to use the appropriations process as an effective fiscal tool for curbing inflation, we must have an effective budgetary process which forces us to make some tough policy choices and live within the stated ceiling. Without such discipline Congress will continue to be one of the instruments of inflation.

I think the Budget Reform and Impoundment Control Act is the vehicle for exercising responsible fiscal restraint, and urge my colleagues to join me in supporting it.

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

Mr. MARTIN of Nebraska. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Speaker, I rise in support of the conference report on H.R. 7130, the Congressional Budget and Impoundment Control Act of 1974.

I have consistently supported action on legislation which will establish the basic framework to allow Congress to grasp control of the budgetary process, and I believe that H.R. 7130 is basically a step in the right direction. However, I would have preferred a bill that more closely followed the recommendations of the Joint Study Committee on Budget Control with regards to providing that Congress set overall limitations on budget outlays and on new budget authority before beginning the appropriations process, as well as safeguards to insure that Congress worked within the limitations it established.

Although I will vote for this conference report, two of the provisions are especially of concern to me:

First. The Congressional Budget Of-

fice: In its House report on H.R. 7130, the House Rules Committee warned that:

If a new budget office were separated from the committee process, the Budget Committees of the House and Senate would be impelled to create their own staffs.

Although I can appreciate the need for an independent office, I am concerned that the Congressional Budget Office as provided by this legislation will develop into just another bureaucratic entity, and rather than facilitating the work of the Budget Committees, it could actually hinder their objectives. I would have preferred the House approach of combining the features of a committee staff and an independent legislative office.

Second. Impoundment Control Procedures: The conference agreement would provide that in the case of a Presidential message requesting a rescission of budget authority that unless both Houses of Congress complete action approving a rescission bill within 45 days, the budget authority shall be made available for obligation. In the case of a Presidential message requesting deferral of budget authority, the President would be required to make the budget authority available if either House of Congress passes an impoundment resolution disapproving of the proposed deferral at any time after receipt of the special message. I would have preferred that Congress be required to take action in order to disapprove either a rescission bill or an impoundment resolution, and that in both cases, this action be required within a specific time period. The conference agreement does, however, provide procedures for congressional action if the committee fails to report a rescission bill or an impoundment resolution.

In conclusion, Mr. Speaker, I was pleased that the conference agreement does establish timetables for essential elements in the budget process, and it does prohibit the floor consideration of budget authority, entitlement authority, or changes in revenues or in the public debt limit before the adoption of the first concurrent resolution. I fully concur with the point stressed by the managers of the conference that the success of this legislation is going to depend on the complete cooperation of the Congress, and I for one will do all in my power to make it work. Congressional control of the budget is essential for our fight against inflation.

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

Mr. SIKES. Mr. Speaker, I support this meritorious and much-needed legislation.

Mr. Speaker, virtually everyone will agree there is need for a Congressional Budget Control Act. H.R. 7130 is intended to meet that need. It has been a long time coming. It grew out of the work of a Joint Study Committee on Budget Control which began early in this Congress; a committee of senior House and Senate committeee members and staffers who worked closely and in harmony toward an objective which was clearly recognized.

The report of the Joint Committee was made on April 18, 1973. The bill which is now before us was reported by the Rules Committee on November 20, 1973, and passed the House December 5 of that year. Now it is mid-June. The contents of the bill have been carefully and fully thought out and I feel that the new Congressional Budget Control Committee which it authorizes will offer the best opportunity yet for Congress to exercise sound and professional management of budget procedures. The bill can help to stop budget busting which has been the bane of those who have so long desired sounder budget procedures, both in Congress and in the administration.

The bill is not going to require Congress to do a better job. It is going to give the Congress an opportunity to do a better job. It can help to halt deficit spending, but we shall have to live up to the responsibilities which it provides and do so in a forthright manner.

The bill does a number of things that I think are important. For instance, we have long deplored "backdoor" spending. This bill provides a beginning for the control of "backdoor" spending. The bill changes the date of the fiscal year to begin October 1. We have long realized that we cannot complete today's cumbersome budget processes by July 1. The budget is too big. The problem is too difficult. The bill tightens Anti-Deficiency Act language. Importantly, it provides procedures for veto of impoundment. It requires the President to submit a request for rescission when a proposed Presidential impoundment or reserve involves cancellation of a program.

The bill will provide a review of the Presidet's budget at specified times. It provides that a target be set by May 15 for budget totals and functional categories. The budget resolution must be adopted before appropriations, entitlement, and tax bills are considered.

An important new procedure is the requirement that all appropriations bills be submitted to Congress at one time rather than piecemeal. This, in itself, will require that Congress take a more careful look at its budget procedures than at present. We will be looking at totals, not at pieces of the year's program.

The bill establishes a Congressional Budget Office to strengthen congressional resources for fiscal and budget information. This can be a very useful office for all of the Congress.

The bill looks good. Obviously great care must be exercised that people with good judgment, good background, and proper attitudes are placed in staff positions. They will be very important to the sound administration of the new system. This is particularly true in view of the fact that Members of Congress who are named to the Budget Committee will also have other important committee responsibilities and will have to rely to a considerable extent on the recommendations of staff members. This wil be no different than the procedure which was used by the Joint Committee on Budget Control, and I can state unqualifiedly that I have never seen better staff work or known more able and dedicated individuals than those who assisted in the preparation of the initial phases of the bill now before us.

I feel that this bill is a major step forward and a big plus for Congress. It is landmark legislation.

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

Mr. ULLMAN. Mr. Speaker, I thank the gentleman for yielding me this time. I would like to ask the gentleman from Missouri a couple of clarifying questions.

This is landmark legislation—far-reaching, important legislation that is going to change drastically the procedures for every Member of the House, for every committee of the House, as well as for the Office of Management and Budget, and the whole executive branch as well. It is certainly going to involve some drastic revisions in the way we do business.

I would like to have the Members of the House understand this, because it is not going to be easy to implement, as the gentleman from Missouri has indicated.

Would the gentleman from Missouri (Mr. BOLLING) clarify for me first the impact upon the reporting of the budget from the executive branch?

Mr. BOLLING. If the gentleman from Oregon would permit me to answer him in this fashion: The first thing that is done is to change the fiscal year from its current year of July 1 to June 30 to October 1 and September 30. That, of course, is a drastic change. All the other changes that are proposed relate to that.

The first one is the one for which we required a waiver of points of order, and that is to require the President to come in with advance authorizations. Then we require that the President provide us with a current services budget on November 1 of each year.

Mr. ULLMAN. By November 1?

Mr. BOLLING. Of the preceding year.

Mr. ULLMAN. Yes, of the preceding year.

Mr. BOLLING. And no change in date for the January submission of the regular budget.

The gentleman heard the colloquy I had with the gentleman from Nebraska about the leniency that might be required on that.

Mr. ULLMAN. What about the legislative committee?

Mr. BOLLING. Each standing committee shall give the budget committee its views and recommendations on budget matters by the 15th of March. Then the Congressional Budget Office reports to the budget committees, both of them, by April 1, and the first budget resolution is reported by April 15. That, of course, is the target resolution. Then May 15 is the adoption date for the first budget resolution.

Mr. ULLMAN. If the gentleman would yield further, let me clarify that issue. Will the House and the Senate proceed independently, or does this originate in the House?

Mr. BOLLING. They proceed independently.

Mr. ULLMAN. They proceed independently as of that date?

Mr. BOLLING. Yes.

Mr. ULLMAN. Then will come out their different points, and there will be a conference to iron out the differences in the concurrent resolution; is that right?

Mr. BOLLING. That is correct. Then

May 15 is also the deadline for committee reporting of authorizing legislation. Mr. MARTIN referred to that in his original statement. The regular consideration of appropriation bills was to be completed by early September. Then the second budget resolution and reconciliation occurs, concluding on the 25th of September.

Mr. ULLMAN. If the gentleman will yield further to clarify the issue on appropriation bills, is it my understanding that all of the appropriation bills will be referred back immediately to committee and held, and that none of them will be sent down for White House signature until the final wrapup bill?

Mr. BOLLING. The final version includes that as a possibility, and all kinds of other possibilities, because the difference between the House and Senate was so substantial that there is an optional feature there which in effect would have it done that way or a variety of other ways, as determined by each House.

Mr. ULLMAN. In other words, we could adopt a procedure whereby if we stayed within the limitations imposed by the first concurrent resolution, budgets for appropriation bills could go down and be signed?

Mr. BOLLING. That is correct.

Mr. ULLMAN. I see. But, if the House chose, they could hold them off until the final wrapup bill.

As I understand it, however, if we exceed the initial limitations of the initial concurrent resolution, if we exceed those in the appropriation process, then there must be a second concurrent resolution out of the budget committee, taking into consideration these divergencies from the first concurrent resolution, and meeting them either by directing additional revenue or cutting in the appropriations, or reestablishing new goals on spending.

Mr. BOLLING. There is no attempt to say that the Congress cannot have as many budget resolutions as they want. Actually, the process that the gentleman has described is that which will likely take place in conforming to reality with regard to the second concurrent resolution. The first concurrent resolution deals with targets, and the second one deals with firm ceilings.

Mr. ULLMAN. I thank the gentleman.

Finally, and I think this is the real crux of the whole problem, do we have assurances that prior to the end of the fiscal year and the beginning of a new fiscal year the Congress shall have had to comply with the objectives of this bill in holding to our limitations and in passing on appropriation bills prior to the end of the fiscal year?

Mr. BOLLING. All I can say to the gentleman on that is that we have gone just as far as we can go in trying with one Congress to bind another Congress. We simply are not in a position to say dogmatically that that is done, because the current Congress could modify the situation. There is no way to make it binding, but surely the intent of the whole process is to see to it that we have a rationalized situation in which we have balanced things out and made all our decisions by the 25th of September, which is 5 days before the beginning of the new fiscal year.

Mr. ULLMAN. Cf course, any Congress can act to change it, but the bill is designed to have all appropriation measures passed before the end of the fiscal year. It aims to eliminate the present system of having to operate under continuing resolutions, because we fail to get appropriate measures presented before the end of the fiscal year.

Mr. BOLLING. That is certainly the whole intent.

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

Mr. BOLLING. I yield to the gentleman from Texas.

Mr. MAHON. Mr. Speaker, I feel that this is a landmark bill today in the House of Representatives. This is not to say we have found the perfect answer on how to control the budget and how to ride herd on spending. We have not found the perfect answer and much improvement is required in this direction.

One of the main improvements is a determination on the part of the Congress to do a better job as far as legislative enactment, but I think this bill before us is an important first step.

I want to salute the Rules Committee and I want to salute the gentleman from Missouri (Mr. BOLLING), the gentleman from Nebraska (Mr. MARTIN), the gentleman from Mississippi (Mr. WHITTEN), the gentleman from Oregon (Mr. ULLMAN), and all who have worked toward the accomplishment of this goal.

It hardly seemed possible a short time ago that we would finally be at the point of enacting this legislation, so I think the Congress is to be applauded and I think the country will applaud the Congress for this effort—not because the bill is a perfect solution, but because it is an important first step toward that end.

Mr. BOLLING. Mr. Speaker, I thank the gentleman from Texas for his statement and I point out to the House that the gentleman has made an invaluable contribution in this process both by his work on the budget matter and also and in particular on the impoundment control matter.

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

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

Mr. FINDLEY. Mr. Speaker, I was struck by the gentleman's comment earlier that the legislative budget under the rules reform we set in 1947 had not worked.

Am I correct that in this new procedure which we hopefully will approve today that it will be necessary for the initial budget resolution to be adopted by both Houses before an appropriation bill can ever be considered?

Mr. BOLLING. That is correct.

Mr. FINDLEY. I am gratified at that and I want to congratulate the gentleman from Missouri and congratulate him especially for the comment he made about the need for the will to accomplish the procedure itself. Arthur Burns, Chairman of the Federal Reserve System, took very favorable note of this bill in a commencement speech a couple of weeks ago, but he also added this:

> Procedural changes, however, will mean little unless the political will exists to exploit the changes fully. And this can happen only if the American people understand better the nature of the inflation we have been experiencing and demand appropriate action by their elected representatives.

Mr. Speaker, I thank the gentleman for yielding.

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

Mr. BOLLING. I yield to the gentleman from Minnesota.

Mr. QUIE. Mr. Speaker, first I commend the gentleman and all those who did such great work in putting this proposal together and bringing it to us.

My question is this: While we are moving to a new budget year, which will be from October 1 to September 30, is there any requirement that other units of Government shift to a different budget year, for instance, the school district or a State or any other unit of a government outside the Federal Government?

Mr. BOLLING. There is an assumption that will happen and also a provision in the proposed bill that would provide for very careful study of the process of the shift. We are not proposing to shift next year in this. We are proposing to shift for fiscal year 1977, which begins October 1, 1976, so we are fully cognizant of the dilemma and we hope this can be worked out in a coordinated fashion.

Mr. QUIE. I thank the gentleman.

Mr. MARTIN of Nebraska. Mr. Speaker, I find myself in the very embarrassing position that I have 11 minutes requested of me and I have only 6 minutes remaining.

I yield to the gentleman from Michigan.

Mr. CEDERBERG. Mr. Speaker, I rise in support of this conference report and commend the committee for the actions they have taken. However, I think that while we are here today as sort of a mutual admiration society thinking that we have done some great things on behalf of budget control, and I hope we have, we have to recognize that we have yet to see the product of our efforts. Whether or not this is going to work is going to be determined by the will of the people in this House.

It strikes me as a little incongruous, but when we are talking about budget control here I notice over in the other body they are talking about tax reduction in the debt ceiling bill. That hardly looks like budget or fiscal control.

Mr. Speaker, this conference report is a classic product of the legislative process. It has been some 20 months in the making; first in the Joint Study Committee on Budget Control, where I served under the able leadership of the gentleman from Mississippi (Mr. WHITTEN) the gentleman from Oregon (Mr. ULLMAN) and the gentleman from Pennsylvania (Mr. SCHNEEBELI). It has been led throught the legislative process by the gentleman from Missouri (Mr. BOLLING) and the gentleman from Nebraska (Mr. MARTIN). It has been considered by two Senate committees, and was in conference between the House and the Senate for over 2 months.

The conference report should, and I believe will, receive the approval of the House. There are features in the report that individual Members may differ with. For example, I had hoped that the bill

would set a deadline for enactment of authorization legislation, instead of the reporting deadline proposed by the Senate and accepted by the conferees. I would prefer that the Congressional Budget Office be limited to direct support of the budget control process. And I think that impoundment control is an issue whose time has come and gone.

Yet there is a critical need for a mechanism through which the Congress can establish and review budget totals, and relate its appropriations for individual programs to those totals. This conference report does provide such a mechanism, and I support it for that reason. It does not, and can not, ensure that this mechanism will be used in a responsible manner. That will be determined by the congressional leadership, working with individual committee chairmen and Members.

I would like to direct an inquiry to the gentleman from Missouri, who, with the gentleman from Nebraska, and the other members of the Committee on Rules, has worked so hard to reach a compromise which is technically and politically acceptable to all who have a vital interest in budget control. I think those efforts have been successful, and the committee has my compliments and admiration.

Now we must turn our attention to the future, and to the operation of this budget control mechanism. We are establishing procedures which are new, and in many cases untested. In spite of our best efforts, some will not work, and some will work in ways we do not intend. I think it is extremely important that we establish responsibility for the oversight of these procedures, so that problems can be promptly identified, and administrative or legislative remedies implemented. I think that the new House Committee on the Budget should have an important role in this oversight, because that committee has the key legislative role in budget control, and its membership has been specifically defined to represent the interests of the House.

Would the gentleman from Missouri respond to this concern?

Mr. BOLLING. Mr. Speaker, in the first place, I have to say to the gentleman from Michigan, who has done so much on this matter on the floor, that I do not know. I do not know what the intentions are, because I would think that would largely be in the hands of the leadership on both sides and the members of the Budget Committee on both sides.

I would envisage this would be a very careful, continuing examination of the process, because I cannot conceive that this process, although it is the best that we can figure out, would be the best for all circumstances.

I would think one of the first charges in that Budget Committee and the staff of the Budget Committee and of the leadership would be to see if this is a practicable outline of the plan. It really is no more than that.

The gentleman made very clear and very accurately, as a number of others have, that it is going to take a tremendous amount of doing to make this real. I think the oversight should come from the committee and from the leadership.

Mr. CEDERBERG. I wanted to get some of the legislative history. It is the gentleman's opinion that the Budget Committee of the House should have the primary oversight in cooperation with the leadership?

Mr. BOLLING. That would be my thought.

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

Mr. BOLLING. I yield 2 minutes to the gentleman from Massachusetts (Mr. BOLAND).

Mr. BOLAND. Mr. Speaker, I rise in support of the conference report on the Budget and Impoundment Control Act of 1975.

We are on the threshold of accomplishing what some felt was not possible only a few short months ago. I want to congratulate the Members of the Rules Committee and particularly Mr. BOLLING and Mr. MARTIN on an excellent conference agreement. I also want to offer my thanks to the Joint Study Committee on Budget Control where much of the early work on tackling this tough problem was completed. And finally, I want to pay special tribute to Gene Wilhelm and Bruce Meredith of the Appropriations Committee Staff, and Larry Filson, Allan Schick, John Barriere—all have worked to pull together the scattered parts of the budget process into a cohesive document.

Mr. Speaker, this House is about to put into place, the last stone, in the long effort to build a framework for effective budget control. Each year, Congress acts on a wide variety of bills. But this could be the single most important piece of legislation adopted in recent times. Fiscal policy in the Congress has not been stimulated by choice. Rather, it has been the victim of confusion. Year after year, the appropriations enacted have totalled less than the executive branch requested. But legislation reported by other committees has gradually increased outlays through "backdoor" and other mandatory spending. It is shocking when you realize, that the 13 major appropriation bills we act on each year, represent only 40 percent of the Government's expenditures. The fact is that the decisions that determine the ultimate shape of the budget are made—not just in 13 major appropriation bills—but in more than 150 separate measures that have budget impact. This fragmented and uncoordinated process denies Members a vote on the most vital issues—what total expenditures should be—how they should be financed—and what priorities should be assigned among competing programs.

The conference agreement before us today provides us with the tools to gain control over all the budget. It provides us with the tools to determine effective priorities—to determine what old programs should be discarded, and what new programs should be adopted.

Revenues are limited, and we must begin now to choose among many desirable objectives and concentrate our resources on those areas that matter the most.

This is an historic day in the House, but after all the work is finished, and after all the speeches are made, the only question remaining is will it work? Of course, I can not answer that question today—but I do know, that whether it works or not, depends largely on the will of each Member to make it work.

The budget process is by definition complicated. The nuances of budget control are complex. In many ways, this budget reform exercise is most useful because it helps educate each of us about what we have been doing out here. Let me cite two statistics. Only 28 percent of the 1975 budget is controllable. The balance goes to interest on the debt, revenue-sharing, farm price supports, and fixed payments to individuals. Payments to individual alone now comprises 44 percent of the Government's total outlays. These payments are for social security, military and civilian retirement, unemployment assistance, veteran's benefits, medicare, housing payments, and public assistance. Seven years ago the same payments to individuals represented only 26 percent of total Government outlays.

This is the heart of budget control and budget reform. We cannot continue approving new payments for this group and new programs to solve that problem. But in a sense, that is what we have been doing. The problem is that new programs have a way of developing powerful constituencies, and payments to individuals have a way of being made to voters. So in the last analysis, we come back to the question of will. Do we have the will to make this new tool work? I hope we do because the alternative is a budget completely out of control, and a nation which is rapidly outspending its resources.

When we vote to adopt this conference report our work is only just beginning. This bill will provide us with an opportunity. I do not think we can miss this opportunity and I urge the adoption of the conference report.

Mr. BOLLING. Mr. Speaker, I yield such time as he may consume to the gentleman from Mississippi (Mr. WHITTEN).

Mr. WHITTEN. Mr. Speaker, as I said earlier, it has been a great pleasure to work with this committee. I do commend the members of the Rules Committee for the fine job they have done.

Mr. Speaker, first, may I say I wish I could claim that the pending Congressional Budget and Impoundment Control Act would or could result in paying off the national debt of nearly $500,000,000,000; or possibly take up the extra U.S. dollar in the amount of $100,000,000,000 that each Japan and Western Europe has with which they bid up U.S. prices on lumber, coal, other raw materials and commodities, as well as land, causing much of our inflation. I wish I could say this measure would pull foreign aid back to assistance, for foreign aid is almost one hundred per cent inflationary. We sell our goods and commodities to get our own money back; therefore, we have more money at a depreciated value and less

goods which means higher prices in terms of U.S. dollars for everything. I cannot claim that this measure will accomplish all that.

The measure before us, however, will bring before the Congress and the American people the whole story each year and each step provided herein is a step toward fiscal responsibility, determined on an annual basis.

OUR JOINT COMMITTEE

It was almost 18 months ago that the Joint Study Committee on Budget Control had its first organization meeting and undertook its study of the inadequacies of our present legislative budget control system. I was pleased to serve as cochairman of the joint study committee along with my colleague AL ULLMAN as well as the other 30 members of the committee. I am highly gratified that all 32 of us were able to agree upon a report and that the 32 of us joined in introducing the original bill H.R. 7130. Although it was not intended that we have agreement on many of the details of that original bill, we felt, nevertheless, that it was valuable in establishing certain fundamental principals of budget control which are still incorporated in the final bill now before us for approval.

H.R. 10961

Based on my experience with the Joint Study Committee, I was asked to study and examine the provisions of many other excellent bills, which had been prepared by the members of the Rules Committee and various of our colleagues. I did this and thought the best way to comment was to introduce a bill which in my judgment brought together the best parts of various bills that were before us. Thus, I introduced H.R. 10961 on October 16.

I am glad that H.R. 7130, as finally agreed upon in the conference action, generally incorporates these revisions, all of which had the basic objective of simplifying to the greatest extent possible the new budgetary control organization and procedures.

Very briefly, I would like to emphasize certain basic principles incorporated in the approval plan which I believe, based on our extensive study and deliberations, will assure the establishment of an effective system of legislative budget control.

CHANGE IN FISCAL YEAR

The change in the fiscal year, which I had embodied in my bill, to the period of October 1 to September 30 will provide adequate time for consideration of the Budget and avoid the necessity of passing continuing resolutions for the operation of Government agencies pending passage of the appropriations bills.

MEMBERSHIP OF COMMITTEE-ROTATION

The establishment of budget committees in both the House and the Senate will provide the essential mechanism for coordinating revenue and expenditure actions and recommending a legislative budget. The bill properly provides that the membership of this coordinating committee in the House will give representation to the Appropriations, Ways and Means, and the Legislative Committees, and the leadership of the majority and minority parties. The plan also provides, as I proposed in H.R. 10961, that the members shall be rotated among the members of their parent committees to assure that the Budget Committee does not become a "super-duper" committee. The Budget Committee will have only the power to make recommendations in reference to the legislative budget, and all of its actions will be subject to the majority will of the House.

FLEXIBLE TARGETS—CONGRESSIONAL EXAMINATION

The bill provides that Congress shall have an adequate opportunity to examine the budget from an overall point of view together with a congressional system of deciding program priorities. The mechanism for providing this opportunity is the budget resolution. The first resolution will set tentative total levels for new budget authority and outlays, the appropriate spending level for each functional category in the budget, and overall levels of Federal revenues, debt, and surplus or deficit. Most important, and we learned this in our earlier unsuccessful attempts to establish a legislative budget, it is not feasible to establish a rigid, fixed ceiling on the budget at the outset of each session. The plan provides, therefore, as I proposed in H.R. 10961, that overall figures and breakdowns in the initial resolution shall be targets, serving as guidelines to the subsequent passage of appropriation bills. The complex and detailed compliance requirements and procedures of the original joint study committee plan have been dropped to permit Congress to work its will in consideration of individual bills, but with understanding of their impact in relationship to the targets.

FINAL RESOLUTION

The final budget resolution, to be enacted after passage of the appropriation bills, will provide a final determination of the legislative budget totals with direction to the Appropriations Committees and the Ways and Means and Finance Committees to take such actions in the form of a budget reconciliation bill as may be necessary to conform to the revised budget total. This is a most important element of the budget control plan, for it assures that before adjourning, Congress will take responsible action to either reduce its spending actions to conform to the target figures or pass such revenue measures as may be necessary to finance a higher spending figure.

Finally, incorporated in the bill is the new procedure for processing the appropriation bills, which I proposed to H.R. 10961. Prior to the reporting of the first appropriation bill, the Committee on Appropriations must complete its subcommittee mark-ups and full committee action on all the annual appropriation bills and report to the House a summary of its recommendation in comparison with the target figures contained in the first budget resolution. The conference agreement properly contains an exception to the procedure in the instance of those appropriation bills which must be delayed pending authorizations. This revised procedure for the handling of appropriation bills has the advantages of a single package appropriation bill without its disadvantages. It will assure that the Congress in its action on the individual appropriation bills will be fully informed as of the over all impact on the budget targets of the committee's recommendations as well as the added impact of any floor amendments that might be considered.

In summary, I believe that the conference agreement on H.R. 7130 provides for a practical and workable solution and will make possible more responsible action by the Congress in its exercise of its power of the purse. As is true of any system, however, it will not achieve this objective unless it has the full support of all of us.

CONGRATULATE CONFEREES

Mr. Speaker, I congratulate Mr. BOLLING, Mr. MARTIN and the other members of the Rules Committee who served as conferees for the excellent conference report on the budget control bill which they have brought back to the House for our approval. They have been able to keep intact the basic principles, organization and procedure of the budget control bill passed by the House last December 4. They are to be commended for bringing back a conference bill, which I believe, will permit us to establish and maintain a legislative budget control system and yet avoid the many complexities that might frustrate a majority of Congress in working its will on fiscal matters. In the final analysis, every procedure and every action provided in the bill, is subject to the approval of a majority of the Members.

Mr. BOLLING, Mr. MARTIN and the other House conferees have done a tremendous job in bringing back to us such an excellent conference agreement on this most complicated subject and I strongly urge its adoption by the House.

Mr. BOLLING. Mr. Speaker, I yield 1 minute to the gentleman from Texas (Mr. PICKLE).

Mr. PICKLE. Mr. Speaker, almost exactly 2 years ago I was joined by several of our colleagues particularly Mr. SARBANES, Mr. FORD, and Mr. HARRINGTON here in a special order to discuss the very problem we are addressing here today in final legislation.

We were concerned that the Congress and the House of Representatives were losing control of the most precious and important power and elected body can have: The right to appropriate funds, that is, the power of the purse string. Throughout history, who controlled the Government's purse strings has mandated who really controlled the Government. Throughout history, the power over the purse has meant for elected bodies the difference between wielding an equal role in Government or consigning oneself to the role of a mere figurehead.

Two years ago, when we addressed the House, the Congress was headed down the figurehead road. We had lost control of the budget, and the new administrative practice of policy impoundments was cementing the path.

I tried to make the point that the choice of what would happen next was up to us in the Congress. We could either allow things to continue on that course or we could address the problem and reclaim our constitutional duty to control the Federal pursestrings.

The situation was not the fault of individual men or individual committees, for none are more dedicated than our able colleagues who have charge in their committees of the comings and going of Federal revenues.

It was the system itself as it had evolved which was at fault.

For several years, even before the impoundment debate reached its peak, I had introduced legislation to restore fiscal responsibility to our congressional budget system, and I had introduced legislation to change the fiscal year to allow the Congress a more reasonable and practical time to do its business. Those bills were somewhat along the same lines as the one we consider today.

I am pleased to see this great new effort being made in these directions today.

Shortly after the address to the House 2 years ago, I was joined by over a hundred colleagues in sponsorship of an anti-impoundment bill. That bill went through long and hard and vigorous debates, getting into the most basic of constitutional questions. Along the way, the anti-impoundment measure was wedded to the broader approach, an effort totally to reform the congressional handling of the budget and to increase greatly the oversight efforts of all congressional committees.

I welcomed this marriage; I think the bill is the stronger for it. I commend Mr. ULLMAN and Mr. BOLLING for this dedicated work in presenting this measure, and I commend Mr. MARTIN for his leadership and cooperation.

My early proposals and the suggestions of others have been changed greatly. Parts of the bill are hard to recognize. Other parts, however, seem very familiar to me—the changing of the fiscal year, provision of spending targets and of a resolution of later developments with those targets, a recognition of the vast role played by the so-called "uncontrollable" budget items in our outlay totals, and a serious effort to equip the Congress with the manpower needed to handle today's huge Federal budget.

Yet while changes have been made, all of the bill before us is obviously, to me, the outcome of the serious and carefully weighed constitutional questions which were raised and reraised, hashed about and rehashed about, until I think we have found a solution which will be not only constitutional but practical, not only practical but sound.

I applaud the conference committee for its able work in settling difficult issues, and I applaud all those who have labored so hard over the past years to bring this bill to fruition.

This is a good bill, and I urge each of my colleagues here today to vote for it—and to vote for a restoration to the Congress of our constitutional duties over the purse.

This bill may not be a cure-all. It may be only a beginning. Its success will depend on the cooperation of the Members. While most of us feel that we might have finally at long last agreed to a budget-control process, and with it an anti-impoundment provision, it really is basically a new approach, a new start on fiscal responsibility.

Mr. BOLLING. Mr. Speaker, I yield 2 minutes to the gentleman from New York (Mr. BINGHAM).

Mr. BINGHAM. Mr. Speaker, I am tempted to join those of my colleagues who have hailed the Budget and Impoundment Control Act as "historic," "monumental," and "vital" legislation, but I am going to resist that temptation. I do so because no one can accurately predict how this bill, with all its complexities, is going to work out, and I confess to real trepidation on that score. However, I am impressed by all the thought and hard work that has gone into this bill. Moreover, it is clear that the final version before us today represents a marked improvement over the initial drafts and the bills considered by the House and the Senate originally. For example, I am pleased to note that the conference committee has incorporated provisions similar to an amendment I offered to the House bill which will tend to insure that all appropriations bills are treated equally. The original House bill, H.R. 7130, expressly provided that those appropriations bills which conformed to the targets in the first concurrent resolution on the budget would be enacted into law, without awaiting final congressional action on all appropriations bills, thus giving them a kind of preferred status. The conference report provides in section 301(b) that the first concurrent resolution on the budget can specify that all appropriations bills not be sent to the President until Congress has completed a September reconciliation of its initial budget targets with its separate spending measures. This, then, appears to be the preferred procedure, even though the bill also allows "any other procedure which is considered appropriate to carry out the purposes of this act."

There are many other such improvements which together make this bill as tightly knit as one could hope. The Budget Committee and the Legislative Budget Office should give the Congress a much firmer grip on the raising and spending of tax dollars, and replace the present piecemeal, uncoordinated process with a coordinated, comprehensive approach to the Federal budget. It should also allow meaningful debates on national priorities at the beginning of each Congress which will be a welcome development. The impoundment controls in title X should end the executive branch's abuse of power in this area.

But, Mr. Speaker, the procedure is, necessarily I suppose, cumbersome. A great amount of additional work will have to be squeezed into an already crowded congressional calendar. The race between authorization bills and appropriations bills in such areas as foreign aid will become even more frantic. I cannot see how the expectation of the managers of this bill that future programs will be authorized at least a year in advance will be realized in many areas.

However, there is no contesting the fact that we must try to make this proposed system work. I will join with what I know will be the overwhelming majority of my colleagues in supporting the enactment of this legislation.

Mr. Speaker, I would now like to address a couple of questions to the chairman. First, as he will recall, I proposed an amendment on the floor of the House which would delay the consideration of all appropriation bills until after the second concurrent resolution.

Would it be a fair statement that section 301(b) if the bill reported by the Conference, which states that the original concurrent resolution can provide for that process, moves at least some of the way in the direction of treating all appropriation bills equally?

Mr. BOLLING. That is correct.

Mr. BINGHAM. Mr. Speaker, I thank the gentleman for his reply.

With regard to the effective date timing the bill, I notice a number of provisions. Is it the contemplation of the Committee that the Committees will be appointed promptly in this Congress so as to appoint the Director of the Budget Office and to proceed in the preparation for the coming year?

Mr. BOLLING. I think it is safe to say it is the hope of the committee, and all the committees which worked on this, that the matter would proceed very quickly, because it will take all the time they can possibly have for the people who are designated on the Budget Committee and other committees to even meet the rather generous time schedule provided.

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

Mr. MARTIN of Nebraska. Mr. Speaker, I yield 2 minutes to the gentleman from Iowa (Mr. GROSS).

Mr. GROSS. Mr. Speaker, a great day is about to dawn in the House of Representatives. There has been a lack, we are told today, of will, discipline, and restraint, and this budget control bill is going to cure all things.

Bless your hearts and souls, you have had for years an antideficiency act, a perfectly good act, but what do you do with it?

You come here each year with two or three and up to four deficiency appropriation bills. You make the regular appropriations, and then come in later with deficiency bills which bear the sugar-coated titles of supplemental appropriations. They are deficiency appropriations nevertheless and for the purpose of spending above the regular appropriations. They demonstrate the lack of discipline and will to take the measures that are necessary to establish sound, responsible fiscal policy.

Mr. Speaker, we also have a perfectly good act which provides that Congress shall adjourn each year on July 31. So

what do we do? We pass a concurrent resolution setting that act aside and Congress gleefully goes its way for the rest of the year, almost celebrating Christmas Eve in session.

Yes, Mr. Speaker, with this bill, everything and everybody is going to be reformed. Everything is going to be hunkydory, and the goose is going to hang high. If we just pass this bill, we will have brought into play all the will, all of the restraint, and all of the discipline that is necessary to balance the budget, stop inflation, and restore fiscal sanity. Do not believe it for 1 minute.

I will not be here when this alleged reform goes into operation, but I predict Members of this House and the Members of the other body will quickly find ways to warp and bend the reform rules laid down here today and, at least, some of the Members present on the floor will be a part of it.

Mr. Speaker, this legislation is another resort to gimmickry. The issue of budget and spending control can be met here today, tomorrow, and the next day if the Members of Congress will but exercise the courage and determination. This is again misleading the public and I predict again that time and events will prove it.

Mr. BAUMAN. Mr. Speaker, I wish to endorse the remarks just made by the gentleman from Iowa (Mr. GROSS). I think I shall have those remarks engraved in stone, and present them next year at this time, after the gentleman has retired from his many years of dedicated service to his country, to the many who have made glowing speeches here today about budget control, but who will probably end up voting for more backdoor spending and bigger budget levels the moment we approve this bill.

Make no mistake: this bill is a step forward, and it will help. But it is not a panacea, and it will only be as effective in enforcing budget control as the collective will of the Members of this Congress. While it will lead to a more organized method of approaching the budgetary responsibility, it contains no guarantee that the overall level of Federal spending will be held to a reasonable limit; only firm resolve on the part of Congress can insure that. It does not guarantee an end to red ink in the Government's books; only a balanced budget amendment to the Constitution, of the sort which I have introduced in this House, or similar action, will assure an end to the practice of spending more than we take in each year. And it certainly will not assure a rational approach to the expenditure of the taxpayers' money—we will still be free to spend that money on as many foolish and ill-advised programs as a majority of us like.

In addition, the final conference version of this bill does not contain several key elements which were included in the original House bill. The measure does not include present programs under the limitations placed on backdoor spending, which represents a significant weakening of the bill. The provisions requiring committee oversight and review of existing programs, an essential part of any effort to weed out programs which are unproductive, or which have outlived their usefulness, have also been watered down.

In short, the Budget and Impoundment Control Act will give us the tools we need to approach the budgetmaking process in a responsible and organized fashion. But we must use these tools effectively. If we approach them as troublesome annoyances and work around them, then budget control will be a sham. If we employ them intelligently, and combine them with a willingness to hold down the overall level of spending, then we may succeed in bringing fiscal responsibility to the Federal Government for the first time in my memory. I pledge to work toward this goal, and I hope that the other Members who have praised this bill so eloquently today will do so as well. I only wish that we could look forward to the wise counsel of the gentleman from Iowa as we implement its provisions.

Mr. BOLLING. Mr. Speaker, I would like to yield 1 minute to the gentleman from New York (Mr. BADILLO).

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

The legislation before us this afternoon is a comprehensive measure designed to end the haphazard manner in which the Congress, for far too long, has dealt with the Federal budget. Not only will this measure be one of the most vital and urgently needed to be acted upon by this Congress but its passage will mark a significant reform in both congressional procedures and in legislative-executive relationships.

As the New York Times very appropriately observed editorially earlier this month—

> Until now a loose and fragmented budget process has often caused spending to veer out of control, with serious inflationary consequences.

Further, in view of the absence of any substantive coordination between the appropriations and revenue raising committees of both Houses, fiscal policy has been a major cause of instability.

By providing a mechanism for the Congress to regain control over the Federal budget—through the creation of a procedure for viewing the budget as a whole and determining the desired levels of spending, revenues, deficit or surplus and debt in a manner affecting the overall economy in the most advantageous fashion—H.R. 7130 will bring some order out of chaos. By restoring the Congress to its proper role in the budget process this measure will correct the serious imbalance of power which for many years has rendered the legislative branch ineffective when faced with a better organized and more purposeful Executive.

The annual budget battles which have ensued have been terribly damaging to the democratic process and to economic stability and have frequently jeopardized programs which have sought to provide remedies for many of the domestic ills confronting our people. Further, the Congress has been in a difficult position to achieve a meaningful reordering of national priorities because of our unwillingness to take the initiative to rationally manage the budget.

This legislation contains a number of progressive and useful features which will not only streamline the whole budget process but will make it more functional and responsive to the needs of the country. Through the establishment of budget committees in each house—aided by the Congressional Budget Office—the Congress will be able to effectively match the executive's fiscal expertise and will certainly better equip us to determine spending priorities. Further, H.R. 7130 will set a procedure to provide for congressional control over the impoundment of funds by the President, a device whose necessity has been highlighted by the irresponsible and detrimental impoundments of the past several years.

As the distinguished gentleman from Oregon (Mr. ULLMAN) is quoted as having declared, the Congress "cannot continue our present course of fiscal irresponsibility without destroying the Nation. Congressional budgeting has to be the first step." The reform measure we are now considering cannot be delayed further and we must move affirmatively to correct present deficiencies and enact this conference report to enable us to properly meet national economic needs and overall budget priorities. Further, this legislation will aid in placing the interests of the people above narrow special interests in shaping the Federal budget and, hopefully, will assist in restoring public confidence in governmental processes.

Mr. MARTIN of Nebraska. Mr. Speaker, I yield myself the balance of my time.

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

Mr. MARTIN of Nebraska. I yield to the gentleman from Colorado.

Mr. BROTZMAN. Mr. Speaker, I rise in support of this particular conference report, as I did the bill.

I rise in support of the conference report on H.R. 7130, the Congressional Budget and Impoundment Control Act of 1974. I congratulate the members of the conference committee for their good work in reporting this agreement to the floor; an agreement that is nonpartisan and protects the best interests of the American people.

This legislation represents a big step forward in dealing with the catastrophe of inflation that has been so damaging to the well-being of this Nation. It is no exaggeration to say that inflation is the most severe economic problem now confronting this country. Consumer prices have risen to exorbitant highs, and purchasing power has eroded to record lows.

The chief cause of this insidious growth of inflation has been irresponsible and uncontrolled Government spending. Until now, the President's impoundment of funds has been the only thing keeping this spending under control. I believe that impoundment of funds ultimately works to the detriment of every American citizen by weakening the separation

of powers between the executive and legislative branches.

However, if the Congress were to destroy this power to impound funds, without first providing the machinery to responsibly handle the Federal budget, the result would be bankruptcy for the American people.

There must be a mechanism in the Congress to effectively limit congressional spending and this bill accomplishes the goal. It sets up budget committees within both bodies of Congress to coordinate and monitor budget outlays and authority. The committees are responsible for reporting resolutions that will set a statutory spending ceiling for the Federal Government and also determine the overall levels of Federal revenues and public debt, and the resulting surplus or deficit levels.

The bill permits the President to impound funds solely for contingencies or to affect certain savings. The President is required to report any impoundment action to the Congress by means of a deferral message, and the Congress is given the right to pass an impoundment resolution disapproving the deferral, thereby making the funds available for their intended purpose.

Mr. Chairman, by setting a limit for expenditures, this bill reaffirms, in Congress, the constitutional prerogative for controlling the Nation's pursestrings. Fiscal responsibility and constitutional power must go hand in hand if the Congress is to deal with the rampant rise in inflation.

Mr. MARTIN of Nebraska. Mr. Speaker, in the 1 minute which I have remaining, I would again like to point out that this legislation will work only if the Members of Congress, of both the House and the other body, have the will and the determination to carry through and make it work. That is extremely important.

Mr. Speaker, as I pointed out in earlier remarks, the bill is very, very flexible. There are options in the House for not making it work if the Congress and the committees do not have the will to carry through. But I hope, Mr. Speaker, that we do have the will in future years and that it will work and will improve the operation of the Congress and be of great benefit to the entire Nation.

Again, I want to point out that this is only one-half the package. The other half of the package is the Reorganization Act, which I hope we can have before us on the floor of the House in the very near future.

Mr. BOLLING. Mr. Speaker, I yield myself the balance of my time.

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

Mr. BOLLING. I yield to the gentleman from Missouri.

Mr. RANDALL. Mr. Speaker, for all of the Missouri delegation let me say we are proud today of the dean of our delegation for his leadership in the Congressional Budget and Impoundment Control Act. Let me quickly add the view that I am not as pessimistic as some Members who have just taken the well—that this legislation may be meaningless. On the contrary I am almost certain this legislation will help the Congress do a better job in making expenditures equal—rather than exceed—revenues.

Mr. Speaker, I rise in enthusiastic support of H.R. 7130. There are so many meritorious provisions in this important piece of legislation that it will not be possible to mention, even briefly, all of them.

In just a very few words the legislation which we refer to as the Congressional Budget and Impoundment Control Act of 1974 establishes two budget committees consisting of 23 Members on the House side and 15 Members on the Senate side. It also provides for the establishment of a Congressional Budget Office, changes the fiscal year and provides impoundment review procedures.

A casual glance at some of the action that was taken in order to arrive at this stage of the conference report will show that nearly all of the activity in the early stages have been by either unanimous vote or by such a substantial vote as to be virtually unanimous.

For example, the report of the Joint Study Committee on Budget Control was adopted on April 18, 1973. Thereafter this report was approved by our Rules Committee on November 20, 1973. Thereafter this legislation passed the House on December 5, 1973 by a vote of 286 to 23. On March 22, 1974 very similar legislation, if not identical, passed the Senate unanimously. Then, when the conferees got together for their deliberations the conference report was agreed to unanimously on June 17, 1974.

All of the foregoing should speak eloquently of the fact that this legislation before us today must be of such great consequence and of such merit and excellence as to be almost unanimously accepted throughout its legislative history.

Perhaps it should be emphasized that what we have before us today is the design for procedure that will aid and assist the Congress to arrive at better informed and better prepared decisions and conclusions to see to it that the funding which is appropriated does not exceed the revenues which are available.

During some of the debate several months ago in the House one Member who said that action on the congressional budget measure made the date a red letter day was promptly challenged and corrected to say it would be more appropriate to refer to it as a black letter day because a legislation of this kind should go a long way in the future to keeping our Government in the black rather than having to use more red ink.

Some have been exceedingly pessimistic that the Control Act will not work. The best way to look at this new measure, however, is with an atttiude of optimism. Whether it will work or not will depend on whether Congress wants to make it work. It can be a worthless effort today and all of our action today can be an exercise of rhetoric unless we are determined to make this new machinery work. For my part I hope and pray that the membership of this Congress and the membership of the next Congress will share the determination to make this new Control Act workable and effective.

There is little value in discussing the dates when authorization must be complete and when the committees must act. All of these timetables are spelled out in the bill and in the report.

Some have described this legislation as historic; others have said that it is landmark legislation. It is my hope that it will serve as an effective tool that will enable us to set some priorities in our expenditures. Also there must be a will and a determination in setting these priorities to exercise some self-restraint.

Mr. Speaker, the action on this conference report today is essentially a reaffirmation of the congressional power of the purse. This is indeed a historic day. The need for this legislation has been clear for a long while. The end result of what we do here today may not be fully foreseen at this moment but I predict it very well could or might produce a profound result in the not too distant future because this should enable the Congress through its congressional budget committees to zero in on budget totals and thus arrive at more carefully appraised appropriation legislation that comes within the revenues available.

To assist the budget committees, of course, is the Congressional Budget Office whose staff would serve both the Senate and House committees. This office will have the advantage of computers which are now available only to the executive branch. This office would submit annual reports to the two Budget Committees to assist them in preparing their own congressional budget. Please note we are speaking of a budget prepared by the Congress not one that comes up from downtown and is handed to us on a take it or leave it basis and which we always seem to swallow no matter how unpalatable it may be.

What we do here today may not be the perfect answer but it certainly is an important step. It is even hard to believe we have come this far. Perhaps the Congress should take time to congratulate itself. In my judgment, the country will applaud what the Congress is doing today. This conference report is the last stone in the structure that started way back in the fall of 1972 when the House imposed a limit of expenditures of $250 million on itself for the first time ever.

The legislation today gives us the tools for budget control. Certainly our revenues are limited and always will be. Certainly there are many meritorious demands on these revenues. The procedures we establish today will simply enable the Congress to cut the pie and divide the portions according to the highest priorities.

Mr. Speaker, budget control is only part of the tools provided by H.R. 7130; the other part, impoundment control. The President may now withhold funds under the Anti-Deficiency Act but under the terms of this new bill he must notify Congress of his actions, then the Congress has 45 days in which to act by way of disapproving resolutions. Put differently, when the President believes a program should be rescinded for fiscal policy reasons he must submit to Congress a rescission message, explaining his action. Thereafter, both Houses are given 45 days to pass a rescession bill which rescinds the amount proposed by the Presi-

dent. Otherwise, the funds will be made available as appropriated.

If the President only wishes to temporarily defer an expenditure but not terminate the program under this bill, he must submit a deferral message explaining his action. This procedure differs from a rescission message because under deferrals the President must make the impoundment available if either House passes an impoundment resolution disapproving the deferral. This act contains the authority for the Comptroller General, with congressional approval, to bring suit after the rescission and deferral decisions are complete.

While H.R. 7130 is important as a budget control tool it is also important as a tool to fight the impoundment process of funds appropriated needed to carry out authorized programs so urgently needed by our people. We have seen in the immediate past of impoundments of agricultural, educational, and House programs that have suffered by ill-advised and unwise impoundments of this administration.

Mr. Speaker, the legislation before us today will give us the opportunity to do what we have always said we should and ought to do and that is exercise better control of expenditures.

Once again, let me say it is more than an opportunity, it is an effective tool. I predict that the Congress will make good use of this tool. The legislation embodied in this conference report today may very well be the means to achieve fiscal commonsense in the future. If we are not determined to make these procedures work, those who fail will find that the people will not long tolerate such failure.

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

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

Mr. GILMAN. Mr. Speaker, I rise in support of the Congressional Budget and Impoundment Control Act.

We have been awaiting the conference report on this measure for some time now and it is gratifying that the conferees have finally come forward with a viable proposal.

As a freshman Congressman, it was dismaying to discover the haphazard method by which the Congress spends the taxpayers money—authorizing and appropriating billions of dollars without setting any spending ceiling or without considering the inflationary consequences of responsible spending.

Passage of this legislation is a landmark achievement of the 93d Congress. For the first time, we will be working with a unified budgetary process and there will be one central committee recommending levels of budgetary outlays, as well as setting overall levels of Federal revenues and public debt. This will start Congress on its way toward seeing both the forest and the trees of fiscal policy.

It is especially important to pass this legislation because we probably will not have the opportunity of voting on the committee reform measure which was carefully prepared and presented by the bipartisan Committee on Committees which was formed to restructure the antiquated House committee structure. That worthy proposal has apparently been sidetracked by a handful of the members who are reluctant to consider any reform which may weaken their own powerful positions.

Accordingly, I urge my colleagues to wholeheartedly support this worthy fiscal reform measure which may well be our only opportunity this session for putting the lid on massive Federal spending which has become such a tradition over the past few years in Congress.

Mr. HOGAN. Mr. Speaker, I rise to state that I am fully in support of the efforts being made here today to get the Congress' fiscal house in order at long last.

Ever since I was elected to Congress in 1968, I have been among those urging a commitment to greater fiscal responsibility. Unfortunately, that commitment has not been strong enough with enough Members of this House, and the result has been a national economy suffering under the heavy burden of rampant inflation.

At the heart of our economic problems, in my opinion, is the policy which the Federal Government has followed with alarming consistency over the past 10 years—the policy of spending more money than it takes in.

This policy of deficit spending has brought about an increase of $148 billion in the national debt over the last decade. Since 1964, the national debt has gone from $317 billion to $490 billion, and we are now paying nearly $30 billion a year just for interest on the national debt.

This represents almost 10 percent of the entire Federal budget that we are spending just to pay for past economic mistakes.

When we talk of reordering priorities, we need look no further than this interest payment on the national debt to see one major area that could stand some reform.

We cannot expect inflation to be really slowed, or the dollar to be really sound, until we decide to stop spending money as if it grew on trees instead of coming out of the taxpayer's pocket.

I believe the legislation we are considering today represents a giant step forward in the process of regaining some sense of fiscal responsibility as well as budgetary authority.

In setting an overall target ceiling for congressional spending, this legislation for the first time says "No" to the spending sprees the Congress has embarked on so many times in the past, with no regard for the means to pay our bills, and no thought given to the possible effects of such wanton spending on the Nation's economy.

If this spending limitation is set in conjunction with anticipated revenues for a given fiscal year, and if we do not exceed that limitation, then we will be exercising fiscal responsibility. And any proposal whose cost would exceed that limitation should be made to provide for a system of taxation to pay for the excessive cost.

I believe this is the key to staying at a responsible level of Government spending, and I am committed to keeping a close watch over the Nation's purse strings so that American people can keep more of their own money in their own pockets.

The bill would create a 23-member Budget Committee in the House and a 15-member committee in the Senate, with a joint professional staff to serve both committees.

These committees would recommend annual budget outlays, revenue levels, and other spending policies, and follow a step-by-step procedure for consideration of the budget that would greatly improve the efficiency and the overview capabilities of the Congress.

We have not had the benefit of such a centralized and comprehensive budget supervision in a very long time, and the results of this incohesive approach speak for themselves—a national economy too long plagued with the curse of inflation, a curse that has brought on higher and higher prices for consumer goods, demands for higher and higher wages, serious deficits in our international balance of payments, and a lessening of confidence in the American dollar within the world financial community.

We have the opportunity before us today to remedy these economic ills and to prevent them from recurring in the future. Let us seize the opportunity; let us enact this much-needed legislation.

Mr. SISK. Mr. Speaker, perhaps as never before, this Congress has the opportunity to strengthen and make meaning out of the separation of powers clause, one of the most fundamental provisions of our Government.

During the first session, the 93d Congress made a significant stride in regaining its rightful authority with enactment of the War Powers Act, and now it can take another step by passing the budget control bill.

Never before has one branch so effectively become the dominant force in American politics as has the executive branch. For the last four decades, the Congress has been playing subaltern to the President, watching as undeclared wars were fought, international agreements were entered into without benefit of treaty, and the Nation's priorities were set by the White House.

The Presidency has reached such a stature of political power and personal prestige that some believe it impossible for Congress to contest the executive branch on equal terms. But in what could be one of the most significant reassertions of congressional prerogatives, the Congress has the opportunity to stop the arrogation of power of the Nation's purse strings.

There are several significant provisions in the budget control bill, but none are as important as the prohibition against impoundment by executive fiat and the requirement that Congress, for the first time, establish national priorities and fix a spending ceiling for each year.

For the public, the legislation means two things: No longer will a President be able to arbitrarily withhold legally appropriated funds for programs, such as housing, education, and community development. Second, Congress cannot be a

free-spending body, refusing to treat the $300 billion Federal budget as a total document but merely as a cumulation of figures for splintered programs which have no relationship to one another.

It is generally agreed, I believe, that budget reform would not be on Congress' docket had President Nixon not resorted to executive impoundments to eliminate domestic programs he did not favor. Surely, no President in this country's history has ever used impoundments to the extent Mr. Nixon has.

But the President is correct when he charges Congress historically has failed to control the budget. The Federal budget has steadily grown without Congress concerning itself too much with the totals, and clearly Congress has never made a concerted effort to identify the priority needs of the Nation. It has simply been too easy for both Chambers to pass supplemental appropriations bills when it became apparent that the programs they had approved demanded a far higher budget than was initially approved.

Congress must come to grips with the realization that it cannot continue to be the free wheeler any longer and that by establishing priorities, it must also be willing to eliminate or cut back on programs which are not successful or have basically only special interest appeal.

It will not be sufficient, however, for Congress merely to enact budget control legislation. We must make it work, we must be willing to hold to a spending ceiling, we must decide what are the Nation's most pressing needs. Without such commitment, then the legislation will only be paper and words without substance.

I know that the two men most instrumental for the budget control bill, the Honorable AL ULLMAN of Oregon and JAMIE WHITTEN of Mississippi, who cochaired the Joint Study Committee on Budget Control, want and expect this legislation to work as intended.

I think this Congress owes Mr. ULLMAN and Mr. WHITTEN its thanks, and it clearly would be a disgrace to those gentlemen and to the Congress as a whole if we do not fully implement budget control and adhere to its provisions. After long and arduous hearings, which continued over several months, this legislation may have very well died had it not been for the perseverance of Mr. ULLMAN and his repeated pleas to the Rules Committee to keep working to make this proposal a reality.

I am sure no one knows more than Mr. ULLMAN of the strong amount of opposition that existed at one time over budget control legislation. But now, thankfully, that has been overcome to large degree, and much of the reason is a result of the work that Mr. ULLMAN gave to this very important piece of legislation.

Mr. Speaker, I also would like to commend the Rules Committee and the Honorable RICHARD BOLLING of Missouri, who chaired the House conference committee from which the final budget control legislation emerged. A great deal of time and effort has been spent for us to reach this point, and we should not forget to acknowledge those who designed the legislation and gave us the opportunity to regain the authority that the Constitution gave us, but which we allowed to slip from our hands.

Mr. BROYHILL of North Carolina. Mr. Speaker, I rise in support of H.R. 7130, the Budget and Impoundement Control Act. As an original member of the Joint Study Committee on Budget Control. I believe the bill reported by the conference committee is a very good piece of legislation, one worthy of favorable consideration by my colleagues.

As we all know, the Constitution delegates control of the purse to the Congress. In this legislation, we are reaffirming the position of Congress as the guardian of the Treasury by establishing a legislative budget process for determining national policies and priorities and by providing for congressional review of any impoundment of funds by the executive branch. In our Government of shared powers, the spending of money is a two-stage process: First, the money is appropriated by Congress as a method of determining national policy; then, these funds are spent by the executive branch as a means of carrying out that policy.

Unfortunately, this has not always been the case, especially in recent years. In my 12 years in Congress, I have become increasingly concerned with the appropriations and budgetary process in Congress. The source of my concern lies in the procedural mechanics of the appropriations process. While these mechanics make it possible to reach legislatively wise and prudent decisions on individual programs, they also make it exceedingly difficult to frame our decisions in terms of the larger and equally important context of the budget—and the direction of the Federal Government—as a whole.

One of the leading factors in the breakdown of the appropriations process is the rapidly increasing size of the Federal budget. During the past 25 years, the budget has increased annually by $15 to $20 billion. At the same time, the size of the Federal deficit has grown, from $1 billion in 1900 to $500 billion in 1974. The United States is in the vise of a budget gone out of control. And yet, the Congress makes little, if any, effort to review the total budget and its implications for the American economy and the direction of general government policy.

A second major factor is the increasing number of programs funded by the Federal Government. Within the last decade, poverty, the environment, energy, and health care, have all become significant focuses of national concern. In response, the Congress has directed the Federal Government to implement programs to meet these concerns and, as a result, America is confronted with a complexity of national priorities. However, there is no institutional arrangement in the budget process of the Congress to facilitate the hard spending decisions which must be made between competing priorities and programs. This lack of an institutional procedure for crucial priority decisions leads to the partial funding of many programs, rather than the selective or full funding of the most critical programs. The end result is a wasted taxpayer's dollar.

I firmly believe H.R. 7130 will correct these problems. First, the bill changes the fiscal year to an October 1 to September 30 cycle, giving Congress 3 extra months for budget work. Second, it creates new budget committees. Comprised of 23 members, the House Budget Committee, with the assistance of the Legislative Budget Office, would offer an initial budget resolution to be adopted by the Congress by May 1. This concurrent resolution would establish guidelines for the processing of appropriations measures through Congress: It would set tentative total levels for new budget authority and outlays, the appropriate spending level for each functional category in the budget, and the overall levels of Federal revenues, debt, and surplus or deficit. The second budget resolution, to be adopted by September 15, would establish the appropriate level of budget authority and outlays and, if necessary, call for implementing legislation to be reported out by the appropriating or revenue committees of Congress. The implementing legislation would be in the form of a budget reconciliation bill, providing for the rescission or amendment of appropriations or for adjustments in the tax rates. Following completion of this process, the appropriation bills would be sent to the President.

Title II contains the basic impoundment control features provided by H.R. 8480, which passed the House last July. I voted against H.R. 8480 because I believed that passing anti-impoundment legislation alone was not the answer; rather, the Congress must first exercise its responsibilities to set and to live within reasonable spending levels. This is accomplished in H.R. 7130, and congressional control over impoundments can be viewed from an entirely different standpoint. First, there probably will not be any need for impoundments and, second, if impoundments do occur, they can be reviewed under the procedures established by this legislation. Briefly, if funds are impounded, the President has 10 days in which to transmit to Congress a special message setting forth the details of the impoundment. Impoundment of funds must cease immediately if either the House or Senate disapproves the action within 60 days of continuous session of Congress. If the President fails to transmit the impoundment message to Congress, the Comptroller General is to report the impoundment to Congress. Additionally, the Comptroller General is empowered to sue any department, agency, officer, or employee of the U.S. Government in a civil action to enforce these provisions.

Mr. Speaker, as I said at the outset, H.R. 7130 reaffirms congressional control over our Nation's budget and its programs and priorities. It is necessary legislation. As the conference report so aptly stated:

> Congress must not permit its own vital and constitutional role in deciding spending priorities to lapse by default. It will surely do so if Congress does not provide a suitable and equitable institutional mechanism to preserve its legitimate prerogatives.

I urge the passage of this most worthwhile bill.

Mr. ALEXANDER. Mr. Speaker, the Congressional Budget and Impoundment Control Act of 1974 is the most significant piece of legislation to come under consideration by the 93d Congress. Indeed, putting a congressional halter on the Federal budget may very well be the most important legislation of this century.

The inability of Congress to control spending has eroded public confidence in the people's branch of our Government. People deserve a dependable level of fiscal responsibility. Under the present system Congress is fiscally irresponsible. The American people demand and deserve relief from the undermining forces of the spiralling inflationary trend that permeates our economy today.

Trust and confidence in democratic institutions is maintained by a proven ability to get the job done. And, if trust in the Congress is lost, the electorate will begin to depend totally on an unelected, unconfirmed, and undemocratic bureaucracy. Such is the case in our Nation. Executive impoundment is nothing less than an assertion of the legislative power to spend by the President and his advisers, because the congressional mechanism for handling the budget does not adequately protect the people's interest in a sound economy.

Through this landmark legislation, Congress for the first time will have a vehicle to commit itself not only to the stopping of debt creation, but also to the budgeting of a definite amount each year as a payment on the national debt.

Inflation is undoubtedly the most critical problem confronting this Nation today. Some economic advisers have taken the view that, if left alone, the disease will run its course and disappear. That may be fine for a common cold, but it is no good for pneumonia—and the present rate of inflation is clearly assuming the symptoms of the latter.

At present we are drifting toward the double danger of inflation and recession. But there is a way back to economic health and sanity. The Congressional Budget and Impoundment Control Act is the road to a sound economy. I urge my colleagues to support this legislation and restore the power of the purse to the branch of Government which our Founding Fathers intended.

Mr. O'NEILL. Mr. Speaker, I rise in strong support of this conference report and want to heartily commend DICK BOLLING and all the House conferees for their diligence and responsible efforts in giving us legislation which will restore to the Congress its rightful role in determining the spending priorities of ths Nation.

This conference report is a balanced and workable compromise incorporating the outstanding merits of both House and Senate versions.

It promises meaningful and attainable improvements in the congressional budget process and will give to the Congress a stronger hand in deciding budget totals, and thus, in controlling runaway inflation.

It preserves and strengthens the authorization and appropriation machinery of Congress, while at the same time enabling Congress to review and terminate the impoundment of funds by the executive branch.

The Constitution gives to the Congress the power to appropriate money and ultimately to control how that money is spent. The impoundment provision requires the President to come to Congress when he decides to impound. This is as it should be. For it is the rightful prerogative of the Congress, the branch of Government which controls the purse strings, to determine whether the recommended impoundments are justifiable and necessary.

This conference report provides a comprehensive approach to budget reform. It is the top priority of the House Democratic leadership and has the support and endorsement of the Nixon administration.

The time for Congress to reform its handling of the budget has come. I urge immediate adoption of this conference report.

Mr. BENNETT. Mr. Speaker, I rise in strong support of the conference report on H.R. 7130. This legislation has more potential for good for our country than any measure that has been before Congress in the last 26 years, the period of time that I have served here. This is true because the legislation will establish a workable procedure by which Congress can achieve effective command in the selection of priorities; and can take needed action to reduce and eliminate deficit spending and thus importantly stem the tides of inflation. There is nothing more destructive to our country today and nothing more hurtful to the citizens of our country today than the high and rising costs of living, the almost uncontrolled inflation that we are experiencing. Inflation hurts the people in their efforts to live normal lives within their available wages. It also hurts the efforts of the country to survive in a costly climate of increasing domestic and defense needs. Hopefully, this legislation will give Congress a handle on a way to bring all of this under control.

The legislation, when law, will still require a persistent will on the part of a majority of the House and a majority of the Senate to make the law work. I have confidence that the law will work. It is a good start. We must make it work.

Mr. FASCELL. Mr. Speaker, I rise in strong support of the conference report on H.R. 7130, the Congressional Budget and Impoundment Control Act of 1974.

It is imperative that the Congress strengthen its procedures for dealing effectively with its appropriations responsibilities. We must be able to review the overall spending picture—where the revenue is coming from and how it should be allocated—and tighten the congressional reins on the Federal budget.

In the past, I have sponsored legislation similar to this bill which would have required the House to make fundamental decisions on how much aggregate spending should occur and where the money would come from before it started to approve separate spending bills. Under that legislation, as under H.R. 7130, this House could not consider any appropriations bill until it had first approved a resolution containing a legislative budget which included an estimate of tax revenues, expenditure ceilings for each appropriation bill and recommendations for handling differences between revenues and expenditures.

H.R. 7130 provides not only the machinery and procedure for developing a Congressional Budget, but also provides urgently needed technical assistance by establishing the Congressional Budget Office. One of the major problems has always been the difficulty of interpreting the budget documents submitted to the Congress by the administration. With the added expertise of the new Congressional Budget Office, we should be able to better assess the recommendations made by the executive branch.

Runaway inflation continues to plague every American family. One solution to that problem and the critical state of our economy as a whole is greater congressional control over Federal expenditures. Passage of the Congressional Budget and Impoundment Control Act will give us that control.

Mrs. SCHROEDER. Mr. Speaker, Congress as an institution is held in low esteem by the American people, and not without cause. Two of the most frequently voiced criticisms are of antiquated procedures which prevent the Congress from dealing realistically with the problems of our fast moving society, and of fiscal irresponsibility. In voting for passage of the Congressional Budget and Impoundment Control Act today, we have an opportunity to meet these criticisms and recapture for Congress control of the Federal budget.

More importantly, at a time when inflation is so serious that, in the words of Federal Reserve Board Chairman Arthur Burns, "the future of our country is in jeopardy," we will be able to establish spending limitations in an overall, coordinated fashion. Although economic experts disagree on exactly what should be done to cope with inflation and the additional threat of a serious recession, almost all are agreed that one element of any program must be a reduction in government spending and a balancing of the Federal budget. Our difficulty up to this point has been that we have had no procedure for reviewing the Federal budget—tax receipts as well as expenditures—as an integrated whole. The resources and procedures for review set up in the budget control act will allow us to restrain the level of Federal spending in light of receipts and at the same time exercise greater control in establishing budget priorities.

In arranging these priorities, we will need to be flexible, and see some of our favored programs be cut back in the interest of overall fiscal soundness. This includes flexibility in reviewing the military budget as it comes to us from the Defense Department. We must not, as we have done in the past, treat it as a fixed weight in the balancing process. Secretary Schlesinger has admitted that more than $1 billion of the fiscal year 1975 budget request was for "pump priming"—an oddly timed and ill-conceived military solution for our economic trou-

bles. Even so, the new economic czar Kenneth Rush has stated that administration officials, in their new search to cut the Federal budget, will not touch defense spending. This, in spite of the admitted padding and in spite of the fact that several former high Defense Department officials have recently testified that an $11 billion cut could be made in the Defense budget without impairing our military capabilities.

The second prong of the act, which sets up procedures for countering the abuse of executive impoundments, will further enable us to control spending and priorities. The arrogant treatment of Congress—and the people it represents—by the present administration, most recently exemplified by Mr. Rush's refusal to testify on Mr. Nixon's plans for the economy before the Joint Economic Committee, must be stopped.

At this critical time in our Nation's history, Congress must act to regain its constitutional power over spending and to fill the void in economic leadership left by our distracted Executive.

Mr. ANNUNZIO. Mr. Speaker, fiscal responsibility can be established or destroyed, recaptured or further banished from our public ethic, by two institutions: The President and the Congress. To this point in time, both institutions have contributed to our budgetary quagmire. However, it is too late for charges of fault. We must take positive steps to correct current inadequacies.

We in Congress have a heavy responsibility to bear in our authority to approve the spending of public funds. In order to exercise this authority with integrity and a real sensitivity to national needs, we need to consider more adequately the overall impacts of each of our financial moves. We need to have a more complete vision of where we are, and where we are going. We must be seriously willing to recognize that we simply can no longer afford to do whatever we want in the way of spending. And we must be willing to compromise the desires of special groups or constituencies when the national interest will be more beneficially served through such denial.

We must devote ourselves to finding and implementing measures which will assure that fiscal responsibility will once again be a national hallmark. It is time that we restored the public's trust in its Government.

It was for these reasons, Mr. Speaker, that I favored the creation of the Joint Study Committee on Budget Reform, and applauded its fine report when it came out last year. It was also for these reasons that I voted last December for H.R. 7130, the Congressional Budget and Impoundment Control Act of 1974.

Mr. Speaker, this is one of the most far-reaching pieces of legislation it has ever been my pleasure to support.

The amount of effort and commitment that went into this bill is unprecedented in my experience in Congress, and every person who contributed deserves the appreciation of this body and the entire Nation.

I called this bill far-reaching, and indeed it covers a wide variety of subjects, as it should. Practically every reform given life in this bill has merit—time and experience may reveal a few flaws, since nothing made by man is perfect—but it is my belief that the careful integration of many reforms in one bill is the keystone in the successful construction of a new budget-making process, just as the careful integration of many and diverse programs is the essence of making a budget.

It is for this reason that the requirement of annual congressional budget—a concurrent resolution which sets the size of the Federal budget and divides the whole among many parts—is such an important reform. Rather than having the budget be the result of haphazard and unrelated decisions on a mind-boggling array of choices, the concurrent resolution will allow the Congress of the United States to examine the entire budget in one piece, and then decide in a straightforward manner how much to allot to competing priorities. The concurrent resolutions, and the mechanisms to make sure that they will be enforced, are really the heart of this budget reform bill, as far as I am concerned.

There are many other useful, even vital, features, however. To begin with, a Congressional Budget Office will be created, which will aid in redressing the imbalance of information which the executive branch commonly uses to its advantage and our embarrassment. The establishment of a professional and nonpartisan Congressional Budget Office should be significant in helping each of us more fully to understand the budget and more effectively serve the people.

Another important, though controversial, aspect of the budget reform effort has been the attempt to bring "backdoor" spending within the purview of the congressional budget, and allow the Appropriations Committees a greater role in controlling spending. By limiting the fragmentation of the budgetmaking process, this budget reform bill allows Congress to maintain a comprehensive and rational view of the Federal budget, and surely we can ask little more.

This bill also encourages the periodic evaluation of major Federal programs, and the pilot testing of new programs, to enhance the role of Congress in making sure that the American public gets full value for its tax dollar. And, speaking of taxes, the bill requires that the Budget Committees and the Congressional Budget Office spotlight the "tax expenditures budget." In other words, the loopholes, exemptions, and deductions which are really hidden subsidies will be brought into the light so that Congress will have a more detailed and accurate picture of how the budget laws—both spending and taxing—really affect the country.

Yet another advantage to this budget reform bill is the ambitious timetable for the transaction of each year's budget business. It is certainly true that the May 15 deadline for reporting authorizations puts pressure on the legislative committees, and that the September deadlines for appropriations, the second concurrent resolution, and the reconciliation process may place a strain on the Budget and Appropriations Committees, and Congress as a whole. But it is hardly too much to ask that we apply ourselves to the most important aspect of the Nation's business—surely with good will and hard work we can meet the deadlines. I, for one, have every expectation that the same spirit which has brought the budget reform bill this far will also bring about its final enactment as well as its successful implementation by the Congress.

Finally, I have always supported, and will continue to support, attempts to limit the impoundment of funds. Nobody wants public funds to be wasted and, if, through intelligent management, bits and pieces can be saved here and there, I will always applaud. But the "economical management" should never be used as an excuse to gut vital national programs. It seems most appropriate that provisions tying the reform of our budgetmaking process be tied to provisions which reform the budget execution process, as this bill does.

In conclusion, Mr. Speaker, I want to point out that this landmark legislation will enable the Congress to be responsible for devising the budget and for meeting our obligations, with no deficit spending, and in the event that we collect more money than we spend, this money will be used to pay off our national debt which has reached astronomical proportions. For America to survive, it is absolutely necessary for the Congress to insist on fiscal responsibility and to restore fiscal and monetary sanity.

The public has a right to expect a government which will go into debt only when absolutely necessary, and which will repay its debts during periods of national prosperity. To this end, I urge my colleagues to support the conference report on the Congressional Budget and Impoundment Control Act. We need fiscal responsibility now.

Mr. McCLORY. Mr. Speaker, I congratulate our conferees, and I rise in enthusiastic support of this conference report on H.R. 7130—the Congressional Budget and Impoundment Control Act of 1974. I urge my colleagues to join me in voting for this conference report. With an affirmative vote this afternoon, we can travel the final mile down the long legislative road to fiscal responsibility in Federal spending. Let us pass this conference report and move the financial procedures of the Congress into the 20th century.

Mr. Speaker, excessive deficit spending by the Federal Government is one of the principal causes of the rampant inflation that has been afflicting our national economy and causing extreme hardships for Americans at all economic levels. Now, for the first time in the history of the Federal Government, the Congress will have a method of reconciling competing claims for Federal funds within an overall scheme of national spending priorities. Under the procedures established by this legislation, the Congress will be able to develop a comprehensive spending policy that provides for the wisest allocation of the Government's resources while assuring a reasonable balance between Federal revenues and expenditures. For the first time, we in the Congress will be able to put Federal dollars where they are most

needed without risking the deficit spending that has fanned the fires of high inflation in recent years.

Mr. Speaker, enactment of budget control legislation such as H.R. 7130 has been one of my major goals since coming to Congress almost 12 years ago. In each Congress, I have watched the frantic rush of the committees to enact legislation within their jurisdictions with little regard for the overall fiscal integrity of the Government. Under this haphazard system, it has been impossible to formulate any sort of coherent congressional policy with respect to national priorities.

Mr. Speaker, we all know that the credibility of the Congress has suffered greatly for the lack of a reasonable budget control system. The trust of the American people has been abused. Passage of legislation with unrealistically high authorizations has raised false hopes on the part of the people. Expectations have been dashed when the appropriation bills go through. I look to this legislation to curb this damaging tendency of the Congress to overpromise results. It is certainly better for all concerned if the Congress will stop promising what it can't possibly deliver; and under the procedures of this act, the Congress will begin to deliver only on the basis of what it promises the American people.

Mr. Speaker, without denigrating the importance of tax reform, I want to remind my colleagues that passage of this legislation is unquestionably the most important step that this House can take in the fight against inflation in this session. With the national debt rapidly approaching one half trillion dollars, this budget control legislation is an absolute necessity. Today, let us vote to put a stop to deficit spending; let us vote for fiscal responsibility in the Federal Government; let us vote for this conference report.

Mr. ROBISON of New York. Mr. Speaker, I rise in support of this conference report and of this legislation, which—creature of compromise though it may be—is an extremely important step forward, in my judgment, in giving the Congress a realistic chance at recouping some of its power and proper control over the "public purse" that it has lost, by attrition, in recent times.

If that "power-of-the-purse" is a barometer of legislative vigor and purpose, then it is understandable, Mr. Speaker, why both we who serve in that legislature and those who are our constituents have been less than satisfied, of late, with our capacity and performance.

It was, so I am told, over the spending power that Parliament and Crown, long ago, waged an historic struggle out of which emerged the concept—later adopted on these shores—of the national legislature serving as a check on Executive discretion. Hence, when our Republic was formed, that issue was—if words could do it—decided conclusively in favor of Congress inasmuch as article I, section 9 of our Constitution declares:

> No money shall be drawn from the Treasury except in consequence of appropriations made by law.

As a 10-year member of the House Appropriations Committee, while I am well aware of the fact that those words still reside in our Constitution, exactly as they were written 200 years or so ago, I also believe it true that—as Allen Schick, of the Congressional Research Service has written:

> Bit by bit the spending power has gravitated from the legislative chamber to executive suites, and the power that once was the hallmark of legislative independence is a pale shadow of its original design.

The villain of the piece—if there is, indeed, one—would seem, however, to be less a series of Presidents greedy for power and authority, than the fact of the growth of American Government, itself, in which phenomenon the old question of "Who shall decide how much will be spent and for what?" gradually shifted, in any search for an answer, from Congress to President or, as is the case with "big government" today, to a sprawling and seemingly uncontrollable Federal bureaucracy with which even the "strongest" of recent Presidents have hardly known how to cope. Was it not, in fact, Czar Nicholas I, of Russia—an absolute monarch, if ever there was one—who bitterly complained: "Not I, but 10,000 clerks, rule Russia!"

Hence, if Congress has been in trouble when it comes to trying to control and direct a Federal Government constantly increasing in size—and I think we all admit it has—then recent Presidents have also encountered similar, if not precisely the same sort of, trouble. The source of that common trouble is the size of our National Government—spending something like one dollar in every four of our gross national product—which has simply become too big and too intricate to be run firmly, and I reiterate the word "firmly" for emphasis, by either the President or the people's representatives, so-called, no matter how well organized or pure they may be. Hence, Congress has delegated—abdicated, if you wish—its power over the purse increasingly to the President, which may seem like a sensible thing for any body to do that finds itself with too big a job on its hands.

The initial recipient of that delegation of power has been the President—not necessarily this President, but the Presidency, as an institution. But, then, he in turn—being only one person no matter all the current furor over what one author has termed "The Imperial Presidency"—has had to delegate, or abdicate, again if you wish, much of his supposed powers, however enhanced, to that self-same bureaucracy. So, I deem it altogether possible that not only the Congress, but often the President cannot get accurate information, and that the President—any President—must have every bit as much trouble as do we here on Capitol Hill when it comes to determining competing spending priorities and that same question of "How much will be spent and for what?".

And, so, Mr. Speaker, as I muse on these things, I recall President Truman's words on President Eisenhower's taking office—an Army man used to having his orders obeyed:

> He'll sit there . . . and he'll say, "Do this! Do that!" And nothing will happen . . . Poor Ike—it won't be a bit like the Army. He'll find it very frustrating.

As, Mr. Speaker, I have to assume Mr. Nixon has—and Mr. Johnson before him, and even Mr. Kennedy before him, it having been an unidentified Kennedy aide who was quoted in Thomas Cronin's "Papers on the Institutionalized Presidency" to this effect:

> Everybody believes in democracy until he gets to the White House and then you begin to believe in dictatorship, because it's so hard to get things done . . . Everytime you turn around, people resist you and even resist their own job.

Thus, I have to wonder, Mr. Speaker, why some in this present Congress seem as bent as they are on taking things out on Roy Ash's hide—or through him, as a symbol of what may well have been, for now, a necessary concentration of authority in the White House, on the hide of the Office of Management and Budget that he heads.

For, clearly, someone—I repeat, someone—around here has to try to coordinate and manage things at the White House level; at least unless and until the Congress, and hopefully this legislation will be a vehicle in that direction, can reassume the kind of responsibility for control, and management, that the Founders of our Republic envisioned it should have.

Equally clearly, in that regard, it is time—way past time—to seek to redress the balance; as this legislation attempts to do. Whether it works out that way, or not, depends, I suppose, on the faith and will we put into it in future fiscal years. At the very least, if it does not prove up to the task we have set ourselves, out of it may evolve a still better system that will work as its authors hope this one will.

But I would like to conclude these remarks, Mr. Speaker, with the suggestion—not mine, but one proffered by Arthur S. Schlesinger, Jr., in his book on "The Imperial Presidency"—that:

> The answer to the runaway presidency is not the messenger-boy presidency. The American democracy must discover a middle ground between making the Prseident a czar, and making him a puppet.

I find those very wise words, Mr. Speaker, even in this emotion-laden time when Watergate—with all its broad impact and our preoccupation with it—may often tend to distort our thinking. As I said a few months ago, in my brief colloquy with the distinguished gentleman from Nebraska (Mr. MARTIN)—to which the distinguished gentleman from Michigan (Mr. CEDERBERG) made a helpful contribution—it is already apparent that, next week, when the Treasury-Postal Service and general Government appropriation bill comes to this floor, an effort will be made to drastically cut the appropriation item as voted therein by a majority of our subcommittee for the Office of Management and Budget. I can understand the motivation of those who will offer such an amendment, and of those who may then be inclined to support it, for OMB—and Roy Ash, as its present Director—is no more popular

than any disciplinarian, or watch-dog, in any other field of human endeavor. And when one adds on top of that fact, Mr. Speaker, the fallout from "Watergate" and of the felt need here on Capitol Hill to redress the balance as between President and Congress, next week—when we are not operating in the genial and objective and responsible atmosphere that prevails here this afternoon—it may seem to be an appropriate thing to do to knock Roy Ash and OMB back a little bit; after all, some will then ask themselves, what harm could that do?

Well, the clear and obvious harm it could do, Mr. Speaker, is to the potential effectiveness of the action we take, here today. For, as I read and understand the thrust of that action, OMB's duties and responsibilities will, in all likelihood, be enhanced and increased, rather than lightened and reduced, once the rather complicated congressional machinery contemplated under that action is in place—particularly in its first year of operation, what with the proposed shifting of the beginning of the fiscal year to October 1st, the new reporting duties laid upon OMB in the attempt at limiting Presidential impoundments as set forth in title X of the final draft of this legislation, and so forth.

I understand that most of this—except for "dry-runs" with regard to fiscal year 1976—is not required to be in place until new fiscal year 1977 but, even so, I strongly argue that you do not build up the Congressional capacity to deal more effectively with budgetary challenges by tearing down the Executive Branch's existing capacity to seek to deal, as best it can, with those challenges if we fail in our initial efforts. Perhaps OMB, under the concept therefor as developed by the current administration and under Mr. Ash's personal style, has ventured too far into the so-called "management" field—that is a matter for debate. But, even if so I submit that you cannot cure that problem by gutting an agency—as we may be tempted to consider doing next week—that had, as the old Bureau of the Budget, 435 authorized personnel in fiscal year 1959, when I first came here and when the total Federal budget was only $92 billion, and that now has, as the Office of Management and Budget, still only 660 authorized personnel striving to handle the current fiscal year 1974 budget of over $274 billion, and has requested 691 people to try to deal with the challenges of the projected over $304 billion budget in fiscal year 1975.

Mr. Speaker, I fully realize that I have strayed rather far from the point of my earlier comments on this legislation. Yet, the point I have here been seeking to make is, I feel, an important one—to be summed up, I suppose, in the hope that this House will not be responsible one week, as I believe we are in approving this conference report, only to be almost equally as irresponsible next week.

Mr. HARRINGTON. Mr. Speaker, I rise in opposition to the conference report on H.R. 7130, the Budget and Impoundment Control Act of 1974. While it is difficult to argue with the concept of improved congressional control over the massive Federal budget, it is unfortunate that this bill accomplishes these goals in little but name.

Too often in the past I have found myself in the position of voting for legislation with which I had serious reservations and because in far too many cases such bills came before the House on a take-it-or-leave-it basis. Today, however, we consider a budget control bill which is so totally unworkable that even the valid need for fiscal responsibility should stampede none of us to its support.

H.R. 7130 is a bill whose time has come—and gone. Without intending to disparage the good faith efforts of the authors of this legislation, it is hard to avoid the conclusion that this legislation is a reaction to a political climate that ceased to be a reality months ago.

It does not seem to me that the answer to the need for better budget control is to be found in the rigorously structured system proposed in H.R. 7130, a system which would make the budget process in the House more unresponsive to the needs and conditions of our country than it already is. We cannot hope to impose an arbitrary formula upon a very complex system and expect it to work, for it will not.

The first question about any administrative reform has to be: Will it work? However good the intention of any proposal, if it will not work when implemented, it will be a failure. But, how would the budget formulation process work under the legislation we are considering today?

By January 15, the President would have to submit his proposed budget to Congress.

By March 15, the Appropriations, Ways and Means, Joint Economic and other committees would have to submit budget recommendations to the Budget Committees. By April 1, all authorizing legislation to be funded during the upcoming fiscal year must be approved. By May 15 Congress must approve the first concurrent resolution establishing a tentative congressional budget. Congress then has May, June and July to act on all appropriations bills, none of which can be considered on the floor unless all are complete and a summary report is available. By early September, Congress must complete action on all 13 appropriations bills, holding any bill in excess of the targeted subceiling set out in the first concurrent resolution. By September 15, Congress must approve a second concurrent resolution revising or reaffirming the budget set out by the May 1 resolution, and if necessary directing the Ways and Means and/or Appropriations Committees to report out legislation reducing appropriations bills and/or raising additional revenues, and/or raising or lowering the national debt ceiling. By adjournment, Congress would be required to complete action on the final resolution and legislation necessary to bring about compliance with total revenue, debt, deficit, and spending totals and subtotals.

Now I ask you, Mr. Speaker, can any Member of this body really believe that such a schedule of events is at all realistic given the way in which this body works? It is not, and H.R. 7130, for all its good intentions, will not work.

This fault alone should be enough to defeat the proposal, but it is not all. When I compare my own sense of what the goals and means of budget control should be to what would actually be accomplished by this legislation, I find that H.R. 7130 may be a step in the wrong direction. For example, one of the more disturbing facets of the current budgetary process is that it is, in many ways, unrepresentative as a handful of Members now exercise authority over budgetary matters that is well in excess of their numerical proportions. Would H.R. 7130 make the budget process more representative?

The answer is, unfortunately, that it would not. In effect H.R. 7130 would increase the control of a few Members of Congress over the budgetary functions of the legislative branch, both in terms of the composition of the Budget Committee that is to be created, and in terms of the procedures that will be used. The net effect of these shortcomings will be to worsen the ability of the Congress to control the Federal budget vis-a-vis the executive branch.

H.R. 7130 effectively reproduces the existing situation of excessively centralized, undemocratic input into the budgetary process in two ways. First, it requires that a majority of the Budget Committee be comprised of members of the Ways and Means and Appropriations Committees and the party leaderships. In this way, the traditional authority of the party caucus system over committee membership would be dangerously eroded, raising the danger of a situation in which a minority of the majority party and a majority of the minority party could combine forces and dominate the entire committee system of the House. Second, by instituting such a rigid timetable, the legislation promotes a relatively homogeneous committee composition—for without a consensus of opinion on budget priorities, the proposed deadlines cannot be met. This situation, of course, is anything but conducive to a redirecting of misdirected budget priorities.

The procedures of H.R. 7130 will make it increasingly difficult for the Congress to be responsive to the changing needs of the country, as well as having the effect of frustrating congressional efforts to reorder the budget priorities laid down in the administration budget request. By locking the Congress into an ill-defined set of target ceilings, denying, in most instances, the opportunity to fund new authorizing legislation after the first few months of each session, and by cramming Congress into a rigorously paced budgetary structure, it is reasonable to expect that the Congress, for want of ample time and opportunity to do otherwise, will increasingly stick to the budgetary proposals already formulated by the executive branch.

The fact that the target ceilings are based on the functional categories of executive budget requests while the appropriations subcommittees correspond to these categories only in coincidental ways, means that only members of the

Appropriations Committee—if even these individuals—and possibly the Director of the Legislative Budget Office, will have any idea of whether the target ceiling figures are in fact being met. To make matters worse, the requirement that all appropriations measures be held up for floor consideration until all are completed and a summary report is available, raises the likely prospect that all 13 appropriations bills, involving billions of dollars of public funds, will come in a mass to the House floor late in July, so that the House will have its back to the wall as far as meeting the August 1 deadline for completion of appropriations actions. I think it a matter of critical importance that the Congress have ample time to consider appropriations legislation—which even under our loose contemporary system we rarely have—but under H.R. 7130 the situation would be further exacerbated.

We have all witnessed the decline in the authority of Congress over critical governmental functions. H.R. 7130 would, in a sense, make matters worse, not better. During the consideration of the first concurrent resolution that sets target ceilings, the political pressure upon the Congress to "underbid" the executive branch would probably be irresistible.

This pressure, a result of the desire of most Members to avoid the tag of being "fiscally irresponsible" would make the possibility of a budget ceiling set higher than that proposed by the President most unlikely. This would enable a President to set an unreasonably low Federal budget—with most of the loss coming, as it almost always seems, to social programs—without any real fear of being challenged by Congress. What is more, at each step in the process Congress would again be exposed to a politically vulnerable situation. What would happen, I feel I should ask, if something analogous to the energy crisis happens 10 years hence, under the budget control system proposed by H.R. 7130? Would Congress be able to respond by passing urgently needed multibillion-dollar energy research and development legislation? It would be very difficult. What about meeting a sudden drastic need for greater unemployment compensation—a need that might not be foreseen and that could not wait. How would we able to deal with this sort of need that would throw all of the carefully constructed, intricate budget tables out of whack? So much for being "responsive." More than likely, the reality of our situation under these procedures would be to follow the lead of the Executive like placid and obeying lambs.

Time and time again I have taken the floor of this House to oppose what I view to be the remarkable deference of Congress to other parts of our Government—be it the President, or the Pentagon, or some other figure or institution wrongly held to be something akin to inviolate. To some degree now this deference is voluntary, but under the system of H.R. 7130 it would become a structured fact of life, probably inescapable. How could we, trapped in a lock-step budgetary process, reasonably hope to be able to substitute our judgment for that of the Executive when it comes to budgetary priorities? We will be far too obsessed with meeting the deadlines, timetables and schedules to be able to take time out to give hard, critical thought to what the realities of the country's needs are.

My essential point is that while we need budget reform, while we need to better monitor "backdoor" spending and tax expenditures, these needs should not force us to rush into ill-considered and hasty action, however good the motivations. Our actions today take only a matter of hours, but we will have to live with their repercussions for years to come.

H.R. 7130 also provides for impoundment control. The conference report outlines two types of requests by the President for impoundment of funds: Rescissions concern the termination of obligations of budget authority, while deferrals concern the delaying of obligations. To prohibit a deferral, either House must pass an impoundment resolution at any time after receipt of the deferral request. It is conceivable, therefore, that without such positive action from either House, deferrals could tend to become permanent impoundments of funds. By permitting the President to suspend the allocation of funds previously authorized by the Congress, this procedure requiring congressional action to disapprove deferrals implicitly accepts the legitimacy of the principle of impoundment. Ratifying such a procedure, through the adoption of H.R. 7130, would, I believe, further dissipate rightful congressional authority over appropriations.

A great deal of genuine reform is needed within the Congress, but change for the sake of change is not reform by another name. We need to democratize our budgetary process. And we do need to make our budgetary process more responsive. But meeting a stiff timetable cannot be equated with fiscal responsibility. The actual result of H.R. 7130 will be an undermining of the interests of the country—an appearance of budgetary reform without real substance.

Mr. FOUNTAIN. Mr. Speaker, the spectre of inflation overshadows our land today, making necessary the rediscovery of a sense of fiscal responsibility at all levels of government, especially the Federal, as well as in the hearts and minds of Americans everywhere.

With these facts before us, it is great to anticipate that H.R. 7130 will soon become law.

The Budget and Impoundment Control Act of 1974 is an extremely important first step toward getting national spending under control and insuring that the Congress will examine all future spending plans in the light of what is available to spend.

Regrettably, that has not been the case in the past—one reason why deficit spending has become almost a permanent fixture in our country throughout the lives of the majority of our citizens.

In my opinion, Mr. Speaker, the legislation embodied in the conference report being considered today contains appropriate legislative machinery to enable the Congress to get the job done—to move us toward the promised land of fiscal responsibility.

The provisions of this legislation are extremely sensible. Establishing a Budget Committee to concentrate on budget totals and make appropriate decisions makes sense—good sense.

Setting up a Congressional Budget Office to search out the facts for the Congress, so that we can make decisions on the basis of more accurate, unbiased information, makes sense, too.

The budget procedure called for is also something long needed. The same is true for other major provisions of the act, such as the impoundment control section.

Though kinks have a way of showing up in every new undertaking—doubtlessly we will have to make some minor corrections after the new system gets underway—what we are considering today bids fair to be an effective instrument for responsive and responsible action.

One thing we must keep in mind, however, is the continuing requirement for a strong will and determination on the part of each Member of Congress to make the new machinery achieve the desired goal of fiscal responsibility.

Remember, too, that it will not work well nor accomplish much unless the majority of the American people also have a strong will and determination to make it work. In short, there must be wide public support for control of spending before it will be controlled.

If we pass an effective bill here today—one that sets forth good legislative procedures for budget control and therefore for responsible expenditures—and ultimately proceed to legislate beyond those controls, then what we do here today will mean little. Following that course would mean the negation of all that we are hopefully accomplishing by the passage of this act.

But, I do not believe this body—the House of Representatives—will make such a mistake. To do so could be fatal to America's future by allowing inflation to rage unchecked, gnawing away at the vitals of our society.

I feel that this House has at long last waked up to the necessity for setting up the right kind of legislative machinery and for making it work. The present rate of inflation is a good "waker upper."

There is an imperative need for everybody to work cooperatively together to beat inflation. It is time for labor and management, for the Congress and the President, for State and local governments likewise, and even more essentially for large segments of the American people—however meritorious their needs—to stop demanding that government, especially the Federal, continue spending more than we have and much more than we are earning.

Summing up my attitude toward H.R. 7130: By passing it we will be taking the first step of a first step. We will be taking the first step toward a fiscally responsible Federal budget, which will be in itself the first step toward controlling inflation.

America's tomorrow will be bleak if we do not choose to act responsibly today.

Mr. FINDLEY. Mr. Speaker, at long

last Congress has established businesslike control over the purse strings of government. It has been no small task. When I first began my own intensive study of the problem in the fall of 1971, I was astounded at how little attention it had received over the years. No doubt much was done in the past which escaped my attention, but inquiries I made of longtime professionals in the appropriations and tax-writing field disclosed almost no literature on the problem. Ken Sprankle, the former clerk of the House Appropriations Committee, was most helpful to me in my search and led me to what little information there was.

Almost everyone familiar with congressional procedures has recognized the existence of the problem for many years, but few are those who sat down, studied the problem and put the results of that study on paper. Rare indeed has been the person in public office willing to venture into the field of actual drafting.

The power of the Congress has waned substantially and, I think, dangerously in this field. All of us must share the blame. We have tended to take the easy way out. It is easier not to set priorities than to set them. It is easier to authorize expenditures without deciding at the same time how the revenue will be provided. It is easier to appropriate money piecemeal from the President's budget requests than to adopt a budget ourselves.

Fifty years ago, the Congress established the present appropriations system. The purpose was to bring under a single committee's discipline management of the expenditure process. Today, however—at least on the House side—the Appropriations Committee functions not as a single entity, but as 13 separate ones.

The waning of congressional control of the purse strings has been one of the main factors causing public confidence in the Congress itself to wane.

For this reason, late in 1971 I began an intensive study of the problem and ways to meet it. The resolution I finally drafted, House Resolution 1020, specified that the House could not consider any appropriation bills until it first approved a resolution containing a comprehensive Federal budget for the ensuing fiscal year.

The budget resolution would include an estimate of tax revenues, expenditure ceilings for each main appropriation bill, and recommendations on handling differences between revenues and expenditures. If expenditures exceeded revenues, for example, the resolution would have included a recommendation to raise taxes or increase the Federal debt, or a combination of both.

Once the budget resolution was approved, appropriation measures would be handled in customary fashion, with one important exception. Two-thirds affirmative vote would have been required for the House to approve any appropriation bill which exceeded the provisions of the budget resolution.

House Resolution 1020 was cosponsored by more than 25 Members of the House.

On the first day of the 93d Congress, I reintroduced my proposal with several important changes. House Resolution 17 required two preliminary steps before the House could consider an appropriation bill:

First, the adoption of a resolution from the Appropriations Committee containing a comprehensive budget for the ensuing fiscal year. The budget would require for each appropriation bill category and for each nonappropriation action, a ceiling on obligational authority and a celing on outlays. It would relate these figures to estimated revenues from all sources for the year.

Second, the adoption of a resolution from Ways and Means Committee containing recommendations as to the levels of public debt and aggregate Federal revenues necessitated by figures on outlays and receipts contained in the first resolution.

Then and only then could the appropriation process begin. Then and only then could nonappropriation measures be considered which had the effect of authorizing outlays and/or obligations. And each such measure would have to be tested against the budget as adopted by the House. First, it would have to be tested against the budget provision for obligational authority, and second, it would have to be tested against the budget provision for outlays. If it exceeded the budget provision on either point, the measure could pass the House only by the approval of two-thirds of those present and voting.

Conference reports would also have to pass the same double test.

This approach was strikingly simple. It relied upon the existing institutional structure of the Congress.

Writing for the Reader's Digest, former Budget Director Caspar Weinberger described House Resolution 17 as a proposal which "would enable Congress for the first time to approach the budget question sensibly."

The new Congress was determined to enact budget reform. A joint study committee was appointed and lengthy hearings were held.

When I appeared before the committee to explain the various provisions of my bill, I pointed out the unbusinesslike character of our national finances. Almost every business firm and municipality in the country—even the smallest—adopts a budget before it starts spending money for the coming business year. Ironically, the institution charged by the Constitution with controlling the largest business in the country, the Federal Government, does not adopt a budget. To be sure, the President proposes one, but at no time does the House of Representatives adopt the President's budget or one of its own.

The bill which emerged from the committee was quite similar to my own. The committee recognized the need to establish limits on obligational authority and kept the provision requiring a two-thirds vote to exceed budgeted limits.

The work of the study committee, and the House Rules Committee, will stand as a monument to the determination of the 93d Congress to bring inflation under control. With double-digit inflation now a fact, their work comes none too soon. As Chairman Arthur Burns stated recently at Illinois College:

> If past experience is any guide, the future of our country is in jeopardy. No country that I know of has been able to maintain widespread economic prosperity once inflation got out of hand. And the unhappy consequences are by no means solely of an economic character. If long continued, inflation at anything like the present rate would threaten the very foundations of our society.

Dr. Burns continued:

> I cannot emphasize too strongly that monetary policy alone cannot solve our stubborn inflationary problem.
>
> We must work simultaneously at lessening the powerful underlying bias toward inflation that stems from excessive total demands on our limited resources. This means, among other things, that the Federal budget has to be handled more responsibly than it has been in the past.
>
> Incredible though it may seem, the Congress has been operating over the years without any semblance of a rational budget plan. The committees that consider spending operate independently of the committees that consider taxes, and appropriations themselves are treated in more than a dozen different bills annually. All of this means that the Federal budget never really gets considered as a whole—a fact which helps explain why it is so often in deficit.
>
> Fortunately, after many years of advocacy by concerned citizens and legislators, this glaring deficiency in the Congressional budget process is about to be remedied. Bills that would integrate spending and taxing decisions have passed both the House and the Senate. Ths is a most encouraging development, and we may confidently expect final action soon by the Congress on this landmark legislation.
>
> Procedural changes, however, will mean little unless the political will exists to exploit the changes fully. And this can happen only if the American people understand better the nature of the inflation we have been experiencing and demand appropriate action by their elected representatives.

In the final analysis, the only way to successfully fight inflation is to demonstrate the political will to master it. The conference report before the House today is the first step in that fight. I believe that it is an important step, and I believe that we will be successful.

Mr. REUSS. Mr. Speaker, I rise in support of the conference report on H.R. 7130, the Congressional Budget and Impoundment Control Act of 1974.

As a member of the Joint Study Committee on Budget Control, upon whose recommendations the legislation now before us is based, I have been involved with the issue of congressional budget reform for some time. Budget reform was badly needed 18 months ago, when the Joint Committee started meeting. It is even more urgent today. With a fiscal 1975 Federal budget of more than $300 billion, Congress must regain effective control over the increasingly technical and complex process of setting national priorities and spending levels. H.R. 7130 would provide the tools to do so. I commend my colleagues of both parties who have worked long and hard to bring this legislation to the floor today.

In particular, I commend the Senate which passed, and House conferees who retained, language incorporating control

over tax expenditures in the reformed congressional budget process. The House bill, excellent in most respects, contained a serious flaw. While direct expenditures—outlays, new budget authority—were made subject to congressional control, tax expenditures—tax forgiveness of various kinds—were not.

Yet tax expenditures are estimated to cost the Treasury some $77 billion in fiscal 1975—about one-fourth as much as total direct expenditures. Clearly, to leave a gap of that magnitude in the congressional budget procedure would have undermined severely the effectiveness of budget reform.

What are tax expenditures? They are special provisions in the tax code giving financial assistance to specific persons, or activities. Tax expenditures include credits, deductions, lowered tax rates, deferred taxes, all of which result in reduced tax liability. There are many examples: investment tax credit, pollution control facilities amortization, sick pay exclusion, dividend exclusion. Some tax expenditures are good, others not so good; some began as experiments, and have never been reevaluated; some have been made obsolete by events. Whatever their individual merits, tax expenditures must certainly be included with direct expenditures to give Congress a comprehensive look at real spending priorities and the different ways in which national goals may be accomplished.

According to the Senate-passed bill, as revised slightly by the conference committee, a list of current tax expenditures must be included in the report accompanying the concurrent budget resolution. This resolution must be adopted before any bill affecting revenues may be passed. After the first resolution, any bill or amendment providing new or increased tax expenditures must contain, in the accompanying report, a statement prepared by the Congressional Budget Office, setting forth: First the impact of the proposed legislation on tax expenditure levels in the most recent concurrent budget resolution report, and second the projected impact of the proposed tax expenditure over the next 5 years. Finally, the conference bill specifies that once the second required concurrent budget resolution and bill of reconciliation—if needed—are passed, any measure reducing revenues below specified levels is subject to a point of order.

The conference committee, then, has improved upon the House-passed version of the budget bill by integrating tax expenditures into congressional consideration of the budget.

I urge my colleagues to support the conference report on H.R. 7130, and to make possible more effective congressional control over Federal spending and revenues.

Mr. TAYLOR of North Carolina. Mr. Speaker, I rise in support of this conference report which establishes a budget committee and enables Congress to focus on budget totals and establishes a congressional budget office to increase congressional sources of budget information.

The Budget Committee would be charged with the responsibility of determining a spending limitation at the beginning of each session of Congress. Congress would then have the authority to increase the spending limitation in certain categories only by reducing it in others.

We all know that deficit spending has been one of the causes of inflation and of many of our national problems. It is imperative that Congress face up to the responsibility of fiscal integrity, and this legislation should become a useful tool in securing this result.

In the past we have not been able to look at the budget as a unit, but have made piecemeal appropriations. Too often one hand has not known what the other was doing. This legislation by itself will not assure fiscal integrity, but it is a step in that direction.

It is important that a budget resolution be adopted by both Houses of Congress before appropriations bills are acted upon and the Members of Congress resolve to exercise discipline and restraint and to make certain that this legislation is used to improve fiscal procedures, with a view of stopping deficit spending.

Mr. PEPPER. Mr. Speaker, we are today enacting a measure which is momentous in its significance. By the adoption of this conference report Congress will undertake the heavy responsibility of discharging its duties as defined by the Constitution of making its own budget and taking the responsibility for the revenue received by the Government of the United States and the expenditures made by it. Many years ago the Congress set up the Bureau of the Budget which later became the Office of Budget and Management, both under the direction of the President. The Budget Bureau of the Office of Budget and Management, with the President's approval, prepared the budget which was submitted to the Congress by the President. This was a great task requiring the participation of many people and long and tedious periods of labor by those involved. Then Congress acted upon that budget—approving, disapproving, modifying items on the total. We will henceforth, after the enactment of this conference report and the approval which we hope the President will give it, continue to receive the budget from the President but it will simply be information for us. We will proceed to make our own budget. The making of our own budget will involve difficult tasks, long and tedious labor, and an able staff assisting the Congress through the Budget Office created by this bill. We shall have difficult decisions to make in determining that we are going to be responsible in the expenditures that we make and we are going to make conscious decisions as to whether we have a deficit between receipts and expenditures and, if so, how much that deficit shall be. We are going to have to determine not only the amount of money we spend on behalf of the Government but what the order of priorities of those expenditures shall be. We shall determine not only what we spend but to what purpose we spend.

Under this measure a rigid timetable for the performance of all these many duties in making its own budget by the Congress must be set. It will be difficult to keep that timetable. We shall have to impose stern discipline upon ourselves as Members of Congress if we are to make this bill work. We not only take responsibility for expenditures but we undertake to relate expenditures and revenue to keep them in proper relationship one to the other. If we carry out this measure we will make our budget and pass the necessary appropriation bills by the end of the fiscal year—and I think we wisely changed the fiscal year from ending June 30 to ending October 31. The Congress is to be commended upon undertaking this great responsibility and committing itself to discharging it competently and creditably.

One of the most significant features of this bill is to forbid the Executive to impound funds that Congress authorizes and appropriates pursuant to our own budget. The Constitution says that the President shall see to it that the laws are faithfully executed. The Constitution never contemplated that the Executive would hold up the expenditure of funds authorized and appropriated by the Congress. Yet, many Presidents have done that. This administration has done it more than any other. We must clarify the constitutional responsibility of the Congress and of the President. This bill makes it clear that it is the responsibility of the Congress to authorize and appropriate expenditures. It is the duty of the President to see to it that the laws authorizing and appropriating the funds for such expenditures are faithfully executed like other laws. This too is a most significant step forward by the Congress.

Mr. Speaker, we have enacted many reforms in the last few years in the Congress. This, I believe, is our greatest. It is indicative of the fact that Congress is not moribund, incapable of acting, unwilling to meet and to measure up to the challenge of its responsibilities. We are passing this bill with the spirit of determination to make it work. If we do we will have vindicated the faith the forefathers put in us that we would do it and also the confidence of the people of this country who have been wanting us to do it and are going to trust us to perform these great duties.

Mr. HOGAN. Mr. Speaker, I rise to state that I am fully in support of the efforts being made here today to get the Congress' fiscal house in order at long last.

Ever since I was elected to Congress in 1968, I have been urging my colleagues to join me in a commitment to greater fiscal responsibility. Unfortunately, that commitment has not been strong enough with enough Members of this House, and the result has been a national economy suffering under the heavy burden of rampant inflation.

At the heart of our economic problems, in my opinion, is the policy the Federal Government has followed with alarming consistency over the past 10 years—the policy of spending more money than it takes in.

This policy of deficit spending has brought about an increase of $148 billion in the national debt over the last decade. Since 1964, the national debt has

gone from $317 billion to $490 billion, and we are now paying nearly $30 billion a year just for interest on the national debt.

This represents almost 10 percent of the entire Federal budget that we are spending just to pay for past economic mistakes.

When we talk of reordering priorities, we need look no farther than this interest payment on the national debt to see one major area that could stand some reform.

We cannot expect inflation to be really slowed, or the dollar to be really sound, until we decide to stop spending money as if it grew on trees instead of coming out of the taxpayer's pocket.

I believe the legislation we are considering today represents a giant step forward in the process of regaining some sense of fiscal responsibility as well as budgetary authority.

In setting an overall target ceiling for congressional spending, this legislation for the first time says "no" to the spending sprees we have embarked on so many times in the past, with no regard for the means to pay our bills, and no thought given to the possible effects of such wanton spending on the Nation's economy.

If this spending limitation is set in conjunction with anticipated revenues for a given fiscal year, and if we do not exceed that limitation, then we will be exercising fiscal responsibility. And any proposal whose cost would exceed that limitation should be made to provide for a system of taxation to pay for the excessive cost.

I believe this is the key to staying at a responsible level of government spending, and I am committed to keeping a close watch over the Nation's purse-strings so the American people can keep more of their own money in their own pockets.

The bill would create a 23-member Budget Committee in the House and a 15-member committee in the Senate, with a joint professional staff to serve both committees.

These committees would recommend annual budget outlays, revenue levels and other spending policies, and follow a step-by-step procedure for consideration of the budget that would greatly improve the efficiency and the overview capabilities of the Congress.

We have not had the benefit of such a centralized and comprehensive budget supervision in a very long time, and the results of this incohesive approach speak for themselves—a national economy too long plagued with the curse of inflation, a curse that has brought on higher and higher prices for consumer goods, demands for higher and higher wages, serious deficits in our international balance of payments, and a lessening of confidence in the American dollar within the world financial community.

We have the opportunity before us today to remedy these economic ills and to prevent them from recurring in the future. Let us seize the opportunity; let us enact this good legislation.

Mr. DRINAN. Mr. Speaker, today I will join with a majority of my colleagues in approving the conference report on H.R. 7130, the Congressional Budget and Impoundment Control Act of 1974. I cast my affirmative vote with great reluctance for I do not believe that this legislation will fully restore effective control over the budgetary process to Congress. The decline of congressional authority in this area coupled with the Nixon administration's unprecedented and illegal impoundment of appropriated funds have threatened to make a mockery of our system of government.

The shortcomings of the bill which has emerged from the conference are virtually the same as those which I enumerated when this bill came before the House last December. First, the stipulation that 10 of the 23 members of the House Budget Committee shall come from two standing committees represents a backward step away from congressional reform. Second, the tight schedule of budgetary formulation and approval established in the bill will further decrease the extent to which most Members can participate substantively in the budgetary process. When appropriations bills funneled through the process established in H.R. 7130 come to the floor for a few hours of consideration, the House can legitimately add little more than its rubber stamp approval Third, by placing all "backdoor spending" under the jurisdiction of the Appropriations Committee, the bill grants this one committee increased power over the Federal budget at the expense of the House membership as a whole.

Finally, the bill would recognize the validity of Presidential impoundment unless Congress acted specifically to negate the President's action within 60 days. I am wary of any legislative provision which accepts, under any circumstances, actions by the Executive which impinge upon the constitutional authority of Congress to appropriate funds from the Federal Treasury.

Despite all of these shortcomings in the bill before us, I believe it is imperative for the House to act immediately to curtail further acts of impoundment by the Nixon administration. Continued inaction on this front will demonstrate congressional acquiescence to this flagrant abuse of power by the executive branch. Thus, I believe that the budgetary control mechanism and anti-impoundment provisions of H.R. 7130 are better than no legislation at all.

Mr. MATSUNAGA. Mr. Speaker, as a cosponsor of the bill and one who has been intimately involved with this legislation for some time, I am pleased to rise in support of the conference report accompaying the bill H.R. 7130, the proposed Congressional Budget and Impoundment Control Act of 1974.

Not only does this bill reassert the constitutional role of the Congress in the Federal budgetary proccess, it also provides a procedure for effective congressional review of impoundment actions by the executive branch.

Each year the country endures the inefficiencies inherent in continuing resolutions. This is a cumbersome procedure at best, taxing the schedules and resources of the Congress, executive agencies, and beneficiaries involved. Hopefully, the process called for under H.R. 7130 will eliminate the need for such stop-gap remedies.

Initially, the bill changes the fiscal year to a new date, beginning October 1 and ending on September 30, from the present fiscal year which begin on July 1 and ends on June 30. This will allow more time for the preparation of the budget by all the departments of Government concerned. Then a timetable is envisioned for passage of the various bills and resolutions needed before the fiscal year begins.

The bill will also establish Budget Committees in both Houses of Congress, and a separate Budget Office. This new Budget Office will greatly enhance Congress' ability to obtain data it needs to evaluate Executive budget requests.

One of the most important features of the bill, Mr. Speaker, is the impoundment title, which tightens the language of the Anti-Deficiency Act, thereby prohibiting "reserves" for fiscal purposes. This provision is key to maintaining the balance of power among the three branches of Government.

Mr. Speaker, if Congress is to resume its rightful place as the shaper of policy in the United States, it must come to grips with the problems presented by the current fragmented proccess by which it considers the Federal budget. I believe that the enactment of H.R. 7130 would be a necessary, even historic step toward that important goal. I urge the adoption of the conference report.

Mr. CLEVELAND. Mr. Speaker, I rise in support of the conference report on H.R. 7130, the Budget and Impoundment Control Act, with great satisfaction and the hope that the reform process it represents will be maintained and indeed intensified.

This is truly landmark legislation. At long last we have created the mechanism indispensable to meeting our responsibilities to determine national priorities, control spending and avoid the disruption of impoundments of funds by the executive branch.

At last we have a means of looking in a comprehensive way at all the needs we seek to meet, balancing the competing demands for limited resources and gaging them against total spending levels. At last we can assess squarely the question of overall spending in terms of its relation to the tax burden, the impact of spending on deficits or budgetary surpluses, the state of the economy and the effect of our actions on inflation and unemployment.

This, alone, is a major accomplishment in its own right. But there are benefits of magnitude far transcending the procedural—and policy—implications of this legislation. At last, we are taking a genuinely gigantic step toward strengthening the Congress as a coequal branch of the Federal Government. At last, with Watergate being cited as a symptom of excessive power in the executive, we are strengthening our position and taking steps to curb that concentration. And finally, our action today represents the most important initiative against inflation.

To be sure, no single piece of legislation is any cure-all, and much will de-

pend on the spirit in which we put its provisions to work. The overwhelming vote on initial House passage is most promising in this respect.

Yet for all the infusion of responsibility and discipline this bill offers, it cannot alone meet our total need for reform. The system it establishes can work only as well as the individual committees functioning within the system.

Therefore, the reforms recommended by the Select Committee on Committees remain indispensable. As a matter of fact, the discipline imposed by this bill, the tight deadlines our committees must meet, the total focus of the entire Congress this bill brings to bear on the work of our individual committees, will only make the deficiencies of the existing committee system more glaringly apparent.

And finally, the public is entitled to no less than equally prompt progress in the area of election reform.

We are making a good beginning with this legislation before us today. I would urge my colleagues to move forward with the momentum this bill has generated, seize the opportunities represented by the congressional reform and campaign reform measures pending before us, and make a clean sweep, writing a record that will legitimately entitle the 93d Congress to be known as the reform Congress.

Mr. VANIK. Mr. Speaker, I supported the passage of the Congressional Budget and Impoundment Control Act when it was before the House on December 5. Earlier last year, I testified before the House Rules Committee on the need for budget reform legislation—and, in particular, the need for congressional budget controls over guaranteed and insured loans.

I am very disappointed that the bill does not place some controls on guaranteed and insured loans. As the conference report notes, the Senate amendment "excluded insured or guaranteed loans from the definition of budget authority."

In addition,

> The managers intend that the definition of "budget outlays" and "budget authority" for purposes of the congressional budget process be the same as that used for the executive budget and that any item which is excluded by law from the executive budget may be excluded from any specification of budget outlays or budget authority in the congressional budget process.

Further, sections 606 and 607 of the conference bill also weaken efforts to control "off-budget agencies." According to the conference report, the Senate-passed bill included an amendment to terminate the off-budget status of six designated agencies. "The conference substitute provides for continuing studies of off-budget agencies by the House and Senate Budget Committees."

Mr. Speaker, I do not believe that we need any more studies. We know there is an explosion of backdoor spending. We know that dozens of agencies are avoiding budget control by guaranteeing and insuring loans. We know that major Government agencies have been able to defy the will of Congress because they are excluded from the budget and from budget considerations. We know that these guarantees and insurances, these Government corporations, do provide enormous public interest subsidies and contribute to inflation, all without adequate congressional safeguards or review.

GUARANTEED AND INSURED LOANS

The growth of this form of back-door spending has been staggering—and has played a large role in the growth of inflation. For example, between 1968 and 1974, the level of direct loans is estimated to have increased by a little less than $6 billion. But the level of guaranteed loans outstanding has spiraled nearly 100 percent—from $108.1 to $196.6 billion. In fiscal year 1975, the administration has requested some $7 billion in new direct loan authority. But new commitments for guaranteed and insured loans in fiscal year 1975 will be $39.3 billion—approximately $0.3 billion more than in fiscal year 1974. In addition, net credit advanced and net credit raised by major credit agencies outside the budget will be nearly $3.6 billion. Neither the guaranteed and insured loans or the loans by "off-budget agencies" will receive any adequate congressional supervision or review. They are Government programs that are outside of effective, yearly congressional control and oversight.

CONTINGENT LIABILITY

In addition, there has been no examination by anyone in the Federal Government of the implications of our growing contingent liability. It is my understanding that we will soon be considering a 10-year extension of the Price-Anderson nuclear reactor insurance program. There is already about $10 billion in contingent liability insurance involved in this program. By the end of this decade—within the next 5 or 6 years—the liability under this program will rise to approximately $90 billion. Is this wise—when we already have a total Federal contingent liability of approximately a trillion dollars? Do we want to undertake another enormous insurance program without adequate reserves? A Federal court has recently ruled that nuclear powerplants should not be built in highly populated areas. Is there a higher risk in this insurance program than we have imagined? If not, why have not the private insurance companies taken over this program?

I am disappointed, Mr. Speaker, that the final version of this legislation fails to provide any controls or review of the continually growing level of contingent liabiilties.

THE COST TO THE TAXPAYER OF GUARANTEED AND INSURED LOANS AND OFF-BUDGET AGENCIES

It is generally believed that there is "no cost" to the Government and to the taxpayers in guaranteed and insured loans. It is often contended that the off-budget agencies make a "profit" and do not "cost" the taxpayer anything. But there is a very definite cost from all these loan subsidies and insurance programs. The growth of these "backdoor" loan programs stretches the capital markets and drives up the rate of interest for all borrowers. To the extent that a lower rate of interest is offered, the subsidy has to be made up by others. The amount of these interest subsidies is calculated in a little-noticed section of the Special Analysis of the Fiscal Year 1975 Budget, a document prepared by the Office of Management and Budget:

GUARANTEED LOAN SUBSIDIES

In recent years, an increasing number of guaranteed loan programs have provided significant subsidies in order to help meet the needs of their borrowers. Fees or premiums to cover part or most of administrative expenses and probable losses are customary in guarantee programs. But absence of such charges in some programs is an additional form of subsidy.

Long-term contracts to provide debt service payments are the most frequently used subsidy device. These commitments sometimes cover both interest and principal amounts, but more often cover some designated share of the interest cost. This approach is being used for a growing variety of loan programs, including those for low- and moderate-income housing, student expenses for higher education, academic facilities, and medical facilities.

In some programs, the guaranteed loan begins as a direct loan made at interest rates below the market, which is resold with the Government agency's guarantee, either at a discount (which provides a marketable yield) or with a commitment to pay additional interest in periodic installments to the private purchaser of the loan.

Just as for direct loans, the costs of subsidies for guaranteed loans include those arising from both new and outstanding loans. New subsidies add to net budget outlays in future years; and some meaningful measure of their ultimate net cost is needed to lend perspective to budget decisions.

SUBSIDY MEASUREMENT

One way that the impact of future subsidies could be viewed would be simply to total all future payments. However, because of interest, a dollar payable at some future date is worth less than a dollar paid out today. Said differently, a dollar payable in the future "costs" less, because some smaller amount invested today at interest would grow sufficiently to meet the obligation when due. Therefore, a simple total of future obligations would clearly overstate the true value of the subsidy stream. A better way to measure the ultimate value of the successive annual subsidy payments is in "present value" terms, in accordance with the recommendations of the President's Commission on Budget Concepts. This is accomplished by capitalizing (or discounting) future subsidies at an appropriate interest (or discount) rate.

The selection of an appropriate interest rate might vary with analytical objectives. The choice for discounting both direct and guaranteed loans in this analysis is 9½%, a rate approximately equivalent to the private market yield on long-term guaranteed housing loan commitments in December 1973, if an allowance for guarantee costs is added. Although private market interest rates would vary significantly according to program, borrower, and loan characteristics, the use of a single market rate as a "proxy" for all loans facilitates analysis. Likewise, year-to-year comparisons are facilitated when the same rate is used for all 3 years of the table (despite the significant changes in market rates that have occurred over the past year). The selection of a private market rate basis (over a Treasury borrowing rate for instance) has the advantage of valuing direct loan assets near the price which they should bring if sold to private investors, and also more nearly approaches the benefit provided to borrowers.

Table E–6 provides estimates of subsidy values that will result from loan commit-

ments made or to be made in the years 1973 through 1975. Both the annual subsidy rates and the discounted present value of all future subsidies are provided. However, the subsidies provided currently—on behalf of guaranteed or direct loans already outstanding—are not covered in this analysis. While the estimates are primarily illustrative rather than exact or comprehensive, they do facilitate year-to-year comparisons of new subsidy commitments.

LOAN SUBSIDIES, ANNUAL BASIS

The annual subsidy rate for direct loan commitments made in 1973 was approximately $400 million. The rate for 1974 commitments rises to $447 million, followed by a decline to $434 million for 1975 commitments. This trend is largely influenced by a 1974 bulge in commitments for international security assistance loans. For guaranteed loan commitments, the annual rate was $472 million for 1973 and is projected to decline to $477 and $291 million in 1974 and 1975, respectively. This trend largely reflects the slowing of commitment activity for subsidized housing.

LOAN SUBSIDIES, PRESENT-VALUE BASIS

When extended to their respective maturities, the amounts of the annual subsidies cited above total $19.2, $21.9, and $15.0 billion for 1973 through 1975 commitments, respectively. But since these subsidies occur over time, rather than at once, their present value is determined by discounting (at 9½% in this year's analysis), using the procedure previously discussed. The present values of the 1973 to 1975 commitments are thus estimated at $6.4, $7.1, and $5.1 billion.

As the above analysis indicates, the cost to the public of these programs ultimately runs into the tens of billions of dollars on a present-value basis.

Mr. Speaker, because of the failure of this legislation to provide some method of control, some method of oversight and review of these "backdoor" and "off budget programs." I predict that the use of these programs will grow by leaps and bounds. Future Presidents, congressional committees, line agencies, will all seek to obtain their own insured loan program so that they make commitments without having to go through the new Budget Committees and the Appropriations Committees. Additional agencies of the Government will come up with arguments on why they should be dropped out of the regular budget. The back door spending problem, already serious, will grow worse. Back door spending, loans, and insurance commitments may defeat our efforts to shape the direction of the American economy through better control of the Federal budget.

I deeply regret that this legislation has missed this golden opportunity to close this back door to the budget.

Mr. BOLLING. Mr. Speaker, I have asked that all Members be permitted to revise and extend their remarks.

Mr. Speaker, I would like to conclude today, before I move the previous question, by saying that the gentleman from Iowa is, as is often the case, precisely correct. He is a student of legislation, and he knows that under certain circumstances legislation exists that could work to accomplish the same purpose.

We will miss him because we need more students of legislation. The fact is, however, that this represents a new start. It gives us an opportunity to do what we say we are going to do, and that is all it gives us. It is a start, a frame of reference, a framework. I happen to believe that the House and its Members are ready to face up to this responsibility. I believe it in part because I think increasingly Members understand that if the House cannot be fiscally responsible, the people will not long tolerate it.

Mr. Speaker, I believe this will work. I believe that we can make it work, and I urge the support of the Members for this conference report.

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

The previous question was ordered.

The SPEAKER. The question is on the conference report.

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

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

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 401, nays 6, not voting 26, as follows:

[Roll No. 300]

YEAS—401

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

NAYS—6

Burton	Harrington	Landgrebe
Gross	Kastenmeier	Moss

NOT VOTING—26

Brasco	Hastings	Reid
Brown, Mich.	Hébert	Riegle
Daniels, Dominick V.	Howard	Rooney, N.Y.
Davis, Ga.	Jones, Tenn.	Ruppe
Diggs	Macdonald	Shipley
Dorn	Madden	Sisk
Frey	Mathias, Calif.	Talcott
Gray	Metcalfe	Thompson, N.J.
	Minshall, Ohio	Vander Jagt

So the conference report was agreed to.

The Clerk announced the following pairs:

Mr. Thompson of New Jersey with Mr. Madden.

Mr. Hébert with Mr. Dorn.

Mr. Rooney of New York with Mr. Davis of Georgia.
Mr. Brasco with Mr. Mathias of California.
Mr. Howard with Mr. Frey.
Mr. Macdonald with Mr. Brown of Michigan.
Mr. Shipley with Mr. Hastings.
Mr. Reid with Mr. Minshall of Ohio.
Mr. Diggs with Mr. Gray.
Mr. Riegle with Mr. Metcalfe.
Mr. Dominick V. Daniels with Mr. Ruppe.
Mr. Sisk with Mr. Vander Jagt.
Mr. Jones of Tennessee with Mr. Talcott.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PROVIDING FOR CONSIDERATION OF H.R. 15405, DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATIONS FOR FISCAL YEAR 1975

Mr. YOUNG of Texas, from the Committee on Rules, reported the following privileged resolution (H. Res. 1183, Report No. 93–1117), which was referred to the House Calendar and ordered to be printed:

H. RES. 1183

Resolved, That during the consideration of the bill (H.R. 15405) making appropriations for the Department of Transportation and related agencies for the fiscal year ending June 30, 1975, and for other purposes, all points of order against the following provisions in said bill for failure to comply with the provisions of clauses 2 and 5, Rule XXI are hereby waived: In title I—"Coast Guard"—beginning on page 3, line 2 through page 4, line 14, and beginning on page 4, line 20 through page 5, line 12; "National Highway Traffic Safety Administration"—beginning on page 14, lines 3 through 13; and "Federal Railroad Administration"—beginning on page 15, lines 1 through 8.

PROVIDING FOR CONSIDERATION OF H.R. 14715, CLARIFYING EXISTING AUTHORITY FOR EMPLOYMENT OF WHITE HOUSE OFFICE AND EXECUTIVE RESIDENCE PERSONNEL

Mr. PEPPER, from the Committee on Rules, reported the following privileged resolution (H. Res. 1184, Report No. 93–1118), which was referred to the House Calendar and ordered to be printed:

H. RES. 1184

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 14715) to clarify existing authority for employment of White House Office and Executive Residence personnel, and employment of personnel by the President in emergencies involving the national security and defense, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Post Office and Civil Service, the bill shall be read for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Post Office and Civil Service now printed in the bill as an original bill for the purpose of amendment under the five-minute rule. At the conclusion of such consideration, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the Committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

PROVIDING FOR CONSIDERATION OF H.R. 15361, COMMUNITY DEVELOPMENT BLOCK GRANTS

Mr. PEPPER, from the Committee on Rules, reported the following privileged resolution (H. Res. 1182, Report No. 93–1116), which was referred to the House Calendar and ordered to be printed:

H. RES. 1182

Resolved, That upon the adoption of this resolution it shall be in order to move, clause 27(d)(4) of Rule XI to the contrary notwithstanding, that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 15361) to establish a program of community development block grants, to amend and extend laws relating to housing and urban development, and for other purposes, and all points of order against sections 108(f), 115, 411, 414, 415(a), and 505 of said bill for failure to comply with the provisions of clause 4, Rule XXI are hereby waived. After general debate, which shall be confined to the bill and shall continue not to exceed three hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the five-minute rule by titles instead of by sections. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit. After the passage of H.R. 15361, the Committee on Banking and Currency shall be discharged from the further consideration of the bill S. 3066, and it shall then be in order in the House to move to strike out all after the enacting clause of the said Senate bill and insert in lieu thereof the provisions contained in H.R. 15361 as passed by the House.

DEPARTMENTS OF STATE, JUSTICE, AND COMMERCE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS BILL, FISCAL YEAR 1975

Mr. YOUNG of Texas. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 1176 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 1176

Resolved, That during the consideration of the bill (H.R. 15404) making appropriations for the Departments of State, Justice, and Commerce, the Judiciary, and related agencies for the fiscal year ending June 30, 1975, and for other purposes, all points of order against the following provisions in said bill for failure to comply with the provisions of clause 2, rule XXI are hereby waived: In title I—"Department of State"—beginning on page 2, line 2 through page 3, line 24, and beginning on page 5, line 1 through page 12, line 21; in title II—"Department of Justice"—beginning on page 20, line 8 through page 21, line 5; in title III—"Department of Commerce"—beginning on page 23, line 8 through page 25, line 21, beginning on page 26, line 13 through page 27, line 11, beginning on page 28, lines 1 through 5, and beginning on page 28, line 20 through page 30, line 16; and in title V—"Related Agencies"—beginning on page 40, lines 2 through 12, and beginning on page 46, line 3 through page 49, line 2.

The SPEAKER. The gentleman is recognized for 1 hour.

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

Mr. Speaker, House Resolution 1176 permits the Committee on Appropriations to submit the 1975 appropriation bill for the Departments of State, Justice, Commerce, and the Judiciary and other related agencies for action on the floor of the House of Representatives.

House Resolution 1176 provides that all points of order against the provisions of clause 2, rule XXI of the Rules of the House of Representatives, prohibiting unauthorized appropriations, are waived with respect to certain items for the Departments of State, Justice, Commerce, and other related agencies.

The total amount recommended in the bill in new obligational authority is $5,304,972,100 which is a reduction of $106,837,500 from the total amount of the budget estimates. It is an increase of $586,974,800 above the total appropriated for the current fiscal year.

Appropriations are also made in the bill for the Arms Control and Disarmament Agency, the Commission on Civil Rights, the Equal Employment Opportunity Commission, and the Small Business Administration.

Mr. Speaker, I urge the adoption of House Resolution 1176 in order that we may discuss and debate H.R. 15404.

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

Mr. YOUNG of Texas. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, I thank the gentleman for yielding. I commend the committee for its selectiveness in permitting waivers of points of order. Does the Rules Committee provide the staff to tell us just what lines in the bill, if we are unable to decipher and apply all of these lines the committee has set forth, to tell us where we can make valid points of order and where we cannot make them?

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

Mr. YOUNG of Texas. I yield to the gentleman from Texas.

Mr. MAHON. Mr. Speaker, I will be glad to see to it that the gentleman from Iowa gets all the information on this matter. I will be glad to yield to the gentleman my copy of the bill with certain notation.

Mr. GROSS. The gentleman will yield his copy? The exemptions are all contained in the rule, I will say to the distinguished chairman of the Appropriations Committee. For instance, it is provided there are waivers of points of order

"Beginning on page 2, line 2 through page 3, line 24, and beginning on page 5, line 1 through page 12, line 21; in title II—"Department of Justice"—beginning on page 20, line 8 through 21, line 5;" and so on and so on and so on and so on.

Mr. MAHON. Mr. Speaker, if the gentleman will yield further, I would be glad to tell the gentleman.

Mr. GROSS. I will be glad to invite the distinguished chairman of the Appropriations Committee to sit right over here and help me when we get to the consideration of the bill and tell me where I can make a point of order.

Mr. MAHON. I will say to the distinguished gentleman from Iowa, we are asking for the waivers generally on points of order because the State Department authorization has not been approved and because certain portions of the Justice title and the Commerce have not yet received legislative authorization for the new fiscal year which begins in a couple of weeks.

Mr. GROSS. Does the gentleman suppose this new Reform Act the House just approved by an overwhelming vote will take care of the situations of this kind so we will not be confronted with rules waiving points of order in this fashion?

Mr. MAHON. Much will depend on a four-letter word spelled "w-i-l-l." If we have the will to make this legislation work and the will to harness spending, I think great improvements can be made. Without the will the new legislation will not help much.

Mr. GROSS. We can bring that up to date right now, I will say to the gentleman from Texas: If we have the will to do it, we can defeat this rule and stop this kind of nonsense right now.

Mr. MAHON. But if we do that we cannot pass the legislation without destroying the substance of much that is required. The problem is to achieve timely enactment of legislative bills.

Mr. YOUNG of Texas. Mr. Speaker, I urge adoption of House Resolution 1176.

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

Mr. LATTA. Mr. Speaker, I would like to say to the membership and specifically to my friend, the gentleman from Iowa, if he wishes to take a copy of the printed bill I will be glad to go over it page by page and give him the items which have not yet been authorized.

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

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

Mr. GROSS. I would like to find a cold day when it is snowing heavily outside and we have nothing else to do so we can sit down in a corner and do just that. It would be helpful.

Mr. LATTA. Mr. Speaker, House Resolution 1176 provides that during the consideration of H.R. 15404, the 1975 Appropriation for the Departments of State, Justice, and Commerce, the Judiciary and related agencies, points of order will be waived for failure to comply with clause 2, rule XXI. Clause 2 of rule XXI prohibits unauthorized appropriations. The waiver is necessary because most items in this appropriation have not yet been authorized.

In requesting a rule from the Rules Committee, the distinguished chairman of the Appropriations Committee indicated that waivers were necessary on the following items:

With the exception of the two items dealing with acquisition, operation and maintenance of buildings abroad, all the items in title I—Department of State are not yet authorized. S. 3473, which would authorize these appropriations, has passed the Senate, but is still pending in the House committee.

Authorizing legislation required for most of the activities of the Drug Enforcement Administration in title II—Department of Justice is still pending in the Interstate and Foreign Commerce Committee.

Several items in title III—Department of Commerce need authorization. H.R. 14883, authorizing appropriations for the Economic Development Administration and the Regional Action Planning Commissions, has been reported by the House Public Works Committee, but the bill has not yet been considered by the full House. Legislation extending the Export Administration program under Domestic and International Business Administration is still being considered by the Banking and Currency Committee. The minority business enterprise item needs authorization for its program of technical assistance grants which is covered by H.R. 14883, the economic development authorization.

Under "operations, research and facilities" of the National Oceanic and Atmospheric Administration, certain weather programs need authorizing legislation, which is still in committee; and authorizing legislation for the anadromous fisheries program has passed the House and the Senate but is still in conference. H.R. 13296 a bill authorizing appropriations for the Maritime Administration, passed the House on June 4, but remains in committee in the Senate.

In title V, related agencies, several items are not authorized as yet. H.R. 12799, a bill authorizing appropriations for the Arms Control and Disarmament Agency, is in conference. The Board for International Broadcasting needs authorization, for which legislation is still pending in committee. Authorization for the U.S. Information Agency is carried in S. 3473, which has passed the Senate. The House Foreign Affairs Committee is considering a separate authorization bill for USIA, H.R. 14870, but it has not yet been reported.

Mr. Speaker, the Appropriations Committee has held back about as long as possible waiting for these authorizations.

With the end of the fiscal year almost upon us, it seems to me that we have to go ahead and waive points of order for lack of authorization.

Mr. Speaker, I urge adoption of this rule, so that the House may proceed to consider the various items in this bill.

Mr. Speaker, I reserve the balance of my time.

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

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. SLACK. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union consideration of the bill (H.R. 15404) making appropriations for the Departments of State, Justice, and Commerce, the Judiciary, and related agencies for the fiscal year ending June 30, 1975, and for other purposes, and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to not to exceed 2 hours, the time to be equally divided between the gentleman from Michigan (Mr. CEDERBERG) and myself.

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

There was no objection.

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

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 15404) with Mr. VANIK in the chair.

The Clerk read the title of the bill.

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

The CHAIRMAN. Under the unanimous-consent agreement, the gentleman from West Virginia (Mr. SLACK) will be recognized for 1 hour and the gentleman from Michigan (Mr. CEDERBERG) will be recognized for 1 hour.

The Chair now recognizes the gentleman from West Virginia.

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

We submit for your consideration the bill making appropriations for the Departments of State, Justice, and Commerce, the judiciary, and related agencies for fiscal year 1975.

The hearings on this bill started on February 26 and were completed on May 22. They are contained in four volumes with more than 4,000 pages of printed material.

We have examined the estimates in considerable detail and have assembled what we believe to be a balanced bill. Since there are some 100 items, I shall summarize the committee's actions, after which I shall be pleased to respond to questions.

Mr. Chairman, the total amount recommended in the bill in new obligational authority is $5,310,372,100, which is a reduction of $101,437,500 from the total amount of the budget estimates. The amount recommended is an increase of $592,374,800 above the total appropriated for the current fiscal year. The increase above the total appropriations for the current fiscal year is attributable largely to the following:

First. Approximately $170 million in rental charges for space and services imposed by the General Services Administration in accordance with Public Law 92-313.

Second. Additional capital for the business loan and investment fund,

$103 million, and the disaster loan fund, $91 million, of the Small Business Administration.

Third. Additional construction costs approximating $42 million for the Federal prison system and the U.S. Information Agency, including alteration and maintenance of existing facilities.

The remainder of the increase recommended over fiscal year 1974 appropriations is due to mandatory increases and increased workload, over which the departments and agencies concerned have limited control, and selected program increases in certain areas.

The action of the committee as set forth in the bill will reduce expenditures projected for fiscal year 1975 by approximately $80 million.

The total amount recommended in the bill for the Department of State is $698,784,0000, a decrease of $17,485,000 from the budget estimates. Under the general heading of "Administration of Foreign Affairs" a total of $401,419,000 is recommended. For "International Organizations and Conferences" the bill includes $220,903,000. The recommendation for "International Commissions" is $16,262,000. A total of $60,200,000 is provided for "Educational Exchange."

The contribution to the United Nations and a number of specialized agencies is now limited to 25 percent of the total assessments of such organizations. This is the first budget to which the 25-percent ceiling for those organizations applied. The budget requested exemption of the "International Civil Aviation Organization," the "United Nations Educational Scientific and Cultural Organization," and the "World Health Organization."

From the 25-percent ceiling, however, in accordance with existing legislation, the amount requested for each of these organizations has been reduced to the 25-percent level of assessment.

The total amount recommended for the Department of Justice is $2,111,403,000. This is an increase of $192,233,000 over the 1974 appropriations, but a decrease of $30,245,000 from the budget estimates. For "Legal Activities and General Administration" the bill provides $241,080,000. The budget proposed the consolidation of appropriations for the "antitrust division" and the "U.S. attorneys and marshals" with the "general legal activities" appropriation. The committee feels that these are distinctly different activities and that the funds should be maintained in separate appropriation accounts.

The committee recommends $433,100,000 for the "Federal Bureau of Investigation." This is an increase of $40,806,000 over the appropriation for the current fiscal year. This increase includes funds for 25 additional clerks, the cost of moving to the new J. Edgar Hoover FBI Building, increased costs for the Federal Bureau of Investigation Academy at Quantico, Va., and additional equipment costs, as well as uncontrollable increases such an annualization of mandatory pay increases.

For the "Immigration and Naturalization Service," the committee provided $175,350,000, an increase of $21,646,000 over the total funds appropriated for the current fiscal year. The increase will provide funds for 50 additional personnel, certain equipment purchases, increased detention and deportation costs, construction and repairs, as well as annualization of 300 additional positions provided in fiscal year 1974, and other uncontrollable increases.

The committee recommends a total of $246,900,000 for the "Federal Prison System"— $169 million is provided for the administration, operation, and maintenance of Federal Penal and Correctional Institutions. This consists of custody, care, and treatment of prisoners, inmate education, maintenance, and operation of institutions, medical services, narcotic addict treatment, technical assistance to State and local governments and general administration. The sum provided for fiscal year 1975 is $25,626,000 more than the funds available for the current fiscal year. This increase includes funds for the activation of four new facilities.

The amount of $53,200,000 is provided for construction and improvement of facilities in the Federal prison system.

The committee bill provides $880 million for the "Law Enforcement Assistance Administration," for grants, contracts, loans, and other law enforcement assistance authorized by title I, of the Omnibus Crime Control and Safe Streets Act of 1968, as amended.

The committee recommends $135 million for necessary expenses of the "Drug Enforcement Administration."

The budget requests considered by the committee for the "Department of Commerce" for fiscal year 1975 total $1,406,817,000 in new budget authority, for which the committee recommends a total of $1,377,828,000. In addition the sum of $242,800,000 is recommended in order to liquidate contractual obligations incurred in the operating subsidy program of the Maritime Administration.

The committee considered budget requests for the "Economic Development Administration" totaling $201,987,000, for which $201,825,000 is recommended. The bill includes $184,200,000 for economic development assistance as authorized by titles I, II, III, and IV of the Public Works and Economic Development Act of 1965, as amended.

The sum of $34,995,000 is included to provide for regional development programs as authorized by title V of the Public Works and Economic Development Act of 1965, as amended.

The committee recommends a total of $584,033,000 for the four appropriation items under the "Maritime Administration"; namely, ship construction, $275 million—operating, differentials subsidiaries, $242,800,000, research and development, $25,900,000, and operations and training, $40,333,000.

The budget requests for the "Federal Judiciary" total $313,238,600. These requests are submitted to Congress without revision by the Office of Management and Budget, as directed by the Budget and Accounting Act of 1921, as amended. The bill includes $297,573,100 for these items, an increase of $83,563,800 over the funds appropriated for fiscal year 1974.

These appropriations provide funds for operating the Federal courts, including salaries of judges, judicial officers, and employees and other expenses of the Federal Judiciary.

The committee recommends a total of $824,757,000 for the 13 related agencies included in this title. This is $227,580,000 more than the amounts appropriated to these agencies for fiscal year 1974. The increase is due primarily to the appropriation of additional capital to the revolving funds of the Small Business Administration.

The sum of $9,250,000 is recommended for "Arms Control and Disarmament Activities." This is an increase of $1,185,000 over the current year appropriation, which will provide additional funds for rising costs associated with the Strategic Arms Limitation Talks, the negotiations on mutual balanced force reductions and other negotiations, and external research related to those efforts.

The sum of $52,347,000 is included in the bill for expenses of the "Equal Employment Opportunity Commission, established by title VII of the Civil Rights Act of 1964. This is an increase of $7,947,000 over the current year appropriation.

The bill provides a total of $445,500,000 in three appropriation items for the "Small Business Administration." For additional capital for the Business Loan and Investment Fund, the sum of $328 million is provided and the amount included for additional capital for the disaster loan fund is $91 million.

A total of $239,538,000 is provided in the bill in four separate appropriations items for the activities of the "U.S. Information Agency."

Mr. Chairman, the members of the subcommittee have shared equally in the work of preparing this bill and in my judgment they have taken a practical and realistic approach to the many items contained in the bill. I appreciate their cooperation and diligent work.

I commend the gentleman from Iowa (Mr. SMITH), the gentleman from Georgia (Mr. FLYNT), the gentleman from Florida (Mr. SIKES), the able ranking minority member, the gentleman from Michigan (Mr. CEDERBERG), the gentleman from North Dakota (Mr. ANDREWS), and the gentleman from Oregon (Mr. WYATT).

I want to commend our excellent committee staff—Dempsey Mizelle and John Osthaus for their ability, dedication, and loyalty to this committee. They have done an outstanding job.

Mr. Chairman, I want to pay special tribute to the able and distinguished gentleman from Oregon (Mr. WYATT). He has made an outstanding contribution to the work of this committee. We are sorry to see him leave the House of Representatives, but he departs with a record of which he and those he has represented can be justly proud.

Mr. Chairman, 2 weeks ago the chairman of our subcommittee, our distinguished colleague from New York, the Honorable JOHN J. ROONEY, announced

that he would not be a candidate for reelection to the House of Representatives. We who serve on the State-Justice-Commerce-Judiciary Subcommittee, are especially saddened by this announcement, for he has served as chairman or ranking minority member since the 80th Congress. Mr. ROONEY has been an outstanding chairman. His expertise is always evident in committee hearings and markups and during consideration of the bill on the House floor. A wise and prudent use of the people's capital has been his abiding interest.

It will be no easy task to carry on at the level of wisdom and scrupulous honesty established by JOHN ROONEY. We shall miss his counsel and guidance, his decisiveness and determination, his broad fund of knowledge and legislative skill. He has done much for us, for the House of Representatives and for our country. In return, we can only wish him pleasant hours of retirement, free of the cares of public office, made more enjoyable by the knowledge that none of us who served with him will forget his work as long as we continue membership in this great body.

Mr. Chairman, we have today received the following message from the Secretary of State, the Honorable Henry A. Kissinger, which pays tribute to Mr. ROONEY:

We are saddened today by the announcement of the retirement of the distinguished Congressman and Chairman of the Subcommittee on State, Justice and Commerce, the Judiciary and Related Agencies, the Honorable John J. Rooney. Through fifteen consecutive Congresses and since 1947 he has served the subcommittee either as Chairman or ranking minority member. John Rooney gave the State Department outstanding leadership and guidance. We will miss John Rooney as Chairman, watchdog of the dollar, and a true friend. As Secretary of State I extend on behalf of the Department of State and the Foreign Service of the United States our sincere admiration and, most of all, our profound respect for John Rooney and the job he has done

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

Mr. SLACK. I yield to the distinguished Chairman of the Committee.

Mr. MAHON. Mr. Chairman, I wish to join with the gentleman from West Virginia (Mr. SLACK) the acting chairman of the subcommittee today, in words of praise and recognition for the tremendous job that has been done in the Congress by the gentleman from New York, JOHN ROONEY.

We talk about budget control and fiscal restraint and congressional influence in the running of the Government. Few people have made these words more a part of his life than has the gentleman from New York, JOHN ROONEY, who has tried for so many years to assist the Congress in doing an adequate job in controlling expenditures that come within the range of this appropriation bill.

He had as an ally through these years a member of the staff named Jay Howe. Jay retired from his position on the staff a few months ago after having worked on the subcommittee since 1948. I thought it appropriate that we take note of the long service of this distinguished staffman.

It has been said that staff people are supposed to have a passion for anonymity. Well, they may not be famous in some ways, but they are absolutely essential for the operation of the Government, and they do a great job in assisting the Members. Without an adequate staff, we would be poor indeed.

Mr. Chairman, I want to pay tribute to Jay Howe in connection with these remarks concerning the distinguished chairman of the subcommittee.

I would like also to take note of the outstanding job which Mr. SLACK, the acting chairman of the subcommittee, has done in connection with this bill, working closely of course with Mr. ROONEY.

Mr. Chairman, I thank the gentleman for yielding.

Mr. SLACK. Mr. Chairman, as has been stated by the distinguished Chairman of our Committee, since this bill was presented to the House last year, the Committee on Appropriations has lost the services of one of its most able and devoted staff, Jay Howe. It seems appropriate to mention this when talking about Chairman ROONEY, for the two worked together so well for so many years.

Jay retired recently after 35 years of Government service. Several years of that service was as an FBI agent, but most of it was with the House Appropriations Committee. He was appointed to the committee staff on February 14, 1947. He served as Clerk to the State Justice Commerce Judiciary Subcommittee from 1948 until he retired.

Jay Howe served the committee well and his good counsel will be sorely missed. We want to extend our best wishes to him during his retirement.

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

Mr. Chairman, I want to pay my respects to the acting chairman of this subcommittee, my good friend, the gentleman from West Virginia (Mr. SLACK) who has taken over this committee in very admirable fashion after the illness of our good friend and colleague, the gentleman from New York, JOHN ROONEY.

I think we have one of the finest and most cooperative subcommittees on the Committee on Appropriations.

One of the things we usually do over the years is come in with a bill that is quite substantially below the budget request, and we are going to do this, I am sure, under the able direction of the gentleman from West Virginia (Mr. SLACK).

I want to join with him and with the distinguished chairman of the full committee, the gentleman from Texas (Mr. MAHON) in their remarks regarding our good friend JOHN ROONEY who will no longer after this session be chairman of this subcommittee.

I have had the privilege of serving with JOHN for many, many years, and I cannot think of a more delightful individual than JOHN ROONEY, nor was there anyone who knew his subject matter better, or who could make it more interesting, or present it better.

JOHN, if you read the record, I hope you will come back and see us very often after you retire after this session.

We are going to lose another member of the subcommittee, the gentleman from Oregon (Mr. WYATT) who has decided to leave us. He has decided, evidently, that the practice of law is a little more lucrative than the practice of legislation. I know we are going to miss WENDELL. He is going back to his home State of Oregon to make a continued contribution to the public good back there.

I do not have anything to add to what has been said about Jay Howe, because Jay has served all of the years on that subcommittee that I have served, and he has done it with great distinction. Jay has been one of our very valuable right-hand men. As a matter of fact, I know that I can say Jay is already enjoying his retirement, and we wish him many, many more years of it.

As the distinguished gentleman from West Virginia has said, we have reduced the new obligational authority in this bill about $101 million and we have reduced expenditures in fiscal year 1975 something like $80 million. We would have liked to have reduced it further, but we are faced with certain facts that we have which deal with uncontrollable items over which we have little control. However, I am confident that anyone who wants to go over this report will find that of all the agencies for which we have responsibility, the total subcommittee thinks they are adequately funded.

It has come to my attention that there are a few areas where there are some differences of opinion, which is only natural. You cannot have a bill as complex as this and believe that everyone will be satisfied with it I understand there might be an amendment offered to reduce the bill. I understand there may be one or two offered to increase the bill. We shall oppose all of these amendments, because we think after months of deliberations we have come up with figures that we can justify.

It is my understanding that there will be an amendment offered to increase the amount of money for the Antitrust Division. Well, over the years I think we have done quite well by Antitrust. In this bill we have given them 20 additional new employees. If they can justify something beyond that, then I think they can go to the other body and talk to them over there, and if they can convince them that what we have done has not been adequate, then they can come in and we can discuss it with them in conference.

I understand, also, there are those who are somewhat disappointed over the amount of money we have appropriated for the Immigration and Naturalization Service. However, if you will look at the bill, you will find we have increased it by $21 million over last year's figure, which included the annualization of about 300 new employees that we gave them last year. There are about 50 more here at the present time. I recognize that they have a tremendous workload. We think we have taken that into consideration, and it is our responsibility to do so.

As I say, there are those who would probably like to reduce the bill further.

I suppose there are some areas in which we could justify some reductions, but in the interests of trying to bring out a well balanced bill and one which we can live with, I stand by the results and the work of this subcommittee. So I hope we can get this matter resolved here very soon.

Does the gentleman from Iowa want me to yield to him?

Mr. GROSS. I would appreciate it.

Mr. CEDERBERG. I was wondering when the gentleman would want me to do that. I would have felt very unhappy if he had not asked me to yield.

Mr. GROSS. I thank the gentleman for yielding.

I want to join the gentleman from Michigan (Mr. CEDERBERG) and with the chairman of the subcommittee, the gentleman from West Virginia (Mr. SLACK) and the chairman of the full committee, the gentleman from Texas (Mr. MAHON) in their expression of regret that our friend and colleague, the gentleman from New York (Mr. ROONEY) is not with us today.

Through the years it has been my good fortune to have the honor to read the hearings. I regret that the gentleman from New York has been ill and unable to carry on his detailed questioning of some of the witnesses appearing before the committee. The gentleman from New York had a way and a gift not given to many others. I always appreciated reading the hearings. They were a must with me. I shall miss the gentleman very much as I do Jay Howe, the excellent chief of staff of the subcommittee, who is now retired.

In the absence of the gentleman from New York (Mr. ROONEY) I would like to ask the gentleman from Michigan (Mr. CEDERBERG) if he feels that the $1,300,000 contained in the bill for lemonade will be sufficient for the State Department for next year.

Mr. CEDERBERG. There are some who think it will not be sufficient. I think it will. The price of lemonade, as I understand it, has increased quite substantially due to the devaluation of the dollar abroad. I trust they have not had any freeze in the lemon trees out in California. I do not know whether they have not, but I think the $1,300,000 will be adequate.

I told the gentleman from Iowa earlier that after the gentleman retires, if he takes a trip abroad, we want him to get special treatment when he goes into some of these other countries so that he can find out for himself whether or not we are properly handling this kind of a situation.

Mr. GROSS. It would be my hope, Mr. Chairman, if the gentleman will yield further, that by the time I go abroad that Congress would have abolished the representation allowance—I believe it is still called that, although it is sometimes called the booze and food allowance for the State Department.

Mr. CEDERBERG. Yes, hope always springs eternal, but I would not count upon it.

Mr. GROSS. I thank the gentleman for his solicitude, if and when I should go abroad.

Mr. CEDERBERG. I cannot think of any Member we are going to miss more than we will the gentleman from Iowa, when we bring this sort of a bill to the floor, because the gentleman from Iowa has always made an interesting and a valuable contribution, and we are going to miss him and this House is going to miss the gentleman.

Mr. GROSS. The gentleman is more than kind. But my criticisms of the bill and the expenditures, as with some other legislation that comes before the House, have not borne as much fruit as I would like.

Mr. CEDERBERG. I think the gentleman has done quite well. I think we have always taken the gentleman's ideas into consideration. We may not have taken them all the way, but I think the gentleman has made a great contribution.

Mr. GROSS. I thank the gentleman.

With regard to the Waldorf-Astoria Hotel, I am pleased to see that the committee denied a rent increase of $22,000. Does the gentleman from Michigan have at his fingertips what we are expending on the Waldorf-Astoria?

Mr. CEDERBERG. It comes to my mind that it is roughly about $32,000.

Mr. GROSS. About $32,000?

Mr. CEDERBERG. Yes.

Mr. GROSS. And they were asking for a rent increase?

Mr. CEDERBERG. We are about to be evicted. I hope that we will not be evicted.

Mr. GROSS. That would have been the next question. Are we threatened with eviction because of our failure to increase the flow of Federal funds to the Waldorf-Astoria?

Mr. CEDERBERG. No, but the Waldorf-Astoria is of the opinion that they are not being paid adequately. There may come a time when some adjustment may have to be made in this particular item, but we have held the line here.

Mr. GROSS. I would ask the gentleman from Michigan, in view of the fact that this bill does contain appropriations for various international organizations, if the Russians have paid what they owe?

Mr. CEDERBERG. I cannot honestly give the gentleman the exact details, they are in the hearings, but I think that the Russians are keeping up, not as current as we are, but I think probably they are doing a little better than they have done. As soon as I finish my presentation I will secure that information for the gentleman from Iowa.

Mr. GROSS. I thank the gentleman.

Mr. JOHNSON of Colorado. Mr. Chairman, will the gentleman yield?

Mr. CEDERBERG. I yield to the gentleman from Colorado.

Mr. JOHNSON of Colorado. I thank the gentleman for yielding.

Will the gentleman explain the amount of grants for Radio Free Europe and Radio Free Liberty? It seems to me we are talking about détente on the one hand, and on the other hand we are talking about these old adages left over from the Cold War.

Mr. CEDERBERG. As a matter of fact, Radio Free Europe and Radio Free Liberty are, I think, two of the most effective voices we have in that particular area. I should like, if we could, to get some mutual negotiations with some of the other countries that are in the broadcast business, too, possibly to reduce these operations; but the facts are that I personally do not believe in doing it unilaterally.

As a matter of fact, they have had a reduction last year of a considerable amount of personnel. Of course, as the gentleman knows, when one reduces personnel, sometimes one's first-year costs are more than one expects.

I have a letter here from the chairman, Mr. Ashire, of the Board of International Broadcasting, that lays this out pretty effectively, and I should be glad to make it available to the gentleman from Colorado so that he can see what the situation is here. But I do believe that these two Radios are well worth the funds that we expend now.

Mr. JOHNSON of Colorado. If the gentleman will yield further, is there any possibility of having some of these other countries that are involved in that combine on that so that we will have aid from some of these other countries the gentleman mentions?

Mr. CEDERBERG. This particular operation is supported by us. Regarding all of these other countries, most of them do have their own operation. The British have their own broadcast operations. We are not great big spenders in this area like some of the other countries are, although we also have the Voice, which is covered.

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

Mr. CEDERBERG. I yield to the gentleman from Texas.

Mr. ARCHER. I thank the gentleman for yielding.

I commend the gentleman for trimming $107 million off of the proposed budget. This is at least a start in the right direction. I wonder if the gentleman could tell us what specific items might contain any increase over the proposed budget?

Mr. CEDERBERG. There may be an instance or two, but I should prefer to defer to the gentleman from West Virginia who has a staff man right there. I do not know whether we have any items that are increased, but I doubt it very much.

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

Mr. CEDERBERG. I yield to the gentleman from West Virginia.

Mr. SLACK. I thank the gentleman for yielding.

The bill provides for no increases above the budget requests.

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

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

Mr. ROUSSELOT. I thank the gentleman for yielding.

This appropriation is over the last years bill by 13 percent. We definitely have increased last year's appropriation by over $587 million.

Mr. CEDERBERG. Of course, absolutely.

Mr. ROUSSELOT. That represents, roughly, a 13-percent increase. So in our

effort—and I know the gentleman in the well has been very active in trying to keep inflationary pressures down—we really have not done the job in keeping the inflationary monster in the closet, because a 13-percent increase is a greater increase than the rate of increase of the Price Index.

Mr. CEDERBERG. We have got a problem here. We have certain responsibilities that are uncontrollable. We have to make the pay increases, and we vote those in the House of Representatives here. In addition to that, in this increase we have to recognize, that under a bill that we passed, all of the departments have to figure in their own budget the rent that they pay to the General Services Administration. I do not know what the exact figure is, but it is over $100-some million. It is $170 million. The increase for that legislation, I am sure, was supported by the gentleman from California.

As the gentleman knows, that goes into a fund, a General Services Administration fund, and does not show up in the budget handled by the gentleman from Oklahoma (Mr. STEED).

Mr. ROUSSELOT. I appreciate the fact that there was a better accounting of the actual floor space utilized by the various agencies. Of course, we never talk about reducing the size of the office space, in relation to the total amount of space actually needed. There always seems to be an increase in space for more bureaucracy.

My additional point is this. The gentleman mentioned "uncontrollable expenditures." Mr. Simon has recently mentioned that we probably should not consider that such a sacred cow, because that is an easy way out just to say, Well, we just can't do anything about it. There is no way we can touch it.

Also Mr. Shultz, in leaving the Treasury Department, said it became very disappointing always to come up against this statement: "Well, it is uncontrollable; therefore, we cannot touch it."

Since it is the American taxpayers that have to foot this bill, and we are constantly as Members of Congress getting more and more complaints from the person who earns an honest living and earns from $8,000 to $25,000 a year, who constantly finds his share of this Government cost going up, let me ask this question: Is the Appropriations Committee taking a harder look at these so-called uncontrollable expenditures and saying, "Wait a minute, we do not believe this uncontrolled expenditure has to go on at this level, or maybe we ought to cut here and there"?

Mr. CEDERBERG. Of course we take a good look at it, but if they are uncontrollable expenditures they are uncontrollable expenditures. There is legislation on the books that mandate certain actions to take place and they have to take place.

But as I have said before, many times, the place to start is in the legislative committees. There is where we ought to start. This is authorized in the authorization bills and then they come to us.

Mr. ROUSSELOT. So then our authorizing committees should stop saying what the gentleman is trying to point out that, "Well, we will just authorize the legislation at some high level and we will let the Appropriations Committee take a crack at it and bring it down to match what we actually have in the treasury."

Mr. CEDERBERG. That was an old-fashioned idea when we came here. The idea was in the past that the authorization does not mean too much and the Appropriations Committee will handle it for the authorizing committee. We on the Appropriations Committee have always been considered—and I believe properly so—as the ones to hold the line, but we now have gotten into the full funding kick, and that makes it doubly hard for us on the Appropriations Committee.

We would like to get the gentleman's help if we can. He makes a great contribution.

Mr. ROUSSELOT. The gentleman does not have to worry about my help. I am considering not voting for this bill because it is 13 percent over last year's appropriation. That is $487 million more, and that is a substantial amount. I think it becomes very difficult to say to our constituents that we are really holding the line when we actually are turning around and increasing the amount by that much.

Again, it is not the fault of the gentleman in the well who has warned this House consistently when we are considering the authorizing bills that it puts a tremendous amount of pressure on the Appropriations Committee to shift the level down.

Mr. CEDERBERG. It not only puts pressure on the Appropriations Committee but also on the administration downtown, and they get plenty of pressure also from people on the Hill to get it in the budget, and they get the pressure from all over the country. It is a very difficult situation.

Mr. ROUSSELOT. I thank the gentleman.

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

Mr. CEDERBERG. I yield to the gentleman from Oregon.

Mr. WYATT. Mr. Chairman, it has been a great pleasure on my part to have served on this committee for the past 2 years and to have served with the distinguished gentleman from New York, JOHN J. ROONEY. It has been an experience I will remember the rest of my life.

Likewise, I have enjoyed every minute of the time I have served with the gentleman from West Virginia (Mr. SLACK) who has so ably run this committee during this period, as well as I have enjoyed serving with the gentleman in the well, the gentleman from Michigan, as well as the other members of the subcommittee and our very able staff.

I have great confidence in the job that was done by the committee during my tenure on the committee. We have had extensive, lengthy, and exhausting hearings in connection with every amount in this bill. I would commend to the members who would desire to look at an excellent record this examination of the expenditures of the three different departments plus the Judiciary and related agencies and suggest to them that this is how an examination, item by item, is to be conducted. It is an excellent example of how this can be done.

I would like to thank the gentleman from West Virginia and the gentleman from Michigan further for their very kind remarks about me, and I will take their friendship with me as I return to practice other arts in the State of Oregon.

Mr. CEDERBERG. I thank the gentleman from Oregon.

As I said earlier, we will miss the gentleman and his wise counsel. We hope as he travels back from Oregon to the east coast he will never fail to stop by and see us.

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

Mr. CEDERBERG. I yield to the gentleman from Texas.

Mr. MAHON. Mr. Chairman, I would say to the gentleman from Oregon that when he goes back to his beloved Northwest he will undoubtedly continue to serve his fellow man and he will leave behind here on Capitol Hill and in the executive and legislative branches of the Government a great many friends who admire him for what he has accomplished as a legislator and who will be wishing him well.

As chairman of the Committee on Appropriations I want to pay tribute to the gentleman for the outstanding work which he has performed in his service to the country.

I thank the gentleman from Michigan for yielding.

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

Mr. CEDERBERG. I yield to the gentleman from Ohio.

Mr. DEVINE. Mr. Chairman, I thank the gentleman for yielding. I would add my commendation to the gentleman from Oregon for the service he has performed in the Congress during his time here.

I would also like to point out particularly relative to the gentleman from Michigan (Mr. CEDERBERG) the great service he has rendered to the Nation in trying to ride herd on these appropriation matters.

I think it is a very important thing when the gentleman mentioned the so-called uncontrollables. We play a Mickey Mouse game in this House and people across America do not understand what is going on.

I regret that there are less than half a dozen people in the press gallery and less than 20 persons on the floor of the House now to engage in meaningful colloquy of what is going on.

We authorize first certain expenditures, and I would say to the gentleman in the well that the easiest thing in the Congress is to vote aye, vote yes, and we have the big spenders in Congress who go back and say, "Look what I did. I voted for this and that, the poor, the crippled and the blind and so forth," and yet when it comes time to pay for it they say the Committee on Appropriations will take care of it. It puts the people in the Committee on Appropriations in a very difficult position. As the gentleman says, it is uncontrollable. When the President sends us a budget of $300 billion, they

say 70 or 80 percent is uncontrollable and it leaves him with 20 or 30 percent to try to work for the general interests of the country.

So the people around here that are the big spenders and are so anxious to go home and say what they have done, if they would act responsibly, they would vote for the commitments they have made, for the excesses they have produced. It would help the country greatly, would it not?

Mr. CEDERBERG. Mr. Chairman, the gentleman from Ohio is right, as he always is. As I said, we join in this debate in a mutual admiration society. I have never seen so much complimenting. I have never seen such unanimity on how this new legislation will solve our budget problems. We will have a chance to see what will happen with this particular legislation. As I said, it is going to depend upon the will of the Members of the House as to whether or not they really mean business. This voting for the budget control bill is only one step in the right direction.

Mr. DEVINE. If the gentleman will yield one moment further, one of my pet gripes in this body, and I love all the Members, is the fact that some of our big spenders are the very ones that come up with a deep breath and sigh when we have legislation increasing the debt ceiling.

Now, for 16 years I have voted against that, not as an irresponsible vote, but as a protest to those persons that want to spend and spend and not pay for their excesses, those that come and vote for all the spending and then when the debt ceiling comes up, they vote no. That bill passed by only one vote. That is not taking a responsible position.

Mr. CEDERBERG. Well, now when we are talking about budget control and fiscal responsibility, the other body took a bill to increase the debt that the American people will have to pay sometime, and put a tax reduction on it. That is just about going as far as we can get, as far as I am personally concerned, in the area of irresponsibility.

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

Mr. CEDERBERG. I yield to the gentleman from Idaho.

Mr. SYMMS. I know that the gentleman from Michigan has stated his position and supports the committee position; but I am sure he will be pleased if some Member of the House offers, and if no one does I will offer an amendment to cut this entire appropriation across the board by a few percentage points and then we will find out how many people mean what they say in the legislation passed on budgetary reform.

The gentleman from Michigan ought to be very interested in the result of the vote on that.

Mr. CEDERBERG. I have stated my position on that. We have gone down that road many times before the gentleman from Idaho was a Member of this body. This is an interesting exercise. The problem is that in this bill we have already reduced a slight amount for the Federal Bureau of Investigation, on whom we put additional responsibilities. This is something we never did before.

We have reduced some of the other budget requests quite substantially and to reduce them further would place me in a position of saying, well, I did not do as good a job as we should have done as a subcommittee. I think we have done a good job. We never do a perfect job.

Cutting across the board, I commend the gentleman for what he is trying to achieve; but I am not sure that is quite the wise way to handle this.

Mr. SYMMS. Mr. Chairman, if the gentleman will yield further, I would like to state that I appreciate the gentleman's position and I certainly understand his argument.

I do think, however, that when we are talking about funding agencies, for instance to give better law and order to the country, it is rather paradoxical to be stealing money from the public by counterfeiting the legal tender we use as a medium of exchange, which certainly is money in its own right, in the name of funding the Justice Department.

Therefore, I think there is a point here at some time where the Members of this House are going to have to face the reality that we have a printing press on 14th Street, which if the gentleman from Michigan (Mr. CEDERBERG) or the gentleman from Idaho (Mr. SYMMS) would have one similar to it, we would be thrown in prison for counterfeiting. However, since the Federal Government has the legal tender laws, they can counterfeit at will. They can finally make it so that it is not worth anything. When it finally gets to the point where it is not worth what it costs to print, maybe the politicians will wake up and do something about it.

Mr. CEDERBERG. Mr. Chairman, I think the gentleman makes an interesting point. I do not know whether he wants most of us to go to jail or not, but I say to him that also in this bill we do have money for the Federal prisons which we are trying to improve a little bit.

Mr. SYMMS. I am not sure that if I keep it up I will probably end up there, as an enemy of the State.

Mr. RODINO. Mr. Chairman, I rise in support of H.R. 15404 but I am deeply concerned over the drastic reduction of funds for the Department of Justice.

While there are substantial increases in funding for the Department of Justice as compared with fiscal year 1974, the committee has reduced the amount contained in the President's budget request by over $30 million. These reductions, in my opinion, will substantially affect the operation of the Antitrust Division, the Immigration and Naturalization Service, and the LEAA programs established by the Congress.

I am particularly disturbed by the $6.4 million reduction in appropriations to the Law Enforcement Assistance Administration. It appears that there should be no higher priority than to assure our country of a safe environment on our streets and in our communities. The reduction in LEAA funding will certainly thwart to some extent our fight against rising crime.

In 1973, statistics indicate a rise in serious crime. FBI indexes reveal serious crime offenses were increased by 5 percent in that same year. In addition, the tragic crimes of rape, murder, and aggravated assault all indicate a substantial increase. With these facts I am troubled that the funds requested for LEAA have been reduced by the Appropriations Committee.

When Congress passed the Omnibus Crime Control and Safe Streets Act, it recognized the vital role of the Federal Government in assisting local law enforcement agencies in the fight against crime. It is my hope that the agency entrusted with administering and coordinating the anti-crime effort will be given the financial and technical resources which will enable it to successfully discharge its duties.

Furthermore, major developments within the past 2 months argue forcefully against any reduction in budget appropriations for the Antitrust Division, these events only confirm conclusions reached by my Monopolies Subcommittee over the past year. On June 12, 1973, the Monopolies Subcommittee commenced oversight of the Antitrust Division with emphasis on the petroleum and the food industries. In March 1974, largely after constant pressure from my subcommittee's antitrust oversight, the Antitrust Division formed and activated a Special Energy Unit to investigate antitrust violations in the energy field, particularly in the oil industry. This action has added further drains on already-overburdened resources. The Antitrust Division did not cause the energy crisis but we, the Congress, have the duty to follow through and fund it so that the Division can cope with many apparent antitrust problems in the energy field.

During Monopolies Subcommittee hearings in June and July 1973 on skyrocketing food prices, the lessons of antitrust history were fully explored. After each major period of national wage-price controls, the most serious antitrust violations of the century occurred: after World War I, expiration of the NRA, World War II, and the Korean War. The Antitrust Division was urged to devote more of its resources to prevent a repetition of these disastrous effects. In early April 1974, shortly before the expiration of wage-price controls, the Antitrust Division did act in this regard. Again, the Antitrust Division should not be criticized but praised for its contributions in solving complex, national problems.

Within the past several weeks, at least two mergers of corporations each with multi-billion-dollar sales have been announced. At least two other of similar nature have been announced recently. Significantly, two of these four mergers have been announced by major oil companies, Gulf and Mobil. These mergers were predictable in theory as a result of sustained inflation. In this case, these results are more serious, rekindling giant conglomerate mergers that have been quiescent for the past several years. In the long run, these structural changes are more harmful to our Nation than antitrust conduct such as price fixing. Furthermore, serious questions of oil industry use of record profits to acquire corporations rather than to increase pro-

duction are raised. The Antitrust Division must be supported by the Congress if it is to properly investigate and to attenuate these dangers to the structure of the Nation's economy.

Finally, while H.R. 15404 contains an increase of over $21 million for the Immigration and Naturalization Service, I had hoped that the Committee on Appropriations would have provided the full budget request of $180 million. I am gratified that the administration, particularly the Department of Justice and OMB, has finally recognized the serious nature of the illegal alien problem by requesting funds which will enable INS to effectively cope with this problem.

However, if we are to reduce by $5 million the amount requested by the administration for INS, we, the Congress, will have to bear a certain portion of the blame for the illegal alien problem. In the past, the Appropriations Committee has provided the full budget request for INS but in these instances the initial INS request had been severely reduced by the Department of Justice and OMB prior to its submission to Congress.

In addition to the funding and manpower problems confronting INS, my Committee has recognized the need for legislation to eliminate the serious illegal alien problem. In this regard, the committee and the full House overwhelmingly approved my bill, H.R. 982, to impose civil and criminal sanctions on employers of illegal aliens. This bill is presently pending in the Senate and I am hopeful that it will be enacted in the near future. This legislation, however, will not completely solve the problem and INS must be provided with the resources to control the influx of illegal aliens to this country.

I am hopeful that during the consideration of this bill by the House and Senate the $30 million will be restored to the Department of Justice in order that it can effectively discharge the duties which have been delegated to it by the Congress.

Mr. COHEN. Mr. Chairman, the House Judiciary Committee conducted an extensive hearing last year regarding the programs of the Law Enforcement Assistance Administration which culminated in the enactment of the Crime Control Act of 1973. This act extended the LEAA program through fiscal 1976 and renewed the Federal commitment to provide leadership and assistance to State and local criminal justice agencies across the Nation. The 1973 act, amending the Omnibus Crime Control and Safe Streets Act of 1968, also placed new responsibilities on LEAA for juvenile justice improvement and for extensive evaluation of crime control efforts—to determine what works and what does not—and to distribute information regarding successful crime-reduction programs to all interested justice systems. It should be noted that the Congress authorized an appropriation of $1 billion for fiscal year 1975, while the administration's request was for a comparatively modest $886.4 million. I regret that the Committee on Appropriations has recommended a reduction of $6.4 million below the fiscal year 1975 request.

It is unwise to reduce the congressional commitment to law enforcement by denying an adequate level of funding to the LEAA program. Moreover, it is false economy at best to reduce the amount of funds available for the evaluation of crime-reduction projects and for technical assistance services to State and local criminal justice systems. Unless effective project evaluation identifies successful and cost-effective programs and unless technical assistance leading to an improved quality of criminal justice performance is provided around the country, the other funds extended will have a smaller impact on crime reduction and criminal justice improvement.

I would urge the Members of the House to support any House-Senate conference effort to restore the LEAA appropriation to the full amount requested by the administration.

Mr. EILBERG. Mr. Chairman, I rise in support of H.R. 15404, but I wish to express several reservations regarding the inadequate funding provided for the Immigration and Naturalization Service.

I wish to emphasize that I am particularly gratified that the Committee on Appropriations has recommended an increase of $21.6 million of current funding for INS, but I am somewhat dissatisfied that the committee deleted $5 million from the administration's budget request.

For years now the budget request of INS has been emasculated by the Department of Justice and the Office of Management and Budget prior to its submission to the Congress each year.

As a result of my subcommittee's review of the illegal alien problem in this Congress, we have concluded that INS is confronted with severe funding and manpower problems. In order to control the serious illegal alien problem, the Judiciary Committee approved H.R. 982 which the House passed by an overwhelming majority. This bill would impose civil and criminal penalties on employers who knowingly hire illegal aliens. The Senate has yet to act on this urgently needed legislation. In addition to recommending this legislation, the committee noted in its report on H.R. 982 that INS's inability to control this problem is "directly attributable to the manpower and funding problems which have continuously plagued the Service."

Therefore, I was very pleased when OMB submitted to the Congess a budget request of over $180 million for INS. This request was long overdue and my only regret is that the Appropriations Committee failed to approve the full budget request. It is my understanding that the Appropriations Committee was somewhat concerned by the large number of vacancies in INS. When INS appeared before that committee in January of this year, there were 547 permanent positions unfilled; 247 of these positions were normal turnover vacancies while the additional 300 were a result of a 1974 supplemental appropriations bill which had been approved on January 3, 1974. Since that time INS has made substantial efforts to fill these vacancies. For example, as of May 31, 1974, there were only 395 vacancies and at the present time less than 300 vacancies exist.

I can appreciate the concern of the Appropriations Committee when an agency requests an increase in manpower while vacancies exist. I share that concern particularly in view of the fact that INS has been severely understaffed for such a long period of time. I inquired as to the reasons for the large number of vacancies and was informed that first, there is presently a waiting period for security clearances which are being processed; and second, there are procedural and processing problems encountered in filling a vacancy and this problem is intensified when one considers that there are over 300 locations for INS facilities throughout the country. As a result, there is generally a lapse of 5 months between the occurrence of a vacancy and the filling of this position.

I have also been advised that INS has revised its policy and a project was undertaken to reduce the 5-month period. As a result, this time period has been reduced to 60 days and INS is making substantial progress in its effort to expedite the filling of its vacancies.

Consequently, I believe that INS will be in a better position in the future to present a specific and detailed program and justification for increased personnel when it presents its request to the Appropriations Committee.

On numerous occasions I have been asked why INS has been unable to stem the illegal alien problem. In each instance I responded that "INS lacks the proper funds and personnel notwithstanding the fact that Congress has always met the budget request needed for INS." It was, therefore, apparent that the real problem was the low priority attached to the enforcement of our immigration laws by the administration.

I am pleased that the administration now recognizes the importance of curtailing the flow of illegal aliens to this country by substantially increasing its request for INS appropriations. However, if Congress fails to provide the requested amount of $180 million, it must be ready to assume partial responsibility for this problem.

I also share the concern of my colleagues that we must reduce Federal spending whenever possible, but I must emphasize that the additional $5 million becomes insignificant when compared to the tremendous economic impact resulting from the presence of millions of illegal aliens in the United States. Testimony before the committee during our investigation of this problem clearly indicates that illegal aliens have contributed to our balance-of-payments problem and have burdened our public assistance programs. In addition, many illegal aliens claim nonexistent dependents or otherwise fail to pay their just share of Federal income taxes.

I fully believe that Congress must be fiscally responsible, but in this case I would have hoped that the Committee on Appropriations would have appropriated the full budget request of $180 million.

The Congress must provide the necessary resources if we expect INS to more adequately administer the provisions of the Immigration and Nationality Act

and to alleviate the critical illegal alien problem.

Mr. FISH. Mr. Chairman, I rise to associate myself with the remarks of the gentleman from Pennsylvania, and to further discuss the serious problems faced by the Immigration Service with respect to illegal aliens which would be aggravated by manpower cuts caused by a reduction in their requested appropriations. Oversight hearings held in April of this year by the Judiciary Subcommittee on Immigration on which I am pleased to serve as ranking member heard testimony from Gen. L. F. Chapman, Commissioner of the Immigration and Naturalization Service. He stated that:

With regard to law enforcement the problem is the very large number of illegal aliens in this country, more every day, and our efforts to keep them out, and find those who are here and remove them.

He added the second most important aspect of the illegal alien situation is the crime growing out of it. General Chapman went on to cite the smuggling of illegal aliens into this country, the arranging of fraudulent marriages and the preparations of fraudulent documents as examples of the serious crime surrounding the problem.

The number of illegal aliens discovered by the Immigration Service has risen from less than 100,000 in fiscal 1964 to an anticipated 900,000 in the present fiscal year. Our subcommittee has heard testimony indicating that illegal aliens in this country displace U.S. citizens from jobs, especially among low-paid occupations, and others find their way into our welfare rolls. The House has dealt with this problem by passing H.R. 982 during the last session which imposes sanctions on employers for knowingly employing such illegal aliens and that bill is now pending in the Senate.

However, we must also provide enough money for the manpower needed to control this ever-increasing flow of illegal aliens.

I had the pleasure of recently visiting the New Orleans office of the Immigration Service and I can personally report that the staff there is significantly undermanned. For example, on ships coming up the Mississippi, often there is only one Immigration Service official available to inspect an entire ship. This results in less than adequate inspections, increasing the possibility of illegal aliens entering this country. To do their job, the Border Patrol of the New Orleans office frequently has to recruit from other services.

Mr. Chairman, this is not the time to cut back on personnel for the Immigration and Naturalization Service. I am sure with the legislation we have passed last session, together with adequate funding, the Immigration Service will be able to bring this grave problem under control.

Mr. VAN DEERLIN. Mr. Chairman, the Committee on Appropriations has knocked out funds for a major project in my district, the Tia Juana River Flood Control Project.

Naturally I do not like to see any money that had been headed for my own constituency side-tracked in this fashion. And normally a Congressman in the position I now find myself would protest loudly, at least, before surrendering to the inevitable.

But in this case the committee was right; it had no other choice but to reject the $1.5 million sought for the project.

These flood works were conceived as a grand joint endeavor by Mexico and the United States to protect floodprone acreage on both sides of the border.

I was proud to be the author, in 1966, of the enabling act for this project. At that point, the proposed works strongly supported by the State of California and the cities of San Diego and Imperial Beach, Calif.—the State and local governments most immediately concerned.

In December of 1971, however, San Diego abruptly withdrew its support from the full-length flood control channel which, as then envisioned, would have extended 5½ miles to the ocean. A new, environmentally conscious city council and mayor felt the amenities of the undeveloped Tia Juana River Valley could best be preserved by minimal flood control works.

The Boundary and Water Commission and Army Engineers went back to their drawing boards and came up with something more to San Diego's liking—a modest system of dikes sufficient to receive runoff from the fullscale works now nearing completion in Mexico, while doing nothing to encourage development in the U.S. section of the valley.

But these changes had the effect of nullifying the previous commitment of the State to buy rights-of-way for the project. The obligation of our State government was to a specific project, but the plans had been rewritten.

Getting the State to renew its commitment thus far has not been possible, due to a series of legal and political complications. There is no hope that California wil come up with its share of the money until after a new administration has taken office in January—and it is an open question whether anything will happen even then.

Therefore, the Appropriations Committee can hardly be blamed for refusing to put up additional money for construction when the needed land has not yet been acquired.

I hope we can have a more optimistic report next year, to justify Congress' continued faith in this potentially valuable flood control program, and to make good on a treaty obligation we have undertaken with Mexico.

Meanwhile, Mr. Chairman, my constituents must hope for a blessing that is beyond the gift even of the House Appropriations Committee—that upcoming winters will be free of rain levels which afflict our Southwest once every 30 or 40 years. Should such a storm strike, our failure to complete this channel project in timely fashion could leave a trail of watery death and destruction.

Mr. FRENZEL. Mr. Chairman, I do not like to vote against appropriations bills but I object to passing a bill that is 12½ percent, $600,000,000, more than last year, especially immediately following the passage of the Budget Control Act.

I voted for an amendment to increase the bill by $1 million, but that was for vital antitrust effort. I also voted for larger reduction.

If we cannot control the appropriations for the simple ongoing work of the bureaucracy, we are never going to control them on other matters. I have nothing against the agencies funded, and I value the work of the committee, but I simply cannot vote for an increase of this size.

Mr. Chairman, I rise in support of the Heinz amendment to H.R. 15404. I can not imagine why this Congress would be cutting the administration's budget in the Antitrust Division. I congratulate the gentleman from Pennsylvania (Mr. HEINZ) for his sharp eye in uncovering this attempt to reduce the effectiveness of our antitrust programs.

Cutting antitrust efforts is particularly inappropriate at a time of low public confidence in our—all our institutions. Neither large corporations nor the Congress are held high in public confidence and esteem. A reduction of this budget item makes it look as though the latter were in cahoots with the former.

This Congress and this House have played around with injecting many agencies into what should be the jurisdiction of the Antitrust Division. We have given powers needlessly to FTC. We have tried to create a variety of consumer agencies. I believe we do our consumers, and all our constituents, more good by assuring the effectiveness of the Antitrust Division of the Justice Department.

I urge the adoption of the Heinz amendment.

Mr. BADILLO. Mr. Chairman, as we consider the fiscal year 1975 appropriations for the Department of Justice, I wish to point out the appalling situation of Spanish surnamed employment within that agency.

According to figures in the Civil Service Commission's periodic reports on minority group employment within the Federal Government, as of March 30, 1974, Spanish-speaking employees represented only 2.97 percent of the total Justice Department work force. That figure as of November 30, 1972, was 2.9 percent, 2 years earlier it was 2.4 percent and in November 1969, 2.1 percent of all that agency's employees were Spanish surnamed. Thus, over a period of almost 5 years, Spanish surnamed employment within the Department of Justice has increased by only eight-tenths of 1 percent.

These figures are even more startling when we consider that on November 5, 1970, President Nixon announced the implementation of a new 16-point program designed to encourage Federal employment of the Spanish speaking. The rationale for such a program was that the Federal Government could better serve the needs of Spanish surnamed Americans if there were significant numbers of our community in Federal jobs, especialy in responsible, policymaking positions. During this period of near 4 years, the much-touted 16-point program has been a dismal failure, and I believe that the Justice Department figures bear this out most clearly.

I think it is important that we also note that if this total employment picture is unfavorable, a closer scrutiny of the concentration of Spanish surnamed in the various grade levels is even more disappointing. The vast majority of these individuals are concentrated in grades 1 through 8, and the numbers of Spanish surnamed employed in mid or upper grades is negligible. In November 1969, 587, or 83 percent, of the Spanish surnamed persons employed by the Justice Department were in grades 1 through 8, yet in 1974 that figure had dropped only to 82 percent.

The Department of Justice, as the law enforcement arm of the executive branch and administrator of the criminal justice system, has many functions which are particularly crucial to the Spanish speaking, such as the Civil Rights Division, Bureau of Prisons, Community Relations Service, and the Immigration and Naturalization Service. Although the Immigration and Naturalization Service appears to have an unusually high percentage of Spanish surnamed employees, about 8 percent, it is worth noting that they serve a very large number of Spanish speaking persons. In fiscal year 1973, at least 34 percent of all immigrants to the United States were from Spanish language countries and 44 percent of all temporary visitors for pleasure were from Spain and Latin America. The U.S. Border Patrol, which, I am told, requires that all agents have a good command of Spanish, employs only 134 Spanish surnamed persons out of a total employment figure of 1,625. Since approximately 1,300 of their positions exist in the southwestern part of the United States and require Spanish language facility, it would seem that they must make a much greater effort to take advantage of the vast resource of native Spanish-speaking people who live in that section of the country. Of a total of 1,360 U.S. attorneys—positions which pay a supergrade salary—only 7, or 0.51 percent are Spanish surnamed. The appropriation which we are considering today provides for funds for 56 new U.S. attorney positions, and I urge that the President fill many of these posts with Spanish surnamed individuals.

Mr. Chairman, out of a total budget of almost $2 billion for the Department of Justice for fiscal 1975, some $1,869,797,000 will go toward salaries and administrative expenses. Clearly this Department and most of its constituent agencies has failed to move affirmatively toward expanding employment opportunities for the Spanish speaking. I believe that during this new fiscal year we should carefully scrutinize this Department and encourage it to show some positive signs of commitment to the ideal of equal employment opportunity for Spanish surnamed Americans.

Mr. DRINAN. Mr. Chairman, today we appropriate over $5.4 billion for the Departments of State, Commerce, and Justice, the Judiciary, and related agencies. There are, to be sure, literally hundreds of items which merit comment; I wish to focus on two.

Approximately $2.1 billion has been granted to the Justice Department to pursue its law-enforcement activities. If I had my way, the vast proportion of that money would be used to eliminate discrimination, to improve the quality of the environment, to protect consumers, and to reform the criminal justice system. But that is not likely to happen until this administration changes its priorities.

A few weeks ago the House Judiciary Subcommittee on Civil Rights and Civil Liberties released its report on the proposed cutbacks in the Community Relations Service, an agency within Justice which seeks to ameliorate and mediate racial tensions and disputes. Among other things, we found that the administration had begun dismantling the Community Relations Service contrary to congressional directives, and that its proposed level of funding was inadequate for the proper execution of CRS' statutory functions.

After stating our findings with respect to the actions of the administration, we recommended that "the budget of the Community Relations Service in fiscal year 1975 be reinstated at a level adequate to both the prevention and mediation of racial crises." While the bill before us does not appropriate as much moneys for CRS as I believe are necessary, it does provide for a modest increase over fiscal 1974. I am hopeful that continued oversight by our subcommittee will disclose any additional budgetary deficiencies in CRS operations.

A second item of note relates to the proposed recommendation to appropriate $332,000 for the National Commission for the Review of Federal and State Laws Relating to Wiretapping and Electronic Surveillance. By Federal standards, that sum is indeed a drop in the proverbial bucket. It is, I submit, money well spent.

Since the Commission was first "established" in the Omnibus Crime Control and Safe Streets Act of 1968, it has gone through periods of life, death, and resurrection. It is now with us and, as originally contemplated, is beginning its work to evaluate the wiretapping and electronic surveillance provisions of title III of that act.

While the Commission is presently scheduled to expire in June 1975, H.R. 15173, now pending before our Subcommittee on Courts, Civil Liberties, and the Administration of Justice, would extend its life to January 1977. That bill would also allow the Commission access to government surveillance records, while preserving the citizen's right of privacy.

It is important that we move on several fronts in our battle against Government snooping and intrusions into privacy. Funding this Commission would be another step to increase our capacity to keep watch over the watchers. With the passage of this appropriation, I await anxiously for the Commission's first report.

Mr. ALEXANDER. Mr. Chairman, as chairman of the House Subcommittee on Rural Development and as a representative of a district which is basically countryside, I am very much interested in determining how much of the moneys we in the Congress appropriate each year go to nonmetropolitan areas.

I have been in search of a definitive answer to this question for more months than I like to recall. Thus far the answers which I have been able to assemble are only partial ones. And, they are not altogether encouraging. This is particularly true with regard to the programs which would be funded under the bill which we consider today, H.R. 15404, State, Justice, Commerce, Judiciary appropriations for fiscal year 1975.

One reason that we who are concerned with the interests of the Nation's residents who live and work in the countryside have such difficulty learning how much Federal moneys go to their benefit is, so far as I can determine, because the departments and agencies involved either do not keep track of such important information or have internal difficulties establishing the answers. Another reason is to be found within the appropriations bills which we in Congress approve. Too often they do not earmark the funds for specific programs, or even recommend in the committee reports on the bills how much of the funds we appropriate should be spent in which program. Also, when this is done it is not in frequent to find different titles being used for the same program.

Keeping all these shortcomings in mind, I intend during the consideration of a number of the remaining appropriations bills to attempt to suggest where moneys in a number of selected programs may be expected to be spent. The divisions which I will discuss are based on the optimistic assumption that nonmetropolitan areas will get at least as much money in fiscal year 1975 as in fiscal year 1973, the most recent year for which such figures are available.

The programs to which I refer are selected programs in the Law Enforcement Administration, the Economic Development Administration and the Small Business Administration. Because of differences in the manner in which various information sources break down the Small Business Administration programs I have not attempted such a breakdown in the chart which I would include as a part of the RECORD. But, these programs include economic opportunity loans to small businesses, loans to State and local development companies, and small business investment company loans.

While I have not projected a figure in the chart for disaster loan assistance to nonmetropolitan areas, I think it is very important to note that in fiscal year 1973 only 29.3 percent of the direct disaster loans under SBA went to nonmetropolitan areas while 79.3 percent of the insured loans went to such areas.

The chart which I am inserting contains in column 1 the program identification; in column 2 the amount of money the Committee on Appropriations is recommending for fiscal year 1975; in column 3 the amount of column 2 which—based on fiscal year 1973 results, may be expected to benefit nonmetropolitan areas; column 4 the amount appropriated for fiscal year 1974; and column 5 the percent of each item which went to nonmetropolitan areas in fiscal year 1973.

I would emphasize that the figures in column 1 for such programs as SBA's business loan investment fund is capital going into the fund not the level of loans which SBA anticipates making.

[Figures are given in millions]

Program	1975 committee recommendation	1975 amount for non-metropolitan areas	1974 appropriations	Percentage of fiscal year 1973 outlays going to non-metropolitan areas
Law Enforcement Assistance Administration	$880.0	$85.4	$870.6	9.7
Economic Development Administration programs:				
Public works grants and loans	160.0	100.3	159.0	62.7
Industrial development loans and guarantees	15.0	7.4	5.0	49.1
Planning, technical assistance, and research	9.2	3.7	20.0	41.0
Regional Action Planning Commissions: Regional development programs	34.9	15.3	42.0	43.7

Mr. SIKES. Mr. Chairman, for many years, the legislation for the annual appropriation for the Departments of State, Justice, Commerce and the Judiciary has borne the honored name of JOHN ROONEY. During most of those years, I have been privileged to serve with him on this subcommittee—a witness to his leadership and to his patriotic contributions.

JOHN ROONEY has announced his retirement at the end of his present term in Congress. It means we shall not again see a bill bearing his name as chairman of the subcommittee.

I have spoken earlier of my concern that his retirement from this body will mean that an able and conscientious and honorable member of the Congress will no longer be among us. I shall not reiterate those thoughts here again today.

In many ways, it is a sad day, for JOHN ROONEY will be missed. Yet, in retrospect, it is a proud and happy day for JOHN ROONEY's work has been honorable and distinguished and effective and his contributions stand as a monument to his stewardship of the trust extended to him by his constituents. He is now privileged to receive the accolades and congratulations which surely will come his way and which are so well deserved.

It has been my honor to serve with him. It has been my honor to support the subcommittee bills which he has so skillfully and soundly drawn, and it has been my honor to have called JOHN ROONEY my friend. I join with my colleagues in wishing him and Mrs. ROONEY only the very best in all the years that lie ahead for them.

Mr. SIKES. Mr. Chairman, I associate myself with the comments that have been expressed about the pending retirement of my good friend and colleague, the Honorable WENDELL WYATT of Oregon. It was with surprise and with great disappointment that I learned of his plans. WENDELL WYATT has served long and well. He has earned the confidence and the friendship of his colleagues on both sides of the aisle. He is an able and dedicated legislator.

Elected to this body on November 3, 1964 to succeed the late Walter Norblad, Congressman WYATT immediately plunged into the work of the Congress and in a short time distinguished himself through sound, useful and dedicated service. It has been my honor to serve with him in Congress and to work closely with him on the Appropriations Committee. I know from first hand experience that WENDELL WYATT is a man of keen mind and sincere convictions. He is a sincere student of government and one of the hardest working Members of the Congress. His effective services to his Nation and the Congress have been at a time when wisdom and leadership and dependable thinking were sorely needed. It was because he possesses genuine qualities of ability that we shall miss him so greatly. I am sorry to see him go, but I join in wishing WENDELL and Mrs. Wyatt a long and happy and useful life together in the years ahead.

Mr. SLACK. Mr. Chairman, we have no further requests for time.

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

The CHAIRMAN. The Clerk will read.

The Clerk proceeded to read the bill.

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

The CHAIRMAN. The Chair will count. Evidently a quorum is not present.

The Chair announces that he will vacate proceedings under the call when a quorum of the Committee appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

QUORUM CALL VACATED

The CHAIRMAN. 102 Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to rule XXIII, clause 2, further proceedings under the call shall be considered as vacated.

The Committee will resume its business.

The Clerk will read.

The Clerk read as follows:

SALARIES AND EXPENSES, GENERAL LEGAL ACTIVITIES

For expenses necessary for the legal activities of the Department of Justice, not otherwise provided for, including miscellaneous and emergency expenses authorized or approved by the Attorney General or the Assistant Attorney General for Administration; not to exceed $30,000 for expenses of collecting evidence, to be expended under the direction of the Attorney General and accounted for solely on his certificate; and advances of public moneys pursuant to law (31 U.S.C. 529); $59,000,000: *Provided*, That not to exceed $125,000 may be transferred to this appropriation from the "Alien Property Fund, World War II", for the general administrative expenses of alien property activities, including rent of private or Government-owned space in the District of Columbia.

POINT OF ORDER

Mr. ECKHARDT. Mr. Chairman, I raise a point of order to the language on page 14 of the bill, beginning at line 8, which states:

Not to exceed $30,000 for expenses of collecting evidence, to be expended under the direction of the Attorney General and accounted for solely on his certificate.

I raise the point of order under rule XXI, clause 2, providing as follows:

Nor shall any provision in any such bill or amendment thereto changing existing law be in order, except such as being germane to the subject matter of the bill shall retrench * * * et cetera.

Mr. Chairman, the language contained here would alter the general law under which the Comptroller General would be required to examine and approve the expenditure, whereas this language would permit expenditure under the direction of the Attorney General and accounting for it only under his certificate.

Mr. SLACK. Mr. Chairman, I would like to be heard on the point of order.

This language was included in the 1963 Appropriation Act and Appropriation Acts of subsequent years. The pertinent budget specifications for 1963 read as follows:

The Department has been seriously handicapped in conducting investigations and obtaining evidence in criminal cases because the legal divisions have not been authorized to make expenditures for confidential purposes in appropriate situations. Investigations of organized crime or racketeering would be greatly facilitated if the requested authority is granted. Funds are to be used solely for the purpose indicated and only if authorized and directed by the Attorney General.

Mr. ECKHARDT. Mr. Chairman, may I be heard further?

Mr. Chairman, if I heard the gentleman's reply correctly, he stated that the language had been authorized in previous Appropriation Acts—not in any other substantive law or in any allocation or provision of positive law but only in previous appropriations, which, of course, is only a term, and even if they were not, they would not be available to afford a basis in substantive law for this provision.

The other evidence was to certain statements made in hearings, but, as I understand the rule, when a point of order is made under clause 2, rule XXI, it then becomes incumbent on the one urging the language to show that it is based on other than appropriations provisions.

Mr. SLACK. Will the gentleman yield?

Mr. ECKHARDT. I yield to the gentleman.

Mr. SLACK. The gentleman is correct, and, if he insists on the point of order, we concede it.

The CHAIRMAN (Mr. VANIK). The Chair understands the point of order is directed solely to the language in lines 8, 9, 10, and 11 rather than the entire paragraph. Is that correct?

Mr. ECKHARDT. That is correct.

The CHAIRMAN. The point of order is conceded, and the point of order is sustained.

AMENDMENT OFFERED BY MR. BIAGGI

Mr. BIAGGI. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BIAGGI: On page 13, add a new section to title I:

SEC. 105. None of the funds appropriated in this title shall be used to enter into agreements with foreign countries to provide them with nuclear technology or materials, without the expressed consent of both Houses of Congress.

The CHAIRMAN. The Chair must advise the gentleman from New York that this is an amendment at the end of title I. The gentleman will have to ask unanimous consent that it may be considered out of order.

Mr. BIAGGI. Mr. Chairman, I ask unanimous consent that this amendment may be considered out of order.

The CHAIRMAN. The gentleman from New York asks unanimous consent to go back to page 13, line 16. Is there objection to the request of the gentleman from New York?

Mr. CEDERBERG. Mr. Chairman, I regret that I am going to have to object. I hesitate to do so. I have seen the amendment offered by the gentleman from New York, and it raises some questions some of which really we have not had an opportunity to look at at all. I do not know what the ramifications would be. For that reason and for no other I feel constrained to object.

The CHAIRMAN. Objection is heard.

Mr. BIAGGI. Mr. Chairman, I was on my feet at the exact moment that the gentleman from Texas (Mr. ECKHARDT) was on his feet. The Chairman chose to recognize the gentleman from Texas while I was standing. The Clerk had not as yet reached that point in the bill which would have dealt with this amendment.

The CHAIRMAN. The Chair thinks the proceedings would show at that point at which the gentleman from New York first sought recognition, the Clerk had read beyond the point of the amendment offered by the gentleman from New York and in fact had read the second paragraph of title II.

The gentleman from Texas had arisen several times prior to that, and the Chair did not perceive the gentleman from New York seeking recognition at the time until we had read past that section.

Mr. BIAGGI. Mr. Chairman, I must insist that I was standing at the same time as the gentleman from Texas was standing.

The CHAIRMAN. The Chair will state that the Chair regrets that the gentleman from New York is barred by the rules from offering his amendment.

The Clerk will read.

The Clerk read as follows:

SALARIES AND EXPENSES, ANTITRUST DIVISION

For expenses necessary for the enforcement of antitrust, consumer protection and kindred laws, $15,680,000: *Provided*, That none of this appropriation shall be expended for the establishment and maintenance of permanent regional offices of the Antitrust Division.

AMENDMENT OFFERED BY MR. HEINZ

Mr. HEINZ. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HEINZ: Page 14, line 20, strike out "$15,680,000" and insert in lieu thereof "$16,762,000".

Mr. HEINZ. Mr. Chairman, I rise to offer an amendment to restore the administration's budget request to this portion of the appropriation, minus $120,000 that would otherwise be included for rent to the General Services Administration.

Mr. Chairman, before I argue in behalf of this amendment, I want to commend the members of the Committee on Appropriations for an excellent job. We all know they have been working extremely long and hard. They have cut $101 million from the original requests, and I think most or all of us in the House of Representatives compliment all of the members of the Committee on Appropriations for having successfully done some needed trimming.

However, Mr. Chairman, I feel that in having trimmed the budget, that in this one instance a mistake may have been made.

Every day, my mail brings new complaints of higher prices and frustration of the lack of Government action in doing anything about inflation. Others want to know why retail prices go up and never come down relative to the drop in farm or other wholesale prices. Without healthy and vigorous competition, we cannot ever expect prices to come down to realistic market levels. That is where strong and effective antitrust enforcement comes in.

And it is for this reason, Mr. Chairman, that I propose a strengthening of the budget for the Antitrust Division of the Justice Department.

I would particularly like to draw the attention of the committee to the need for this increase. In real dollar terms the Antitrust Division is now operating with a budget smaller than it had in 1950. Meanwhile, its responsibilities have continually grown in response to our complex, expanding economy. Not only that, but the resources of the Antitrust Division are presently strained with new major litigation, a massive, new investigation of the energy industry, and additional manpower-consuming responsibilities because of amendments to the Bank Holding Company Act which in 1973 alone required the division to evaluate over 150 bank mergers. Furthermore, there has been a huge increase in the workload for consumer protection and interagency matters.

Vast as these new demands are, the amount proposed in H.R. 15404 amounts to no more than a cost of living increase—and an inadequate one at that.

The increase we are seeking in the budget is small, but very important. Protecting the public interest through investigation of complex industries and prosecution of complicated cases takes painstaking research, a great deal of time and effort and the necessary manpower. A little spent now insuring the kind of competition that puts pressure on prices may mean a lot less spent later by the American consumer.

I am aware that the committee deliberated long and hard over how many positions were needed in the Antitrust Division of the Justice Department, but the facts of the matter is that presently the Antitrust Division is authorized less people than it it was allowed in 1950. In fact, in 1950 there were 632 professional and clerical positions in the Antitrust Division. Today the number is only 629.

Mr. Chairman, the Assistant Attorney General for Antitrust, Mr. Thomas E. Kauper, appeared before the Congress just a little while ago to explain that he needed the funds in this request to increase the size of the staff by 63 more people than the committee has seen fit up to this point to authorize. Let me quote:

The requested increase is not designed to produce any marked increase in level of Antitrust Division activity; it will, however, permit us to maintain a responsible level of efficiency, and thus to maintain public confidence in the credibility of the antitrust enforcement program.

At present there is no part of the Antitrust Division which has the staff to perform its tasks effectively; the proposed program increase will bring several operating units up to a minimum effective level, and provide the Division with the means to begin a program to do the antitrust enforcement job on a comprehensive basis.

Mr. Chairman, there is another fact that I feel should be brought to the attention of this committee, and that is that since 1972—for the past 3 fiscal years—the level of manpower in the Justice Department Antitrust Division has not increased. In fact, it has decreased: in 1972, 630 positions authorized, in 1973, 629, and in 1974, 629. In 1975 we want to catch up with the needs of this Division, which have been so sadly neglected. If the manpower level of the Antitrust Division had just been increased at the rate of 5 percent since 1972, the committee would today be authorizing 720 badly needed positions.

The funds appropriated by my amendment will, in contrast, permit only a total manning level of 692. What the amendment that I propose seeks to do is to increase the staff, both professional and clerical, to a level well beneath what that modest, reasonable, 5 percent increase would have accomplished.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. HEINZ was allowed to proceed for 2 additional minutes.)

Mr. HEINZ. Mr. Chairman, I recognize that some will say that the Department of Justice Antitrust Division cannot fill the positions that they now have, and that statistics can be produced to demonstrate this point. But I would submit to anybody who does produce those statistics that we should look behind them, because if we look behind them, we will find that the vacancies are largely due to a series of retirements that have taken place right at the end of this fiscal year and as such represent vacancies that, yes, cannot be filled immediately, because they need good people, and they just do not want to hire anybody off of the street. In addition, some funds authorized for personnel were not spent because they were needed to pay unexpected expenses of major litigation, for which funds were not specifically authorized in the budget.

Mr. Chairman, before I conclude my discussion on this amendment, I would

also like to say to the Members just one other thing. We have had a lot of experience over the last 3 years with wage and price controls, talk of direct government intervention in industry in various ways, and of nationalization of various parts of the economy. I feel very strongly that all of these approaches to inflation would not be in the public interest. I think the best answer to inflation is the competitive marketplace where someone is always cutting prices or improving service, or product quality to increase sales. I think this amendment stands for the principle of the unfettered market mechanism by helping to insure a condition where no group can manipulate the market. Under that condition the market is a very democratic institution, a point we all too often forget. Hence, a warning: Pushing new controls is of dubious merit. A better program, and one that is the heart of the matter here, is to get government out of private decisions in all markets, and instead to get government fulltime back into the traditional governmental task of maintaining the open, competitive market by insuring the vigilance of the Antitrust Division.

Mr. JOHNSON of Colorado. Mr. Chairman, will the gentleman yield?

Mr. HEINZ. I yield to the gentleman from Colorado.

Mr. JOHNSON of Colorado. I thank the gentleman for yielding.

I agree with the thrust of the gentleman's arguments. It seems to me that the policy of the past several administrations is what the gentleman is really concerned with, and that an additional million dollars is really not going to change the policy of the administration with respect to Antitrust; is it?

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, at the request of Mr. JOHNSON of Colorado, Mr. HEINZ was allowed to proceed for 1 additional minute.)

Mr. HEINZ. I think this million dollars will greatly assist the Antitrust Division in carrying out its mission. It is a drop in the bucket of the appropriation as a whole, which is over $4 billion.

According to the Antitrust Division, it will allow them to operate efficiently rather than inefficiently. I believe the Antitrust Division wants to do the job—this amendment will give them the manpower necessary to do the job.

Mr. JOHNSON of Colorado. I thank the gentleman.

The CHAIRMAN. The time of the gentleman has expired.

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

Mr. Chairman, the amount recommended in this bill for the Antitrust Division is $15,680,000. Although this is $1,200,000 less than the request, it is $890,000 more than the 1974 appropriation. The 1974 appropriation included supplemental funds of $761,000 for litigative costs associated with the *IBM* case, which was the full amount requested.

The Antitrust Division is now authorized 629 positions. They requested 83 additional, an increase of more than 13 percent. However, as of May 16 last, the division had 76 actual vacancies out of the 629 authorized.

This is a vacancy rate of 12 percent, virtually the same as the 13-percent increase in positions requested. The committee bill would allow 20 of the additional positions, plus mandatory increases associated with the antitrust program. We feel that this is adequate for the enforcement of the antitrust laws for fiscal year 1975 and for that reason we ask that the amendment be defeated.

Mr. CEDERBERG. Mr. Chairman, I rise in opposition to the amendment. I will not go over the reasons already gone over by the gentleman from West Virginia (Mr. SLACK). The funds we have for the Antitrust Division provide 20 additional new employees, which is adequate. In 1966 the appropriation for this item was $7.3 million. This year the committee recommends $15.7 million. That is a rather substantial increase in funds.

I do not have any prejudice in this matter one way or the other except I think we have given it very fair consideration.

I have said to the chairman of the Antitrust Division, a gentleman from my State for whom I have great regard, that if he wants to appeal this matter to the Senate and he can convince the other body we did not provide enough, we can work out something in conference, but I would hope we reject this amendment, because I do not think on the basis of the testimony we have had that we should agree to this.

Mr. HEINZ. Mr. Chairman, was the gentleman referring to the budget for 1965?

Mr. CEDERBERG. It was for 1966.

Mr. HEINZ. Would the gentleman know what number of people there were in the Justice Department Antitrust Division in 1966?

Mr. CEDERBERG. No, but I can look it up.

Mr. HEINZ. I will save the gentleman the trouble. In 1966, there were 614 people in the Justice Department. Today there are 629.

Mr. CEDERBERG. Maybe we are overpaying them now, because it is costing a great deal more.

Mr. HEINZ. I think the gentleman would agree that many of the policies that have been agreed to by the Congress are inflationary, and I know the gentleman feels strongly about this. I would make the point that, correct as the gentleman is on the expenses, the number of people, the manpower, the effort we have allocated in spite of the dollar cost is hardly more than a dozen people greater today than it was 8 years ago.

Mr. CEDERBERG. I can remember when we had some stockholder appeals and we had that great General Electric antitrust case that took a great deal of time and effort and we did very well with it. I think they can get along with this.

As I said, if they can convince the other body, we will be glad to talk to them in conference about it. I do not prejudice the gentleman's amendment at all, but I happen to think it is not necessary.

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

Mr. CEDERBERG. I yield to the gentleman from Florida.

Mr. SIKES. Mr. Chairman, I am reluctant to question the figures given about the Justice Department and the number of employees in 1966 as compared to now, but I cannot believe the figures are accurate. I know we have been adding to every department of Government, including the Department of Justice, year after year after year. That is one of the reasons the budget of this country is in the mess it is in now. We keep adding more and more people every year. Every year virtually every agency in this country comes to the Congress and asks for more people and more money. There has to be a limit to it somewhere. We have given them an additional few people for this year, as many as we think they can possibly require, and there are other Government agencies covered in this bill. It is an attempt to use some judgment in keeping down the escalation of the costs of Government. Of course, we have given them enough money.

Mr. CEDERBERG. The thing that disturbs me in going back to these figures of past years is that over the years we have had many reorganizations and shifting of responsibilities in the Department of Justice and new administrative responsibilities, so I do not know whether those people have been moved to the Office of Administration, and so on. With so much of that going on it is very difficult to compare figures.

Mr. HEINZ. They have substantially increased responsibilities just because of programs we have passed. In 1970, and previously in 1966, for instance, the Bank Holding Act greatly increased the division's burden. Because of this, they have had to screen 200 bank mergers this year alone. These are responsibilities the Department of Justice's Antitrust Division never had back in 1966. Today they have many more industries to oversee, huge conglomerates, the energy industry, many more responsibilities new since 1966.

While they have taken on many important tasks since 1966, the fact is that since 1966 the staff of the Justice Department has increased only from 614 to 629, a total of only 15 new positions.

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

Mr. CEDERBURG. I yield to the gentleman from Georgia.

Mr. FLYNT. I wish to associate myself with the remarks of the gentleman from Michigan, the gentleman from Florida, and the gentleman from Pennsylvania. I think a cursory look at the report will show we increased the appropriations for the Department of Justice by $890,000. Of course, we listened to the arguments which were presented to us in justification for the full budget request and the committee in its judgment determined they had not made out a justifiable case for the full amount of increase that was requested.

The CHAIRMAN. The time of the gentleman has expired.

(On request of Mr. FLYNT and by unanimous consent Mr. CEDERBERG was allowed to proceed for an additional 2 minutes.)

Mr. FLYNT. Mr. Chairman, if they had made out a case, I would say to my distinguished friend, the gentleman from Pennsylvania, we could rest assured this committee would have granted it. The committee has been generous above and beyond the call of duty in funding the requirements of the Antitrust Division of the Department of Justice. No one recognizes the need for an adequate staff in the Antitrust Division more than the members of this committee; but on the other hand, I would point out that the answer to the questions and the problems which the gentleman from Pennsylvania raises do not necessarily lie in spending more money and in hiring more people. It lies, rather, in a better management of the resources and of the people which are available in the Division. If and when the Department of Justice, the Antitrust Division thereof, makes out a case for justification of more funds, the committee will look with favor on it; but until that time, Mr. Chairman, I hope the Committee will vote down the amendment.

Mr. SMITH of Iowa. Mr. Chairman, will the gentleman yield?

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

Mr. SMITH of Iowa. Mr. Chairman, I am one that has been very critical of the Justice Department for a number of years for not prosecuting antitrust cases and for their general attitude on antitrust cases. I think it is one of the most important things in regard to inflation as the gentleman mentioned; but adding bodies to the Department in Washington is not synonymous with better antitrust enforcement. These cases are tried in the field. They have a stack of cases now that have been developed for several years and they are not prosecuting them in the field. What they have to have is a change in attitude.

They have 12 percent vacancies in the positions now authorized. What we are saying is that we will give them some more personnel, 20 more, and that will give them 15 percent in vacancies.

The CHAIRMAN. The time of the gentleman has expired.

(On request of Mr. ECKHARDT and by unanimous consent Mr. CEDERBERG was allowed to proceed for an additional minute.)

Mr. SMITH of Iowa. Every one of the members of the subcommittee is very sympathetic and would give them all the tools they need. One of the things I questioned the new Attorney General about when he came before the committee was the need to change their attitude on antitrust and when the day comes they can show they need more bodies, they will get more bodies; but giving them more bodies under the circumstances will not make one iota of difference in the prosecution of cases.

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

Mr. CEDERBERG. I yield to the gentleman from Pennsylvania.

Mr. HEINZ. I thank the gentleman for his observation. I think it depends on how one looks at the enforcement activities of the Justice Department. For example, they have been held at the same level of personnel for the last 4 years. Obviously at some point the dam has to give a little bit; but more importantly, I think the gentleman is probably well aware that the Justice Department is consistently settling things by consent decrees. Why? Because they do not have enough people to do what the gentleman wants, which is to go to trial. When the Justice Department takes on a big corporation, they have to have lawyers to fight that case in court. But too often they are stretched so thin by all the demands made on them that they have no alternative but to settle out of court through the consent decree mechanism.

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

Mr. CEDERBERG. I yield to the gentleman from Texas.

Mr. ECKHARDT. I am persuaded to a certain extent by the gentleman's argument on the amendment; except that on this side I hear arguments that indicate that in analogy we cannot give the bulldog teeth by throwing him meat. Is there any answer to that argument on the other side of the aisle?

Mr. CEDERBERG. I think the Antitrust Division has done a commendable job. If they need more personnel and if they can convince the other body we have not provided adequate resources for them to do their job, I do not think we will have any trouble compromising this at all.

Mr. ECKHARDT. I really intended to ask that question.

Mr. HEINZ. Mr. Chairman, could the gentleman rephrase his question? I am not sure I understood his colorful Texas simile.

Mr. ECKHARDT. My question is, how do we give the bulldog teeth by throwing him meat?

Mr. HEINZ. Mr. Chairman, I like to think that what we are doing is trying to keep the committee from filing down the teeth so far that they lose their grip on the quarry. I think there is plenty of meat out there, but I respectfully suggest to the gentleman that the Antitrust Division needs additional chewing power to handle it.

Mr. ECKHARDT. Do I not understand that there are 12 percent of the positions available which are not filled?

Mr. HEINZ. Yes. The gentleman is technically correct that a substantial number of permanent positions are currently filled by manpower classed as "temporary."

Mr. ECKHARDT. We are not filing the teeth. That is the Justice Department filing its own teeth, it seems to me.

Mr. SMITH of Iowa. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would like to point out also that according to their own estimates, they only intend to file five additional cases, and they have 12-percent vacancy in the Washington office in the Antitrust Division. If they cannot handle those other five cases out of that 12-percent vacancy, there is something wrong with the management of resources.

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

Mr. SMITH of Iowa. Mr. Chairman, I yield to the gentleman from Pennsylvania.

Mr. HEINZ. Mr. Chairman, I do not question the genteleman's statistics, but in a recent check with the Justice Department—which is for this month, not for May—is that 624 of the 629 spaces or vacancies authorized by Congress were filled. I have no doubt that on May 15, as the gentleman suggests, they had a high number of vacancies. That is the time of year when people do change jobs and move.

I urge the gentleman to please consult his information and see if my figures are not, in fact, correct.

Mr. SMITH of Iowa. I say to the gentleman that those included temporary people who do not count against the permanent ceiling, so that he is comparing apples with oranges.

Mr. HEINZ. Did the gentleman say 624?

Mr. SMITH of Iowa. That is correct.

Mr. HEINZ. As I understand it, I think we have a real disagreement on that. I say to the gentleman from Iowa, I would like to compare sources with him.

Mr. SMITH of Iowa. What the department itself this morning said is that they had a 12-percent vacancy.

Mr. HEINZ. But that memo the gentleman is referring to, and I have a copy of it, was for, as I recall, the month of May; May 16. It is not today. I have a copy of the gentleman's memorandum.

Mr. SMITH of Iowa. I say the 624 includes temporary positions which do not count against the permanent ceiling.

Anyway, the point is that they had a 12-percent vacancy. If they need any more bodies to perform those functions or if they will change their attitude toward the enforcement of the antitrust laws, they certainly have friends up here on the Hill.

The point is this: I do not think their attitude has been right on antitrust. We ought to have better enforcement of the antitrust laws, but merely adding bodies in the Washington office is not going to increase the antitrust enforcement in this country. What we need is a change of attitude. They prosecute cases in the field and they have got a stack of cases down there now that have been developed which they are not going forward with. If this committee finds that they need any more people, I am sure everybody on the committee wants to give them the personnel with which to work.

Mr. CONTE. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, let me state at the outset that I reluctantly stand here in the well and speak for this amendment because of my high respect and regard for the chairman of the subcommittee and the ranking minority member, the gentleman from Michigan (Mr. CEDERBERG), both of whom have done such an excellent job with this bill.

I held hearings on some energy matters with the gentleman from Michigan (Mr. DINGELL), in which we ordered the Justice Department to come before us. One of the reasons they gave for the inadequate investigations was that they were short of personnel. At that time Mr. DINGELL and I promised that we would do all we could to see that they got the necessary personnel in this budget. So I gave my word, and about all we have around here in the Congress is our word.

That is why I am on the floor now supporting this amendment.

Mr. Chairman, I rise in support of this amendment to provide an increase of 83 persons in the Antitrust Division of the Department of Justice.

For reasons that remain unexplained in the committee's report, the Justice Department request for these 83 additional members of the Antitrust Division was reduced to 20 during committee mark-up.

At stake in this amendment is the vitality and direction of our Federal antitrust policy. The basic question I pose to my colleagues is this: Are we going to provide enough manpower for the Antitrust Division to perform the duties assigned to it? Or are we going to allow our antitrust policy to languish and wilt like a flower without water?

There is a concerted effort in the House to gut our antitrust policy by withholding funds. Later this week, during consideration of the agricultural appropriations bill on Friday, the House will face the question whether to cut out $1 million from another vital Federal antitrust investigation. If this money is lost, the FTC's antitrust case against the eight largest oil companies, which has already been filed, will certainly collapse. Even with present manpower levels in the FTC, the case is expected to require 6 to 10 years.

I want to make my colleagues fully aware of the two-pronged effort to strip the Federal antitrust policy of its backbone.

At the present time, there is no part of the Antitrust Division that has the staff to do its work effectively. Three major investigations—of IBM, the drug industry, and the gypsum industry—have virtually sapped the strength of the Division.

But meanwhile, the energy crisis has assumed such proportions that massive new duties have been imposed on the Antitrust Division.

Let me illustrate why these additional personnel are needed by the Antitrust Division.

Two years ago, the House Select Committee on Small Business, on which I am the ranking minority member, investigated competition in the oil industry. What we found was shocking. Let me quote from the final report of the Small Business Committee:

> Presently, the major oil companies account for approximately 84 percent of U.S. refinery capacity: About 72 percent of the natural gas production and reserve ownership; 30 percent of the domestic coal reserves and over 20 percent of the domestic coal production capacity: Over 50 percent of the uranium reserves and 25 percent of the uranium milling capacity. Further, the major oil companies are acquiring oil shale and tar sands as well as water rights in many areas of the country. This trend toward concentration by the oil companies in acquiring competing fuel resources clearly presents a very dangerous monopolistic fuel supply situation.

That was a direct quote from the report of the Small Business Committee in 1972.

That same year, the Small Business Committee started its investigation of the monopolistic control by the major oil companies over the oil product pipelines in the United States. The committee strongly recommended that the Justice Department file an antitrust suit to require the oil companies to divest all their ownership and control over these pipelines. In these hearings, the Justice Department admitted that it had been considering this action for over a decade.

Two months ago, when a Justice Department official was back before the Small Business Committee, I asked him what had happened to the pipeline investigation.

Reluctantly, this official admitted that after 12 years, the pipeline investigation was "dead." The facts were "stale" and the data was sadly out of date. Due to a lack of manpower, the investigation had collapsed.

That investigation was important to the maintenance of competition and to the price that consumers pay for oil products.

If my colleagues want to avoid a repeat of that disaster, I urge them to support this amendment.

It will give the Justice Department 83 additional personnel—both lawyers and nonlawyers. It will provide a vital breath of life toward enforcement of our Federal antitrust policy. And ultimately, it will repay the extra $1 million appropriated—as competition will be revived and prices will be held in check.

I urge my colleagues to support this amendment.

The CHAIRMAN. The time of the gentleman from Massachusetts (Mr. CONTE) has expired.

(On request of Mr. SMITH of Iowa and by unanimous consent, Mr. CONTE was allowed to proceed for 3 additional minutes.)

Mr. SMITH of Iowa. Mr. Chairman, will the gentleman yield?

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

Mr. SMITH of Iowa. Mr. Chairman, I want to point out that, of course, I was chairman of the subcommittee that asked two of these questions the gentleman has asked. The answers we got back were as follows:

In the case of Conoco's acquisition of Consolidated, they have no intention of reviewing and changing the ruling on that case that was made several years ago, because in their view it is insignificant when you increase the percentage of energy by six-tenths of one percent that is held by one company. So their attitude is that they do not want to do anything in the energy field.

As far as IBM is concerned, we gave them $675,000, which is every dime they want in these cases. If they want any money in any of these other cases, I am sure it will be forthcoming.

The point is that these additional bodies that are requesting this will have nothing to do with changing their attitude on these energy matters or their idea as far as going forward with some of the other energy cases.

Mr. CONTE. Mr. Chairman, I imagine the gentleman from Michigan (Mr. DINGELL) will elaborate on these matters. We saw a change in attitude just a few weeks ago when we heard the Justice Department, concerning possible violations of our antitrust laws in regard to offshore drilling and the consortiums formed by major oil companies.

Let me point out one other thing I did not mention. The Justice Department asked OMB originally for 156 new jobs. OMB gave them 20. They appealed the case, and then OMB gave them 83. This covers the 83 jobs we are asking for here today.

Mr. Chairman, I really hate to get into an argument with the committee, because I think the committee has done a great job, as I said. I hope, though, that the House will see fit to go along with this amendment. It is a very small price, and we will not raise the budget too much by adopting this amendment.

It is only a million and some odd thousand dollars, but this money will be repaid many times over to American taxpayers.

Mr. SMITH of Iowa. Mr. Chairman, it depends on what level we are talking about in the Justice Department. The third level wants to go forward. They want to go forward with the stack of cases which have already been developed.

However, I still think that they must have a change of attitude.

Mr. DINGELL. Mr. Chairman, I rise in support of the amendment. I commend the committee for the increase of 20 persons to the Antitrust Division of the Department of Justice. I think that the addition of 20 persons is going to make a modest contribution toward the betterment of the Antitrust enforcement activities in the Nation.

Let us look at the situation as it stands. The gentleman from Iowa (Mr. SMITH) who is my good friend and colleague on the Small Business Committee and who is also on the Appropriations Committee, tells us that we need a change of attitude in the Antitrust Division. The gentleman from Iowa has been complaining about the attitude in the Antitrust Division and in the Department of Justice, as has my good friend, the gentleman from Massachusetts (Mr. CONTE) for a number of years.

Let us ask ourselves this question: How can we expect a change of attitude in the Antitrust Division when we do not give them the people to do the job?

The hard fact of the matter is that the amendment proposes the addition of about $1 million. It would give 83 positions to the Department of Justice, the Antitrust Division, which is the same number that the tightwads of the Bureau of the Budget recommended. The hard fact of the matter is that the Division's budget for 1973 is slightly lower in terms of real dollars than it was in 1950.

The number of employees, attorneys, and others in the Antitrust Division today is only about the same, or perhaps a little less than it was in 1950.

Now, how can the Members of the House say to the Department of Justice, "You must be more vigorous," when we do not give them the number of people that are needed for the Department of Justice to do the job required.

The fact of the matter is that the economy has doubled during the time since 1950. We have had the energy crisis. We have the energy industry rampant with antitrust questions.

We have huge anticompetitive mergers; we have a whole new gamut of responsibilities that have been assigned to the Antitrust Division, including bank

mergers. In addition to this, other responsibilities relating to section 7 of the Clayton Act have been imposed upon them. They have the duty of getting into anti-competitive mergers; that is an effort which today requires 36 percent of their investigations and 31 percent of the Division's caseload.

Is it true to say we have not given them the teeth they needed? We had a big discussion about teeth, and I think the analogy is great except that it does not apply here. The facts of the matter are the teeth of the Antitrust Division are the economists, the lawyers, and other people who go to court and do the litigation and perform the investigations.

You cannot expect a changing attitude by the agency if you do not give them the personnel that they need to do the job. While 20 is an improvement, no one will ever charge it is the kind or the quality of change that is going to make a meaningful and a significant difference in the capacity of the Justice Department's Antitrust Division to carry out its proper responsibilities.

The Division has been given new resonsibilities for consumer protection, for participation in a wide variety of proceedings before regulatory agencies involving competitive implications. This has necessitated a tremendous drop in attention devoted to price fixing conspiracies and other antitrust conduct and has restricted the capability of the Antitrust Division to go into structural restraints upon competition. Note that the gross national product has doubled in the years since 1950. In this time we literally find ourselves awash in potential antitrust conspiracies and violations relating to the energy problem.

The existing Division staff is so thinly employed today as to severely affect and impair the effectiveness of the Division's operating units. Out of four litgiation sections one is almost totally tied up with two big cases, IBM and Tetracycline, so much so that it has practically no staff remaining with the competence to fulfill its other responsibilities. Another section is presently deeply involved in litigating another large case, the Gypsum case, and it lacks sufficient staff to maintain its other responsibilities adequately, and they include the petroleum industry. The patent section is tied up so that it has little staff to handle new matters and its trial staffs are not adequate to handle the cases now pending.

I would like my colleagues to know that I am on the Subcommitee on Regulatory Agencies of the Committee on Small Business where I work very closely with my good friend and colleague, the gentleman from Massachusetts (Mr. Conte). The one thing we have consistently found there is the incapacity through a lack of numbers and resources of a fine trial staff and a fine group of attorneys in the Antitrust Division to carry out their appointed responsibilities.

As a law clerk to a Federal judge a number of years ago, in the early 1950's, I had an opportunity to watch how Antitrust cases are tried by the Justice Department.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. Dingell was allowed to proceed for 2 additional minutes.)

Mr. DINGELL. The Antitrust Division will have one or two lawyers who will be assigned to a case, and the defendants in the case will hire whole law firms and whole floors of hotels and will proceed to motion and to litigate an important question involving competition and the very existence of the free competitive society and free competitive enterprise system, almost to death.

Mr. Chairman, I think the committee has generally done a good job with the bill, but the hard facts of the matter are clearly before us. Today they cut back on reposed antitrust enforcement in the Department of Justice. Very shortly we will come upon, on Friday of this week, a major cutback with regard to investigation of oil before the Federal Trade Commission.

The Congress is asked to lay out the policy and to give the guidance and to see to it that the Government is able to function. Certainly in the field of antitrust it will ill behoove this body to complain about the inadequacies of the performance of the Antitrust Division and the slow strangulation by the giants and anticompetitive forces within the industry if we refuse to give more money to the agencies charged with enforcing the antitrust laws of the United States.

When even the OMB can recommend 83 positions, why is it that the Congress cannot come forward and say, yes, let us give these agencies the capabilities to meet their congressional mandates?

If they fail to exercise their responsibilities then let us be most vigorous in chastising them, but let us not let them have the refuge that the Congress failed to give them the resources which they need to carry out their proper and lawful responsibilities of protecting the free, competitive system against the giants, against the mergers, against the evil anticompetitive forces that are so rampant in the system today.

Mr. ANDERSON of Illinois. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment offered by the gentleman from Pennsylvania (Mr. Heinz).

Mr. ANDERSON of Illinois. Mr. Chairman, I rise in support of restoring the appropriation for the Antitrust Division to the level requested by the administration. This would have the effect of adding 83 positions to the staff of the Antitrust Division instead of the 20 approved by the Appropriations Committee.

With all due respsect to my colleagues on the committee, I think this is an increase in spending which the Congress should applaud as an investment in fighting inflation. We have just come through a period when the Congress and the administration have tried to control inflation by controlling prices directly. For reasons which need not be debated now, that effort has not worked well, and direct controls have been abandoned. Inflation is increasing at a rate which threatens the very security of our Government. All that we have to contain inflation at the present time is the working of our free enterprise system, and an increase in spending for antitrust enforcement is one of the effective things which the Congress can do to give the system a chance to work.

We have only recently removed direct price controls. Our free enterprise economists warned that they could not work, and I think we can all now see that they have not worked. Maybe—just maybe—competition in a free market can slow the rate of inflation; at the very least competition can hold prices down.

This is an article of faith that this country has professed since its very beginning: That the "invisible hand" of Adam Smith's "Wealth of Nations" would keep prices and costs at the lowest levels. We embraced that belief in the Sherman Act of 1890. And we have two agencies to see to it that private interests do not engage in conspiracies and other practices to take the profits of private enterprise without running the risks of genuine competition. Those two agencies are the Federal Trade Commission and the Antitrust Division. They live on mighty small budgets; they come to the Congress for mere pittances compared to what other parts of the Government spend. I, for one, am in favor of giving those agencies the funds they need to do their job.

Indeed, we in the Congress should be wondering how they could ever do their job with the small budgets on which they now operate, rather than talking about paring down their requests. The Antitrust Division budget has not kept pace with the growth of the economy. In fact, the Antitrust Division has been trying to enforce the antitrust laws in an economy that has doubled since 1950 with a staff that has not grown at all. The Antitrust Division, with a staff of 327 lawyers, is trying to police the largest most complex industrial economy the world has ever known.

I say to my colleagues that adding 83 staff members to the Antitrust Division—of whom 40 would be lawyers and 7 would be professional economists—is an investment in the fight against inflation that just cannot miss. Providing the Division with extra staff will itself have a positive effect. For industry must know that added staff is the means of a better policing job; no company can be sure that its conduct will not be the subject of extra scrutiny; and this is bound to be a restraint upon those who would otherwise flout the law. Every price fixing conspiracy which is deterred, frustrated, or exposed is money in the pockets of the consuming public and a blow against inflation. Hiring additional staff for the Antitrust Division is like putting motorcycle policemen on the highways to deter speeders. It is just bound to deter price-fixing conspiracies. It is a step which we in the Congress should applaud and support to the fullest. It puts to the test the faith we have in the system of free enterprise on which we pin such high hopes.

Every Congress since 1890 has supported antitrust enforcement, without regard to political party. The depth and sincerity of that support is measured by the moneys we provide to hire the staff to do the job. I urge you to support the full appropriation requested by the administration.

Just this morning we read that one of

the international oil companies which increased its profits by almost 70 percent in 1973 over the previous year and will earn a half a billion dollars in the last quarter of 1973 and the first quarter of 1974 is going to acquire 51 percent of the stock of a giant merchandising corporation. This is a time for vigilance in the field of corporate mergers to be sure they are in the best interests of our competitive free enterprise system.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, at the request of Mr. SYMMS, Mr. ANDERSON of Illinois was allowed to proceed for 1 additional minute.)

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

Mr. ANDERSON of Illinois. I yield to the gentleman from Idaho.

Mr. SYMMS. I thank the gentleman for yielding.

I was just wondering if the gentleman would be inclined to apply the same zeal with regard to organized labor union monopolies that has been applied to the Antitrust Division?

Mr. ANDERSON of Illinois. I am not suggesting that we are going to cure all of the evils. There is featherbedding. There are certainly practices in restraint of competition of which some labor organizations are guilty, which ought to be dealt with. All I am suggesting at this time is that in this bill we have an opportunity to really strike a blow for the free enterprise system. I have heard the gentleman very eloquently defend that system here on the floor many times. I think this ought to be the kind of amendment that he could wholeheartedly support, even if it does mean a few extra dollars for the budget of the Antitrust Division of the Department of Justice.

Mr. SYMMS. I am not sure whether the gentleman understood; if the gentleman will yield further. Should we have legislation to apply the same zeal to organized labor union monopolies?

Mr. ANDERSON of Illinois. If the gentleman will give me specific items in that regard, I should appreciate it.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, at the request of Mr. SMITH of Iowa, Mr. ANDERSON of Illinois was allowed to proceed for 1 additional minute.)

Mr. SMITH of Iowa. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the genteman from Iowa.

Mr. SMITH of Iowa. I appreciate the gentleman's yielding.

I was not going to refer to the 12 percent. I am referring to, as evidence of a need for a change in attitude, the fact that they have cases which have been developed for 2 years which have not been sent to the field for trial, and these jobs that they want to add are not in the field; they are in the Washington office, and that is the area in which I say they need a change in attitude.

Mr. ANDERSON of Illinois. I would simply say to the gentleman from Iowa in response that I would be certain that they could make the same in-house transfers that would enable them, if they had additional personnel in the Antitrust Division here, to disperse people out in the field so that we could get prompt action on those cases. I woud join the gentleman in the belief and in the hope that these cases that have been in the process of preparation for 2 years can be tried, and tried very soon.

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

The CHAIRMAN. The Chair will count.

One hundred and four Members are present, a quorum.

The question is on the amendment offered by the gentleman from Pennsylvania (Mr. HEINZ).

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

RECORDED VOTE

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

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 216, noes 185, not voting 32, as follows:

[Roll No. 301]

AYES—216

Abdnor	Esch	McKinney
Abzug	Eshleman	Madigan
Adams	Fascell	Mallary
Anderson, Ill.	Findley	Mayne
Archer	Fish	Meeds
Arends	Flowers	Melcher
Ashley	Ford	Mezvinsky
Aspin	Forsythe	Minish
Badillo	Fountain	Mink
Beard	Fraser	Mitchell, Md.
Bell	Frenzel	Mitchell, N.Y.
Bennett	Froehlich	Moakley
Bergland	Fulton	Moorhead, Pa.
Bevill	Fuqua	Mosher
Biaggi	Gialmo	Moss
Biester	Gibbons	Murphy, Ill.
Bingham	Gilman	Nedzi
Blackburn	Goldwater	Nelsen
Bolling	Grasso	Obey
Brademas	Green, Pa.	O'Hara
Bray	Griffiths	Owens
Breckinridge	Grover	Pepper
Brooks	Gude	Peyser
Broomfield	Gunter	Pike
Brotzman	Guyer	Podell
Brown, Calif.	Hamilton	Preyer
Brown, Ohio	Hammer-schmidt	Pritchard
Broyhill, N.C.		Quie
Burgener	Hanna	Railsback
Burke, Fla.	Hanrahan	Randall
Burke, Mass.	Harrington	Rangel
Burton	Hawkins	Rees
Carney, Ohio	Hechler, W. Va.	Regula
Carter	Heckler, Mass.	Reuss
Chamberlain	Heinz	Rinaldo
Chisholm	Helstoski	Robison, N.Y.
Clark	Hillis	Rodino
Clausen, Don H.	Hinshaw	Roe
	Holifield	Rogers
Clay	Holtzman	Roncalio, Wyo.
Cleveland	Horton	Rosenthal
Cohen	Hosmer	Rostenkowski
Collier	Hudnut	Roy
Collins, Ill.	Hungate	Roybal
Conable	Hunt	Sandman
Conlan	Ichord	Sarasin
Conte	Johnson, Colo.	Sarbanes
Conyers	Jordan	Schroeder
Corman	Kastenmeier	Sebelius
Coughlin	Kemp	Seiberling
Cronin	Kluczynski	Shuster
Culver	Koch	Skubitz
Danielson	Kuykendall	Smith, N.Y.
Dellenback	Kyros	Stanton, J. William
Dellums	Lagomarsino	
Dent	Latta	Stark
Diggs	Leggett	Steele
Dingell	Lent	Steelman
Donohue	Litton	Studds
Drinan	Long, Md.	Sullivan
du Pont	Luken	Symington
Eckhardt	McClory	Thomson, Wis.
Edwards, Calif.	McCloskey	Thone
Eilberg	McCollister	Thornton
Erlenborn	McDade	Traxler
Udall	Whalen	Winn
Van Deerlin	Wiggins	Wolff
Vander Veen	Williams	Wright
Vanik	Wilson, Bob	Wyman
Veysey	Wilson, Charles H., Calif.	Yates
Vigorito		Yatron
Waldie	Wilson, Charles, Tex.	Young, Ga.
Walsh		Young, Ill.
Ware		Zwach

NOES—185

Addabbo	Gross	Patten
Alexander	Gubser	Perkins
Anderson, Calif.	Haley	Pettis
	Hanley	Pickle
Andrews, N.C.	Hansen, Idaho	Poage
Andrews, N. Dak.	Hansen, Wash.	Powell, Ohio
	Harsha	Price, Ill.
Annunzio	Hays	Price, Tex.
Armstrong	Henderson	Quillen
Ashbrook	Hicks	Rarick
Bafalis	Hogan	Rhodes
Baker	Holt	Roberts
Barrett	Huber	Robinson, Va.
Bauman	Hutchinson	Roncallo, N.Y.
Blatnik	Jarman	Rooney, Pa.
Boggs	Johnson, Calif.	Rose
Boland	Johnson, Pa.	Roush
Bowen	Jones, Ala.	Rousselot
Breaux	Jones, N.C.	Runnels
Brinkley	Jones, Okla.	Ruth
Broyhill, Va.	Karth	Ryan
Burleson, Tex.	Kazen	St Germain
Burlison, Mo.	Ketchum	Satterfield
Butler	King	Scherle
Byron	Landgrebe	Schneebeli
Camp	Landrum	Shoup
Casey, Tex.	Lehman	Shriver
Cederberg	Long, La.	Slack
Chappell	Lott	Smith, Iowa
Clancy	Lujan	Snyder
Clawson, Del	McCormack	Spence
Cochran	McEwen	Staggers
Collins, Tex.	McFall	Stanton, James V.
Cotter	McKay	
Crane	McSpadden	Steed
Daniel, Dan	Mahon	Steiger, Ariz.
Daniel, Robert W., Jr.	Mann	Steiger, Wis.
	Maraziti	Stephens
Davis, S.C.	Martin, Nebr.	Stokes
Davis, Wis.	Martin, N.C.	Stratton
de la Garza	Mathis, Ga.	Stubblefield
Delaney	Matsunaga	Symms
Denholm	Mazzoli	Taylor, Mo.
Dennis	Michel	Taylor, N.C.
Derwinski	Milford	Tiernan
Devine	Miller	Towell, Nev.
Dickinson	Mills	Treen
Downing	Mizell	Ullman
Dulski	Mollohan	Waggonner
Duncan	Montgomery	Wampler
Edwards, Ala.	Moorhead, Calif.	White
Evans, Colo.		Whitehurst
Evins, Tenn.	Morgan	Whitten
Fisher	Murphy, N.Y.	Wyatt
Flood	Murtha	Wydler
Flynt	Myers	Wylie
Foley	Natcher	Young, Alaska
Frelinghuysen	Nichols	Young, Fla.
Gaydos	Nix	Young, S.C.
Gettys	O'Brien	Young, Tex.
Ginn	O'Neill	Zablocki
Gonzalez	Parris	Zion
Goodling	Passman	
Gray	Patman	

NOT VOTING—32

Brasco	Hastings	Rooney, N.Y.
Brown, Mich.	Hébert	Ruppe
Buchanan	Howard	Shipley
Burke, Calif.	Jones, Tenn.	Sikes
Carey, N.Y.	Macdonald	Sisk
Daniels, Dominick V.	Madden	Stuckey
	Mathias, Calif.	Talcott
Davis, Ga.	Metcalfe	Teague
Dorn	Minshall, Ohio	Thompson, N.J.
Frey	Reid	Vander Jagt
Green, Oreg.	Riegle	Widnall

So the amendment was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

FEDERAL BUREAU OF INVESTIGATION

SALARIES AND EXPENSES

For expenses necessary for the detection and prosecution of crimes against the United States; protection of the person of the President of the United States; acquisition, collection, classification and preservation of identification and other records and their ex-

change with, and for the official use of, the duly authorized officials of the Federal Government, of States, cities, and other institutions, such exchange to be subject to cancellation if dissemination is made outside the receiving departments or related agencies; and such other investigations regarding official matters under the control of the Department of Justice and the Department of State as may be directed by the Attorney General, including purchase for police-type use without regard to the general purchase price limitation for the current fiscal year not to exceed one thousand one hundred and seventy-nine (for replacement only) and hire of passenger motor vehicles; purchase (two), lease, hire, maintenance, operation and storage of aircraft; firearms and ammunition; not to exceed $10,000 for taxicab hire to be used exclusively for the purposes set forth in this paragraph; payment of rewards; and not to exceed $70,000 to meet unforeseen emergencies of a confidential character, to be expended under the direction of the Attorney General, and to be accounted for solely on his certificate; $433,100,000.

None of the funds appropriated for the Federal Bureau of Investigation shall be used to pay the compensation of any civil-service employee.

POINT OF ORDER

Mr. ECKHARDT. Mr. Chairman, I make a point of order to the following language on page 16, line 22: "and not to exceed $70,000 to meet unforeseen emergencies of a confidential character, to be expended under the direction of the Attorney General, and to be accounted for solely on his certificate."

Mr. Chairman, I should like to speak on my point of order, if I may, at this time.

The CHAIRMAN. The gentleman from Texas will state his point of order.

Mr. ECKHARDT. Mr. Chairman, the point of order is made under rule XXI, clause 2, the second sentence, providing "Nor shall any provision in any such bill or amendment thereto changing the existing law be in order," with an inapplicable exception.

Mr. Chairman, this would amend existing law, existing law being the Budget and Accounting Act of 1921. The Budget and Accounting Act of 1921 contains no exception for the FBI and requires that the Comptroller General review expenditures of the nature of that listed here. But for this provision, the Budget and Accounting Act of 1921 would call upon the Comptroller General to review the question of the validity of the Attorney General's certificate.

The CHAIRMAN. Does the gentleman from West Virginia wish to be heard on the point of order?

Mr. SLACK. Mr. Chairman, I desire to be heard on the point of order.

Mr. Chairman, 28 U.S.C. 537 states:

Appropriations for the Federal Bureau of Investigation are available for expenses of unforeseen emergencies of a confidential nature when so specified in the appropriation concerned, to the extent that under the direction of the Attorney General, the Attorney General shall certify the amount spent that he considers advisable not to specify, and his certification is of sufficient stature for the amount therein expressed to have been spent.

Mr. ECKHARDT. Mr. Chairman, may I be heard further on the point of order?

The CHAIRMAN. The Chair will hear the gentleman.

Mr. ECKHARDT. Mr. Chairman, the language which was read, of course, is the Attorney General's authority to determine the question as it relates to acting upon or authorizing the expenditure, but it does not remove the duty on the part of the Comptroller General to examine whether or not, in fact, it is a confidential expenditure.

The very purpose for which we have the Budget and Accounting Act of 1921 is to determine whether or not various appropriations fall into categories which the legislation directs them to fall into. The Comptroller General must review and should review any expenditure, for instance, to determine whether or not it is confidential.

The CHAIRMAN (Mr. VANIK). The Chair is ready to rule.

The Chair understands the point that is being made by the gentleman from Texas (Mr. ECKHARDT) and in response suggests that the language that has been suggested by the gentleman from West Virginia (Mr. SLACK) the chairman of the subcommittee, is included in a statute which the Chair has studied and reviewed. The statute is the later and more specific pronouncement. It is the ruling of the Chair, therefore, that no change in law is made by the language of the bill and the point of order is overruled.

AMENDMENT OFFERED BY MR. ECKHARDT

Mr. ECKHARDT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ECKHARDT: On page 16 after the word, "certificate" on line 26 add the following: ", provided that the Comptroller General shall be furnished such information relating to such expenditure as he may request and access to all necessary books, documents, papers and records, relating to such expenditure in order that he may determine whether the expenditure was, in fact, of such confidential or other special nature."

Mr. SLACK. Mr. Chairman, I make a point of order against the amendment on the ground that it is legislation in an appropriation bill.

The CHAIRMAN. Does the gentleman from Texas (Mr. ECKHARDT) wish to be heard on the point of order?

Mr. ECKHARDT. I do, Mr. Chairman.

Mr. Chairman, in this case all this language does is place a limitation upon an appropriation. It simply provides that if the amount called for to be expended is to be expended in that way, "the Comptroller General shall be furnished such information relating to such expenditure as he may request and access to all necessary books, documents, papers and records, relating to such expenditure in order that he may determine whether the expenditure was, in fact, of such confidential or other special nature."

So all this does is to place a limitation upon the appropriation, which is not legislation on an appropriation bill.

The CHAIRMAN (Mr. VANIK). The Chair is ready to rule.

The present occupant of the Chair, on June 29, 1973, on a comparable amendment held the amendment to be out of order, and the Chair sustains the point of order at this time for the reason stated on that occasion:

To a general appropriation bill containing legislation authorizing an executive official to make confidential or special expenditures solely on his certificate, which provisions are permitted to remain in the bill, an amendment making such expenditures by the government official subject to examination by the Comptroller General was held to impose additional duties on executive officials and was ruled out in violation of clause 2, rule XXI.

The Chair sustains the point of order.

The Clerk will read.

The Clerk read as follows:

DRUG ENFORCEMENT ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses of the Drug Enforcement Administration, including hire of passenger motor vehicles; payment in advance for special tests and studies by contract; not to exceed $70,000 to meet unforeseen emergencies of a confidential character, to be expended under the direction of the Attorney General, and to be accounted for solely on his certificate; purchase of not to exceed 441 passenger motor vehicles (of which 406 are for replacement only) for police-type use without regard to the general purchase price limitation for the current fiscal year; payment of rewards; payment for publication of technical and informational material in professional and trade journals; purchase of chemicals, apparatus, and scientific equipment; payment for necessary accommodations in the District of Columbia for conferences and training activities; acquisition (purchase of one), lease, maintenance, and operation of aircraft; employment of aliens by contract for services abroad; research related to enforcement and drug control; benefits in accordance with those provided under 22 U.S.C. 1136(9)–(11), under regulations prescribed by the Secretary of State; $135,000,000, of which not to exceed $4,500,000 for research shall remain available until expended.

AMENDMENT OFFERED BY MR. ECKHARDT

Mr. ECKHARDT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ECKHARDT: On page 20 after the word "certificate" on line 16 add the following: "*Provided* that such expenditures to be made under the direction of the Attorney General only and to be accounted for solely on his certificate shall not be made unless the Comptroller General shall be furnished such information relating to such expenditure as he may request and access to all necessary books, documents, papers and records, relating to such expenditure in order that he may determine whether the expenditure was, in fact, of such confidential or other special nature."

Mr. SLACK. Mr. Chairman, I make a point of order against the amendment on the basis that it is legislation on an appropriation bill.

The CHAIRMAN. Does the gentleman from Texas wish to be heard on the point of order?

Mr. ECKHARDT. Yes, Mr. Chairman.

Mr. Chairman, House Resolution 1176 provides that points of order under rule XXI are hereby waived with respect to material contained on page 5, line 1, through page 12, line 21, and beginning on page 20, line 8, through page 21, line 5. The original language is thus protected by a waiver of the rule. The amendment is nothing more than a qualification or a limitation of the special change in existing law.

Mr. Chairman, I submit that such a limitation dealing with the same subject matter and solving the problem in a different way, being germane, is thus ap-

propriate, rule XXI, clause 2, having been waived.

The CHAIRMAN (Mr. VANIK). The Chair is ready to rule.

The Chair wishes to state the same point was made in the ruling which the present occupant of the chair made a year ago on the same legislation, and it is the opinion of the Chair the waiver in House Resolution 1176 only protects the language on page 20 line 8 through page 21, line 5 of the bill and does not protect amendments which add legislation. And based upon the Chair's prior ruling of today, it is the opinion of the Chair that the point of order is well taken and it is sustained.

AMENDMENT OFFERED BY MR. ECKHARDT

Mr. ECKHARDT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ECKHARDT: Page 20, strike line 13 and all that follows down through "certificate" on line 16.

The CHAIRMAN. The gentleman from Texas is recognized for 5 minutes in support of his amendment.

Mr. SLACK. Mr. Chairman, I make a point of order.

Mr. ECKHARDT. Mr. Chairman, the point of order comes too late. The Chair has already recognized the gentleman from Texas to speak on his amendment.

The CHAIRMAN. The gentleman has been recognized, and the point of order comes too late. The gentleman is recognized.

Mr. ECKHARDT. Mr. Chairman, for a good many years now I have objected to provisions in appropriation bills that remove items from consideration by the Comptroller General. I have consistently made points of order on these propositions. It is extremely simple to take care of the matter, if these matters are really sought to be made confidential, and that is simply to place in an authorization bill or in any language of legislation before this body a provision that certain matters are to be considered absolutely confidential except to the extent that the Comptroller General may examine them privately and may determine whether or not they are within that bracket that is reserved for consideration of the particular officer of the Government.

This is an item concerning certain drug enforcement. I am all for permitting certain actions to be confidential, but I do not think they should be confidential from the agent who represents us to determine whether the money is properly spent.

Of course, everybody is in favor of enforcing drug laws. It is, however, important to know whether such expenditures or in fact confidential and legitimate purposes, or expended for illegal wire taps, or for entertainment by that department or other purposes not authorized by any act of Congress.

Why should we not trust the Comptroller General of the United States, who has a long term in office and is less subject to the pressures of politics, than any other govermental authority to examine whether, in fact, the money was spent properly? I do not see any reason for an exception from that rule. We do not make an exception to that rule in some of the most secret uses of funds for military purposes. Why do we not? Because the Comptroller General is completely cleared for security purposes, and because the material does not necessarily get out of his hands. As a matter of fact, he is not even accountable under the Freedom of Information Act because he is not under the Administrative Procedures Act. Why should we then cripple the only means that we have to determine whether or not moneys are in fact spent for the purposes for which we appropriated them?

If this section is stricken it will not limit the amount appropriated. It will not affect that one iota.

As the distinguished chairman of the subcommittee has pointed out here, the officer involved has authority to direct that certain moneys be used for confidential purposes, so we do not cripple him in the use of the funds. All we do in effect is keep in operation the provisions of the Federal act that gives our own agent, the Comptroller General, the authority to examine the account to see whether it is indeed and in fact confidential. If it is, he passes it immediately. There is no question about it. Exactly the same amount is appropriated if my amendment passes because it does not decrease the total appropriation. All it does is strike that provision that removes this amount of money from the scrutiny of the Comptroller General for the sole purpose of determining whether the expenditure does in fact fit into the legislative provisions that were cited by the chairman of the subcommittee.

I ask for an "aye" vote on the amendment.

Mr. SMITH of Iowa. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I would agree with what the gentleman from Texas (Mr. ECKHARDT) says in almost every instance, but not in this one. Mind you, we are involved here with drug control, and this involves the underworld. There are a few cases where enforcement officers simply cannot trust anybody knowing the identity of the one person who is making the buy. The agent has got to be trusted to some extent. It is only $70,000 for the whole United States. Some agent may misappropriate some of the money, I cannot say that he will not.

But I know this: We are dealing with lives here, and if some informer were to be squealed on because two or three extra people found out about it or had a way to find out about it, and he is killed, that is going to dry up that source and other sources like it. We are dealing with a situation here where we have just got to trust somebody, whether we want to or not. I just think this is one case where we have got to say, here is $70,000, Mr. Attorney General, and trust him to make sure that it is used in the way that we intended.

Mr. CEDERBERG. Mr. Chairman, will the genteman yield?

Mr. SMITH of Iowa. I yield to the gentleman from Michigan.

Mr. CEDERBERG. I thank the gentleman for yielding.

I agree with the gentleman from Iowa completely. This is an area in which we should be very careful and cautious. The gentleman has explained it very well, and I hope this amendment will be defeated because it is in the best interests of all of us in the country that it be defeated.

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

Mr. SMITH of Iowa. I yield to the gentleman from Texas.

Mr. ECKHARDT. I thank the gentleman for yielding.

If the gentleman will note, the Comptroller General must act in accordance with the requirements of 31 U.S.C. 72, 74 and 75, the rules and regulations promulgated in accordance with the statutory requirements, and applicable Executive orders.

For example, in accordance with established procedures, an agent of the Comptroller General inspecting agency accounts must now meet the requirements of that particular agency regarding security clearance.

What my amendment will do is simply place the Comptroller General under the limitations of existing law. He has got to act within the stringencies of the agency. If the agency feels that this information cannot under any circumstances be revealed to anyone else, the Comptroller General must answer them with that same confidence, and there is nothing in the Freedom of Information Act that touches the Comptroller General because he is not an agent of Government. The only persons that can demand information of him—and they can only demand that information which he has in his possession—are Members of Congress.

If the gentleman fears the activity of appropriate Members of Congress and of the Comptroller General himself, who could in fact merely examine the information in the office of the agency, taking nothing with him, he would simply answer to Members of Congress that this was indeed confidential. If the gentleman fears that procedure, then my amendment has the danger he says. But I submit those dangers do not exist.

Mr. SMITH of Iowa. I think those dangers do exist. I think any time a second or a third person, even, knows who made a buy or who gave the information that was paid for, that we are endangering the lives of the very people we have got to depend upon to enforce these laws.

Mr. MOSS. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I find it rather difficult to understand the rationale that says, If the Comptroller General of the United States has access to this fund for the purposes of auditing and determining whether it is spent consistent with the intent of this Congress, that that does violence. I find it particularly strange at a time when we have witnessed a succession of officers of this Government going into courts of law and entering pleas of guilty after the most extensive of plea bargaining because they have breached the trust imposed upon them by this Government.

I find it strange, in view of the fact that no man in this chamber can cite a single instance where the Comptroller General of the United States has ever

breached the trust placed upon him or the limitations imposed upon him regarding disclosure of the items he is called upon to audit, as the auditing arm of the Congress of the United States.

Mr. SMITH of Iowa. Mr. Chairman, will the gentleman yield?

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

Mr. SMITH of Iowa. I thank the gentleman for yielding.

I think the gentleman will agree that in order to prove that the money has been spent as intended, the agent would have to keep a record as to who is paid, and after that happens, the man's name is then in the record, and his very life is endangered. I think it would be a dangerous situation and dry up needed sources of information.

Mr. MOSS. I can respect the opinion of the gentleman. I do not agree. I do not think it is dangerous. I think if it was in the hands of an irresponsible person it would be dangerous. I have no doubt the Attorney General's secretary will know the names. Others in the Attorney General's office might well know the names. I do not believe that would be dangerous.

I will say during my 22 years in the House I have conducted more investigations than has the gentleman. During 16 of those 22 years I was engaged in writing the Freedom of Information Act and I heard of all these pleas of damage that would be done if there was any kind of disclosure, if this disclosure was required of officers of the Government, but I have yet to see that damage happen.

We have the responsibility to vote on this. We have the responsibility to account for the funds appropriated. We have the authority to say to someone that an officer of this Congress has inquired into these expenditures and finds them lawful and proper. I do not think we should act to foreclose that responsible person from carrying out the duties imposed by this Congress under the Budget and Accounting Act of 1921 and the amendments thereto.

Mr. ECKHARDT. If the gentleman will yield, I fail to understand how it would be of any value to pay someone for a duty if the person named did not even know who he was.

Mr. MOSS. That is one of the interesting things we have in the cases of this type. We have to have such absolute secrecy that no one knows what is happening, and when the public's business is nobody's business then all sorts of chicanery can take place.

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

Mr. Chairman, I want to add my little bit of knowledge to this business. I was in the narcotics field for a number of years and I handled considerable sums of money for undercover agents. I am absolutely opposed to anyone making public the names of those persons who go under cover and make buys. This is utter madness.

If the Members want some proof as to my logic and belief on this, all they have to do is go downtown to the FBI and Narcotics Division and get the photo album of the men who have been murdered who have worked under cover for the narcotics people where somebody leaked the names to others outside.

Do not tell me about leaks. I have been all through this up and down the field hundreds of times. I would not tell anybody who my undercoverman was. I had a great one for 19 months who worked with the French connection. If I had to reveal his name to anyone he would have been long gone.

This amount of $70,000 is a pittance. It would not buy one a quarter kilo of heroin.

This is the most maddening discussion I have ever heard in my life by people who do not know what they are talking about. I ask for the defeat of the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas (Mr. ECKHARDT).

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

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

A recorded vote was refused.

So the amendment was rejected.

The CHAIRMAN. The Clerk will read.

Mr. SLACK (during the reading). Mr. Chairman, I ask unanimous consent that the remainder of the bill be considered as read and open to amendment at any point.

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

There was no objection.

AMENDMENT OFFERED BY MR. BIAGGI

Mr. BIAGGI. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BIAGGI: On page 51, add a new section 707 to title VII:

SEC. 707. None of the funds appropriated in this Act shall be used (1) to provide foreign countries with nuclear technology or materials, or (2) to enter into agreements with foreign countries to provide them with nuclear technology or materials, without the expressed consent of both Houses of Congress.

Mr. BIAGGI. Mr. Chairman, during the 5 years I have been in Congress a goodly portion of the agreements between the various nations and the United States involving nuclear materials that have been entered into and validated, not once have they been discussed on this floor, to my knowledge. In the light of what is transpiring in the Mideast in the last few days and the proposed agreements between Israel and Egypt and whomever, it has come to my attention, at least the thought was suggested to me, that perhaps the Congress, both Houses of Congress, should be more involved than they are at the present moment.

We take no quarrel with the suggestion that agreements should be entered into. What I suggest is that they be subjected to discussion and review by both Houses before they are finally ratified. We have been advised that the agreements have safeguards and that they are only given for the purpose of peacetime activities. That may well be the intention on our Nation's part.

It may well be that the intentions of those in our Government, and those in the governments with whom we are now entering into agreements, are honorable; but what safeguard do we have that the intentions of those who might succeed to power in those foreign governments also will be honorable?

The Canadian Government entered into a similar agreement with India, ostensibly for the purpose of providing nuclear materials for peaceful purposes. We have witnessed in the not too distant past a nuclear explosion. To me, that constitutes a breach of promise.

Who is to say that possibly will not be repeated in this instance? Who is to say a new administration in Egypt or Syria will not take the nuclear materials that we provide and develop nuclear explosive power? Who is to say that the militant terrorists of the nations of the Far East and other countries will not raid and take possession of these materials and use them in hostile and aggressive fashion?

Mr. Chairman, the questions I pose to the Members deserve answers. Those answers can be better found in an agreement ratified by both Houses of the Congress after careful review. The safeguards really are only as good as the integrity of the people with whom we deal. If there is a diminution of that integrity, or an absence of it, we would find the safeguards worthless.

So far we have entered into nuclear technology agreements with more than 20 countries. I think it is about time that we take a close look at that area of activity. Rather than expand, perhaps we should contract. Rather than disseminate the nuclear materials, perhaps we should make certain that they are not as available to as many countries.

The amendment I offer would in one way—in a small way—place a curtailment on the Department of State, but even more important, it will trigger action and should trigger action on the part of the other committees which deal with the other phases of this issue. It is vital, it is here, it is current, and the people out there in the Nation are concerned about what is transpiring.

Mr. LONG of Maryland. Mr. Chairman, will the gentleman yield?

Mr. BIAGGI. Mr. Chairman, I yield to the gentleman from Maryland.

Mr. LONG of Maryland. Mr. Chairman, I want to associate myself with the gentleman's remarks. The House is really not attentive to the gentleman's remarks, but the subject on which the gentleman has addressed himself is one that could very well determine the future of this world.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. LONG of Maryland. Mr. Chairman, I move to strike the last word.

We are making all kinds of agreements to provide atomic reactors and other kinds of help to literally scores of countries, with safeguards that no one in the State Department has been able to assure me before our Foreign Operations Subcommittee have any real value or any permanence.

It is clear, I think, to anybody who wants to think about this—and I think most people do not want to think about it, and that is why the House is not listening—but it is clear that once one country gets a nuclear weapon, particularly in the underdeveloped world, the political pressures on neighboring countries to develop such a weapon will be absolutely irresistible.

In order to get a short-run headline, I am afraid we are making all kinds of agreements, scattering all kinds of provisions for atomic power, and ultimately atomic weapons, that could very well determine the future of this Earth.

Mr. Chairman, I would like to know from the gentleman from New York just how his amendment would deal with this, because I think he has addressed himself to a very important question.

Mr. BIAGGI. Mr. Chairman, if the gentleman will yield, under my amendment, it would prohibit the State Department from using any of the funds we appropriate today from using its employees to make agreements. It really is to stay them from any conduct in this area unless they have the approval of both Houses of Congress.

I would like to suggest, first, that we find ourselves in a position similar to that which we were in in the last war, World War II. In New York City we took down the Third Avenue Elevated. That steel we sold to Japan. That steel was projected back against our American soldiers. I can foresee a repetition of that event. The nuclear materials we provide today may well be used against us in the future. It was said to be incredulous and impossible then.

Yet, it happened.

Mr. Chairman, if the same doubts exist and the same comments are made, I dread having to wait until history proves we are right.

Mr. LONG of Maryland. Mr. Chairman, I agree with the gentleman. I want to associate my remarks with his.

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

Mr. LONG of Maryland. I yield to the gentleman from Ohio.

Mr. HAYS. I am in sympathy with what the gentleman is trying to accomplish, but there is not any money provided in this bill which will pay for some atomic reactor. Perhaps the gentleman's amendment should apply somewhere else.

It seems to me that precluding the State Department from having anything to do with it might be all right, except that if the President wants to make an executive agreement and can find money in the Defense Department or Atomic Energy funds or somewhere else, this amendment really does not do much to prevent that.

Mr. LONG of Maryland. Mr. Chairman, I think the gentleman is right, but it is just like the fellow who was asked why he gambled in a crooked gambling hall, and he said it was the only game in town.

Mr. BIAGGI. If I may address myself to the gentleman's comments, this is only one of the many agencies that can deal with this multifaceted problem.

The amendment says:

None of the funds appropriated in this Act shall be used to provide foreign countries with nuclear technology or materials, or to enter into agreement with foreign countries to provide them with nuclear technology or materials, without the expressed consent of both Houses of Congress.

Mr. HAYS. If the gentleman will yield, I understand all of that, but the point is that this was an executive agreement, and as I understand it, it has already been made, and the State Department does not have anything to do with it.

Mr. BIAGGI. But the State Department employees were involved; that is the point I am making.

Mr. HAYS. So that they were involved.

Mr. BIAGGI. I do not fault them. I am talking about the future. Many other agencies have to do with foreign aid. There are many agencies that are dealing with this, and this is just the first step.

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

Mr. LONG of Maryland. I yield to the gentleman from Texas.

Mr. ECKHARDT. Mr. Chairman, I understand this amendment to say quite clearly that none of these funds shall be used by the State Department to reach an agreement with foreign countries to provide nuclear energy. I think that is good. I think that is a fine amendment. I cannot see why it cannot be made to this bill unless subject to a point of order, which I think might be good, but it was not made.

Mr. Chairman, I think if we are going to do such a serious thing as to provide nuclear power, certainly it should come about by agreement of both Houses of Congress.

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

It seems to me that if we really want to preclude Egypt or anybody else from getting an atomic energy reactor, saying that State Department employees cannot have anything to do with negotiations may be fine, but it does not really do much, because if there is an executive agreement, it seems to me that somebody ought to have some say along the line. If we want to do this and give the House an opportunity to vote on it, we ought to say in the Atomic Energy bill perhaps, or in some other bill, "None of the money in this act or any other act may be used to provide an atomic reactor without the previous consent of Congress." Then we would really have it.

All this amendment does is say that if there is any negotiation, the State Department employees cannot be involved.

Mr. LONG of Maryland. Mr. Chairman, will the gentleman yield?

Mr. HAYS. I yield to the gentleman from Maryland.

Mr. LONG of Maryland. Mr. Chairman, I think it is quite possible that the gentleman is correct on this. My own desire and motive in supporting this amendment is simply to show displeasure. I wish to show my displeasure and, I hope, the displeasure of the rest of the Members concerning the lighthearted way in which these agreements have been worked out.

I certainly hope to show my displeasure, and I hope others will make some effort to show our displeasure in much more substantial ways than we are able to do by this particular amendment.

Mr. HAYS. Mr. Chairman, I think the issue comes down to whether we want to show displeasure or whether we want to prohibit something. Showing displeasure does not really accomplish much. I think the Congress has shown its displeasure a number of times concerning Executive actions, but that has not prevented the Executive from doing whatever he felt like doing.

If we want to really get something done, it ought to be by a flat-out proposition.

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

Mr. Chairman, it is my understanding that the subject matter with which the gentleman's amendment deals is already covered by law.

I would like at this time to yield to the chairman of the Joint Committee on Atomic Energy, the gentleman from Illinois (Mr. PRICE), to shed some light on this matter.

Mr. PRICE of Illinois. Mr. Chairman, I think the House should reject this amendment this afternoon. I think it is catching the Members at a period when they may have become disturbed by recent anouncements concerning the agreements reached in cooperation with the Egyptians and with the Israelis.

The Members will have ample time to be heard on these specific agreements, which are the targets of this amendment. The Joint Committee, under the law, will receive these agreements when they are completed, we will have time to consider them, and for a period of 30 days we will have an opportunity to hear every Member of the House who desires to testify on this matter state his position on the agreements, whether he is in favor of them or whether he is opposed to them.

Mr. Chairman, I have placed a statement in the RECORD today, and that statement will be found in the special orders of today. In that statement I enumerate by number all of these types of agreements we have had over the years since 1952. I have also pledged to the membership of this House that when the agreement has been received by the Joint Committee on Atomic Energy, I will inform the House so that every Member then can state his desire to be heard. I am sure that any Member of the House who wants to be heard at that time will be heard.

We will not act hastily on the agreements. We will examine them carefully. We will do more than that: We will go into the agreements that have been agreed to in previous years in order to make certain in our minds that all the positions of the State Department are reflected in these agreements. If they are not in them, we will offer amendments to these former agreements.

Mr. Chairman, we are interested in safeguards. We have established a panel on safeguards to go into the very issue. We are going to consider them in a proper way. I do not think that positive

action today on this amendment would be the proper way to do it.

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

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

Mr. HOLIFIELD. Mr. Chairman, I thank the chairman of the subcommittee for yielding to me.

The fact of this matter is this: We have 30 international agreements that have been made. All of those international agreements come before the Joint Committee on Atomic Energy for scrutiny, for justification, and we are given the opportunity in the case of any kind of military agreement to put a concurrent resolution in disapproving of it in both Houses.

In the case of these reactors that we are talking about today, regardless of what Canada or France or some of the other people, including the Soviet Union, do, the United States provides in any case like this that there be safeguards to prevent the diversion of material.

What am I talking about? The fuel rods in a reactor, for instance.

When they are spent, they are taken out of the reactor and they are chemically dissolved, and they take out some metal, some radioactive substance such as plutonium, and that can be used in a weapon. That can only be done in a chemically sophisticated plant. It has to be done by remote control; it does have to be put in a machine.

The plutonium has to be turned into metal and it has to be machined by remote control. All of these things are safeguarded in our agreements.

It is very possible that some people who want to criticize the President for anything he does will get up and say that he has done something terrible and has done it without any chance for the Congress to look at it, but that is not true. The President has proposed that a reactor be built in Egypt and one be built in Israel, but before that can be done it has to be financed and we have to get export licenses for it and it has to be approved by the Joint Committee on Atomic Energy.

We look into this safeguarding problem and we do safeguard. There has been no diversion of materials from any of these atomic reactors.

The CHAIRMAN. The time of the gentleman has expired.

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

Mr. Chairman, I want to finish this story, because it is a story. It is taken care of by existing Atomic Energy Act. If this agreement is made—and it is only a proposal of the President at this time, which has not been negotiated, but if it is negotiated, it has to come before the Joint Committee on Atomic Energy within some 30 days in one instance and 60 days in another instance. The Joint Committee on Atomic Energy will look into it, and we will protect and safeguard the diversion of material as we have in all instances up to this time, which could under very extreme circumstances possibly be diverted.

Remember, this is very low-level material we are talking about and is not the level that atomic weapons are constructed of. We are talking about 3 percent material. But it is less than when it comes out and goes into the reactor. We are talking about a much higher level of enrichment in the case of weapons. So there is a lot of alarm and this alarm is based on misinformation, but I assure you that the Atomic Energy Act takes care of it and that the State Department and the President have to abide by the Atomic Energy Act. Let this run its regular course, and we will take care of the situation.

Mr. GONZALEZ. Will the gentleman yield for a question?

Mr. HOLIFIELD. I yield to the gentleman.

Mr. GONZALEZ. The gentleman stated that we have about 30 such agreements in existence with 30 days notice in each instance.

Mr. HOLIFIELD. That is right, and that is in accord with the act which this Congress enacted in order to share peacetime applications of atomic energy with other nations of the world.

Mr. GONZALEZ. Will the gentleman say whether or not the Congress has a right of review or whether it merely goes to the Joint Committee?

Mr. HOLIFIELD. That happens to be a case of the Congress, both Houses, receiving it, and they do review it.

Mr. GONZALEZ. But there is no general——

Mr. HOLIFIELD. If we want to bring a concurrent resolution to the House, and if we find something wrong about it we will bring one to the House, the Congress then will have a chance to act on it. But if 18 men, 9 in the other body and 9 in the House, find that this is in accord with the other agreements that have been made and which have not caused us any trouble and from which there has been no diversion, then at that point there will be no necessity for a concurrent resolution. However, the gentleman can come before the committee and hear the testimony and give such testimony as he desires.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. BIAGGI).

The amendment was rejected.

AMENDMENT OFFERED BY MR. SYMMS

Mr. SYMMS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SYMMS: On page 51, following line 22, insert the following:

SEC. 707. Notwithstanding any other provision of this Act or any other law, each appropriation contained in this Act is hereby reduced by an amount equal to 3 percent of the amount originally appropriated by this Act.

Mr. SYMMS. Mr. Chairman, about 2 p.m. this afternoon we passed a budgetary reform bill and we heard a lot of very sincere colloquy, I am sure, on the part of many Members about how we had to balance the Federal budget.

This amendment would cut approximately $151 million across the board in each item of this appropriation bill, and it would still leave a 10-percent increase over last year's appropriation levels. It just cuts it down to a 10-percent increase.

I would say further, Mr. Chairman, that this would be about 10 percent more of an increase than any Members of the Congress will get in any legislation which affects their salaries. I think it is high time that we start off on a new day. We passed the budgetary reform bill today, and we can start taking a piecemeal slice across the board on this, and accept a reasonable 3-percent cut.

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

Mr. SYMMS. I yield to the gentleman from Minnesota.

Mr. FRENZEL. Mr. Chairman, as I read the bill, we are increasing the budget for these agencies by 12.5 percent; is that correct?

Mr. SYMMS. It is approximately that, about 12.5 to 13 percent.

Mr. FRENZEL. I think the gentleman from Idaho is modest in his request, and I intend to support the amendment.

Mr. SYMMS. I thank the gentleman and would welcome a substitute to the amendment and cut it a little deeper.

Mr. CEDERBERG. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Idaho (Mr. SYMMS). We have already cut the budget requests by some *$100 million*.

This amendment would cut the FBI by 3 percent; it would cut the drug enforcement people; it would cut the prison system; it would cut all of the items in the bill.

I understand the noble intent of the gentleman from Idaho, but I think it would be most unwise to agree to such an amendment.

Mr. SLACK. Mr. Chairman, I move to strike the last word, and I rise in opposition to the amendment offered by the gentleman from Idaho (Mr. SYMMS).

Mr. Chairman, let me say that we have considered all of the items in the bill in great detail and have made reductions where appropriate. I ask that the amendment be rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Idaho (Mr. SYMMS).

The question was taken; and on a division (demanded by Mr. SYMMS) there were—ayes 12, noes 70.

So the amendment was rejected.

Mr. SLACK. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. VANIK, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 15404) making appropriations for the Departments of State, Justice, and Commerce, the judiciary, and related agencies for the fiscal year ending June 30, 1975, and for other purposes, had directed him to report the bill back to the House with an amendment, with the recommendation that the amendment be

agreed to and that the bill as amended do pass.

The SPEAKER. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER. The question is on the amendment.

The amendment was agreed to.

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

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

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

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

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

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 365, nays 36, not voting 32, as follows:

[Roll No. 302]

YEAS—365

Abdnor	Chisholm	Fraser
Abzug	Clancy	Frelinghuysen
Adams	Clark	Fulton
Addabbo	Clausen, Don H.	Fuqua
Alexander	Clawson, Del	Gaydos
Anderson, Calif.	Clay	Gettys
Anderson, Ill.	Cleveland	Giaimo
Andrews, N.C.	Cochran	Gibbons
Andrews, N. Dak.	Cohen	Gilman
Annunzio	Collier	Ginn
Arends	Collins, Ill.	Goldwater
Armstrong	Conable	Gonzalez
Ashley	Conte	Grasso
Aspin	Conyers	Gray
Badillo	Corman	Green, Oreg.
Bafalis	Cotter	Green, Pa.
Baker	Coughlin	Griffiths
Barrett	Cronin	Gubser
Beard	Culver	Gude
Bell	Daniel, Dan	Gunter
Bennett	Daniel, Robert W., Jr.	Guyer
Bergland	Danielson	Haley
Bevill	Davis, Wis.	Hamilton
Biaggi	de la Garza	Hammer-schmidt
Biester	Delaney	Hanley
Bingham	Dellums	Hanna
Blackburn	Denholm	Hanrahan
Boggs	Dennis	Hansen, Idaho
Boland	Dent	Hansen, Wash.
Bolling	Derwinski	Harrington
Bowen	Diggs	Harsha
Brademas	Dingell	Hawkins
Bray	Donohue	Hays
Breaux	Downing	Hechler, W. Va.
Breckinridge	Drinan	Heckler, Mass.
Brinkley	Dulski	Heinz
Brooks	Duncan	Henderson
Broomfield	du Pont	Hicks
Brotzman	Eckhardt	Hillis
Brown, Calif.	Edwards, Ala.	Hinshaw
Brown, Ohio	Edwards, Calif.	Hogan
Broyhill, N.C.	Eilberg	Holifield
Broyhill, Va.	Erlenborn	Holt
Burgener	Esch	Holtzman
Burke, Fla.	Eshleman	Horton
Burke, Mass.	Evans, Colo.	Hosmer
Burleson, Tex.	Evins, Tenn.	Hudnut
Burlison, Mo.	Fascell	Hungate
Burton	Findley	Hunt
Butler	Fish	Hutchinson
Byron	Fisher	Ichord
Camp	Flood	Jarman
Carney, Ohio	Flowers	Johnson, Calif.
Carter	Flynt	Johnson, Colo.
Casey, Tex.	Foley	Johnson, Pa.
Cederberg	Ford	Jones, Ala.
Chamberlain	Forsythe	Jones, N.C.
Chappell	Fountain	Jones, Okla.
Jordan	Nedzi	Stanton, J. William
Karth	Nelsen	Stanton, James V.
Kastenmeier	Nichols	Stark
Kazen	Nix	Steed
Kemp	Obey	Steele
Ketchum	O'Brien	Steelman
King	O'Hara	Steiger, Ariz.
Kluczynski	O'Neill	Stephens
Koch	Owens	Stokes
Kuykendall	Parris	Stratton
Kyros	Passman	Stubblefield
Lagomarsino	Patman	Studds
Landrum	Patten	Sullivan
Latta	Pepper	Symington
Leggett	Perkins	Taylor, Mo.
Lehman	Pettis	Taylor, N.C.
Lent	Peyser	Thomson, Wis.
Litton	Pickle	Thone
Long, La.	Pike	Thornton
Lott	Poage	Tiernan
Lujan	Powell, Ohio	Towell, Nev.
Luken	Preyer	Traxler
McClory	Price, Ill.	Treen
McCloskey	Price, Tex.	Udall
McCollister	Quie	Ullman
McCormack	Quillen	Van Deerlin
McDade	Railsback	Vander Veen
McEwen	Randall	Vanik
McFall	Rangel	Veysey
McKay	Rees	Vigorito
McKinney	Regula	Waggonner
McSpadden	Reuss	Waldie
Madden	Rhodes	Walsh
Madigan	Rinaldo	Wampler
Mahon	Roberts	Ware
Mallary	Robinson, Va.	Whalen
Mann	Robison, N.Y.	White
Martin, Nebr.	Rodino	Whitehurst
Mathis, Ga.	Roe	Whitten
Matsunaga	Rogers	Wiggins
Mayne	Roncalio, Wyo.	Williams
Mazzoli	Rooney, Pa.	Wilson, Bob
Meeds	Rose	Wilson, Charles H., Calif.
Melcher	Rosenthal	Wilson, Charles, Tex.
Mezvinsky	Rostenkowski	Winn
Michel	Roush	Wolff
Milford	Roy	Wright
Miller	Roybal	Wyatt
Mills	Runnels	Wydler
Minish	Ryan	Wyman
Mink	St Germain	Yates
Mitchell, Md.	Sandman	Yatron
Mitchell, N.Y.	Sarasin	Young, Alaska
Moakley	Sarbanes	Young, Fla.
Mollohan	Scherle	Young, Ga.
Montgomery	Schneebeli	Young, Ill.
Moorhead, Calif.	Schroeder	Young, Tex.
Moorhead, Pa.	Sebelius	Zablocki
Morgan	Seiberling	Zion
Mosher	Shriver	
Moss	Skubitz	
Murphy, Ill.	Slack	
Murphy, N.Y.	Smith, Iowa	
Murtha	Smith, N.Y.	
Myers	Snyder	
Natcher	Staggers	

NAYS—36

Archer	Goodling	Roncallo, N.Y.
Ashbrook	Gross	Rousselot
Bauman	Grover	Ruth
Collins, Tex.	Helstoski	Satterfield
Conlan	Huber	Shoup
Crane	Landgrebe	Shuster
Davis, S.C.	Long, Md.	Spence
Dellenback	Maraziti	Steiger, Wis.
Devine	Martin, N.C.	Symms
Dickinson	Mizell	Wylie
Frenzel	Pritchard	Young, S.C.
Froehlich	Rarick	Zwach

NOT VOTING—32

Blatnik	Hastings	Rooney, N.Y.
Brasco	Hébert	Ruppe
Brown, Mich.	Howard	Shipley
Buchanan	Jones, Tenn.	Sikes
Burke, Calif.	Macdonald	Sisk
Carey, N.Y.	Mathias, Calif.	Stuckey
Daniels, Dominick V.	Metcalfe	Talcott
Davis, Ga.	Minshall, Ohio	Teague
Dorn	Podell	Thompson, N.J.
Frey	Reid	Vander Jagt
	Riegle	Widnall

So the bill was passed.

The Clerk announced the following pairs:

Mr. Thompson of New Jersey with Mr. Blatnik.

Mr. Hébert with Mrs. Burke of California.

Mr. Rooney of New York with Mr. Davis of Georgia.

Mr. Teague with Mr. Dorn.

Mr. Dominick V. Daniels with Mr. Brown of Michigan.

Mr. Brasco with Mr. Minshall of Ohio.

Mr. Sikes with Mr. Hastings.

Mr. Shipley with Mr. Buchanan.

Mr. Carey of New York with Mr. Frey.

Mr. Macdonald with Mr. Mathias of California.

Mr. Podell with Mr. Ruppe.

Mr. Reid with Mr. Metcalfe.

Mr. Riegle with Mr. Widnall.

Mr. Howard with Mr. Talcott.

Mr. Sisk with Mr. Vander Jagt.

Mr. Stuckey with Mr. Jones of Tennessee.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

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

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

There was no objection.

ADDITIONAL PROGRAM ANNOUNCEMENT

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

Mr. O'NEILL. Mr. Speaker, the bill S. 411, extended phasing of postal rate adjustments, was scheduled for today. A rule has been granted.

Mr. Speaker, it is our intent that the postal rate adjustment bill be brought up first tomorrow, and then we will follow the schedule as printed in the Calendar. The schedule consists of the Transportation appropriation bill for fiscal year 1975, and H.R. 14715, White House authorization, on which a rule has been granted.

HOUR OF MEETING ON WEDNESDAY, JUNE 19, 1974

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at 11 o'clock a.m. tomorrow, Wednesday, June 19, 1974.

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

There was no objection.

ACQUISITION BY MOBIL OIL DEMONSTRATES NEED FOR OIL TAX REFORM

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

Mr. VANIK. Mr. Speaker, the announcement today that the Mobil Oil Corp. plans to buy and take over the Marcor Corp., operating Montgomery Ward stores and the Container Corporation of America, is vivid evidence of the conversion of huge oil profits into nonenergy producing investments.

For years, the oil industry has been pleading for more profits—a higher return on investment—to create capital for reinvestment in the development of new sources of gas and oil.

Mobil Oil—like Gulf Oil in an earlier effort—demonstrates that capital accumulation by oil companies is being shifted into buying up the country and creating new sources of profits and power instead of creating more energy for America.

The recent actions of Mobil and Gulf demonstrate the need for terminating the percentage depletion allowance, the foreign tax credit, and other devices by which oil profits bypass the tax collector.

Mobil's investment in Marcor—that is, Montgomery Ward and the Container Corporation—will do nothing to bring the American people an extra barrel of oil. Instead, it is simply a way for Mobil Oil to use up embarrassing profits.

I find it unconscionable that at the same time the big oil companies are scrambling for ways to "use up" their windfall profits, they are fighting the Congress tooth and nail over the proposed Windfall Profits Tax Act.

For example, last week I received a two page telegram from Mr. Herman J. Schmidt, vice chairman of the board, Mobil Oil Corp., in opposition to a tax reform amendment which I hope to offer to the windfall profits tax bill. My amendment, which would eliminate the overseas use of the intangible drilling expense and convert the foreign tax credit for oil and gas extraction to a business deduction, would increase Treasury revenues by approximately $2 billion a year. More importantly, it would encourage more oil exploration here in the United States rather than overseas. Obviously, it appears that Mobil would much rather spend $350 million buying a chain of retail stores and a container company than pay its fair share of corporate taxes to the Federal Treasury.

The oil industry is moving closer to contempt of Congress and the American people. The abuse of these oil profits—if allowed to proceed without restraint—provides a dangerous assault to the American economy.

RESOLUTION BARRING NUCLEAR ENERGY CAPABILITIES TO FOREIGN NATIONS

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

Mr. BIAGGI. Mr. Speaker, I am introducing a resolution today barring any agreement to provide nuclear energy capabilities to a foreign nation without the expressed consent of both Houses of Congress.

This resolution is in response to President Nixon's alarming announcements that the United States had agreed to supply both Egypt and Israel with the means to develop nuclear energy generators.

The precarious peace which exists today in the Middle East did not come easily. It took many long hours of delicate negotiations, which were skillfully led by the distinguished Secretary of State, Henry Kissinger. Yet, these efforts now stand to be sabotaged by agreements that threaten to destroy the balance of power in the Middle East. No assurances or safeguards would minimize the fear of the awesome consequences involved if the nuclear technology were misused.

The United States, which has entered into some 80 of these agreements with foreign nations, cannot continue to toss nuclear technology agreements around as if they were political plums. The nuclear weaponry club of the world is already too big, and our efforts should be concentrated on reducing its membership rather than providing the potential for expanding it.

The future of man may lie in nuclear energy, but in today's world—with little means to fully control its use—it is a highly volatile commodity. Many will say that Egypt and Israel will not misuse this technology. I would, however, point to the recent experience of Canada in providing India with nuclear energy. Faced with the serious nuclear threat from China, India violated agreements with Canada and used nuclear materials, provided for peaceful uses, to make a nuclear bomb. Who can guarantee that a similar situation might not occur in the Middle East? Or anywhere else.

Or what assurances can be made the Palestinian terrorist groups might not steal the nuclear materials and use them to make atomic bombs to destroy Israel? The Atomic Energy Commission is taking extraordinary security measures to protect such materials against Arab terrorist raids in this country How can we possibly provide sufficient protection for safeguarding nuclear materials in Egypt and Israel?

This is an ill-conceived plan that must be rejected. I hope my colleagues will join me in cosponsoring my resolution.

WEST VIRGINIA'S SGT. PAUL LEEPER—UNSUNG HERO OF WATERGATE

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

Mr. HECHLER of West Virginia. Mr. Speaker, June 17 marked the second anniversary of the arrests of five burglers in the Democratic National Committee's headquarters in the Watergate Office Building. The arrests touched off a series of incredible events which are still unfolding. The man in charge of the police detail making the historic arrests is 35-year-old Sgt. Paul Leeper, a native of Fairmont, W. Va. The following article, appearing in the June 15, 1974, edition of Parade magazine, describes the 28 hours of duty Sergeant Leeper put in the night of the arrests and what effect this event had on his life. I commend it to my colleagues:

WHAT HAPPENED TO THE COP WHO ARRESTED THE WATERGATE FIVE?

(By Fred Blumenthal)

WASHINGTON, D.C.—In the two incredible years since five burglars were arrested in the Democratic National Committee's headquarters in the Watergate Office Building, hundreds of lives have been irrevocably changed by that seemingly small event.

Men of power and prestige have been disgraced; some have gone to jail, others may well follow. Some men have become rich—lawyers for example, and the folk who sell things like Watergate Bourbon or bumper stickers reading "Free the Watergate 500."

But for the key man life has gone on unchanged.

That man is Sgt. Paul Leeper of the Washington Police Department.

It was Leeper who, in the line of duty, pushed the rock that tipped the boulders that started the avalanche that filled the valley. With two other officers under his command, John B. Barrett and Carl M. Shoffler, he searched the Watergate Building at 2 a.m., June 17, 1972, after a night watchman became suspicious of a taped door latch.

BEYOND EXPECTATIONS

At the command, "Put up your hands and lean against the wall," Leeper and his comrades expected to see two grubby hands attached to a burglar in search of a typewriter or adding machine he might peddle for $150 or so.

What they got were 10 hands, gloved in rubber, and attached to men in expensive suits with rolls of $100 bills in their pockets. They were also carrying notebooks that connected them to men in the White House and the Committee for the Re-Election of the President, to be known ever after as CREEP.

The revelations that followed shook the White House, the Republican Party, both Houses of Congress, the country as a whole. As the avalanche grew, it ground down men who had been at the pinnacle of power: Haldeman, Ehrlichman. It brought notoriety to heretofore nameless toilers in the White House back corridors—E. Howard Hunt, Egil Krogh and the rest. It threw up an instant folk hero (Senator Ervin), created overnight a Presidential possibility (Senator Baker).

But the man who started it all goes on as before, like a catalyst in the chemical reaction—a chemical entirely necessary to the reaction, but entirely unchanged by it.

SAME AS BEFORE

Leeper is still a sergeant, still second in command of the old clothes detail, or "bum squad," in Northwest Washington, going about in a beat-up car, wearing his old jacket with "George Washington University" written across it, and his go-to-hell golf hat, still protecting the lives and property of the citizens.

It was this very un-copish look, coupled with a very copish dedication to doing things right, that insured that Watergate would become a crucial event in American history. A point in time from which other events can be dated. "That was before Watergate, of course," someone will say, or "Well, since Watergate the political situation. . . .

Leeper is 35 years old, a 12-year veteran of the D.C. Police who served as a scout-car man and detective before moving over to the tactical squad. There, by the nature of his assignment, his specialty has been street robberies, muggings and burglaries.

"Our old clothes and ordinary cars make us blend into the background," Leeper told Parade. "When somebody's about to pull off a crime, he generally takes a last look around. If he sees us he doesn't see anyone he's particularly afraid of; it gives us that extra step on him. We have a very high percentage of arrests."

One of the very first "victims of Watergate" was Leeper's wife Donna. She missed her birthday celebration. At 2 a.m., June 17, 1972, Leeper had already put in two hours of overtime and was about to call it a night. His plan was to go home, get some sleep, and then celebrate Donna's birthday by taking her out to dinner. A baby-sitter had already been hired to care for the three Leeper

daughters, Stephanie, 7; Tracy, 5, and Marsha 3 months.

Then came the burglary call to proceed to Watergate.

Donna might still have had her birthday party—and Watergate remained only the name of an office-hotel-apartment complex on the banks of the Potomac, except for several flukes. The first was that Squad Car 80, which would normally have responded to the call, was out of service temporarily. If Car 80, with "police" written all over it, had pulled up, the lookout across the street would have warned the five men via walkie-talkie, and they would have vanished.

But Leeper and his men drove up quietly in their unmarked car, found a legal parking spot, and walked casually into the building. The lookout (a former FBI man) watched them carefully—and decided that they were harmless civilians—probably repairmen.

The first time he realized there was trouble was when he saw Leeper's team, with drawn guns, searching the eighth floor, balconies and all. But by then, the inside men, who were afraid its static would betray them, had turned off their walkie-talkie, and the lookout's warning went unheard.

Through the seventh floor and down to the sixth came the police, and the Watergate Five were trapped. Officer Barrett spotted an elbow behind a desk and the illegal entry was over.

But for Leeper, Barrett and Shoffler—and Donna waiting at home—the long night had just begun.

"Police work is mostly cut and dried anyway," says Leeper modestly. "A well-trained officer does what he must do automatically; any fear or questioning comes later.

"But I must admit that when I saw those 10 hands go up, I thought, 'Well, I expected one and I've got five; how do I know there isn't a sixth one behind me with a .45 aimed at my skull?' I turned around very slowly. But there wasn't."

CARE PAYS OFF

Then the careful procedures began to pay off. Even though none of the officers knew what they had gotten hold of, they knew it was no ordinary $150 typewriter snatch.

While the well-dressed burglars looked with some disbelief at the ragtag trio which had them under arrest, Leeper read each man his rights as he was frisked. Later, Leeper read all five the same statement of rights, including the right to contact an attorney.

Considering the ramifications of the case, the powers who were involved and the kind of attorney who showed up (without any of the five bothering to call him), any imperfection in the arrest routine might have ended the affair very quickly. ("I knew we were really on to something when I saw that lawyer arrive to represent them wearing a $300 suit," said another policeman later.)

The 2d District Police Station began to fill up. The FBI arrived. Higher ranking policemen rolled in, up to an assistant chief, who read the suspects their rights all over again. Everything moved very slowly as the routine took control.

Each piece of property on the defendants was carefully logged in—including the now-famous $100 bills and the notebooks that were to lead to higher places.

A United States Attorney arrived to get a search warrant for the two hotel rooms four of the five were occupying, and to find a judge to sign it. Then all the property in the hotel rooms had to be logged in with care.

THE LONG NIGHT

Every few hours Leeper would call his wife and explain that he'd be home "soon." That "soon" stretched into all night and most of Saturday. When Leeper finally made it home at 8 o'clock Saturday night—28 hours after going on duty—he was too bushed to take anyone anywhere.

Since that long night, Leeper's life has gone back to the old, comfortable routine. His captain put him in for a citation, but the Awards Committee never issued one. He did appear briefly on television as a witness at the Senate hearings, and got a few letters.

Some were from old friends from his hometown, Fairmont, W. Va., now scattered around the country. There were a few requests for autographs, and a series of letters from someone in Kentucky urging him to read the Bible and fight corruption in government. (Leeper, as it happens, is, and always has been, a member of the Church of Christ.)

Around the station house, even the kidding from his fellow officers has quieted down, or shifted to the topic of why his team in the police softball league finished only second in the city championship.

A CRYING SHAME

But when Leeper is not around, his fellow cops feel rather strongly about what they consider his lack of recognition. "It's a crying shame that he wasn't named Policeman of the Year, not only for the city but for the whole country," says Detective Sgt. Anthony Rogers of the 2d District.

Leeper, since the Watergate night, has received an $800 yearly raise—but he was due that anyway. He has moved to a new home in suburban Maryland (as planned) and fights an endless war against the dandelions (not foreseen). He goes about his work happily, as he always has, proud to be a policeman.

He has had to explain to his older daughters what Watergate is—they had pictured it as an enormous gate with water pouring out.

And there came a point in time when the anonymous hero of Watergate was helping take his daughter's kindergarten class to the Smithsonian's museums.

As the bus passed the Watergate complex, the teacher pointed it out and explained, "That's where it all began." Little Tracy Leeper looked up at her father and grinned. He smiled down at her, as the bus, like his life, rolled quietly on.

THE GOVERNMENT IS THE SERVANT—NOT THE MASTER

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

Mr. BRAY. Mr. Speaker, the defeat of the land use bill by the House of Representatives could be a landmark vote demonstrating growing public and congressional awareness of the dangers of more and more Federal supervision over the private lives of our citizens.

The bill had been quite controversial. My mail has reached a 50-to-1 ratio against it, despite the fact that the Senate passed the bill by a heavy majority a year ago. The public and the House, however, read the fine print in the bill and both became aware of the extent to which the Federal bureaucracy was trying to move in.

The bill appeared quite innocuous. Eight hundred million was to be given to States, to pass legislation and impose regulations, and cooperate with the Federal Government. Those not cooperating would get none of the money. But, on close study, it was clear that this proposed bill, if enacted into law, could have been in conflict with every local zoning regulation, and the Federal bureaucracy could be hovering over every landowner. Experience has been making us increasingly aware of the truth of the old adage, that once a camel gets its nose under the tent, the camel is in and you are out.

A clear case in point was the creation of the Environmental Protection Agency—EPA. Legislation concerning the environment was needed. The bill on environmental protection appeared good and at the time of its passage, the public was overwhelmingly in favor of it. The EPA has certain good points especially in preventing the pollution of streams. The Agency created, however, moved with more enthusiasm than prudence. EPA, in many instances, succeeded in forcing many utilities who were generating electricity by coal to convert to nonexistent oil. If the energy crisis had occurred a year or so later and except for the battle waged by many communities and utilities, great parts of America would have been cold and hungry in the dark.

Consider Indianapolis for instance. Among about a dozen restrictions which the EPA attempted to impose on Indianapolis included an effort to stop all parking on the streets in downtown Indianapolis, to impose a surtax up to $5 a day for parking in downtown garages and to curtail construction of additional parking garages and parking lots at shopping centers. It is only by the united effort of the city government and the citizenry of Indianapolis that the city is temporarily averting the penalties planned against them by the EPA, penalties that would be disastrous to the well-being of the city and its citizens.

It is the fault of all of us that certain Government bureaucracies have moved in to take over the private lives and affairs of its citizens. We have demanded that the Federal Government do things for us that we should do for ourselves, and have begged that Government for money which the Government, to get, must take from us. The philosophy seems to exist that our Federal Government in Washington is a great, kind, and benevolent father that will take care of our lives and personal problems and provide us with free money. We have been depending upon the Federal Government to take care of the many matters which citizens, communities, cities and the State should and could take care of better by their own efforts. We apparently are finally learning that Federal direction and Federal dollars are not panaceas for all our personal and community ills. Why we ever thought the Federal Government in Washington could solve all our problems is a mystery.

It is quite apparent that the aggressive manner in which the Federal bureaucracy moved into the environmental field would be mild compared to the zeal it would probably show moving into the field of land use if it had the opportunity.

We must have a strong Government, but we should not expect or allow it to totally direct our personal lives and affairs. A great problem in allowing governmental direction of our private lives is that there is always a zealot who, with glee, takes over. We must remember that a zealot is one who, upon losing sight of his objective, redoubles his effort.

Generally we have a good and strong Government in America but we must see

to it that it does not follow the "Papa knows best" philosophy. Let us keep the Government strong and a servant of the people, not their master. Let us see to it that our Government continues to perform its historic functions that it has performed for so long, so well. However, let us also run our private lives and cause our local governments to be responsive to our needs. Neither should be dominated by a powerful Federal bureaucracy.

THE LAND-USE FUROR

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

Mr. KAZEN. Mr. Speaker, since the House last week voted to refuse a rule to the Federal land-use planning bill, those of us who advocated that action have been criticized as unthinking, unwise, and even unpatriotic. I submit to those who criticize, a thoughtful editorial from the Wall Street Journal. That newspaper finds that our action "may have headed off a movement toward overplanning that could, over time, seriously damage economic growth." The editorial concludes that "the House deserves some praise for knowing when to say no."

Because I believe the comment worth the consideration of all Members, I include it in the RECORD:

THE LAND-USE FUROR

When the House defeated the Land Use Planning Act of 1974 in a close vote the other day there were enough howls of dismay to suggest that it had just voted 211-204 to repeal motherhood.

The Sierra Club fired an urgent Telex to editorial page editors accusing the House of "dereliction of duty." The New York Times, as is its wont, blamed it all on Watergate politics. And Senator Jackson, as is his wont, promised to use his considerable parliamentary skills to revive land use in the form of a rider to some must bill.

But those of us who are less impassioned on the issue might conclude that the House acted with considerable wisdom. There is little persuasive evidence that it struck any kind of really damaging blow at environmental interests. And on the positive side, it may have headed off a movement toward overplanning that could, over time, seriously damage economic growth.

Fundamentally, the defeated bill would have authorized $800 million for grants to states to help them set up "comprehensive land use planning." The federal government would have had considerable power, of course, to decide how the money would be put to use.

Assuming that the federal government can afford $800 million, which is not a safe assumption these days, it may well be that the bill would have achieved some positive results. However, it might also have encouraged the kind of forced draft planning that soon would have had every acre of some states tied up in red tape that would create long delays for people looking for a place to live or conduct a business.

There is no persuasive evidence that any such forced draft is necessary. The states already are taking initiatives in land use planning. And other federal laws, most importantly the environmental protection and coastal zone management acts, already put strict limitations on the kind of land uses that cause "quality of life" problems that disturb environmentalists.

Given the cosmic effects that land use regulations can have, it seems to us more sensible to address land use problems on an "as needed" and "where needed" basis, rather than through some grandiose federal initiative. If the Colorado plan works, it might be something other states can emulate. The same for Delaware. But there is no point in everyone getting locked into something that doesn't work just because of pressures to spend federal money.

We already have seen some of the consequences that flow from the difficulties oil companies have in finding sites for new refineries and utilities have in siting power plants. These were not totally responsible for the energy crisis, but they played a role. Some businessmen think a national land use policy that would clearly authorize such sites would be a good thing. But we doubt that the defeated bill was headed quite that way. As things now stand, states individually weigh the drawbacks of attracting industry against its benefits, which probably is a good thing.

At any rate, we don't feel any great sense of loss. And it seems to us that the House deserve some praise for knowing when to say no.

PROJECT INTERFERENCE

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

Mr. GOLDWATER. Mr. Speaker, this week marks the culmination of a nationwide effort entitled "Project Interference" in which American citizens are expressing solidarity with Soviet Jews who have been victimized by yet another insidious form of official Soviet harassment—the disconnecting of their telephones.

It seems that the Government of the Soviet Union has an increasing reservoir of intimidating devices to use against its Jewish citizens. While Soviet officials seem anxious to engage in such petty and cruel acts, it also appears they have conveniently forgotten that the Soviet Union is a signatory to the Treaty of Montreux, which guarantees free access to channels of communications.

Mr. Speaker, as a member of the Subcommittee on Communications and Power of the House Interstate and Foreign Commerce Committee, I am very interested in international telecommunications, and the Treaty of Montreaux. In addition, I was proud to join my colleague from Texas, Mr. PICKLE, last year as a representative from the Congress to the World Administrative Telegraph and Telephone Conference in Geneva.

Article 31 of the treaty of Montreux states:

Members and Associate Members recognize the right of the public to correspond by means of the international service of public correspondence. The services, the charges, and the safeguards shall be the same for all users in each category of correspondence without any priority or preference.

The importance of telephone communication for a Soviet Jew is in the spiritual and moral support he receives from knowing that people outside the U.S.S.R. care about him.

Just recently, a good friend of mine, Zev Yaroslavsky, returned from a visit to the Soviet Union, and he reported how eager these courageous and beleaguered people are to receive telephone calls from the United States.

The recipients of these calls throughout the Soviet Union go to any length to receive calls. The most extreme example is that of ballet dancer, Valery Panov, who used to travel to Lithuania to receive or place telephone calls. It has been reported that the last time he tried this he was poisoned on his way back to his home in Leningrad.

Last March a campaign was launched to restore the telephone service to those Jewish citizens whose lines had been disconnected. This endeavor was quite successful. During the working week of June 17-21, a much larger effort is underway, and I am hopeful that it, "Project Interference," will serve to remind Soviet officials of their treaty obligations and the fact that people, regardless of where they live, should have access to channels of communication.

Mr. Speaker, in order to express solidarity with those Soviet Jews who have lost their right to communicate via telephone, I would like to include with my remarks a list of their names and telephone numbers. This list is by no means complete. It is only for those who live in Moscow. However, I feel that it makes the point very symbolically. The list is as follows:

Leonid Koshevoy, 110-80-38.
Dimitry Ramm, 129-93-05.
Riva Feldman, 283-83-47.
Grigory Vigdorov, 187-68-80.
Victor Elistratov, 162-39-00.
Mikhail Suslov, 151-40-75.
Leonid Belopolsky, 269-20-31.
Felix Kandel, 151-96-85.
Igor Abramovich, 219-44-19.
Efim Tsatskin, 251-82-11.
Iosif Begun, 276-32-33.
Viktor Lapidus, 198-02-22.
Vladimir Safonov, 123-53-08.
Mikhail Agursky, 129-52-81.
Pavel Abramovich, 461-81-38.
Iosif Beilin, 161-42-28.
Viktor Brailovsky, 433-92-28.
Anatoly Galperin, 164-75-82.
Lev Kogan, 477-80-62.
Yuly Kosharovsky, 218-39-94.
Valery Krizhak, 157-08-00.
Benjamin Levich, 232-41-16.
Evgeny Levich, 255-30-06.
Alexander Levich, 433-77-09.
Alexander Lerner, 137-53-96.
Alexander Luntz, 133-27-55.
Mark Novikov, 164-19-83.
Ida Nudel, 172-43-64.
Mark Nashpitz, 263-24-81.
Viktor Polsky, 274-16-31.
Vladimir Prestin, 162-79-22.
Arkady Rutman, 457-70-84.
Lasar Svetchinsky, 256-86-85.
Girsh Toker, 489-83-31.
Victor Faiermark, 151-58-04.
Boris Tsitlonok, 164-43-75.
Vladimir Shakhnovsky, 482-92-32.
Lev Gendin, 178-76-71.
Vitaly Rubin, 223-54-72.
Benjamin Gorokhov, 287-70-63.
Bella Galinovskaya, 169-43-98.
Evgeny Yakir, 129-26-30.

SIXTH ANNUAL CONGRESSIONAL CLASSROOM

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

Mr. MANN. Mr. Speaker, the Fourth District of South Carolina is fortunate in having so many citizens, who like Lincoln, recognize that education is our most important duty.

To that end, these good people through the aegis of their businesses, civic clubs and service organizations have annually

sponsored participants in the Fourth District Congressional Classroom trip, which I initiated during my first year in Congress in 1969 for the purpose of introducing my youthful constituents to their historic Nation's Capital and to the day-to-day mechanics of their Federal Government.

This week 18 scholars, outstanding young men and women selected by their high schools in Greenville and Spartanburg Counties, are engaging in seminars, sightseeing, question-and-answer sessions with Federal officials, and exploration of the legislative process, and I take great pride in being host to this delightful, inquisitive group of students. Knowledge and understanding have a ripple effect beyond the individual into the family, the community, the State and the Nation, and we are all the beneficiaries.

I commend the public spirit of the sponsors, who recognize the grave importance of an awareness and comprehension of our system of Government by our young people. Mr. Speaker, the Sixth Annual Fourth District Congressional Classroom scholars and their sponsors are:

Ran Bailey, Cowpens High School, sponsored by the Hillcrest Breakfast Optimist Club; Frank Bomar, Dorman High School, sponsored by the Spartan Radiocasting Company; Debbie Brown, Landrum High School, sponsored by the Hoescht Fibers, Inc.; Kay Dean, Pacolet High School, sponsored by the Pacolet Lions Club; Rebecca Ann Gaston, James F. Byrnes High School, sponsored by Lyman Printing; Stanley Hix, Woodruff High School, sponsored by Hoechst Fibers, Inc.; Calvin Holland, Boiling Springs High School, sponsored by North Spartanburg Rotary Club; Russell Hunsinger, Chapman High School, sponsored by Professional Women's Club.

Leon Michael, Dorman High School, sponsored by Spartanburg Lions Club; Jamise Moorer, Spartanburg High School, sponsored by Spartanburg Evening Lions; David Painter, Chesnee High School, sponsored by Jones Tractor Company; Sherri Smith, Spartanburg High School, sponsored by Hillcrest Breakfast Optimist Club; Jeff Atkins, Greer High School, sponsored by Greer Kiwanis Club; Wayne Bagwell, Parker High School, sponsored by Greenville Lions Club; Steven Bruce, Travelers Rest High School, sponsored by Greenville Lions Club.

John Pack, Woodmont High School, sponsored by Greenville Kiwanis Club; George Patterson, Southside High School, sponsored by Greenville Rotary Club; and Davis Taylor, Greenville High School, sponsored by Greenville Jaycees. Special sponsor: Collins Music Company, Inc. of Greenville.

BUDGET REFORM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. RAILSBACK) is recognized for 5 minutes.

Mr. RAILSBACK. Mr. Speaker, I would like to commend the members of the conference committee who have worked so hard in hammering out the final version of the Congressional Budget and Impoundment Control Act. I am particularly encouraged that this legislation resembles, in several respects, H.R. 4053, my own budget reform bill.

We are now seeing all too well the results of deficit spending and irresponsible economic policies: current inflation hovering around 12 percent annually, rising unemployment, three painful and unsuccessful years of wage-price controls; widespread shortages of some of our most vital materials; and the American dollar in a weaker position on the international market.

Current estimates anticipate at least a $9.4 billion deficit in fiscal year 1975. And Federal spending is expected to increase by approximately $35 billion. Unless Congress adapts the mechanisms to coordinate and control its spending, we may even exceed these estimates. In fact, in 13 of the last 20 years, actual budget outlays have exceeded the original budget requests.

There is also a vicious budget cycle which Congress must break if it is to exert control over Federal spending. Too often, spending is approved with little regard for its impact on the current budget or its implications for future spending. And in subsequent years, this spending gets built into the annual budget and Congress has little control over whether or not the spending continues to occur. And the budget grows and grows.

Quite rightly and understandably, taxpayers are tired of being asked to foot the ever-increasing bill for many ill-conceived Federal activities. They are beginning to realize that they are actually being asked to fuel the inflation which wilts their incomes. Every day I hear from dozens of residents in my district who simply cannot make ends meet. Their letters reflect a despairing note, and generally conclude: "Why isn't anything being done for the economy?"

With the legislation before us today, we have hope that Congress will bring our troubled economy under control and again assert its leadership and responsibility in this area. I therefore submit that enactment of H.R. 7130 is mandatory if we in Congress are to avoid gross spending overruns and confrontations over impoundment. Let us wait no longer to pass this important bill.

INDIVIDUAL PRIVACY AND THE NATIONAL SECURITY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. STEELMAN) is recognized for 5 minutes.

Mr. STEELMAN. Mr. Speaker, in a free society, the rights of citizens to be secure against governmental intrusion and oppression must not be suspended at the personal discretion of those in power, whatever the asserted justification. "The right of the people to be secure in their persons, houses, papers, and effects, against unreasonable searches and seizures," is absolute and "shall not be violated. [N]o warrants shall issue, but upon probable cause, supported by Oath or affirmation, and particularly describing the place to be searched, and the persons or things to be seized."

In a time when others in the free world community are rebuilding their commitments to civil rights, as evidenced in French President Valery Giscard d'Estaing's May 29 directive that henceforth official wiretapping will be banned in France and wiretapping archives will be destroyed, America, whose political philosophy owes much to the French Revolution and particularly Rousseau, should show not less commitment to and reaffirmation of the right reflected in the fourth amendment.

Over the past several years, the use of warrantless wiretaps under the rubric of national security has increased at an alarming pace. Congress should act now to end this intolerable situation and every American citizen should be assured that his privacy will not be invaded unless a court has determined that the invasion is necessary and issues a warrant in conformance with the Constitution of the United States.

To this end, I have today cosponsored the Surveillance Practices and Procedures Act of 1974. Under this act wiretapping for national security reasons would be granted only if other investigative procedures had been tried and failed, appeared unlikely to succeed, or were too dangerous. Moving from these prerequisites, the act has three primary thrusts.

First, before the Government could wiretap American citizens in national security cases, it would have to obtain a judicial warrant based on probable cause that a specific crime has been or is about to be committed. This provision will help protect an individual's constitutional rights against national security wiretaps.

Second, before the Government could wiretap a foreign power or its agents, it would have to obtain a judicial warrant based on the belief that the tap is necessary to protect national security interests. The warrant standards for foreign powers and their agents would thus be less rigorous than those required for American citizens. This warrant requirement will not diminish the Government's ability to protect against foreign attack or subversion; the Government will be able to wiretap foreign powers and their agents any time there is a demonstrated need for such surveillance.

Starting in 1969 the current administration has overtly claimed the right to wiretap and electronically survey anyone without judicial involvement or sanction in cases of domestic security and national security. In fact, former Attorney General John N. Mitchell asserted that the judiciary was not qualified to evaluate the need for security measures on the home front or in international affairs.

The soundness of this proposition was shattered by the Supreme Court in the 1972 Keith case (*United States* v. *United States District Court*, 407 U.S. 297) at least in re domestic security wiretaps when the Court declared in a landmark, 8 to 0, decision that the Government could not wiretap American citizens without judicial warrant—even when the citizen's activities threatened the domestic security of the Nation. Associate Justice Lewis F. Powell Jr., who is well known for his concern about the security of the United States, confronted the former Attorney General's claim head on when he declared in the case that:

> If the threat is too subtle or complex for our senior law enforcement officers to convey the significance to a court, one may question whether there is probable cause for surveillance at all.

The Supreme Court has not yet decided whether the fourth amendment's protections apply to cases involving national security and explicitly delineated that it did not consider those situations where American citizens have a "significant connection" with foreign powers and their agents.

Because subsequent Attorneys General and apparently the administration still believe they have power to authorize warrantless wiretaps concerning national security and since we have no decisive direction from the Supreme Court, it is imperative that the Congress move to enact the Surveillance Practices and Procedures Act of 1974.

The third requirement of the act requires that every American citizen wiretapped be informed of the surveillance within 30 days after the last authorized interception. This provision will assure every wiretapped American citizen the opportunity to protect himself against violations of his constitutional rights.

It is quite clear historically that the fourth amendment's protections were not to be suspended in cases of national security. When the fourth amendment was adopted, our Nation was only 11 years old. Foreign threats to the Nation's integrity remained ever present. Yet the fourth amendment provides for no exception to its application. This conclusion has been reconfirmed in the pivitol *Katz* v. *United States* decision (389 U.S. 347, 360, 1967) wherein Justice William O. Douglas in a concurring opinion stated:

> There is, so far as I understand Constitutional history, no distinction under the Fourth Amendment between types of crimes.

Recent events have demonstrated what havoc and harm can be done not only to an individual's personal privacy right through the use of warrantless wiretaps, but also to the ability of the Government to maintain the full support and confidence of its citizens, which is critical for the effective conduct of national and international relations.

Mr. Speaker, whatever the rationale for past inaction, the Watergate scandals make clear that Congress must act now to insure the preservation of precious constitutional rights—and particularly in this instance, the right of privacy.

This bill will not weaken our national security, but rather strengthen it by showing to our citizens here at home, and to our foreign neighbors, that while the United States is resolutely determined to protect its national security, it will do so with unwavering adherence to our Constitution. In Federal District Court Judge Gerhard A. Gesell's recent words:

> The security of one's privacy against arbitrary intrusion by governmental authorities has proven essential to our concept of ordered liberty . . . No right so fundamental should now, after the long struggle against governmental trespass, be diluted to accommodate conduct of the very type the amendment was designed to outlaw.

SUPPLEMENTARY SECURITY INCOME "PASS THROUGH"

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota (Mr. FRASER) is recognized for 5 minutes.

Mr. FRASER. Mr. Speaker, I am introducing legislation today aimed at guaranteeing supplementary security income recipients at least a small net gain in income next month when monthly SSI benefits are increased from $140 to $146.

Because they will face a simultaneous reduction in their State supplemental benefits, the July SSI increase will be purely illusory for many of the 3½ million people who now participate in the new program of Federal assistance for the aged, blind, and disabled.

Those States that supplement the Federal SSI payment have the option of "passing through" the Federal increase by not cutting back State supplements. Thus far, eight States have already agreed to pass on the Federal increase or are expected to do so soon. Four additional States have approved increase in their supplements to coincide with the Federal increase. In other States, however, supplements are likely to be cut back "dollar for dollar" to offset the higher Federal benefits. In many States, including my own, legislative action is needed to prevent this cutback. But legislatures are now meeting in only nine States, two of which have already dealt with the "pass through" problem.

My bill would prevent State supplements from being cut during the next 6 months or until State legislatures convene next year and have had an opportunity to consider this issue. With the exception of those States that are covered by the "hold harmless" provisions of Public Law 92–603, my bill would not require additional State or Federal expenditures. It would merely prevent States from reducing benefits during the period in which their legislatures are not in session.

Admittedly, this legislation is only a stopgap measure. It is intended merely to head off the mandatory cuts in State supplements that will occur next month when Federal benefits are increased. Legislation has already been introduced by Representative BINGHAM and others which would provide a longer term solution to the "pass through" problem. However, with the time constraints facing us, it is essential that we find a simple and direct way of aiding more than a million elderly, blind, and disabled people who will otherwise be denied the few extra dollars of income they need and deserve. This legislation is intended to accomplish that objective.

The text of the bill follows:

H.R. 15440

A bill to provide that the increase in supplemental security income benefits under title XVI of the Social Security Act which was enacted (effective July 1, 1974) by section 4 of Public Law 93–233 shall not be taken into account in determining the minimum level of required State supplementation of such benefits, in any State, until the legislature of the State has had an opportunity to consider such supplementation

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, effective with respect to payments of supplemental security income benefits for months after June 1974, section 4 of Public Law 93–233 is amended by adding at the end thereof the following new subsection:

"(c) Notwithstanding any other provision of law, the increase in supplemental security income benefits provided under the amendments made by subsection (b) shall be disregarded for purposes of determining with respect to residents of any State—

"(1) the level of the State supplementary payments described in section 1616 of the Social Security Act,

"(2) the level of mandatory minimum State supplementation under section 212 (a) of Public Law 93–66, for any month prior to January 1975 or (if later) the first month which begins after the date of the enactment of this subsection and in which the legislature of such State is in session."

AMERICAN NUCLEAR TECHNOLOGY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. WOLFF) is recognized for 5 minutes.

Mr. WOLFF. Mr. Speaker, I have today introduced legislation which I believe is an essential step for Congress to take to assure that American nuclear technology is not introduced into the world's most volatile area without the most careful scrutiny of the American people and their representatives in Congress. My bill will amend the Atomic Energy Act of 1954 (title 42 U.S.C., sec. 2153) to require that all proposed agreements between the United States and any foreign power for cooperation on atomic energy development be subject to a congressional power to disapprove, by concurrent resolution. In light of the potentially grave consequences of the executive branch agreeing to supply American nuclear technology to traditionally hostile nations in the Middle East, the Congress must unequivocally indicate the necessity of congressional consent to any such agreements.

Present law recognizes this necessity where atomic information is supplied by this country for military uses. The only requirement for agreements which do not deal with atomic weapons, however, mandates that the President submit his agreement to the Joint Committee on Atomic Energy, and the agreement then goes into effect after 30 days. I am aware that the committee has undertaken the most careful and complete review of all such agreements in the past, and in fact has sought changes in the agreements to gain greater safeguards against misuse, to which administration have acceded. But as more and more members are added to the "nuclear club," and as the capability of developing nuclear weapons becomes more widespread, it is incumbent upon the Congress to take an active responsibility in the process which distributes this technology.

I am seriously concerned that the President's pledge to supply this advanced technology to Egypt and Israel is not a cautious step in the direction of stability in the Middle East. I do not fully comprehend reasoning which declares that the way to insure peace in the most

volatile area of the world is to present the antagonist with concrete assistance that could conceivably lead to the development of the most destructive weapons ever created. It is highly appropriate that the entire Congress should have the right to fully consider executive proposals in this most critical area of foreign policy. It is altogether inappropriate for the Executive to dole out American nuclear technology without having the concurrence of the Congress.

My amendment is straightforward: It allows the Congress to act to disapprove any atomic agreements by concurrent resolution within a 60-day time period. But I believe if we act promptly, we will establish the procedural methods whereby the Congress can act, should such action become necessary.

Mr. Speaker, in the next few days I will be seeking cosponsors for this resolution, and I am hopeful that my colleagues will join in this effort to insure that the Congress, as an equal branch of Government, and as a guardian of the best interests of the American people, will be able to most effectively exercise its constitutional responsibility.

CONGRESSIONAL BUDGET AND IMPOUNDMENT CONTROL ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Iowa (Mr. CULVER) is recognized for 5 minutes.

Mr. CULVER. Mr. Speaker, the Budget and Impoundment Control Act represents a major congressional achievement of responsible reform and self-discipline.

This act, based on arduous deliberation and the most careful diagnosis, is a determined declaration by Congress that it wishes to establish control over the now fragmented and piecemeal consideration of the budget and revenues. It is based on a broad consensus of views among several committees and many individual Members of Congress. It has been progressively improved as it moved through the legislative process and it has effectively reconciled a diversity of interests and views.

The mechanisms in this bill make it possible to relate various categories of spending to one another as well as spending as a whole to revenue. It puts severe restraints on back door spending and brings about better coherence between the authorization and appropriations processes. At the same time the composition of the Budget Committee in the House insures that its recommendations will originate in a group which does not come from the closed universe of a single committee or viewpoint or from the czardom of a single chairman. The rotation and diversity of membership mean that program and priorities will be blended with requirements of expenditure and revenue. Budget surpluses and deficits would become more predictable and manageable.

At the same time, this bill also carries a proper reassertion of congressional authority over impoundments. Resolutions in this bill allow the Executive reasonable latitude for limited administrative deferrals but clearly prohibits the use of impoundments as a silent veto of policy determinations and objectives enacted by the Congress. No longer can the President substitute his own policies for those of Congress.

Congressman BOLLING has wisely led the House conferees and helped to achieve a bipartisan approach to this very difficult issue as well as a broad harmony between House and Senate. He showed the same leadership in the Select Committee on Committees of which I am honored to be a member. The select committee's recommendations equally deserve consideration and adoption at this session of Congress in a nonpartisan spirit of institutional reform. The Budget Control Act is one of the essential cornerstones of congressional reform. The Bolling committee reforms are another.

I congratulate the architects of this Budget and Impoundment Control Act for an accomplishment of historic magnitude. I hope that in turn the membership will respond with the same stamina and sense of purpose to the imperatives of committee reform.

INTRODUCTION OF LEGISLATION TO REPEAL DISC

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. VANIK) is recognized for 5 minutes.

Mr. VANIK. Mr. Speaker, I am introducing today, on behalf of myself and 17 other Members of the House, legislation to repeal the Domestic International Sales Corporation tax loophole.

During the last several months, I have submitted to the House of Representatives two General Accounting Office reports on the DISC program as well as statements on DISC from tax experts and an analysis of the Treasury Department's first report on DISC operations.

From these reports one can conclude that:

First, there is no way to determine whether DISC has helped increase exports;

Second, but it appears unlikely that DISC has had any impact;

Third, DISC almost entirely is a tax subsidy to the largest American corporations;

Fourth, it subsidizes the most profitable area of a corporation's sales;

Fifth, DISC can be used as a form of stock option in which tax can be avoided forever; and

Sixth, its cost to the Treasury is running three times more than expected.

On June 16, 1974, the Washington Post carried an article by Harvard Law Prof. Stanley S. Surrey entitled, "DISC Repeal Called Needed Tax Reform." As Professor Surrey states:

Repeal would remove from the statute a tax atrocity that was a mistake from the very start. . . . The time has come for Congress to set the match to this huge paper monument of DISC and to end the wasteful revenue loss—a loss that it never anticipated would reach the $1 billion figure that is now projected. A quick repeal of DISC is the only sensible response to this absurd tax situation.

Professor Surrey's article follows:

DISC REPEAL CALLED NEEDED TAX REFORM

(By Stanley S. Surrey)

Repeal of the Domestic International Sales Corp. export subsidy provisions would be an income tax reform of high priority. Repeal would prevent an annual revenue loss that will be close to $1 billion by 1975. It could be simply achieved—clean-cut elimination of the provisions is all that is needed. Repeal would not affect our export trade. And finally, repeal would remove from the statute a tax atrocity that was a mistake from the very start.

DISC was adopted in 1971, at the insistent urging of the Treasury Department, as a tax subsidy incentive to exporters. That department, spurred by statements from the Commerce Department and others that the Treasury was doing nothing to improve our export position, had desperately looked about for some subsidy device and in 1970 had come up with DISC.

But then came the new monetary policy of 1971 and the first devaluation of the dollar, making any search for artificial export incentives beside the point. Yet the Treasury clung to its anachronistic idea of a DISC tax incentive and pushed it before the Congress late in 1971. A reluctant Congress adopted only half of the DISC proposal.

As enacted, DISC allowed a new type of export subsidiary corporation to be formed, half of whose income from export activities would be relieved from current income taxation.

Most companies initially thought of DISC presumably as a complex device requiring adoption of a new method of conducting export operations, which would necessitate restructuring their present organizations and procedures.

They soon learned that DISC is purely a paper procedure requiring no real change in port operations. All that is needed is creation of a new subsidiary. This new corporation need not have any employees, any operating activities, any substance whatever. A DISC requires only $2,500 of capital and a separate bank account. With that, a manufacturer can have its accountants start the paper work that immediately reduces its income tax by eliminating from taxable income one-half of the DISC's share of the profits attributable to the export sales of the manufacturer.

Once manufacturers with export sales caught on to the idea that DISC was a tax reduction gift with no needed change in their operations, they were eager to accept the DISC bounty. Thus, there were 1,000 DISCs by March 1972, some 3,439 at the end of 1972 and more than 5,000 by February 1974.

The repeal of DISC would involve no interruption of or effect on export activities. Instead, the tax-reduction paper work that DISC brought about simply would end. Unlike some other tax reform situations, repeal is not in any way hampered by claims to equities based on actions not quickly reversible.

The real facts must be kept squarely in mind. DISC was deliberately planned by the Treasury as a paper device—as an elaborate file drawers—as a schedule on a tax return.

But this paper device meant a revenue loss of $250 million for 1972 and an estimated loss of $500 million in 1973. By 1975, the loss is estimated to be $920 million. We are thus talking about a device that will soon be costing the government more than $1 billion a year. Who receives these benefits? Treasury data show:

Twenty-two per cent of the untaxed DISC export income was earned by eight firms in 1972.

More than 90 per cent of the DISC receipts go to parent corporations whose asset size places them in the top 1 per cent of U.S. corporations.

DISC is thus a windfall handed over to our largest corporations. Our largest corporations are our largest exporters and DISC simply reduces the current tax on export activity. A Treasury official was recently quoted to the effect that DISC has not significantly helped to add new exporters to the roster of existing ones.

There is a reason for most small firms to stay clear of DISC. While a DISC is a paper corporation, the paper work can be immense. The DISC statutory provisions and accompanying Treasury regulations are a monstrous technical morass. DISC rules are replete with percentage tests, special pricing rules, special computations—all a technical paper wonderland.

For the big companies, elaborate attention to the paper work can enlarge the DISC payoff. The special pricing rules a DISC enjoys are an elaborate facade, for they allow a DISC to claim as its profit—for doing nothing whatsoever—50 per cent of the difference between the costs of the export product and its final sales price, in complete disregard of the arms-length pricing rules developed by the IRS and the courts.

In retrospect, it is remarkable—and saddening—how little the Treasury and the Congress that relied on it knew about this paper device it was fashioning. The Treasury estimated the first year's revenue loss to be $100 million—it turned out to be $250 million. The second year's loss was said to be $170 million—it is now estimated at $500 million.

The Treasury now says the reason for the difference is that the rate of return on export sales is about twice as great as the Treasury expected—it is 15 per cent as against the expected 8 per cent, which is the average for domestic sales. This one fact alone shows how little analysis was really made of the situation—and it also raises the question of why the most profitable part of a manufacturing and selling operation must be subsidized.

Congress was also told that the tax on the DISC untaxed income would only be deferred, so that some day it would be paid. But Congress was not told that the deferral could be lengthy and that the present value of such deferral often would be worth about as much as current exemption.

DISC is thus built on paper and myths.

There is the myth that a DISC is an aggressively exporting organization, when in reality it is only a paper company.

There is the myth that the tax benefit of DISC is "only deferral" so that not much is involved, when in reality the deferral is so long delayed it can become the equivalent of exemption.

There is the myth that DISC-benefitted income must be invested in "export-related assets," when in reality that is but a drafting term that can cover any assets of the parent.

There is the myth that the DISC-benefitted income cannot be used by the parent for manufacturing activities abroad, when in reality a properly guided parent can use those funds to build a plant abroad.

The ultimate question remains to be asked—of what benefit is the DISC provision to the United States? We know about the windfall to exporters—more than three times as large as the Treasury estimated—and we know that the only operational price paid by exporters for this windfall is that of paying accountants and lawyers to handle the work that keeps this intricate paper-consuming machine properly nourished. But do we as a nation gain anything?

The answer is no. The Treasury in its first report on DISC could come up with no solid evidence that our export position had at all been improved because of the presence of DISC. Our exports have indeed increased—from $48.8 billion in 1972 to $70.3 billion in 1973. But behind this increase are such major developments as two devaluations of the dollar, a new monetary system, a worldwide inflation and a worldwide food shortage leading to a huge increase in agricultural exports.

Exporters who benefit from the policy changes should not also be handed a tax reduction windfall through DISC—a windfall that increases automatically as exporters reap the benefits of these and other policy changes.

So the time has come for Congress to set the match to this huge paper monument of DISC and to end the wasteful revenue loss—a loss that it never anticipated would reach the $1 billion figure that is now projected. A quick repeal of DISC is the only sensible response to this absurd tax situation.

The importance of DISC as a "tax reducer" for major corporations can be seen in a recent analysis completed by tax analysts and advocates of the effective tax rates of America's five major aerospace companies. Airplane manufacture and sales is certainly one of the areas in which the United States is predominant in the world. Whether it be safe, economical new planes or parts for old planes, the United States is the world's prime supplier. Yet we have extended DISC to these companies to help them make the sales they would normally make anyway. The study shows that:

Exports through domestic international sales corporations (DISCs) and the investment tax credit were the principal methods of tax avoidance used by five of the largest aerospace firms in 1973.

According to the analysis, DISC savings were worth an average reduction of 4.6 points from the statutory rate of 48 percent. The tax analysis and advocates study follows:

Exports through domestic international sales corporations (DISCs) and the investment tax credit were the principal methods of tax avoidance used by five of the largest aerospace firms in 1973, according to the companies' annual reports filed with the Securities and Exchange Commission.

The DISCs were more important in four of the five cases. The DISC savings were worth an average reduction of 4.6 points from the statutory rate of 48% on pre-tax net income and the investment credit produced an average saving of 4.1 percentage points.

It should be noted that the comments above and the data on the accompanying table reflect tax items that make a "permanent" change in tax liability. In the case of many industries and corporations, so-called "timing" differences also have a significant effect on the amount of taxes actually paid by the taxpayer.

Permanent differences, such as the investment tax credit, are actual writeoffs of taxes. The timing differences permit a tax reduction in one or even many years but the federal government, in theory, will recapture at least part of these taxes at a later date. For example, a deduction for depreciation must later be subtracted from the cost when the asset is sold, thus making the capital gain on the asset higher and increasing taxes. When fast depreciation is used, this means that there could later be a period of receiving no depreciation deduction on the asset even though it still is in use.

Reality is radically different. Large corporations which continually are acquiring assets generally do not get to the point where the government recaptures. In effect, the company has another permanent tax difference. When possible, Tax Notes will highlight that difference. (There were none for the aerospace companies included in this report.)

MAJOR AEROSPACE COMPANIES, 1973

[All figures are percentages of pretax financial income]

Statutory rate	Curtiss-Wright	General Dynamics	Lockheed	McDonnell Douglas	United Aircraft	Number of companies
Increases (decreases) due to:						
Investment credit	(0.6)	(4.6)	(10.5)	(1.8)	(3.1)	5
DISC	(2.0)	(1.1)	(10.8)	(5.1)	(4.2)	5
Foreign tax	.1			(1.8)		2
State tax					2.7	1
Tax-exempt interest	(1.2)					1
Capital gains	.4					1
Depletion		(3.7)				1
Miscellaneous	(1.5)	(.6)	1.5	(2.2)	1.7	5
Effective rate	[1] 43.2	[2] 38.0	[3] 28.2	[4] 37.1	45.1	

[1] Of this 43.2 percent rate, the provision for foreign taxes was 19.3 percent so that the U.S. tax rate was 23.9 percent. Timing differences netted out in 1973.

[2] Of this 38 percent, 5.4 percent of tax was deferred by not recognizing income on long-term contracts until the end of the contract for tax purposes. The company has disclosed that this timing difference will "turnaround" and result in a tax payment in 1974 in excess of that year's tax expense by $10,000,000.

[3] Of this 28.2 percent provision, the foreign tax provision was 13.7 percent leaving a U.S. tax provision of 14.5 percent. The company indicated that timing differences on deferral of contract income recognition will be offset by loss carryforwards available.

[4] Although taxes were expensed on the income statement to the tune of 37 percent taxes currently payable are only 3.2 percent due to operating loss and investment credit carryforwards of 36.6 percent which are partially offset by timing difference "turnarounds" of 4.9 percent.

Note: Categories constituting less then 2.4 percent are not required to be separately set out and are often shown as "miscellaneous."

It is my hope, Mr. Speaker, that the Congress will repeal DISC this year.

COOPERATIVE NUCLEAR POWER AGREEMENTS WITH EGYPT AND ISRAEL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. PRICE) is recognized for 5 minutes.

Mr. PRICE of Illinois. Mr. Speaker, considerable interest has been generated by the President's announced intention on June 14 to enter into a cooperative nuclear power agreement with Egypt, and his statement yesterday indicating that a similar type of arrangement would be negotiated with Israel. As Chairman of the Joint Committee on Atomic Energy, I am particularly sensitive to the concerns, opinions, and interest of Members of the House and of the Senate in regard to these important matters. I want to assure my fellow Representatives and Senators that the Joint Committee will be appropriately responsive to any desire on their part to be appraised of developments concerning these matters and to have an opportunity to convey their views to the committee in the course of the committee's consideration of any arrangements that may be proposed.

At this very preliminary stage, it may be helpful if I described the general background of this situation:

Pursuant to section 123 and related provisions of the Atomic Energy Act of

1954, as amended, agreements involving the export of special nuclear material or nuclear reactors may not be undertaken unless and until a series of statutorily required steps are taken:

First, the Atomic Energy Commission must submit to the President a proposed agreement for cooperation, together with its recommendations. The submitted proposal must include: First, the terms, conditions, duration, nature, and scope of the proposed cooperation; second, a guaranty by the other party that the security safeguards and standards provided for in the agreement will be maintained; and third, certain other guarantees by such party respecting the use of special materials and their unavailability to unauthorized persons;

Second, the President must approve the proposed agreement, following a written determination by him that its implementation would promote, and would not constitute an unreasonable risk to, the common defense and security; and

Third, the proposed agreement for cooperation, together with the President's approval and determination, must be submitted to the Joint Committee for a period of 30 days while Congress is in session.

Mr. Speaker, the Joint Committee will issue a public announcement, and I will inform this body, when the committee receives a submission of a proposed agreement for cooperation with Egypt, and with Israel, and the committee will make every effort to accommodate the wishes of Members of the Congress for information or conveyance of their views. Following the Joint Committee's consideration of each submittal, a report will be made to the House and to the Senate of the committee's recommendations.

Meanwhile and pending any submittals to the Joint Committee, the committee will see to it that it is kept fully and currently informed of developments arising in the course of the negotiation of potential agreements for cooperation with Egypt and Israel, and I will keep this body appropriately informed of apparent progress.

To date, negotiations have not yet begun. They may not commence for several weeks. I anticipate that a number of intrinsic features—particularly the inclusion of carefully devised, stringent safeguards requirements—will take some time to negotiate. Protraction and difficulties may well be encountered in the course of the negotiations, despite the best of intentions on all sides. I have been assured that restricted data will definitely not be involved in the anticipated agreements, so this important aspect will not be part of any difficulties in the negotiations.

Mr. Speaker, from the considerable platform of my experience with these matters for almost three decades, I strongly recommend to my fellow Members in the Congress that we await the development of a significant core of hard information—preferably the statutorily required submissions of any proposed agreements for cooperation—before reacting legislatively or definitively in any way to the President's announced intentions respecting cooperative nuclear power agreements with Egypt and Israel. Congress will have ample time to respond to any such proposed agreement in a manner it determines to be necessary or advisable in the national interest.

Before I close, I would like to add the following items of related background interest:

First. Egypt has a small research reactor obtained from the U.S.S.R. It is a 2MW thermal reactor which began operation in 1961. Such a reactor produces plutonium, but in such small amounts as to have no practical value as a source of material for weapons. The reactor is not subject to International Atomic Energy Agency safeguards.

Pursuant to a cooperative agreement with Israel, for nuclear research—which excludes power reactors—the United States furnished Israel with a small research reactor of 5MW thermal capacity using highly enriched uranium. Such a reactor does not produce a significant quantity of plutonium. This reactor began operation in 1960. It is subject to IAEA safeguards.

Israel also has a 26MW thermal natural uranium, heavy water moderated reactor, known as the Dimona reactor. This reactor was obtained from France, and began operating in 1963. Such a reactor is capable of producing up to about 8 kilograms of plutonium per year. It is not subject to IAEA safeguards.

Second. Egypt has signed, but not yet ratified, the Non-Proliferation Treaty. Israel is not a signatory to that treaty.

Third. Following is a listing of U.S. nuclear international agreements:

A. Bilateral Agreements for Cooperation in the Civil Uses of Atomic Energy

COUNTRY, SCOPE, EFFECTIVE DATE, AND TERMINATION DATE

Argentina: Research and Power; July 25, 1969; July 24, 1999.

Australia: Research and Power; May 28, 1957; May 27, 1997.

Austria: Research and Power; Jan. 24, 1970; Jan. 25, 2000.

Brazil: Research and Power; Sept. 20, 1972; Sept. 19, 2002.

Canada: Research and Power; July 21, 1955; July 13, 1980.

China, Rep. of: Research and Power; June 22, 1972; June 21, 2002.

Colombia: Research; March 29, 1963; March 28, 1977.

Finland: Research and Power; July 7, 1970; July 6, 2000.

Greece: Research; Aug. 4, 1955; Aug. 3, 1974.

India: Power (Tarapur); Oct 25, 1963; Oct. 24, 1993.

Indonesia: Research; Sept. 21, 1960; Sept. 20, 1980.

Iran: Research; April 27, 1959; April 26, 1979.

Ireland: Research; July 9, 1958; July 8, 1978.

Israel: Research; July 12, 1955; April 11, 1975.

Italy: Research and Power; April 15, 1958; April 14, 1978.

Japan: Research and Power; July 10, 1968; July 9, 2003.

Korea: Research and Power; March 19, 1973; March 18, 2003.

Norway: Research and Power; June 8, 1967; June 7, 1997.

Philippines: Research and Power; July 19, 1968; July 18, 1998.

Portugal: Research; July 19, 1969; July 18, 1979.

South Africa: Research and Power; Aug. 22, 1957; Aug. 21, 1977.

Spain: Research and Power; Feb. 12, 1958; Feb. 11, 1988.

Sweden: Research and Power; Sept. 15, 1966; Sept. 14, 1996.

Switzerland: Research and Power; Aug. 8, 1966; Aug. 7, 1996.

Thailand: Research; March 13, 1956; March 12, 1975.

Turkey: Research; June 10, 1955; June 9, 1981.

United Kingdom: Research; July 21, 1955; July 20, 1976.

United Kingdom: Power; July 15, 1966; July 14, 1976.

Venezuela: Research and Power; Feb. 9, 1960; Feb. 8, 1980.

Viet-Nam: Research; July 1, 1959; June 30, 1974.

30 agreements with 29 countries.

B. Agreements for Cooperation With International Organizations

ORGANIZATION, SCOPE, EFFECTIVE DATE, AND TERMINATION DATE

European Atomic Energy Community (EURATOM): Joint Nuclear Power Program; Feb. 18, 1959; Dec. 31, 1985.

Euratom: *Additional Agreement to Joint Nuclear Power Program; July 25, 1960; Dec. 31, 1995.

International Atomic Energy Agency (IAEA): Supply of Materials, etc.; Aug. 7, 1959; Aug. 6, 1979.

*The 1955 research agreement with Denmark was allowed to expire on July 24, 1973; cooperation was folded in under the Additional Agreement.

THE BUDGET CONTROL BILL, H.R. 7130

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon (Mr. Ullman) is recognized for 10 minutes.

Mr. ULLMAN. Mr. Speaker, I would like to make some remarks of historical perspective on this landmark budget control legislation we have approved today. This is a great day for the House of Representatives, for we have moved a step closer to approving procedures for the establishment of a sound congressional budgeting system.

We in Congress, in the past, have not been able to go to the Nation with a clean record and in good faith because, in fact, we have not been very fiscally responsible. This irresponsibility has not, at the congressional level, necessarily indicated a lack of responsibility on the part of the individual Members of the House and Senate. But it rests on a system and outmoded procedures in the Congress which tend toward collective irresponsibility.

We have been through several confrontations with the White House over impoundment. In 1972 when the President sent up his proposal to limit total expenditures as part of the debt ceiling measure, we had to bite the bullet on this critical issue for the first time. In the Ways and Means Committee, where the proposal was made, I told the Members that, yes, this is abdication if we put outer limits on spending which are less than the amount of appropriated funds; that then the President will make the cuts in his own manner and according to his priorities; and that we in Congress are, in effect, abdicating our responsibility. But I told the committee then that this was not really a new thing;

this was an abdication that had taken place during the past century.

Ever since 1865 when the Ways and Means Committee was split to establish a separate Appropriations Committee, the revenue and spending functions have been divided, and since that time fiscal responsibility has proliferated in the Congress. Then in the 1920's when we established legislative spending procedures that led to back door spending and end runs around the appropriations process we further proliferated our fiscal responsibility. Finally when the Appropriations Committee split into a dozen more or less autonomous subcommittees each with its own power and with nobody putting the whole package together we further proliferated our effort.

In the very nature of our process, whereby we extend obligational authority to the President for long-range programs, we have rendered meaningless the total dollar figure on any appropriation bill. Since the funds in that appropriations bill may not extend just to 1 year, but often to a series of years, and to different series of years in the case of almost every program included in the bill, we reach the point where the President has over $250 billion of money in the pipeline previously appropriated. That is authority to spend from previously appropriated bills, and almost totally beyond the control of the Congress.

Well, all of this has led to an irresponsible system, and so I proposed to the committee last fall a procedure whereby we would establish a temporary committee, a joint committee of the House and the Senate, that would report back to the Congress early in this session with a procedure for the establishment of new Budget Committees in the Congress. The committee bought the package, as did the House and the Senate, and the spending ceiling finally was removed, although the President implemented it anyway.

But we did establish the Joint Study Committee on Budget Control, and I served as cochairman, with JAMIE WHITTEN, the able and responsible ranking member of the Appropriations Committee. The Senators—and this is not their usual procedure—the Senators on the Joint Committee were extremely kind in bowing to the House for the chairmanship. We had an Executive Committee including Senators RUSSELL LONG, JOHN MCCLELLAN, and ROMAN HRUSKA, and Congressman HERMAN SCHNEEBELI, the ranking Republican on the Ways and Means Committee.

This legislation has truly been a joint effort. We should acknowledge the fine and dedicated work of the members of the Joint Study Committee on Budget Control. The following House Members, in addition to JAMIE WHITTEN and myself, were active participants in our deliberations and deserve commendations from the House:

JAMES BURKE, MARTHA GRIFFITHS, DAN ROSTENKOWSKI, HERMAN SCHNEEBELI, HAROLD COLLIER, JOEL BROYHILL, GEORGE MAHON, JOHN ROONEY, ROBERT SIKES, ELFORD CEDERBERG, JOHN RHODES, GLENN DAVIS, HENRY REUSS, and JAMES BROYHILL.

The professional staff of the Joint Budget Committee, Dr. Laurence Woodworth, Eugene Wilhelm, Albert Buckberg, and John King were most helpful in putting our budget concepts into workable language. Their perception of the problems we faced, and their critical analysis of our various recommendations were vital to our work. We owe them our sincere thanks for their enormous contributions.

By February of 1973, the Joint Budget Committee reached unanimous agreement on a rough outline of basic principles, and after full hearings and further deliberations, we issued our final report and proposed H.R. 7130 on April 18, 1973. It is this legislation, with amendments, which is the basis for the conference report we approved this afternoon.

Our colleagues on the Rules Committee, in particular the gentleman from Missouri (Mr. BOLLING) the gentleman from Nebraska (Mr. MARTIN) and the gentleman from California (Mr. SISK) played a major role in shaping the bill and carrying through on the arduous details of conference. The structure of our proposal was altered somewhat, but I am pleased with this bill and believe it is most consistent with the Joint Budget Committee's original proposals.

This is revolutionary legislation, for Congress will soon debate, for the first time ever, our national goals and priorities in a framework comprehensible to all citizens. If we make this work, we will be clearly asserting our constitutional prerogatives over the power of the purse. These new procedures—as good as they appear—will only function well if the leadership and Members of both Houses are determined to make them work.

The members of the new Budget Committee will have to be dedicated to the concept of a congressional budget process. They will also have to be attuned to the needs and priorities of the Nation at large as never before. Our leadership and all Members must recognize that refusal by either House to achieve a legislative agreement can wreck this delicate process. The gut issues of our Government—the raising of revenues and the allocating of spending priorities, will be involved in this process, and that implies numerous opportunities for strong disagreement. As a result, I believe each committee member must be willing to give up something to turn this into a forceful, operational exercise in congressional responsibility.

It seems to me that we must also take care that the director and staff of the Congressional Budget Office are professionals of the highest caliber. Competent staff work on the Budget Committees themselves is also vital if we are to make the system work.

I am genuinely proud of and deeply pleased with the completion of this legislation. It is the first reform of its kind since the Budget and Accounting Act of 1921. This bill will make Congress a more respected institution and a more effective partner in our Federal Government. I believe it will be recognized as the major fiscal reform of the 20th century, and a fundamental new element in the frame work of our democratic structure.

WHY AMERICA NEEDS A CHEMICAL WARFARE CAPABILITY

(Mr. SIKES asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SIKES. Mr. Speaker, a great deal has been said in recent months about chemical weapons; much less about the need for our nation to have a chemical warfare capability. I want to put this need in the proper context—the context of national defense.

The Department of Defense has warned Congress that the chemical weapons of the Soviet Union and the Warsaw Pact nations "represent a serious potential threat to the United States and allied forces in Europe and elsewhere."

In testimony to the House Armed Services subcommittee on arms control and disarmament, Amos A. Jordan, Acting Assistant Secretary of Defense for International Security Affairs, said:

> The USSR is better prepared to operate offensively and defensively in a chemical environment than any other nation in the world. We believe it has developed, standardized and stockpiled highly toxic chemical agents for dissemination by ground and air munitions and is technically capable of producing all known toxic agents in sufficient quantities to support full-scale operations.

The U.S.S.R. provided the Arab side with chemical warfare defensive equipment during the October 1973 war in the Middle East, but it was not used. It could have been used, the potential was there.

The United States has included in its budget for the coming fiscal year an item of $5.8 million for continuing research on so-called binary weapons, and a similar sum to begin setting up a factory at Pine Bluff, Colo., for their manufacture. Comparatively, this is an extremely small budget request.

The binary is a nerve gas in a new format. The two principal components of binary gas, which separately are only mildly toxic, would be kept apart during storage and transport, thereby introducing a new element of safety. They would be combined only in combat. Then the two parts of a gas shell, separated by a membrane, would combine and become lethal.

Spokesmen for the Defense Department defended the binary as an essential part of the American "deterrent" armory. In contrast the alleged dangers it could present to the United States and the world community have been the central theme of a number of experts—real or imagined—on chemical warfare.

Our Armed Forces have included chemical weapons in their armament to assist in achieving their primary mission—to deter armed conflict—specifi-

cally to deter the use of chemical weapons in any conflict in which the United States is involved. If chemical weapons are used against us, it is sound policy to have the capability to retaliate. Part of the Armed Forces mission is to be able to resolve a conflict on terms favorable to the United States if deterrence fails. The maintenance of this capability to retaliate in kind supports our overall strategy of deterrence while bolstering the credibility of that strategy. It applies to chemical weapons just as it does to other weapons.

It is axiomatic that, while we seek to avoid war, we must be prepared to fight, even though the threat may not be to the continent itself. This is particularly true for the chemical warfare threat. Chemical weapons are not, and have never been, considered strategic weapons by the United States. However, as we meet our commitments overseas, we are placed in positions where we could be subjected to an attack with tactical chemical weapons. In these situations the initiator of chemical warfare could gain a significant tactical advantage over the defender if the defender does not have the ability both to protect himself and to retaliate in kind. Even if protective equipment is available and used by the defender, he may still suffer a serious disadvantage in tactical mobility since his forces would be encumbered by the necessary protective equipment. With a retaliatory capability, he can subject the attacker to similar severe operational constraints attendant to warfare in a toxic environment.

The preparedness of our Armed Forces to survive in a toxic environment and to retaliate if authorized is a subject for which we all should share a concern.

But just what does preparedness mean? It means having the forces you need where you need them and when you need them.

It also means that these forces must be capable. And it means that the strength of these forces must be credible, to our friends and allies as well as to our potential enemies if we are to deter war. Preparedness also explains other important parts of our Armed Forces activities. It accounts for our concern that we have modern effective weapons systems with which to equip these forces and our interest in having a strong production and mobilization base on which we can build additional strength if needed.

All of this points toward the goal of providing an effective, credible fighting force with sufficient flexibility to respond to any threat.

One of the primary reasons for the chemical capability is that it provides the President and the Nation an option for limited retaliation to the use of chemical weapons which is below the nuclear threshold. This option thus provides for a greater degree of flexibility in conflicts involving chemicals while improving the credibility of deterrence against any use of chemical weapons.

It is no secret that foremost among potential adversaries of the United States is the Soviet Union. It is there that the dominant threat of chemical warfare exists for U.S. Forces.

For many years the Soviet Union has maintained a CW capability unequalled anywhere in the world. The large amounts of Russian chemical, biological, and radiological equipment captured in the Middle East only 6 months ago reflect this capability, and emphasize Soviet CW preparedness.

Soviet troops in Eastern Europe are superbly trained with these systems, using them routinely in field training, U.S. Forces do not receive comparable training. Large Russian Army maneuvers include a highly realistic chemical warfare phase. Soviet troops and unit leaders are trained to exploit immediately the results of their own offensive chemical operations, and to defend against possible CW attacks by an adversary. Their training stresses both technical proficiency in the use of CW equipment, and psychological preparation to operate in a toxic environment if need be. Why? Do they plan to use these weapons?

Although critics of U.S. chemical warfare policy can belittle or ignore these unpleasant facts, responsible civilian and military officials must address them squarely. For many years they have recognized America's fundamental interest is to prevent the use of lethal chemical weapons against U.S. Forces. National strategy should accomplish this by maintenance of a credible retaliatory CW deterrent, supplemented by international efforts to reach a realistic accord which would limit chemical warfare. It is a strategy which has been eminently successful so far in avoiding a chemical attack against U.S. troops.

The U.S. position is pointedly nonprovocative. In 1969, the President reaffirmed a no-first-use policy and stipulated that any chemical retaliation by U.S. Forces would require Presidential approval. Under extremely tight legal and regulatory controls, American offensive CW systems and stockpiles are probably supervised more intensively than any other national asset, including nuclear weapons.

Opponents of this strategy have made much of the failure of U.S. negotiators to reach a quick agreement at Geneva which would abandon offensive CW weapons, in the same fashion as was done several years ago with biological warfare systems. Their principal argument is that an offensive CW capability offers no useful deterrent when America already has such potent nuclear muscle—which they claim could be used to deter or respond to any chemical attack.

This is flimsy logic. What President of the United States would want to initiate tactical nuclear warfare when his troops in the field have encountered a localized chemical attack? Escalation to the nuclear level is a major step, one with new risks, and to be avoided if possible. But if the President lost his intermediate option at the CW level, he could be forced to take that step.

For these reasons, the nuclear deterrent to a chemical attack is simply not credible. Worse, it could easily encourage CW adventures by an adversary. Knowing that in a conventional conflict America would not wish to escalate to nuclear weapons, a potential enemy could well be encouraged to use CW if he had the capability. This situation is not difficult to imagine if the U.S. should have to fight a conventional war in the NATO theater.

To avoid putting U.S. troops in such an untenable position, this country has discretely maintained a small CW retaliatory capability for years—a sobering restraint on any possible chemical attacker. Even a small capability means the latter will have to pay a high price—the loss of mobility and communications, the encumbrances of protective equipment, the severe disruption, and the casualties—if he initiates chemical operations. That knowledge is the most precise sort of deterrent against CW. Many historians agree that Germany did not use chemicals in World War II because she feared just such retaliation-in-kind from the Allies. There is simply no credible response other than CW retaliation that could equivalently offset the effects of a chemical attack against U.S. Forces. If there were, it would have been pursued long ago. Moreover, these arguments miss the central point—that America seeks to deter the outbreak of CW, not merely palliate it.

The whole subject of chemical warfare is so charged with emotional and political energy that critics of the chemical warfare program and of the U.S.-CW policies have had a publicity field day, filling the air with a hail of accusations and doomsday cries, and obscuring the real issue. I wonder what they would say to the families of American soldiers who were exposed to a chemical attack in some future conflict because the United States had unilaterally abandoned its CW deterrent?

There is no merit in plunging our heads in the sand on this issue. We must deal with it sanely and responsibly. In the face of a very formidable Soviet chemical warfare threat, the prudent course for this country to follow is to continue to maintain at least a small CW deterrent/retaliatory capability as a "blue chip" incentive for the Soviets to negotiate seriously toward an effective CW arms limitation agreement.

For as long as there is a threat of chemical warfare and it is judged to be in the best interests of U.S. national security to have a deterrent and retaliatory capability to meet that threat, then our forces must continue to insure that they have the ability to accomplish their mission in support of America's interests.

THOUGHTS ON A VISIT TO YAD VASHEM

(Mr. PODELL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PODELL. Mr. Speaker, on June 17,

President Nixon visited Yad Vashem, the memorial to the 6 million Jews murdered by the Nazis during the Second World War. This massive, bleak memorial stands on a hill outside of Jerusalem. It is a long, low structure, within which burns an eternal flame. The names of the infamous concentration camps, houses of unimaginable horrors, are etched into the floor. There is a gallery of photographs depicting men reduced to skeletons in the barracks of Auschwitz, women trembling in the yards of Buchenwald, and children, their eyes wide with terror, being marched to death in the Warsaw Ghetto.

Along the winding path leading up the hill to the memorial are shrubs marked with the names of gentiles who died while trying to save the lives of their Jewish countrymen. A visit to Yad Vashem cannot help but be a moving, thought-provoking experience.

In news films the President stood silently while a cantor sang a memorial service. I wonder what thoughts were passing through his mind? I hope that he was seeing Israel in a new light. I hope he was understanding that Israel is a living memorial to these 6 million souls, a haven for Jews who fled persecution, who wished to see their children and grandchildren grow up in freedom.

Unfortunately, freedom has not come hand in hand with security. Israel has gone through four wars in her 26-year life, as well as countless border skirmishes and the brutal attacks of Arab guerrillas. Israel's small population continues to fight for a piece of land to call its own, a land deeded by history to the world's Jews.

U.S. aid to Israel is vital to the survival of that state. Israel counts upon the benevolence and good sense of our Nation to come to its aid in both times of war and times of peace.

The Jews of America have understood the soul of Israel for much longer than the 26 years that it has been a recognized nation. Perhaps with his visit to Yad Vashem, a memorial which so eloquently describes the past and gives strength for the future, the President will also come to understand the soul of Israel, continuing the American friendship that he has been, not permitting U.S. aid to Israel to falter.

NUCLEAR WHAT?

(Mr. PODELL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PODELL. Mr. Speaker, when President Nixon announced that he had promised Egypt a nuclear reactor of its very own as the reward for entering peace negotiations with Israel, I was shocked, outraged, and dismayed. I had thought that dollar diplomacy, in which we paid nations to be our allies and behave properly, had long since been discredited. But apparently President Nixon is still an adherent of the type of foreign policy practiced during the Eisenhower administration.

It is not simply that we are buying friendship and hopefully peace in the Middle East that upsets me, it is the price we are paying. Offering Egypt and Syria economic assistance is one thing. But offering them the means to build nuclear weapons which they could then use against Israel is quite another story.

Now, Mr. Speaker, the President, and the Secretary of State, and the President's press secretary, have all joined in a chorus saying that the reactor we are giving to Egypt will be accompanied by adequate safeguards that will ensure its use for peaceful purposes only. But I seriously wonder whether these men have read the newspapers lately.

Only a few days ago, India stunned the world as she tested her first nuclear weapon. India, a few years back, received from Canada a nuclear reactor similar to the one we plan to give Egypt, and presumably promised to live by the same safeguards which we will propose to Egypt. Well, those safeguards and promises went right out the window, and India learned it was not so hard to make an A-bomb once you have a source of plutonium.

In fact, the President's press secretary has come out and said that it is impossible to guarantee that Egypt will use its new reactor only for peaceful purposes. We can only rely on Egypt's good word.

Mr. Speaker, that is precious little to rely on. Egypt has a long history of acting in the most opportunistic manner, of playing the United States and the Soviet Union against each other, of acting duplicitously and striking out against her enemies whenever it is in her advantage to do so. I do not think Egypt can be trusted to control the uses to which this reactor will be put.

Many people say that they are not as worried now, because Israel will be getting an identical reactor. To this I say, you are rationalizing. Israel has had nuclear technology for a decade. She has had ample opportunity to develop and test nuclear weapons, and to use them against her enemies, and has not done so. Israel has demonstrated clearly and convincingly to the world that she will use nuclear technology only for peaceful purposes. Egypt cannot fall back on such a record, and the only record which Egypt can demonstrate is one of untrustworthiness.

People are also saying that it is better for Egypt to get nuclear technology from the United States, as part of an increased American influence in the Middle East, than from the Soviet Union or any other nation, whose interests in the area might be inimical to world peace. To this I say, you are still rationalizing. World peace will be served far better if there is no spread of nuclear technology in such a volatile area.

While Egypt may yet surprise us all, and limit the use of her reactor to peaceful purposes within her own boundaries, what safeguards are there that she will not then spread such knowledge to nations such as Syria and Libya? These nations would certainly be under no restraints about developing nuclear weapons, or using them against Israel. Until there is full and complete peace in the area, and resolution of all outstanding disputes between Israel and her neighbors, it is the height of foolhardiness for the President to offer a nuclear reactor to Egypt in the hopes that this will cement good American-Egyptian relations.

We are already giving the Egyptians and other Arab States more than enough in the way of grants in aid for military and economic purposes. We are literally threatening the existence of Israel with every additional dollar that goes to Egypt or Jordan or Syria. We have poured so much money into the coffers of the Arab States because of the high price of petroleum, that for us to give them another penny marks us as a nation of fools and suckers.

Perhaps in the long run, if peace does come about this way, it will be worth the price. But I seriously wonder, Mr. Speaker, what kind of peace it is that must be bought and paid for in such a manner and at such a price.

In the hope of preventing what I think is an ultimate act of folly by this Government, I am today introducing a resolution that would prevent the United States from giving a nuclear reactor to Egypt unless the President can convincingly demonstrate that such a reactor will be limited to peaceful uses. It will not have the effect of barring a similar gift to Israel, because Israel already has nuclear technology, and has already demonstrated restraint in the use of this powerful resource.

The first precarious steps toward peace have been made. I want the United States to foster peace in the Middle East, for doing so can only inure to our benefit, and will certainly be of the greatest help to Israel. But I do not see how providing Egypt and other Arab nations with nuclear technology can further the cause of peace, and I strongly urge the President to reconsider the offer he made until adequate safeguards can be worked out.

THE ROLE OF NUCLEAR FORCES IN CURRENT SOVIET STRATEGY

(Mr. PRICE of Illinois asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PRICE of Illinois. Mr. Speaker, as chairman of the Research and Development Subcommittee of the House Armed Services Committee, I am often asked about the Soviet threat in terms of their nuclear weaponry and the strategy under which such weapons systems would be employed. I have recently been made aware of an excellent monograph on this subject published by the Center for Advanced International Studies at the University of Miami. I commend this thesis to my colleagues and urge that those who share my concerns and the concerns of the committee as to what the United States faces in the way of a Soviet nuclear threat read the entire book. It is relatively short but exceptionally complete and concise in its analysis.

For those whose busy schedules do not permit the reading of the entire book, I include in the RECORD at this point the

foreword by the Honorable Foy D. Kohler, career Ambassador of the United States, long associated with Soviet affairs and now a professor at the University of Miami and a coauthor of the book:

FOREWORD

(By Foy D. Kohler)

The aim of this study is to provide insights that may be useful in current appraisals and debates relative to the new "detente" relationship between the United States and the Soviet Union, with particular emphasis on security implications for the US.

The study is limited to the examination and analysis, in the light of open Soviet sources, of certain critical aspects of current Soviet thinking and planning for the nuclear forces of the USSR. The specific problem areas addressed relate to Moscow's views on the purposes its nuclear forces serve and the relative weight it attaches to these purposes; how much in the way of nuclear forces Moscow considers necessary under present and prospective international conditions; how Moscow envisages the possible military use of its nuclear forces; and Moscow's perception of the relationship between the use of strategic nuclear forces and theater forces.

I

While the focus of the study is thus quite narrow, and deliberately so, we feel the issues involved are basic to the range of important questions that need to be weighed at this stage of detente. According to both US and Soviet authorities, the greatest of the fruits to be expected from detente is a reduction in the chances of a nuclear war between the two countries and, to this end, an amelioration of the conditions that might lead to nuclear war, including particularly a slowing of the arms race and a change in military doctrines and postures which might, if left intact, generate dynamics for the continuation of hostile attitudes and policies with their accompanying dangers. The Soviets, for their part, are paying close attention to developments in US positions in the area of weapons and military roles doctrines and treat any indication of a persistence of past patterns as a serious threat to detente. As a case in point, Georgii Arbatov, Director of the USSR Academy of Sciences Institute for the Study of the USA and one of the most heavily utilized Soviet spokesmen on the new US-Soviet relationship, wrote for *Problems of Peace and Socialism* in February 1974:

"Many representatives of the U.S. ruling circles [have not] yet renounced the hope that some future achievements of a military-technical nature will even now make it possible to increase the 'viability' of employing military force and in some way to turn back the course of events . . . this explains, at least partially, one of the paradoxes of the contemporary strategic situation. On the one hand, the fact that military force is, in a way, powerless is becoming increasingly obvious, and the impossibility of employing it for political purposes is becoming increasingly clear. On the other hand, in contrast to this, the arms race is continuing and, in some areas, even intensifying. From this ensues, too, another contradiction—that existing between the developing processes of political detente in the world and the major lagging behind in terms of military detente. Speaking at the recent World Peace Congress in Moscow, Comrade L. I. Brezhnev stressed that this situation cannot continue indefinitely. 'If we want detente and peace to last,' he pointed out, 'we must halt the arms race.'"

It would seem only prudent that the US in its turn examine with care evidence as to what the Soviets may or may not be doing to adjust their own military doctrines and postures to the requirements of detente, and particularly in the nuclear sphere which is obviously central to the common objective of reducing the chances of general war. Is there a change in the pattern of Soviet thinking in response to the requirements of detente, as the Soviets demand of the US? Or is Moscow seeking the application of a double standard? The Soviets have discussed the issues freely and with apparent frankness. What do these discussions show?

A second consideration that appears to make desirable an in-depth look at a specific area of the detente spectrum is that the trend so far has been to concentrate on general aspects of the new situation. The atmospherics of an improvement in relations between the US and the USSR are important; it would seem in fact that given the course of events and attitudes of the past twenty-five years a change in atmospherics was an essential prelude to any sort of genuine progress between the two countries. But the real test must lie in the concrete results that follow the change in atmospherics. Several fields have been earmarked by the two sides for special efforts in direct state-to-state relations: closer trade and economic relations; more effective cultural and scientific-technical exchanges; cooperation in space; and of course movement toward arms limitation, beginning with nuclear arms. What has actually happened in these different fields and how has it affected pre-existing modes of thought and behavior, not only in the sense of performance against specific commitments but in the broader sense of implications for policy?

II

In this study we have sought to determine whether the changing relationship between the US and USSR has led, or appears likely to lead, to significant modifications in Moscow's position regarding the nature and role of Soviet nuclear forces. To this end we have examined the mass of documentary materials bearing on the question that have appeared in the Soviet Union since the beginning of the nuclear era, but have concentrated primary attention on statements and publications immediately preceding and following the summit meetings of 1972 and 1973.

I might say at the outset that the results of this effort are not encouraging Current Soviet positions, as revealed by public pronouncements, on the role of nuclear forces are very much now as they have been in the past, only more so. In simplest terms, Moscow continues to see nuclear weapons and forces, and particularly nuclear rocket forces, as central to all phases of Soviet military power. Today as much as at any time since the Kremlin finally effected in January 1960 its adjustment to the "revolutionary" implications of nuclear weapons for warfare, Soviet military theory, doctrine, strategy, war planning, force structure and organization, instruction and training programs, battle exercises, resource allocations, research and development programs and activities, civil defense efforts, indoctrination programs for the troops and for the population, war readiness measures, and so on are all keyed to and dominated by the nuclear weapons factor. We have found no evidence that agreements reached at the Moscow and Washington Summits of 1972 and 1973, or the general relaxation of tension between the US and the USSR, have brought any changes in Soviet positions. Neither SALT I nor on-going negotiations for SALT II have had any discernible impact on overall Soviet postures, activities, or plans relative to the further development and possible utilization of nuclear weapons. To the contrary, Moscow emphasizes that while the danger of a general war has been reduced, it continues to exist and will as long as capitalism survives. Moreover, a general war is viewed as having become less likely only because the accelerating shift in the "world balance of forces" in favor of the Soviet Union, primarily in consequence of the steady growth of nuclear-based Soviet military might, has forced the US to recognize that under existing conditions it cannot hope to operate "from a position of strength" as against the USSR. However, it is said that this situation is tenuous and may be reversed in consequence of a number of possible developments during the further course of the inevitable "strugggle between systems," and that the one guarantee that a war will not actually come is for the USSR to continue to strengthen its armed forces in all possible ways and by all means. Especially important, according to Moscow, is for the USSR to avoid any possibility for the US securing any important technological advantage in weapons, or "illusion" of advantage, through constantly pressing forward with its own military research and development efforts.

Until quite recently, many analysts would have questioned the utility of Soviet public pronouncements in such an effort as we have made to determine actual Soviet attitudes, intentions and expectations. For a number of years after the war's end it was generally accepted among those concerned with Soviet affairs that the members of the ruling heirarchy of the USSR provide through their public utterances a substantially accurate account of what they are up to and why, both in a strategic sense and with respect to particular situations and moves, and that very often the ruling hierarchy have through such utterances signaled in advance their actual purposes and intended courses of action. Indeed, it appeared that we were severely handicapped in shaping US policies as against the USSR without readily available access and close attention to past and current authoritative Soviet statements as to Soviet positions. And it was only after shortcomings in these regards were overcome that the US, from both an intelligence and an operational standpoint, was able to break through the assumed enigma in which the Soviet Union was supposed to be wrapped.

However, fundamental documentary research of this nature came to be greatly curtailed and in many cases simply abandoned. In fact, there came to be considerable intellectual disdain for such documentary research which tended to be scornfully referred to as "Kremlinology." But this very skepticism has led to a superficial approach to understanding Soviet concepts and intentions and to a lot of wishful thinking. This tendency was pithily dealt with by Sir Hugh Seton-Watson in an article in *Interplay* of August-September 1969, in which he said: "What 200,000 Communist Party officials, from Brezhnev down to the secretaries of party branches in factories or collective farms tell their subjects is all camouflage. The real views of the Soviet leaders are what some nice guy from the Soviet delegation at the UN said over a drink or what an itinerant midwestern scientist heard from some friendly academician in Novosibirsk." The tendency was for analysts to ascribe to Soviet leaders attitudes, values, and interests which in all important respects closely parallel our own, and to endow those leaders in their dealings with us with a growing "realism" or "pragmatism" in the Western sense of these words. The thought was that as a modern great state the Soviet Union faces situations, develops policies and determines courses of actions on the basis of essentially the same considerations and decision-making processes as does the United States. In other words, the tendency was to perceive the Soviet leaders as thinking and seeing things as we do and, in effect, to project into Soviet affairs a mirror-image of ourselves and our own concepts. The consequencs of such an approach, as well as many closely related approaches based upon self-conceived

assumptions about the Soviets and their conduct, is that it has led to serious misjudgments in understanding and forecasting Soviet behavior.

Fortunately, there has been a recent revival of respect for the value of the study of what the Soviets themselves say about their outlook and purposes, their policies and activities at home and abroad. Perhaps the most decisive factor responsible for this phenomenon was Soviet behavior with respect to the October 1973 Middle East war which ran so strongly counter to Western assumptions of Soviet positions regarding detente and Soviet purposes in the Middle East itself, as well as Western perceptions of the situation and possibilities in that region. In any event, it appears again to be widely accepted that in trying to understand and interpret Soviet affairs due attention and weight must be given to the "view from the Kremlin" as the Soviets themselves reveal that view.

III

Certainly for such a problem area as Moscow's purpose with respect to its nuclear forces, whether under conditions of detente or otherwise, a knowledgeable reading and analysis of what Soviet authorities have to say is essential for a realistic understanding and reliable judgment of actual Soviet positions. This is not to suggest that there is any set of fixed principles, or settled "doctrines," that govern for this or any similar area in the Soviet Union. There is, regrettably, no straight-line methodology to a solution of any problem relative to Soviet policies and conduct. Any approach must allow for a mix of basic factors entering into and affecting Soviet decisions and actions, and must allow that this "mix is not constant but in continuous flux." Further, beyond the particular basic factors operating in a given situation, account must be taken of such variables as Soviet priorities, capabilities, risk calculations, and the costs and trade-offs which the Soviet leaders may see in the pursuit of competing objectives.

It cannot be assumed from the foregoing, however, that the Soviets in practice proceed essentially on the basis of the same considerations and in the same manner as we do in dealing with similar or even identical situations and problems. The actual record of Soviet behavior, as well as the explanations and justifications provided by the Soviets themselves, make clear that the considerations that determine Soviet policies and actions are not the product of conditions and practices similar to our own but are the product of an environment, a view of the world and a decision-making process entirely different from ours.

The Soviet environment and world outlook reflect elements that are peculiar to the Soviet Union, including the oligarchic system of rule with its unremitting urge to preserve itself; a set of unique historical experiences and geographic influences; Marxist-Leninist doctrine, especially its peculiar *Weltanschauung;* a long history of economic inferiority as against those it considers its adversaries; superpower status combined with a self-assumed role of leadership of a worldwide revolutionary movement; a sense of destiny with respect to rivalry with the US, the only superpower and the leader of a competing world system; a special concern for China due to both national and ideological factors; and so on down a substantial list.

Similarly, the Soviet decision-making process is quite different from that of the US, being marked by the absolute authority of the party hierarchy with no mechanisms for public dissent and influence and with built-in imperatives to preserve established patterns of thought and rule. None of this is to say, however, that the Soviets make their decisions without regard to real world considerations and factors. Instead, they place great emphasis on being "realistic" in their courses of action. However, it should never be forgotten that what they operate on is their own perceptions of reality, not ours; and that their perceptions are derived from a set of circumstances quite different from our own. The Soviet view of the real world and its requirements and possibilities is a view from the Kremlin, not a view from Washington, London, Paris or Berlin.

Inherent in this view are what Moscow identifies as "immutable" considerations which it invariably takes into account in determining policies and actions, including particularly:

The inevitability of a continuing East-West, or socialist-capitalist, struggle for predominance.

The critical role of the East-West balance of forces, in which "forces" are understood to include not only Soviet perceptions of the military balance but also relative economic and scientific-technological capabilities and their utilization; the relative effectiveness of the socialist and capitalist systems to achieve desired ends; the relative degree of social-political and ideological cohesion of socialist as against capitalist countries; conflict within and among capitalist countries; the extent of popular acceptance of national objectives on the two sides; the question of relative national morale; and so on.

A unique ability of the Soviet leadership to reach "scientifically" correct assessments of the "dominant" short and long-term trends in the competing groupings of states and in specific regions and countries based on the expectation of unavoidable interstate and class conflicts of interest and the effects of social-economic development.

"Proletarian internationalism" as the essential base for the Soviet claim to leadership of the global "anti-imperialist struggle" and of global revolutionary and national liberation movements.

IV

Within the framework of such basic considerations the Soviets often change in their approaches and positions for even very fundamental questions and issues, and they quite evidently precede and accompany these changes with intensive and often heated debate and controversy, much of which is fully exposed—one can conjecture deliberately exposed—in the open media.

This is not a case of cynicism on the part of the leadership toward the Marxist-Leninist ideology to which they adhere. Despite the rigidity of the Soviet system of rule and decision-making and despite the constraints and compulsions inherent in the Soviet environment, both Soviet doctrine and practice allow for great flexibility in the area of strategy and tactics. The doctrinal line, first set by Lenin and continued by all leaders since, is that strategy as well as tactics must be constantly adjusted as changes take place in the "objective realities" at home and abroad. The "verities" of Marxist-Leninist ideology, while providing the framework in which the Soviet leadership appears intent on operating now and in the future, provide no barrier to even drastic shifts because the Central Committee of the CPSU (i.e., the Politburo or the dominant element in the Politburo) has the self-asserted authority not only to act as the sole interpreter of Marxism-Leninism but also to "creatively" develop it as conditions change. The standard position of the Soviet leaders, now and in the past, is to deplore "rigidity" and "doctrinairism" and to make a virtue of adjusting to concrete circumstances of any particular time or place through, as they put it, "compromises, zigzags, retreats, maneuvering, adopting new methods, combining and recombining and changing policies and approaches and forms of struggle," and so on.

In practice, the Soviet decision-making process for strategic and foreign policy matters, as revealed by Soviet sources, involves a succession of steps which are designed to bring into play a variety of interacting and possibly competing factors:

1. Determining the "doctrinal setting" in which the matter at issue must be viewed and handled (i.e., its relationship to basic goals as determined essentially by long-term environmental influences).

2. Development of policy options or alternatives in terms of "doctrinal" requirements.

3. Considering, weighing and adjusting policy alternatives in light of existing economic, military, diplomatic and other capabilities, taking into account competing requirements and various other "objective realities" that must be dealth with, such as the policies and activities and resources of adversaries and local opportunities and obstacles.

4. Subjecting any resultant proposals to a succession of Party-Government reviews at operational levels.

5. Review of all relevant proposals and considerations affecting them by the "Section" of the Central Committee Secretariat which has responsibility for the problem area involved and establishment of a "Party position" by the Section in question on controversial issues and questions and preparation of recommendations for the Politburo.

6. Examination (discussion and debate) within the Politburo of recommendations thus reached and submitted by the Section.

7. Arrival at a final decision by the Politburo (usually, according to Brezhnev, by "consensus" rather than vote), and communication of the decision to appropriate elements in the Party and Government where it has the force of unquestionable law. (Sooner or later, and often quite soon, the decision, unless it deals with a highly sensitive matter, together with its rationale, is also communicated in one way or another to Soviet society at large, e.g. through a *Pravda* editorial, a speech by a member of the top hierarchy, a published report on a Central Committee Plenum, guidelines, for propaganda organizations, and so on and on—so as to insure the widespread understanding of and faithful adherence to the decision that the Soviet system requires.)

Until the last step in this process is reached, opportunities exist for the input of differing points of view and for debate by representatives of institutions and organizations which are directly concerned with the matters at issue or which may be affected by the decision reached. In actual practice, vested interest elements in the Soviet Party-Government structure, which are widely pervasive and deeply entrenched, almost always insure that through each of the steps debate will be intense, and often bitter, for any matter of significant import. On major matters, the debate passes from one level of the Soviet hierarchy to another up to and including members of the Politburo itself. Often, also, the debate is extended into party and government media, beginning usually with low-level commentaries in professional or ministerial organs and continuing, if the importance of the stakes appear to merit it, to higher and higher level statements and arguments utilizing ever more authoritative media or platforms. Once, however, the Politburo has arrived at a decision, which often comes only after extensive debate within that body, all further debate usually ceases and what has been decided is treated as binding on all elements of the hierarchy and on Soviet society generally. When exceptions

occur, and of course they do occur, it can be assumed that something far-reaching is taking place within the Soviet leadership, that in fact something on the order of a power struggle is building up or underway for dominance in the party and country.

V

With respect to the particular question of the role of nuclear forces in Soviet strategy, Soviet sources themselves emphasize that a virtual revolution has been wrought in Soviet positions.

The revolution was not effected quickly or easily, it evolved over the years and only after the theory of strategy had undergone unusually great changes through extensive debate and controversy of the type just discussed. Almost on the morrow of the acquisition of a nuclear weapons capability by the USSR, questions evidently arose within the Soviet hierarchy as to the implications for basic Soviet tenets relative to the nature, requirements and role of future wars, questions which Stalin felt necessary to quell personally through public pronouncements before and in connection with the 19th Party Congress of October 1952. After Stalin's death, the questioning reemerged and at the top level. Council of Ministers Chairman Georgi Malenkov, ostensibly first among equals in the Stalin succession, implied in 1954 that with nuclear weapons a new general war had become unthinkable because it would result in the "destruction of civilization," and, further, advocated an easing of Soviet concentration on power building through shifting some of the resources from the military-heavy industry sector to the consumer sector (light industry, housing and agriculture), and he even went so far as to advocate the diversion of military grain reserves to meet immediate consumption needs. A great intra-leadership debate immediately ensued, with Khrushchev, then holding first place in the Party apparatus, leading the opposition to Malenkov's propositions. The debate quickly broke into the open for all the world to follow, with *Izvestiya*, the main organ of the Soviet government, serving as mouthpiece for Malenkov and his followers, and *Pravda*, the main organ of the Soviet party, serving the same role for Khrushchev's side. The outcome was the ouster of Malenkov as Premier in January 1955 amidst denunciations by Khrushchev and other leaders for his heresies and mistakes. A particularly prominent role went to Molotov who scornfully repudiated Malenkov's destructon-of-civilization contention on grounds that no change in weaponology, nuclear or otherwise, could alter the immutable laws of social development and that not civilization but only capitalism would be destroyed by a new world war.

Hardly had Khrushchev trimphed over Malenkov than he made his own break with Leninist-Stalinist orthodoxy. Avoiding Malenkov's line regarding the destruction of civilization, he asserted at the 20th Party Congress in February 1956 that because of the might of the USSR and the socialist camp another general war was no longer "fatalistically inevitable." While no voice was openly raised against Khrushchev's formulation, it soon became evident that this, along with other of his departures from the Stalinist past, was producing rumblings in the collective which was presumably sharing power in the party and government. Matters came to a head in July 1957 with a Politburo decision to oust Khrushchev. However, Khrushchev and his followers engineered a quick turnabout at the hands of the Party Central Committee which, reviving powers that had long since seemed dead, ousted Khrushchev's opponents in the Politburo as "Anti-Party" conspirators.

Thereafter Khrushchev further developed his thesis that war was no longer fatalistically inevitable, reaching the point of asserting that the danger of a new world war could actually be eliminated while capitalism still existed. Further, Khrushchev came to argue, and apparently with great effectiveness on those concerned with strategy in the Soviet Union, that given a strong Soviet nuclear capability the "imperialists" would not only be deterred from an attack on the USSR but would also be, if not provoked by "adventurist" threats and violence, increasingly deterred from activist policies and actions in furtherance of their world positions and interests. (Witness among other evidence his polemical exchanges with Peking that began in 1959.) In keeping with this line of thinking, Khrushchev, in January 1960, announced at a meeting of the Supreme Soviet the establishment of the Strategic Rocket Troops which would thenceforth serve as the main instrument of the Soviet armed forces. At the same time, he announced a substantial reduction in conventional forces.

The decision by Khrushchev to elevate nuclear forces to the prime position in the Soviet military structure represented the consummation of the "military-technical revolution" which had been in preparation for some time and which quite evidently had the full support of all principal elements in the Soviet hierarchy. It can be assumed, however, that given the supremacy long enjoyed by the ground forces this step was anything but popular among traditionalists within the Soviet military establishment, and all the more so since it was accompanied by reductions in ground and other conventional forces. Further, explanatory details provided by then Defense Minister Marshal Malinovsky could hardly have been very reassuring to the traditionalists. While "Rocket Troops of our Armed Forces," Malinovsky told the Supreme Soviet," undoubtedly are the main Service of the Armed Forces, . . .we realize that one Service alone cannot resolve all the tasks of war." In view of his, "we are keeping a definite number and corresponding sensible proportion of all the Services of the Armed Forces." However, "combat actions both in their organization and in methods . . . will bear little resemblance to those of the last war."

Apprehensive though they doubtless were, and in contrast to reaction to far less drastic changes in force relationships in the U.S., traditionalists in the armed forces made no discernible effort to contest the decisions reached by the leadership. Instead, the new setup, as announced by Khrushchev and explained by Malinovsky, was taken as doctrine which was dutifully echoed by military spokesmen and commentators up and down the line. Even the ouster of Khrushchev in October 1964, and the follow-up authoritative references (i.e., a *Pravada* editorial of October 17, 1964) to "harebrained scheming, hasty conclusions, rash decisions and actions based on wishful thinking, boasting, empty words, bureaucratism," and so on, did not produce any repercussions among the military or on behalf of the military. There was, in fact, no suggestion that Khrushchev's handling of military affairs was a factor in his dismissal, despite the fact that he had had to backtrack on his force reduction decision of January 1960 and authorize an emergency increase of approximately thirty percent in military expenditures in July 1961, as well as an increase in food prices in June 1962 because of urgent new "defense needs." Also, of course, there had been the Cuban missile fiasco. Khrushchev was later heavily criticized for his errors in a number of specific fields such as agriculture, but not in the military field.

Meanwhile, Marshal Malinovsky remained Defense Minister in the post-Khrushchev government and as such continued to talk of the new nuclear-centered military doctrine as he had in 1960, as indeed did all other military leaders and spokesmen. And what was true with Malinovsky has remained true with the new Defense Minister, Marshal Grechko, up to and including the present day. Thus, after some ten years of uncertainty and debate, the Soviet decision-making process was able in 1960 to settle upon a profound reorientation of concepts, organization, force assignments, and general direction of development for the Soviet armed forces, in response to what was considered the "objective" requirements of the nuclear age, and to secure unquestioned adherence to the new orientation among all affected elements of society, including particularly military elements, over the following years.

VI

Several important points relative to political-military relationships in the USSR are suggested by this course of events which are, in my view, particularly pertinent to the issues dealt with in this study.

At no time during either the period of uncertainty and debate regarding nuclear weapons or the period of decision or the long period of adherence that has followed, did the Soviet military as the military come out in opposition to the political authorities who rule the Soviet Union, or seek *as an organized entity* to induce acceptance of its point of view by the political authorities. In fact, never in Soviet history, even during the full militarization of the country in the Civil War period and World War II, has the military as such attempted to achieve any degree of *independent* political power or even independent political say so. The military obviously represents and has always represented a very powerful vested-interest group in the Soviet Union, and one that has been strongly supported by the ruling political authorities. But a price that has been successfully exacted from the military in return is that it play the game of politics according to the political authorities' rules. These rules permit the military a very strong voice in the decision-making process, but only up to the point of final resolution of a question or issue. They permit the military almost unlimited opportunities to protect and promote its interests, but only within the framework of the established Soviet way of doing things, And this way of doing things requires that the military, collectively and in its several parts, subordinate itself to the will and control of the rulers of the country, that it always act as a submissive instrument of the party, never as an active or potential rival.

The Soviet leadership, it might be noted, does not leave to chance the subordination of the military to its own will and control. It has effectively demonstrated over a period of many years that active membership in the CPSU or its prepa_atory organization, the Komsomol, is a virtual prerequisite for advancement in the military hierarchy. (Currently some ninety percent of all Soviet military officers are members of either the Communist Party or the Komsomol, with seventy-odd percent members of the former.) The leadership has also followed the practice of selecting key military figures to serve in Party organizations while continuing in their military posts. (Of the military officers who now occupy the 13 positions of Deputy Minister and above in the Ministry of Defense, ten are members of the Party Central Committee and one is a candidate member; the Chief of Staff of the Armed Forces is a member, as is the Director of the Main Political Administration of the Armed Forces.)

Most important of all, however, organized units of the Party, which are controlled by and responsible to the Party apparatus, are used throughout the armed forces (i.e., all administrative and functional branches and down to the company or battery level in combat units) to keep tabs on all phases of activity. It must be said that this particular aspect of Party control has from time to time been resisted by some military elements. This has not, however, been a case of resistance to political authority as such but to interference by non-specialists in professional affairs. The military during the early post-Stalin years conducted something of a running campaign against the practice. Defense Minister Marshal Zhukov, who rose to a position of seemingly great influence with Khrushchev during his struggle for ascendancy, brought the issue to a head. After a succession of steps reducing the power of Political Department of the Soviet Army and Navy (now the Main Political Administration), which directs and controls party units in the armed forces, Zhukov managed to secure a Central Committee "Instruction" in May 1957, which ruled, among other things, that "criticism of the orders and decisions of commanders will not be permitted at Party meetings." But Zhukov's triumph was short-lived. In October 1957 he was summarily dismissed as Defense Minister and later expelled from his Party posts on grounds, as stated by the responsible Central Committee Plenum, that he had "violated the Leninist Party principles for the guidance of the armed forces, pursued a policy of curtailing the work of Party organizations, political organs and military councils, of abolishing the leadership and control of the Party . . . over the Army and Navy." The old rule as to direct party participation in military affairs was quickly reestablished. As explained by *Sovietskii Flot* on November 1, 1957, "Regardless of the rank or position of a Communist he not only can, but must, be subjected at Party meetings or conferences to criticism for shortcomings in his service." And this is the way it has remained in the armed forces ever since.

Basic to the Party-military relationship in the Soviet Union is, as I suggested above, the "unswerving solicitude of the Party and Government" for the armed forces. This solicitude, of course, reflects more than political expediency. Built into the Soviet system and the Soviet world outlook are factors which make, as the Soviets themselves say, the constant strengthening of the armed forces an "objective necessity." The military do not have to seek power to get what they feel they need; it ordinarily is given to them as a matter of settled policy. Where there has appeared to be any reluctance on the part of elements within the political leadership to go along with the "constant strengthening" formula, other elements have quickly and successfully sprung to the support of the military cause. In fact, a feature of struggles for power in the Soviet leadership has often been an effort of one faction to put into question the loyalty of a rival faction to the formula. Stalin used this tactic with great effectiveness. So too did Khrushchev in his contest with Malenkov. And the possibility that the same might be done to him by political rivals may well have served as a constraint on Khrushchev in his own policies toward the military.*

*While I was serving as American Ambassador in Moscow, Khrushchev told me that he would like to cut back on the military but could not do so. The best, he said, he could do was to hold them where they were. Actually at that time the regime had already embarked on a far-reaching program to close the strategic gap between the US and the USSR. (See my *Understanding the Russians: A Citizen's Primer* [New York, Harper and Row, 1970], pp. 247–48).

Beyond this use of the "military loyalty image" to undercut a rival in a power struggle, a political faction has sometimes successfully sought to use the military directly against an opponent. Evidently such a ploy played a decisive role in the elimination of Beria shortly after the death of Stalin. The same appears to have been true for Khrushchev in his 1957 contest with the "Anti-Party Group" in the Politburo. But in neither of these cases did the initiative come from the military; it came instead from the political side. And in neither did the military, or any element in the military, secure more than fleeting political advantages from its involvement, if that. After Beria was out, the Party leaders resumed full control and fought among themselves without any direct influence by the military. And within short months after Khrushchev's defeat of the Anti-Party Group in 1957, he unceremoniously dumped Marshal Zhukov, who had been used by Khrushchev to great benefit in effecting that defeat, from his high positions in the party and government.

VII

The fundamental question raised by the analysis presented in this study is whether the views on which the analysis is based reflect decisions, policies and purposes of the Soviet political leadership or merely doctrinal and strategic game-playing on the part of the military and military-minded civilians.

For my own part, I am convinced that, in light of such circumstances and factors as I have touched upon above, the views must be taken as reflective of positions of the political leadership.

The views are consonant with concepts relative to the role of nuclear forces in Soviet military strategy that have been repeatedly voiced by various members of the political leadership, over the past decade and more.

The views, it should be particularly stressed, rest solidly on pronouncements of General Secretary Brezhnev. There is, in other words, nothing reflected in the views to suggest any differences or conflicts between Brezhnev and his present policies and either military elements or political elements in the Soviet hierachy.

The views flow directly from the body of Soviet military theory and doctrine that has developed since the mid-1950s under the direct aegis and with the explicit sanctions of the political leadership.

The views accord with actual Soviet decisions and actions in the development and deployment of nuclear weapons and forces, and with currently indicated Soviet plans for the future development and deployment of nuclear weapons and forces.

The views as they apply to basic Soviet positions, intentions, and expectations cannot be meaningfully divided between military and non-military. When read without knowledge of origin an editorial article devoted to nuclear forces appearing in *Pravda* can hardly be distinguished from an editorial article appearing in *Red Star*. Suslov says much the same thing as Grechko and Grechko much the same as Brezhnev and Kosygin. A colonel writing in an obscure military journal makes essentially the same points as a professional party functionary writing in an obscure provincial newspaper.

Differences frequently do occur with regard to particular aspects of Soviet military matters, and not only as between military and non-military but also within the military itself. But these differences are invariably within the framework of the basic position and principles established by the hierarchy. Also, military spokesmen talk much more about military affairs and in far greater detail than do non-military spokesmen. But this would seem natural in light of professional interests.

The views, in any event, could not conceivably have been voiced in such volume, with such a degree of general uniformity, and by the way of such widespread and authoritative media without the sanction of the political leadership.

VIII

There is the further question of whether the Soviet leadership is not now in process of changing its positions regarding Soviet nuclear forces in consequence of the new detente relationship between the US and the USSR.

In attempts to answer this question, I feel it essential that account be taken of the fact that the Soviet leadership views the nature, requirements and implications of the new relationship with the U.S. in an entirely different light than do most of us in the U.S.

In the U.S. it is generally assumed that the Soviet situation as regards the relationship is very much the same as our own. Detente has given rise in the U.S. to a whole range of expectations and interpretations concerning the future prospects of Soviet-U.S. cooperation for international stability, reductions in the threat of nuclear war and the burdens of defense and even of progressive convergence between the systems. These expectations rest upon assumptions regarding the character of the Soviet leaders, their policies and priorities which go well beyond the specific commitments made by both governments in the agreements reached at summit meetings in Moscow in May 1972 and in Washington in June 1973. An important feature is the widespread belief that fundamental changes have taken place in the former opponent's motivations, priorities and intentions. Not only is the absence of war assumed but also the elimination of conditions which might lead to war, that is, a scaling down of mutually incompatible objectives, the absence of intense competition which infringes on important national interests, cessation of efforts by either side to gain a significant advantage over the other or to alter the existing or agreed-upon balance of power, especially military power. In brief, detente is taken to mean considerable cooperation in the preservation of international stability and the status quo, and as meaning that while competition between the countries may persist to a degree it will be conducted according to equal rules and within fixed bounds and that on all important issues cooperation will take precedence over competition.

The Soviets, for their part, seldom use the term detente in reference to the new relationship, and do so almost exclusively in pronouncements and commentaries aimed at Western targets. The Soviets use, instead, their own preferred term "peaceful coexistence." Moreover, they ordinarily add "between states with different social systems," thereby indicating not only the limits on their cooperation but also reflecting an underlying assumption of a dynamic international environment and of continuing and irreducible competition—the Soviet word is "struggle"—between the opposing systems. Unlike detente, "peaceful coexistence," as explained by the Soviets, does not assume or require the abandonment of either side of incomptaible objectives. Its stated aim is not to maintain the *status quo* or to promote stability, but to facilitate changes favorable to the Soviet Union and its allies. Therefore, the Soviets see "peaceful coexistence" not only as a form of struggle with the West but also as a strategy of struggle aimed at achieving Soviet global objectives. Since the Soviet leadership has gone to great lengths to spell out what it means by "peaceful coexistence" and the limits of that concept as well as its implications for Soviet foreign policies, there is no reason, as Soviet spokesmen themselves point out, why the West should harbor any "illusions" about it or persist in basing its expectations on different assumptions concerning Moscow's policies and actions.

According to Moscow's specifications the prime purpose of peaceful coexistence is to reduce the chances that the continuing

struggle between systems will lead to war between the great powers, or, as Brezhnev has said, "will make possible a shift of the historically inevitable struggle [between systems] onto a path that will not threaten wars, dangerous conflicts and unrestricted arms race." Thus, according to *Pravda* of August 22, 1973, "Peaceful coexistence does not mean the end of the struggle of the two world social systems. The struggle between the proletariat and the bourgeoisie, between world socialism and imperialism will be waged right up to the complete and final victory of communism on a world scale." And according to the authoritative collective study *Leninism Today*, "Peaceful coexistence does not extinguish or cancel out class struggle . . . it is a new form of class struggle employed by the working class and the socialist countries in the world arena. It cancels only one type of struggle—war as a means of settling international issues." Further, according to an authoritative 1972 study of the USSR Academy of Sciences, *Problems of War and Peace*, "As for the policy of peaceful coexistence, it rests on a *system of principles* that make it possible to avoid a major international conflict in the course of development of revolutionary processes in individual countries."

Also, although peaceful coexistence appears at first glance to impose equal restraints on both sides to abstain from war or dangerous confrontations in settling disputes between them, in the Soviet view the primary purpose is to place the West and especially the United States under unilateral constraints. The Soviets take the position that it is only the West which threatens war, resorts to military "adventures" and violence against other nations, promotes the arms race, organizes political and military alliances and blocs against the Soviet Union and seeks to deal with Moscow "from a position of strength." In the Soviet view, therefore, the purpose of peaceful coexistence is to curb the West's aggressiveness, militarism and attempts to oppose by force the movement for the transformation of the world according to the Soviet model, or in Soviet terminology, to prevent the West from" exporting counterrevolution" and from trying to impinge upon the "rights of peoples" to utilize every available means, including "arms in hand," to liberate themselves from "reactionary" forces, whether of foreign or domestic origin, and with the aid and support of the Soviet Union.

As an overall matter and as I pointed out above, Moscow interprets US movement toward the new relationship with the USSR, that is US "acceptance of the principle of peaceful coexistence," as a result of, and a further step in, the decline of the power and influence of the US as against the USSR. Hardly had President Nixon left Moscow at the end of May 1972 before the vast propaganda apparatus of the USSR was proclaiming that,

"The strategic course of US policies is now changing before our very eyes from 'pax Americana' . . . to a definite form of necessity for peaceful coexistence. We must clearly understand that this change is a *forced* one and that it is precisely the power—the social, economic, and ultimately, military power of the Soviet Union and the socialist countries—that is *compelling* American ruling circles to engage in an agonizing reappraisal of values."

Subsequently, Soviet spokesmen explained that US leaders had had no choice but "to concern themselves with ensuring that US foreign policy objectives, methods, and the doctrines for achieving them are proportionate to [its] dwindling resources," and that the new situation represented "a great victory for our Party and for all the Soviet people—an event of outstanding significance." That, however, much still remains to be done has been emphasized by Brezhnev himself:

"We soberly and realistically evaluate the current situation. Despite the successes in relaxing international tension, a hard struggle against the enemies of peace, national and social liberation faces us. Marxist-Leninists do not entertain any illusions in relation to the anti-peoples essence of imperialism and its aggressive aspirations."

It is against this background that I feel we must examine the question of whether the Soviet leadership may be changing its positions regarding Soviet nuclear forces in consequence of detente. It is also against this background that I feel we must weigh the significance of General Secretary Brezhnev's warning to President Nixon in Moscow that the USSR would continue to strengthen its strategic forces in all ways not specifically prohibited by the SALT I agreement. And it is against this background that I feel we must judge the implications of the post-SALT I testing and deployment of the first Soviet MIRV's; the testing and imminent deployment of four new families of Soviet ICBM's, each decidedly more advanced and effective than its predecessor; an accelerating program of production and deployment of Soviet SLBM's, and the prospective early testing of an entirely new family of SLBM's; and a solid Soviet push for a highly modernized strategic bomber capability.

UNITED STATES-MEXICAN RELATIONS

(Mr. FASCELL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. FASCELL. Mr. Speaker, in recent years much of the attention of the American public has been directed to farflung areas of the world from Vietnam to the Near East. Often overlooked have been events much closer to home. Today I would like to call attention to one of these too little publicized events—the steady progress in our relations with our great southern neighbor Mexico.

In a speech last month before the Mexico City Rotary Club, our distinguished Ambassador to Mexico, Joseph John Jova, concisely reported on the state of United States-Mexican relations. Because of the widespread interest by Members of Congress in Mexico, I am certain that Ambassador Jova's speech will be of great interest to many in this Chamber:

ROTARY CLUB SPEECH BY U.S. AMBASSADOR JOSEPH JOHN JOVA, MAY 14, 1974

First of all, I want to thank Mr. Clemente Serna Alvear, president of the Rotary Club for the opportunity he has given me to address this select audience of men and women concerned with community problems.

Ladies and gentlemen, distinguished rotarians, today I want to present to you some thoughts on the wide panorama of Mexico-U.S. relations. I think this fits perfectly within the goals of the rotarian community which, from its beginning, has always devoted itself to the promotion of international friendship.

The very bases of the Rotarians, their concern for truth, their interest to hear the other side of a question and to insure fair solutions to both sides can contribute to further improvement of the good relations already existing between our two peoples.

New demands for economic and social development are creating pressures on governments throughout the world. The dynamics of this phenomenon were clearly demonstrated during the last year. Countries which had assumed that they had indefinite supplies of energy were suddenly shocked into realization of natural and man-made limitations. Countries were faced with new problems, created primarily, if indirectly, by man's increasing use of energy, his development of new technologies, his advances in science, and his efforts to provide better social and living standards for the inhabitants of this earth.

The recent crises emphasized the reality of inter-dependence among nations—that nations cannot live in isolation, and that in one way or another we are all dependent upon each other. This dependence, which begins with our most immediate neighbors, also stretches around the world.

Our desire is to enhance and preserve the special neighborly relationship between our peoples: a relationship that is based on trust and understanding, that recognizes our common interests, and that allows both of our nations to contribute to improved international relations in the hemisphere and in the world.

Earlier this year in Mexico City, a meeting of hemispheric foreign ministers convened in an atmosphere of complete frankness, candor, and mutual respect. In that meeting of Tlatelolco, Secretary of State Henry Kissinger called for a new dialogue, a new relationship among nations of the hemisphere, that would increase mutual trust and understanding in our common efforts to resolve hemispheric problems. He emphasized that 'Our common impulse in meeting here is to fulfill the promise of America as the continent which beckoned men to fulfill what was best in them. Our common reality is the recognition of our diversity. Our common determination is to derive strength from that diversity and forge our historical and geographical links into shared purposes and endeavor."

There is a realization that national development is a complex matter indeed, and the impulse must come from within each country. We have accepted the existence of a "plurality of ideologies" in the hemisphere. Within this developing concept of interdependence, there is a good reason for optimism about future cooperation among the nations of the Americas.

As part of this new dialogue, Latin America presents concerted position facilitating—as Foreign Minister Rabasa pointed out—a mutual exchange of viewpoints based on true equality. This New Dialogue was baptized as The Spirit of Tlatelolco and has set the tone for subsequent meetings in Washington and Atlanta in April.

I am very optimistic about multilateral inter-American relations in which Mexico, as it is traditional, has played an important and innovating role.

In bilateral issues we can observe with satisfaction the friendliness existing in relations between Mexico and the United States.

My government is convinced that problems which might arise between our two countries should be resolved through amicable, bilateral negotiation. Thus, in recent times, we reached agreement on the Chamizal in 1963; in 1970 we signed a modern Boundary Treaty which provides for a clear definition of our shared border. Just last year, we negotiated an agreement to resolve the longstanding dispute over the salinity of Colorado River waters delivered to Mexico. The United States Congress presently is considering legislation necessary to implement that agreement.

ILLEGAL ENTRANTS

The complex subject of Mexican nationals who are illegally in the U.S. has emerged as one of the most important outstanding bilateral political issues.

Over the past several years, the number of Mexicans illegally entering the United States has grown dramatically. During the 10 calendar years between 1963 and 1972, the number of such Mexicans who were apprehended and required to leave the U.S. grew from roughly 42,000 to almost half a million. By 1972 Mex-

icans made up 88% of all aliens illegally in the United States. The earlier northbound migration went primarily to the agricultural sector in the southwestern United States; the present-day Mexican illegal entrant usually goes farther afield and more often than not settles in an urban area, where he assumes a job in manufacturing or in a service industry. The impact on wage scales and the resulting job-displacement are matters of serious concern, especially for so-called "chicanos" already established in the country and for organized labor in the United States.

Both governments are concerned not only with the legal problems created by this large-scale and illegal movement of persons but also with the social and economic implications. Let me emphasize, by the way, that everyone agrees that aliens, whether legally or illegally in the United States, should receive the same humane treatment accorded to U.S. citizens. Respect for the other's rights is peace.

The "illegal" problem will be with us for some time. Resolution calls for dedication and imagination on the part of both governments. In the final analysis, I can do no better than to quote President Echeverria at the time of his second State of the Union message in September, 1972:

"We are convinced that the substantive solution is to be found within our own borders. By encouraging our economic and social development we shall increase the prospects for satisfactorily remunerative jobs. In expressing this view during my visit to the United States, I stated that we wish to export products and not social problems."

FOREIGN INVESTMENT

Extensive discussions are underway throughout the world on the role of foreign investment in promoting national economic and social programs.

In his annual report of September 1972, President Echeverría referred to his proposal for a Charter of Economic Rights and Duties of States and said that the Charter was intended "to transfer economic cooperation from the sphere of good will in order to fix it firmly in the field of law" ("Propuse trasladar la cooperación económica del ámbito de la buena voluntad para acuñarla en el campo del derecho").

Mexico, on its part, has indicated its readiness to accept foreign capital imposing on it the controls which it considers necessary according to its sovereign decision.

In May 1973 the Mexican Congress passed the "Law to Promote Mexican Investment and to Regulate Foreign Investment". This new law, in large part a codification of previous laws and regulations, provides for the approval, by a National Commission, of direct foreign private investment which meets Mexico's own development criteria.

In certain respects, Mexico has achieved a substantial degree of economic independence. Direct foreign private investment in Mexico is now only 5 per cent of total direct investment. *New* direct private foreign investment in Mexico in 1972 amounted to only 215 million dollars and was a little less than that in 1973. It is estimated that total direct private foreign investment in Mexico today is about 3.3 billion dollars, of which about 70 per cent—or slightly more than 2.2 billion dollars—comes from the United States. Mexico offers exceptional conditions for political, social and economic stability.

It is our view that the country offers an excellent opportunity for direct private foreign investment on the part of potential investors who wish to invest in areas where they are welcomed by the Mexican government, are willing to go into joint ventures with Mexican partners, and who otherwise accept the social responsibilities inherent in the realities of Mexico's present-day mixed economy.

THE PROBLEM OF NARCOTICS

Narcotics and the related social evils are no longer problems to be resolved by one nation or another. This problem is international in its scope, involving international dealers and traffickers.

Throughout Latin America, governments and private organizations are accelerating their efforts against drug traffic and abuse, and they are meeting with increasing success despite obstacles.

The flow of narcotics into the United States from Mexico constitutes a major problem for both countries. The narcotics traffic is difficult to control because of our long common border; because of the relative ease of transporting narcotics. I must accept that smugglers do not have nationalities nor patriotism. Many of those in the narcotics trade, particularly marijuana and cocaine, are North Americans; at the present time there are more than 400 U.S. citizens in Mexican jails on narcotics charges.

Fortunately, the Mexican Government, concerned to protect its own people by enforcing Mexican narcotics laws and acting out of humanitarian and political concern for its relations with the United States, has proven a strong ally in fighting narcotics. Mexican Federal Judicial Police and Army units are in continuous and intensive operation to eradicate the poppy and marijuana fields, and Mexican narcotics agents risk their lives daily to interdict the illicit traffic and to arrest those engaged in it. The results are constantly more impressive. There is much yet to be done; but the determined commitment of the Mexican Government to destroy the illegal crops and traffic, together with the continuing cooperation of the United States, means that significant progress is being made to contain this worldwide menace.

Mr. President, distinguished gentlemen, I think that you will agree with me that Mexico and the United States have been successful in their efforts in collaborating to solve common problems. For some years now, we have been able to refer sincerely to the good relations between our two countries. We will always have problems, but we can and do discuss them amicably and reasonably in spite of our past differences.

These friendly bilateral relations created the conditions for Mexico and the United States to act cooperatively—not as a single but with the strength of shared ideals—in a world of growingly complex problems and opportunities.

President Echeverria correctly foresaw the growing strength of interdependence when in 1972 he proposed the Charter of Economic Rights and Duties of the States as a model for relations between countries at a different stage of development. Secretary of State Kissinger realized the importance of this initiative when in his opening speech at the Conference of Tlatelolco he supported the Charter saying: "In the emerging interdependent world, both, the weak and the strong have responsibilities and the world's interest is the interest of each nation."

To conclude I would like to repeat a quote that, I believe, precisely describes the current world situation: "The principal fact of the modern world is not its massive unrest—although that is its most visible characteristic—but its growing and necessary unity, the interpretation of all lives by every other life, the coming together of peoples, cultures and societies to accomplish common purposes . . ."

TOO MUCH TIME, TOO MUCH MONEY

(Mr. MILLER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MILLER. Mr. Speaker, information has recently come to my attention which points out the great amount of money that the American taxpayer has paid out for the Watergate investigations. While the amount of money itself is cause for concern, the more alarming fact is that this is not the end of the spending. We have come down the road of these investigations for 18 months and seem to be no nearer to a conclusion now than we were in early 1973 when no one had ever heard of the Senate Watergate Committee.

The estimated spending for Watergate runs to these amounts: for the Senate Watergate Committee, its staff of 42 and 17 lawyers—$2 million; for the House Judiciary Committee, its staff of 100 and 43 lawyers—$1.7 million; for the Special Prosecutor's Office, its staff of 80 and 38 lawyers—$2.8 million; for the several Watergate Grand Juries—$225,000; for the GSA audit of the Nixon homes—$100,000; for the GAO audit of the Nixon homes—$100,000. The grand totals for these runs to approximately $6.9 million for all bodies with 222 staff members and 98 lawyers.

Mr. Speaker, like each Member of this Congress I am in favor of discovering the truth behind all of the charges associated with Watergate. However, I do not see any need to do this at the cost of an endless drain on the taxpayer's pocket. It seems to me that it is far past the time when we should begin to question the money spent on these investigations. After $6.3 million has been spent what can we say has been achieved in the way of concrete results?

While the public has wearied of the confusing and never-ending investigations, the various staffs of these investigative bodies seem content to drift along on the public payroll. It is time that these groups were shaken from their 18-month hibernation. It is time the American people received some conclusions for their $6.3 million.

MANHATTAN VA HOSPITAL STAFF RECEIVES PRAISE

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, Federal agencies are often criticized for their failures and at times the obstacles their bureaucratic procedures place before people. But, there are times when the agencies deserve commendation—and usually this is because the individuals working within them extend special interest and compassion to the people they are attempting to help.

Recently, I received a letter from a lady whose husband died at the Manhat-

tan Veterans' Administration Hospital after an extended stay. The woman, Mrs. Marquis, said that the doctors and nurses at the VA hospital were very good to her husband and gave him excellent care. This is particularly encouraging since the VA hospitals have been the subject of some criticism in recent years. There are many within the Federal Government that give a great deal of themselves in their work and do more than a perfunctory job. They deserve our gratitude.

Mrs. Marquis has consented to my sharing her letter with my colleagues; it follows:

Hon. EDWARD I. KOCH,
New York, N.Y.

DEAR CONGRESSMAN KOCH: A little more than two years ago through your good offices the application of my husband (Harry G. Marquis) for admission to the Veterans Nursing facility at Castle Point was approved. At that time there was no vacancy but it was arranged that my husband should remain at the Manhattan Veterans Hospital until a vacancy should occur.

For various reasons, including a deterioration in his condition Harry was kept on at the Manhattan V.A. Hospital where he died on May 1, 1974.

There having been so many criticisms of veterans' treatment at V.A. Hospitals, I'd like you to know of my experience:

Nowhere could more have been done for a patient by the doctors, nurses and aides, every one of whom left nothing undone that could be done. The dedication, the devotion, the kindness—I might almost say the tenderness—of everyone in the care of my husband is something I can never forget.

With deepest appreciation and gratitude to you for the help you have given us, I am

Sincerely yours,

Mrs. HARRY G. MARQUIS.

SHEA MOSELEY'S 4–H CLUB WORK

(Mr. DE LA GARZA asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. DE LA GARZA. Mr. Speaker, it has been my privilege for many years to work with the young people in the 4–H Clubs in the 15th Congressional District of Texas. I have seen hundreds and hundreds of these fine young men and women engaged in worthwhile activities—the kinds of activities that prepare them to take their place as contributing members of their communities.

This week I received a letter from one of them—Shea Moseley of Pharr, Tex.—which tells an inspiring story of constant endeavor and success in 4–H Club work. I wish to share this letter with my colleagues by inserting it here and at the same time to extend my congratulations for a job well done to Shea Moseley:

PHARR, TEX.,
June 12, 1974.

KIKA DE LA GARZA,
Congressman, United States of America, Washington, D.C.

DEAR CONGRESSMAN: I have been a member of the San Juan 4–H club of Hidalgo County for 5 years. Throughout these years, I have held the offices of reporter, recreation leader, and council delegate. On the County level, besides being a local representive, I have been fortunate enough to be Hidalgo County 4-H Council recreation leader. 4-H has meant a lot to me, and I have accomplished quite a bit—and I intend to keep on going. Just recently I was chosen to represent my County at District 12 Leadership Lab. This was a big honor. Working on the local, county, and district levels is just a part of my 4-H success because just this past week on June 4–5, 1974, the Hidalgo County 4-H Share-the-fun group was awarded First place—Overall—Texas State Share-the-fun Contest, and 'Best Vocal Group' at Texas State 4–H Roundup at Texas A&M University. Since this was my first year at Roundup, it was a great honor and a tremendous surprise! There were 7 other members in our group, our name as 'The 8-Teens'. Our skit consisted of various songs and speeches on Americanism, the trials and tribulations of our society, and how 4-H clubwork can help bring our country together once again, under God.

I would like to thank you for the gratitude and strong support that you have shown the 4-H clubs of Texas. 4-H has been beneficial to me for these past 5 years, and without people like you backing this worthwhile organization, it could not continue to prepare the youth of our nation, and myself, to assume the many and serious responsibilities of adulthood.

Thank you again.

SHEA MOSELEY,
Recreation Leader, Hidalgo County.

MEMBERS' TRAVEL REPORTS

(Mr. GUDE asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. GUDE. Mr. Speaker, today 42 of our colleagues are joining me in introducing legislation to again provide for publication of Members' travel reports in the CONGRESSIONAL RECORD. This requirement was removed as part of last year's State Department authorization, although this particular provision was never the subject of floor debate. Joining me in the introduction of this bill are: Messrs. STEIGER of Wisconsin, ANDERSON of Illinois, REUSS, MCSPADDEN, Mrs. GRASSO, Mrs. SCHROEDER, Messrs. VANIK, KETCHUM, DAVIS of Wisconsin, FORSYTHE, BROWN of California, MADIGAN, REES, HANLEY, ROBISON of New York, MANN, EILBERG, EDWARDS of California, DUNCAN, ANDERSON of California, HARRINGTON, HUBER, STARK, HORTON, BAFALIS, DU PONT, LAGOMARSINO, WHITEHURST, ECKHARDT, JONES of Oklahoma, BELL, BROYHILL of North Carolina, SARASIN, MOSHER, FRASER, FRELINGHUYSEN, CLEVELAND, MCKINNEY, MCCOLLISTER, THONE, SYMINGTON, and CULVER.

We are introducing this legislation because we believe that we have all seen the unfortunate results of Government secrecy and decisionmaking behind closed doors, and it is imperative that the Congress take the lead in opening up governmental processes and letting the people see what we do and why do it.

Foreign travel by Members of Congress is viewed with some suspicion by the public and the press. Major newspapers regularly write stories hinting of scandal and the waste of public funds. Such a view is unfortunate because it ignores the real importance of travel to the proper fulfillment of congressional responsibilities. Congress cannot be expected to appropriate millions of dollars for military installations overseas without ever inspecting the sites in question. The World Food Conference, which will be held in Rome this fall, will deal with vital matters concerning world agriculture, fertilizer supplies, and famine relief. These are matters of daily concern in Congress as they deal with America's domestic food requirements and work to determine our obligations to the world's underdeveloped nations. The forthcoming Law of the Seas Conference, as another example, could have a significant impact on U.S. oceans policy and on that portion of our economy dependent on fishing. Congressional participation in these negotiations is essential if we are to develop appropriate legislation regulating American use of the oceans and their resources.

Changing the popular view of travel, however, cannot be accomplished by hiding travel information and making it available only to the persistent reporter. Such an approach will only increase the suspicion surrounding travel and lower the public view of Congress. A better solution in my judgment is to restore such information to the CONGRESSIONAL RECORD, making it easy for the public to examine it and bringing the entire question into the open. Such a solution is the measure we are introducing today, and I urge its favorable consideration.

CANDLELIGHTERS FIGHT CANCER ON BEHALF OF CHILDREN

(Mr. JOHNSON of California asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. JOHNSON of California. Mr. Speaker, one of the great campaigns in the history of this Nation is now under way. It is the fight to discover a cure for cancer. This was triggered by the action of the Congress several years ago when it passed the Conquest of Cancer Act. Since that time, greater and greater strides have been made in the fields of research and related sciences in an effort to find a cure to the baffling mystery of what causes the disease that kills so many thousands of our citizens every year.

Not many Americans realize that cancer is also one of the foremost destroyers of our children. More and more attention has been focused on the fact that young children have their lives snuffed out without an opportunity for full and worthwhile life by this disease.

Some years ago in Washington, D.C., an organization known as the Candlelighters was created. This is a group that is composed of parents whose children have died from, or are currently under treatment for, cancer. The Candlelighters are now active in 16 States, and are dedicated to only one purpose, and that is to find the means and the way to find a cure for this dread disease.

Their quiet work over the last 4 years in the Congress of the United States, and across the country, has helped to effectively provide new authorizations and funding for the continuing program to battle cancer.

The Candlelighters, in the person of Grace Powers Monaco, national liaison chairman of that organization, recently testified before the Subcommittee on Labor, Health, Education, and Welfare of the Committee on Appropriations of the House of Representatives.

Under leave to extend my remarks, I will include Mrs. Monaco's statement before that distinguished subcommittee, and also a related article dealing with cancer which appeared in the New York Times Magazine section of April 7, 1974.

I salute the Candlelighters in their work in this field, and I join with them in the fervent hope that in the not too distant future we will find the answer to this baffling disease.

THE CANDLELIGHTERS

(Mr. JOHNSON of California asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. JOHNSON of California. Mr. Speaker, I would like to take this opportunity to call to the attention of my colleagues the outstanding work of a unique organization in our midst, here in the Nation's capital.

The Candlelighters is an organization composed of parents of children who are currently under treatment for, or have died from, cancer. Their special mission is to work for increased research in the field of cancer. Unfortunately, cancer is one of the leading causes of death in children. These parents have felt the heartbreak and trials of a child who must face death from this fearful disease.

Through the work of this organization and others like it, American scientists and their counterparts around the world will be able to devote their full resources to the effort of finding an effective cure and a means of prevention.

Just recently, the Candlelighters had the opportunity of testifying before the Labor-HEW Subcommittee of the House Appropriations Committee. For the benefit of my fellow Members of Congress, I am including in the RECORD a copy of that testimony and an enlightening article from the New York Times magazine which eloquently tells the story of children suffering from cancer and of the desperate fight to stop this killer:

STATEMENT OF THE CANDLELIGHTERS BEFORE THE SUBCOMMITTEE ON LABOR, HEALTH, EDUCATION, AND WELFARE

Mr. Chairman and Members of the Committee:

My name is Grace Powers Monaco, National Liaison Chairman of CANDLELIGHTERS. I am accompanied by Richard Sullivan, President of the Mertopolitan Washington Chapter, Rev. Kirk Hudson, President of the Pittsburgh Chapter, Bob Bogoff Co-founder with his wife of the South Florida group and Mrs. Chris Naegle, founder of IMPACT of New Jersey, a Candlelighter affiliate. As the members of this Committee know, Candlelighters is an organization of parents in 16 states whose children have died from or are currently under treatment for cancer.

As we have indicated in previous appearances before this Committee, we feel that we are in a good position to inform the Committee on the effect and results of the funding efforts on the consumer level. As in the past, we wish to bring to your attention those areas which we feel merit further attention or where increased funding levels or new funding is required.

Before entering into a discussion of the various aspects, I would be remiss if I did not extend on behalf of all of us our deep gratitude and appreciation to you, Mr. Chairman, and the members of this Committee for the efforts on behalf of the afflicted and, in particular, for the unflagging interest which this Committee has shown towards cancer research and treatment. We know that the lives of our children have been extended and, in some cases, preserved through cancer research efforts which this Committee allocated to the various elements of the National Cancer Institute and in conjunction with some private sources. We know, as I am sure you do, the importance of building on the great progress already made in this field so that the aspirations contained in the National Cancer Act may be realized.

Since our children's lives and the lives of future cancer victims depend upon cancer research progress, and the translation of the results of this progress into improved methods of diagnosis, treatment and rehabilitation, we have made it our business to become informed about the various facets of the various different programs so that we might be in a position to inform you.

In preparing our testimony for this Hearing, we have related to the provisions of the National Cancer Amendments of 1974 as approved by the House and which are presently awaiting action on the Conference Report.

With respect to the overall amounts, the $600 million requested by the President for the 1975 budget would appear substantially below the amount necessary to carry forward the program along the lines contemplated in the Authorizing Legislation. If one looks to the inflationary factor alone, the small increase from the 1974 budget would be retrogression rather than an increase. An interesting table is contained in the House Report No. 93954 accompanying the National Cancer Amendments of 1974, which shows the appropriation in terms of the value of the 1965 dollar. Even without taking account of the inflation which has taken place since that table was compiled, the amount specified in the President's budget request would be less than $400 million in terms of the deflation to which I have referred.

If one takes account of the built-in increases, including those for salaries and for the higher costs of construction, the amount available for research in this sector, which is of such vital interest to us, might suffer material reduction. This we believe should be avoided at all costs and we urge this Committee to take appropriate action on the line items regarding the NCI so that the amount set aside for research and other elements discussed in this testimony will not be adversely affected.

It would appear to us that the total amount which should be appropriated for NCI for FY 1975 should be the authorized amount of $800 million. There are a number of specific areas which we would like to bring to your attention, including two which we recommended to the Authorizing Committee. These deal with "nutrition" and information services".

COMPREHENSIVE CANCER CENTERS

The amendments to the National Cancer Act provide for an expansion of the number of comprehensive cancer centers to 35. This expansion, which will take 5 to 10 years to implement, may go a long way toward insuring the best quality care to most of our population. However, the effect of the comprehensive cancer center toward meeting this goal depends upon those centers not being centers in name only but truly centers of excellence, which the name would suggest, in all areas of cancer care.

As you are well aware, NCI does not "fund" cancer centers as such, it provides some organizational seed money when the center is designated. But as recognized by the NCI, the core grants provide only a small part of the operational costs; the remainder of the operational costs are supplied through individual research grants, center grants, contracts, and non federal sources. To become a comprehensive cancer center, the center must therefore compete for research grants, contracts, fellowships, training funds, etc. It is unusual if all areas of cancer treatment at a newly designated center would approach the same level of degree of excellence. For example, it might have an excellent and innovative radiotherapy staff but might need upgrading in neurology or pediatrics, or pharmacology. How do we bring the other areas of the center up to the standard of excellence envisioned by the term comprehensive cancer center—how do we maintain the degree of excellence in the departments that is already excellent, through competition for federal moneys; to fund innovative programs.

That is where the "rub" is with respect to the goal of cancer centers of a uniform degree of excellence in the spectrum of programs offered. It is current NCI funding policy to give grants to investigators for programs. Well endowed medical schools and institutes which maintain large and prestigious staff continue to attract the bulk of program funding in both the basic research and clinical trial areas. The core support money appears to be insufficient to provide innovative investigative support to a staff which usually because of an overwhelming case load does not have the time and also lacks the specialized expertise to draft grantable programs. Therefore the established and prestigious centers which have the time and funds to support innovative staff investigators to draft programs, will continue, albeit on merit, to get the lions' share of federal funds. If the policy continues as it now exists, new centers will have to struggle along for years while slowly attracting and building up a quality staff necessary for a center's all around strength.

Obviously any sort of preferential or quota system is inappropriate to remedy this problem. The most excellent program responses should be the ones funded. However, we would urge this Committee to allocate the additional sum of $2,400,000 to provide for the support of additional innovative investigators for new centers. This will enable new centers to reach their goal—the goal promised by the Cancer Act and expected by the community—of all around excellence in cancer treatment sooner. By way of illustration of this problem, we cite as an example the current situation in South Florida. The Miami Comprehensive Cancer Center which has some excellent cancer programs received $2.9 of the $13 million requested for its first three years, the ten worthiest proposals were funded. However, there are some departments which have excellent staffs and good treatment facilities but because of an unbalanced patient/physician ratio are deficient in personnel who have the time and special expertise to devise and draft grant-

able programs. For example, the pediatrics, radiotherapy and pharmacology departments need assistance in this area. Fortunately, there was sufficient unearmarked money in the center's funding to bring in one investigator who will probably be assigned to assist pediatrics. However, this will not help the upgrading in other departments with similar problems.

The expansion of the number of comprehensive cancer centers in the next 5 to 10 years should alleviate one major problem connected with obtaining the best possible cancer treatment which we experience now—distance. In New Mexico, to reach a comprehensive treatment center patients travel from 100 to 400 miles, even drawing from Arizona Indian Reservations. Also traveling a distance for treatment, when unnecessary, may be forced upon patients for economic reasons. New Jersey pediatric patients travel from only a few miles to over 75 miles one way. However, driving 75 miles for in-state cancer care is too far for a desperately ill child, at least for those patients situated in the northernmost or southernmost areas of the state who are closer to care in New York or Philadelphia than that which is available in New Jersey. Even if it is more convenient for a family so situated to go to New York or Philadelphia to receive care, there are economic reasons why they may not be able to go. For example, according to our experience, the State funded the Crippled Children's Program which reimburses some cancer care costs will not pay for any services out-of-state unless they are totally unavailable in New Jersey.

PSYCHO-SOCIAL SUPPORT

This Committee has heard from us in the past about the importance of psycho-social support to the patient and the family group undergoing an experience with cancer. This type of supportive care, where available, has been shown to improve the quality of treatment and enable the family during and after crisis to function as a cohesive supporting family group instead of breaking up, with the resultant drain on themselves and on society, NCI has recognized the importance of this assistance in treatment and rehabilitation and has initiated a request for proposals dealing with this area.

This group counseling or psycho-social support should be made available not only to the patient and his family but also to the medical staff in dealing with the problem of the terminal patient. A common complaint of our groups both local and national is that many doctors were largely unable to deal with the terminaly ill patient and his family. They tend to be mechanical, impersonal and curt and this problem becomes more severe when the child approaches death, when the support should be the strongest from medical and nursing personnel. Unless medical personnel can cope and come to terms with their own feelings about death and dying, they cannot give the type of support required by the terminally ill child. Indeed, how can they appropriately monitor the child if they try to avoid him. It is an incredibly frightening experience for a parent to be left virtually alone without supportive care to deal with his dying child. For this reason we request that NCI be directed to include within the definition of cancer related subject in its clinical training program to advance the education given by medical schools in cancer related subjects, programs related to the training of the physician and nursing personnel in how to deal with death and the dying patient. We also request that these programs be expanded to permit inclusion of practicing physicians in the cancer area.

We realize that this Committee can go no further than provide the funds for demonstration projects in this area. However, we would ask you to talk to your colleagues who deal with national health insurance legislation to include coverage for all kinds of cancer rehabilitation programs, of which this is one type.

NEUROLOGIC DIAGNOSTIC EVALUATION

As the survival statistics applied to cancer patients on chemotherapy and radiotherapy lengthen, problems arise which were unknown when the patient's lifespan was compressed into 2 or 3 years, e.g. an increasing number of neurologic disorders resulting from chemotherapy and radiotherapy. For example, nerve damage, paraplegia, meningitic impairment of cognitive function, muscle pain and atrophy are surfacing. Since one of the goals of the cancer control program is to focus on rehabilitation—the best quality of life as well as the ever lengthening life span—, it is imperative that evaluations of patients be done to assess the damage chemotherapy or radiotherapy is causing neurologically and to pinpoint its cause and take steps to correct it. Funds to support this type of evaluation work would not be included in most normal insurance coverage. We would ask this Committee to require NCI to initiate demonstration projects which would evaluate the new and existing patient neurologically as well as medically and hematologically and as part of these projects, to undertake to convince major insurers to include such evaluations in their insurance coverage.

INSURANCE COVERAGE

The area of insurance coverage is one which strikes hard at the parents whose children are under treatment. Even if you have taken a major medical policy and consider yourself well covered, you have not protected your family when cancer strikes. For example, some insurance carriers do not consider chemotherapy a recognized treatment for cancer and will not reimburse it; some will not pay for recognized rehabilitation needs; some will not pay for psychiatric or group counseling sessions or for experimental drugs, etc. If this Committee is to be assured that once the NCI has demonstrated the effectiveness of cancer diagnostic treatment and rehabilitation programs, that these programs are not dropped but continued; it is essential that the insurance community review and revise their coverage standards to reflect the up-to-date procedures which are the crux of cancer treatment and rehabilitation.

We hope that this Committee would utilize its good offices in bringing to the attention of your colleagues who are concerned with health insurance legislation the great and vital need for an early change in the attitude of the insurance industry with respect to the coverage of proven diagnostic, treatment and rehabilitative procedures connected with cancer.

LAMINAR FLOW FACILITIES

One of the successes in the cancer program pointed to by NCI is the reduction of deaths due to infection related to acute leukemia through the use of protective environments and antibiotic therapy. The findings of NCI make it clear to us that every center or hospital employed in clinical trials for NCI should have laminar flow facilities. One of the reasons they are not being included in privately funded hospitals is that there are no funds available to sustain them. One reason may be lack of insurance carrier coverage for such facilities. For instance, the new Childrens Hospital here in Washington for lack of funds has not planned to put in any laminar flow room.

CANCER CONTROL

Even after the expansion of Comprehensive Cancer Centers, we must still rely on local physicians for diagnosis and follow-up care. At present in the areas in which we have Candlelighter chapters or affiliates, there are no federal privately funded programs designed to educate the family physician or pediatrician on the best methods for detecting cancer. Early proper diagnosis is often critical in determining the patients' chances of survival. Unfortunately, however, misdiagnosis of childhood cancers, from the experience of our members, is the rule rather than the exception. The experience of one of our local Candlelighters families is a case in point: Following a playground accident, they took their child to a local hospital where X-rays were taken and the child was examined by two staff physicians who concluded that it was merely a soft tissue injury. Two months later a prominent and thoroughly experienced orthopedist pronounced the child neurotic when he was not responding to the treatment he prescribed and in fact his condition was deteriorating. Two more months passed before the child was diagnosed as having acute lymphocytic leukemia. Four valuable months were lost. The symptoms and objective evidence was available from the time of the original hospital visit but the physicians were incapable or neglectful of interpreting them.

Other examples are: Wilms tumor diagnosed as an impacted bowel; leukemia frequently diagnosed as flu or rheumatoid arthritis or even malingering. For this reason we request the fullest support of the cancer control program so that through the expansion of information systems and demonstration projects, the facts on cancer diagnosis and treatment can be disseminated to all physicians. For this we request that the fullest authorized sum of $50,000,000 for fiscal year 1975 be appropriated for the Cancer Control Program.

INFORMATION SERVICES

The Authorizing Committees included in the National Cancer Act Amendments of 1974 language suggested by Candlelighters which would require NCI to devise means to interpret and disseminate new and existing knowledge and information produced by the Cancer Program to researchers, practicing physicians and the general public. The outlay required to implement this program for fiscal 1975 is $3,000,000.

In this connection, pending implementation of cancer control information and education projects, and the information services provided for in the 1974 Cancer Act Amendments, the information burden at NCI falls upon the Office of Cancer Communication. It was this office which was mentioned as the disseminator of information by Dr. Rauscher in his testimony before the Committee. It is this office which was given as the information access reference in a recent Public Broadcasting System special program on cancer. Also, it is this office which has responded fully and informatively to many inquiries made by Candlelighter families and their physicians with respect to materials available on a disease or its treatment, a medical contact within NCI to talk to and information on where there are comprehensive cancer care facilities available in their area. However, the personnel in this office has recently been cut back by 25% as part of an overall cutback in HEW public information offices. It is impossible to do the job expected of this office pending any Cancer Control Program or information services development without proper staffing. The Committee has demonstrated in the past that it is not content with paper tiger programs—programs that look good on paper but cannot

deliver. This Committee wants working programs—programs that really are able to reach the people they are designed to help with information. We would suggest, therefore, that at least 6 additional job slots be provided to implement the function of the Office of Cancer Communication and return it to the level of its operating strength during 1973.

TRAINING GRANTS AND FELLOWSHIPS

In connection with our testimony of last year, we pointed out that there are three definite purposes that training grants and fellowship programs serve in relation to the conquest of cancer:

They provide the economic support needed to encourage qualified young physicians to concentrate on the less lucrative cancer connected specialties.

B. They provide the increase in skilled manpower available to implement the cancer program on all levels.

C. They provide during training the additional personnel needed by the clinical trial centers to insure that those trials are carried out completely, the subjects monitored sufficiently and the results reported comprehensively.

We also indicated the experience of the clinical centers treating our children, namely, that the principal investigators had received their basic training through federal grants and had stayed in the field.

To provide a level of training and fellowship support which will not permit the above objectives is to short circuit the cancer program now and for the future. Without sufficient manpower to implement the programs, increased funding is useless.

One example of this folly is the current dilemma of the excellent clinical trial program at the University of New Mexico School of Medicine. Because of the cutbacks in fellowship training grants by NCI they will only be able to fund one fellow for fiscal year 1975, instead of two to three which they really need. If the level of support is not restored and increased, the additional medical personnel will have to come from private funds committed to other vital areas of the Department's cancer program. For example, the Department has an excellent program in the area of rehabilitation for the cancer patient and his family. Group and individual counseling is available to children and adult cancer patients and their families. This program should be expanded but if funds for additional medical personnel are not forthcoming from private sources, there is therefore the possibility that the moneys used for the part-time social worker running the counseling programs which are contributed by the Leukemia-Lymphoma Society of New Mexico could be rerouted for medical personnel. The supportive care furnished by the University of New Mexico is the sort of program which NCI is now encouraging as part of the Cancer Control Program. This is the kind of program which parents know is essential to survive this scarring experience. This type of program helps the parent/child face their joint problems and give each other the support needed to make the best use of the treatment program and to emerge a whole, productive family unit after the experience. It is ironic that the level of support for fellowships and training could place UNM in a robbing Peter to pay Paul situation. Thus it could be necessary to de-emphasize a far reaching rehabilitation program to provide needed personnel for the clinical trial program. Another example is one reported by Candlelighters in Pittsburg in which the same procedure was followed at Childrens Hospital in Pittsburg. Because of a cutback in the level of federal funding, the part-time social worker which they made available for group counseling was terminated.

We have already pointed out the importance of adequate staffing for conducting the most intensive and productive clinical trials. At present, there does not seem to be any consideration given in the NCI funding process to the ratio of patients to clinician. Obviously there are only so many patients that a single physician can treat and monitor comprehensively at one time. Even if medical care does not suffer from an increased ratio, which is doubtful, the quality of monitoring and report in which is the function of the clinical trial, must suffer. Therefore, we request that the overall appropriation be increased to the level in terms of a percentage of the total appropriation of fiscal 1972 (5.4%), over the 1975 requested level of 4%. Further we request that NCI be directed to establish a patient/physician ratio for its clinical trial programs and to provide for additional clinical trial staff at trial centers where an unrealistic, overburdening patient/clinician ratio exists. For example, in the South Florida Center the ratio is 130 pediatric oncology patients for two hemotologists.

NUTRITION PROGRAM

Our testimony before the Authorizing Committee with respect to nutrition programs as confirmed by the NCI indicated that the programs of support for nutrition were inadequate. In general, this program is concerned with the function of nutrition related to the well-being and survival time of cancer patients as well as the relation of nutrition to cancer causation. We have felt and Congress has concurred, that NCI has not maintained general programs of dissemination to people concerned with cancer or afflicted by it of information about the relationship between nutrition and cancer. For this reason the National Cancer Amendments of 1974 provided for language to encourage NCI to improve its performance in these areas. The amendment will require the Institute to gather information on the relationship between nutrition and cancer and the role of nutrition in the treatment of cancer patients and then make this information generally available to all those who would be interested in or aided by it. For this new program we would urge the Committee to appropriate $6.5 million for fiscal year 1975.

It is a matter of considerable concern to Candlelighters that in the rush to find a fast answer to the cancer problem, some research programs, particularly in the areas of cause and prevention which hold the key to the ultimate resolution of this problem may be de-emphasized. Candlelighters realize that the most effective use of our current knowledge of exam and treatment procedures holds the only real hope available to the present cancer patient. However, we know that in the *long* run it is basic research which will give us the final answer.

Mr. Chairman, Members of the Committee, on behalf of all these parents across the country, I should like to again commend the Chairman and the members of this Committee for their many efforts and their understanding of our problems. Your dedication to the cause, the cure and the prevention of cancer encourages us to face the future with a greater degree of hope and peace of mind. Those of us who have lost our children are grateful that your efforts to adequately fund the cancer research will be a memorial to them. And, those of us whose children are under treatment are grateful for the hope which research gives us in maintaining their well-being.

We gratefully acknowledge the part this Committee has played in this effort to conquer this dreaded disease. Thank you for permitting us to appear before you.

NATIONAL CANCER INSTITUTE APPROPRIATION FOR FISCAL 1975

Object	Administrative request	Candlelighters [1]
RESEARCH		
(a) Cause and prevention		
(b) Detection and diagnosis		
(c) Treatment	203,128,000	211,028,000 (+6,500,000 nutrition) (+1,400,000 neurological evaluation).
(d) Cancer biology		
RESOURCE DEVELOPMENT		
(a) Cancer Centers support	23,484,000	25,884,000 (+2,400,000 additional care support for investigations).
(b) Research manpower development	22,530,000	40,500,000; +17,970,000 (fellowship and training at 1972 5.4 percent level).[2]
(c) Contractual		
CANCER CONTROL	45,814,000	50,000,000 (+4,186,000).
(b) Information services		3,000,000.

[1] Candlelighters in this table only address themselves to the areas in which our particular knowledge of the cancer program gives us information on which to base requests for specific resources. In general we support the 800,000,000 authorized for fiscal 1975 and particularly urge increase in funds for Research to at least 50 percent of the approved projects.

[2] This 5.4 percent figure should prevent erosion of this program, an ongoing program would appear to require 7 percent—about a 30,000,000 increase.

[From the New York Times Magazine, Apr. 7, 1974]

WHEN CANCER STRIKES AT CHILDREN

(By Rona Cherry and Laurence Cherry)

The thought that their child might develop cancer is literally unthinkable for most parents. Yet the fact is that cancer kills more children between the ages 1 and 4 than any other disease (it strikes more than 7,000 children each year), and that no period in childhood is immune (some infants are born with malignant tumors; many cancers appears before the age of 5).

All this was spotlighted by the harsh reality of the announcement several months ago that the 12-year-old son by Senator Edward Kennedy had cancer. Teddy had complained of pain in his right leg. There was a swelling. When the pain persisted, doctors were consulted. The swelling was diagnosed

as chondrosarcoma, a malignant tumor of the cartilage. To check the spread of the cancer, young Kennedy's leg was amputated above the knee.

Not too long ago, the diagnosis of cancer in a child was usually a death sentence—immediate or eventual. Now early detection and research breakthroughs have ameliorated the sentence. In many cases, long-term, possibly permanent, remissions have been achieved; other cases have been cured. A look at the record is encouraging. In 1965, more than 4,600 children died from cancer; in 1973, the figure was 3,500, a drop of close to 25 per cent.

Childhood cancers are different from adult cancers. They tend to grow more quickly than do those of adults, partly because the body tissues are in a state of rapid growth and the cancer grows right along with them and partly because of the areas of the body in which they are found. The most common ones in children affect the blood, the brain, the nervous system, the bones and the kidneys. Rarely do children suffer from lung, colon, breast or stomach cancers, which constitute the majority of adult malignancies.

"The child just hasn't lived long enough to be exposed to the carcinogens that cause cancer in older people," says Dr. Sidney Arje of the American Cancer Society. "It takes 20 years of smoking, let's say, before a person busts out with lung cancer."

Among the common types of childhood cancer are:

Leukemia, cancer of the blood-forming tissues. Leukemia affects more children than any other kind of cancer and is the leading killer of children under 5. "The symptoms of leukemia are quite vague and it is difficult for a parent to detect them," Dr. Arje says. "A child may be listless, anemic or tired, but he will have the same symptoms when he is run down or has a cold." As the disease progresses, however, the child may be plagued by rashes; the lmph glands in the youngster's neck and groin may swell. And the child may bruise "at the flick of a feather," as one oncologist (a cancer specialist) put it.

Brain tumors. It is, if not impossible, devastatingly difficult to detect brain tumors before a child is 2. "Sometimes, all you can go on is a strange squint," says Dr. Philip Exelby, chief of pediatric surgery at New York's Memorial Hospital for Cancer and Allied Diseases.

Neuroblastoma, cancer of the sympathetic nervous system. This usually strikes children between birth and 9 years of age. Tumors can erupt anywhere in the nervous tissue that extends from the neck to the groin, although the most common site is the abdomen.

Wilms's tumor, cancer of the kidney. This usually occurs before the age of 7 and, if it is diagnosed early enough, more than 60 per cent of the victims will survive. Most of the children with this cancer do not complain of pain or run a fever. Three-year-old Billy, for instance, ate well, was active and seemed to be thriving, but his mother noticed that his belly was significantly bigger from one day to the next. She checked and felt a hard mass under the skin. At this, she rushed her son to the pediatrician, who eventually diagnosed Wilms's tumor.

Bone cancers. Teen-agers are prone to bone cancer, which occurs in several forms. The survival rate is low, only about 25 per cent, mostly because the first symptoms, vague aches, are often dismissed as "growing pains."

Chondrosarcoma, the cancer affecting Teddy Kennedy, usually erupts in the area of the leg bones. The tumor may not be noticed for some time, because there will be no pain or swelling. "They're hard to treat, because they're not found early enough," Dr. Arje says. "But a chondrosarcoma like the Kennedy boy's has a better prognosis than some of the others."

Amputation is still almost always necessary in bone cancer, but exciting new uses of powerful drugs such as methotrexate, which is being used to treat Teddy have prolonged the lives of many young people. The drug has been in existence for nearly 30 years, but only recently has another chemical, called citrovorum factor, which prevents side effects, been used.

"Bone cancer used to be one of the most resistant forms of the disease," says Dr. M. Lois Murphy, chairman of pediatrics at Memorial Hospital, "but during the past two years, we've designed a group of chemicals to be used in a very special way on advanced disease. It seems to arrest the cancer, although it can't make it go away."

The best defense against cancer—childhood or adult—is early diagnosis. But even the most alert parent may miss warning symptoms in a very young child—as may the pediatrician. "The younger the child, the harder it is to make an initial diagnosis," Dr. Exelby says. "If a child behaves in any unusual fashion or is not getting over an illness, one thing that should be thought about is cancer." But like parents, most pediatricians do not "think cancer."

The case of 20-month-old Jennifer Becker illustrates the reluctance or inability of both parent and pediatrician to think cancer. Jennifer's father first noticed something wrong with the little girl one night when he came home from work. "She was flaked out on the floor and had absolutely no steam whatsoever." Mr. Becker took Jennifer to the pediatrician—who prescribed iron pills.

Five days later, when he was lifting Jennifer out of the bathtub, her father noticed a lump on the left side of her abdomen. "Oh, my God, she's fallen and ruptured something!" was his first thought. But two days later, Jennifer was admitted to the hospital for a battery of tests, which were followed by a three-hour operation for what turned out to be widespread neuroblastoma.

The following day, chemotherapy was begun, a program of once a week for nine months. A little later, X-ray treatments—five days a week—were instituted. "They let us choose whether to keep her in the hospital or have her come in for treatment as an outpatient," her father said. "The child was so terrified by this time at the sight of anyone in a white coat that we decided to keep her home." The treatment had distressing side-effects. Jennifer would be nauseated and lethargic after her injections. Most of her hair fell out. And it was all in vain; 10 months after her operation she died.

Could Jennifer's life have been saved if the cancer had been diagnosed earlier? It is impossible to say. But in an attempt to educate pediatricians to cancer awareness, the first National Conference on Childhood Cancer will be held in Dallas next month. "Its main purpose," reports one cancer specialist, "will be to tell pediatricians and general practitioners how to pick up the symptoms of cancer and educate them on how they should deal with them."

"The average doctor doesn't see a case of childhood cancer in his whole career," says Dr. Arje. This makes it doubly important for parents to make a point of mentioning any suspicious signs such as a swelling and also tell the doctor if there is a family history of cancer when a child has his regular check-ups: once a month for infants and at least twice a year for children between the ages of 2 and 4.

When cancer is diagnosed in a child, one of the first problems parents usually agonize over is whether or not to tell the youngster. The first reaction is to keep it a secret. "We simply don't want her to know," said the mother of a 9-year-old girl who had leukemia. "It's hard enough for us to accept this thing without burdening her." Most doctors disagree with this. Dr. Arje says, "I believe in full disclosure up to the point that a child can accept it, as with an adult."

The "you'll be fine next week" kind of pretense can boomerang. Children sense something is wrong and suspect that their parents are deceiving them. "My experience has taught me that children—except, perhaps, for infants—are not fooled about the seriousness of their condition. It's we adults who fool ourselves," says Natalie Issner, social-service consultant at Children's Hospital in Los Angeles. But even if parents tell the truth, there are still psychological problems.

"How do you treat someone who is not expected to live more than a few months?" asked a father whose 4-year-old daughter was suffering from a virulent form of eye cancer. "What happens to that good life? That happy family?"

The truth is that it usually disappears. The mother of a 6-year-old left her job when she discovered her daughter had cancer, handed the household over to a relative and spent her days with her daughter. The child became increasingly distressed. "Hanging over a child really must be avoided," warns Dr. Murphy. "It isn't natural and it isn't healthy. The best thing for a child is to act on the assumption that he is going to get well. He should be with other children. If at all possible, he should be in school."

Going back to school poses another whole set of problems, particularly if the child has missed a lot of schoolwork or if he has lost his hair, put on a lot of weight or shows signs of surgery. On top of that, there is the teacher's reaction. "The direction of most of us who are teachers is to isolate the cancerous child," says Dr. Frederick Cyphert of the School of Education at the University of Virginia. "We don't know what to say to him, so we say little; we fear that we might get asked an uncomfortable question, so we don't permit the opportunity for questions; we overempathize because we identify the child who has cancer with our loved ones."

Another major problem for parents is their feeling of guilt. "I can't help but think I am somehow to blame," said the mother of a 3-year-old cancer victim. "If only I'd noticed the symptoms earlier. . . ." It is not uncommon for this guilt to sour into bitter denunciation of the other spouse—for not caring enough, for not being helpful, for anything and everything. Often hidden tensions in a marriage surface dramatically at this time. One study carried out in California found that the marriages of a startling 80 per cent of parents of children with cancer eventually broke up.

"When people find themselves in this situation," says Dr. Arje, "there are all kinds of reactions. There's a big interplay of aggressions and, before you know it, many husbands and wives are chewing one another up." Many cancer hospitals recommend marriage counseling and psychiatric help to parents—often something the couple may have needed for years. "If there is emotional pathology in the family, this stirs it up," Dr. Murphy says. "But," she adds very deliberately, "cancer doesn't produce anything that wasn't smoldering in the first place."

Some hospitals—Children's Hospital in Washington, D.C., is one of them—encourage parents of cancer victims to meet regularly to discuss their common problems and personal difficulties. "Most parents of children with cancer are in a kind of solitary confinement," says Peter C. Koltnow of Candlelighters, an organization of parents of children with cancer which has chapters in 16

states. "They want to know how to handle personal crises within the family, how to tell others about it, how to cope with behavioral changes, how to play fair with the other children. These and other, even more subtle problems plague parents. To whom can they turn for help? To whom do they turn? This offers them a way to break out of the isolation."

The groups also exchange information on how parents can help in their child's treatment. "Parents can be most useful," says Peter Koltnow. "To my knowledge they have successfully assisted in platelet transfusions, have prevented mistaken dosages of aspirin to leukemic children, have identified mismatched blood and have alerted medical staff to serious symptoms in their child."

But many hospitals regard parents as stumbling blocks who interfere with vital treatments. In these institutions, contact with the family is kept to a minimum and the staff gives parents what one father angrily calls "the idiot treatment."

Some medical people feel that an informed parent is more of a nuisance than a help. In Solzhenitsyn's "Cancer Ward," a patient who asks to see a book on pathological anatomy is told, "It's strictly against the rules for a patient to read medical books." This is not funny in real life.

This alienating attitude seems to be changing. "Everyone is in this together," asserts one New York cancer specialist. "That means everyone—child, family and staff. When there's cooperation and understanding, we have licked one of our biggest problems and childhood cancer becomes that much easier to fight."

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

Mr. JONES of North Carolina (at the request of Mr. O'NEILL), on Wednesday, June 19, 1974, on account of official business.

Mr. RIEGLE (at the request of Mr. O'NEILL), for today through Friday, June 21, 1974, on account of official business of the Foreign Affairs Committee (addressing the meeting of the Western European Union).

Mr. BUCHANAN (at the request of Mr. RHODES), from 3 o'clock p.m. today and balance of week, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. JOHNSON of Colorado) and to revise and extend their remarks and include extraneous matter:)

Mr. MCKINNEY, for 5 minutes, today.

Mr. RAILSBACK, for 5 minutes, today.

Mr. RONCALLO of New York, for 5 minutes, today.

Mr. YOUNG of Illinois, for 5 minutes, today.

Mr. STEELMAN, for 5 minutes, today.

(The following Members (at the request of Mrs. BOGGS) to revise and extend their remarks and include extraneous material:)

Mr. FRASER, for 5 minutes, today.

Mr. GONZALEZ, for 5 minutes, today.

Mr. WOLFF, for 5 minutes, today.

Mr. CULVER, for 5 minutes, today.

Mr. VANIK, for 5 minutes, today.

Mr. PRICE of Illinois, for 5 minutes, today.

Ms. ABZUG, for 10 minutes, today.

Mr. ULLMAN, for 10 minutes, today.

Mr. ALEXANDER, for 60 minutes, June 19.

Mr. MELCHER, for 60 minutes, June 20.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. BAUMAN to extend his remarks following those of Mr. GROSS during the consideration of the budget conference report today.

Mr. PRICE of Illinois, and to include extraneous matter notwithstanding the fact that it exceeds two pages of the CONGRESSIONAL RECORD and is estimated by the Public Printer to cost $679.25.

Mr. JOHNSON of California and to include extraneous matter notwithstanding the fact that is exceeds three pages of the CONGRESSIONAL RECORD and is estimated by the Public Printer to cost $783.75.

Mr. SLACK to extend his remarks and include tables and pertinent extraneous matter on H.R. 15404.

(The following Members (at the request to Mr. JOHNSON of Colorado) and to include extraneous matter:)

Mr. KEMP in five instances.

Mr. PETTIS is two instances.

Mr. VEYSEY in two instances.

Mr. HUNT in two instances.

Mr. SYMMS.

Mr. STEIGER of Wisconsin.

Mr. HOSMER in three instances.

Mr. HORTON in two instances.

Mr. FROEHLICH.

Mr. ZWACH.

Mr. KETCHUM.

Mr. DERWINSKI in two instances.

Mr. SARASIN in two instances.

Mr. HEINZ in two instances.

Mr. CAMP.

Mr. WYDLER.

Mr. WYMAN in five instances.

Mr. BAFALIS in five instances.

Mr. GOODLING.

Mr. RONCALLO of New York.

Mr. HUBER in two instances.

Mr. STEELMAN.

Mr. GUDE.

Mr. BROYHILL of Virginia.

Mr. GUBSER.

Mr. GROVER.

Mr. COLLIER in five instances.

Mr. HOGAN in five instances.

Mr. MARTIN of Nebraska in two instances.

Mr. GILMAN.

Mr. PEYSER.

(The following Members (at the request of Mrs. BOGGS) and to include extraneous material:)

Mr. NEDZI in two instances.

Mr. FASCELL in five instances.

Mr. CORMAN in five instances.

Mr. YATRON.

Mr. FRASER in five instances.

Mr. GONZALEZ in three instances.

Mr. PATTEN.

Mr. RARICK in three instances.

Mr. EDWARDS of California.

Mr. BARRETT in five instances.

Mr. MOORHEAD of Pennsylvania in five instances.

Mr. RANGEL in 15 instances.

Mr. MAHON.

Mr. CAREY of New York.

Mr. REES.

Mr. ANDERSON of California in two instances.

Mr. BADILLO in three instances.

Mr. ROSE in two instances.

Mr. BENITEZ.

Mr. STRATTON.

Mr. DINGELL.

Mr. FORD.

ENROLLED BILLS SIGNED

Mr. HAYS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 1961. An act for the relief of Mildred Christine Ford;

H.R. 2514. An act for the relief of Mrs. Gavina A. Palacay;

H.R. 5477. An act for the relief of Charito Fernandez Bautista;

H.R. 7685. An act for the relief of Giuseppe Greco;

H.R. 12165. An act to authorize the construction, operation, and maintenance of certain works in the Colorado River Basin to control the salinity of water delivered to users in the United States and Mexico;

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; and

H.R. 14368. An act to provide for means of dealing with energy shortages by requiring reports with respect to energy resources, by providing for temporary suspension of certain air pollution requirements, by providing for coal conversion and for other purposes.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S.J. Res. 206. A joint resolution authorizing the Secretary of the Army to receive for instruction at the U.S. Military Academy one citizen of the Kingdom of Laos.

BILLS PRESENTED TO THE PRESIDENT

Mr. HAYS, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills of the House of the following title:

H.R. 2514. An act for the relief of Mrs. Gavina A. Palacay;

H.R. 5477. An act for the relief of Charito Fernandez Bautista;

H.R. 7685. An act for the relief of Giuseppe Greco;

H.R. 12165. An act to authorize the construction, operation, and maintenance of certain works in the Colorado River Basin to control the salinity of water delivered to users in the United States and Mexico;

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; and

H.R. 14368. An act to provide for means of dealing with energy shortages by requiring reports with respect to energy resources, by providing for temporary suspension of certain air pollution requirements, by providing for coal conversion, and for other purposes.

ADJOURNMENT

Mrs. BOGGS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 11 minutes p.m.), under its previous order, the House adjourned until tomorrow, Wednesday, June 19, 1974, at 11 o'clock a.m.

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. PRICE of Illinois: Joint Committee on Atomic Energy. H.R. 15323. A bill to amend the Atomic Energy Act of 1954, as amended, to revise the method of providing for public remuneration in the event of a nuclear incident, and for other purposes; with amendment (Rept. No. 93–1115). Referred to the Committee of the Whole House on the State of the Union.

Mr. PEPPER: Committee on Rules. House Resolution 1182. Resolution providing for the consideration of H.R. 15361. A bill to establish a program of community development block grants, to amend and extend laws relating to housing and urban development, and for other purposes (Rept. No. 93–1116). Referred to the House Calendar.

Mr. YOUNG of Texas: Committee on Rules. House Resolution 1183. Resolution waiving certain points of order against H.R. 15405. A bill making appropriations for the Department of Transportation and related agencies for the fiscal year ending June 30, 1975, and for other purposes (Rept. No. 93–1117). Referred to the House Calendar.

Mr. PEPPER: Committee on Rules. House Resolution 1184. Resolution providing for the consideration of H.R. 14715. A bill to clarify existing authority for employment of White House Office and Executive Residence personnel, and employment of personnel by the President in emergencies involving the national security and defense, and for other purposes (Rept. No. 93–1118). Referred to the House Calendar.

Mr. MAHON: Committee on Appropriations. House Joint Resolution 1062. Joint resolution making continuing appropriations for the fiscal year 1975, and for other purposes (Rept. No. 93–1119). Referred to the Committee of the Whole House on the State of the Union.

Mr. WHITTEN: Committee on Appropriations. H.R. 15472. A bill making appropriations for Agriculture-Environmental and Consumer Protection programs for the fiscal year ending June 30, 1975, and for other purposes (Rept. No. 93–1120). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Ms. ABZUG (for herself and Ms. SCHROEDER):

H.R. 15432. A bill to amend title XVI of the Social Security Act to provide for emergency assistance grants to recipients of supplemental security income benefits, to authorize cost-of-living increases in such benefits and in State supplementary payments, to prevent reductions in such benefits because of social security benefit increases, to provide reimbursement to States for home relief payments to disabled applicants prior to determination of their disability, to permit payment of such benefits directly to drug addicts and alcoholics (without a third-party payee) in certain cases, to continue on a permanent basis the provision making supplemental security income recipients eligible for food stamps, and for other purposes; to the Committee on Ways and Means.

By Mr. BROTZMAN:

H.R. 15433. A bill to amend the provisions of the Social Security Act to consolidate the reporting of wages by employers for income tax withholding and old-age, survivors, and disability insurance purposes, and for other purposes; to the Committee on Ways and Means.

By Mr. BROYHILL of Virginia:

H.R. 15434. A bill to authorize and direct the Comptroller General to make payments to certain subcontractors whenever payment bonds are not required of, or furnished by, persons awarded contracts with the Federal Government; to the Committee on the Judiciary.

By Mr. BURLESON of Texas:

H.R. 15435. A bill to amend the Internal Revenue Code of 1954 to increase the exemption for purposes of the Federal estate tax, to increase the estate tax marital deduction, and to provide an alternate method of valuing certain real property for estate tax purposes; to the Committee on Ways and Means.

By Mr. CORMAN (for himself, Mr. PETTIS, Mr. VAN DEERLIN, and Mr. BURGENER):

H.R. 15436. A bill to suspend for a 3-year period the duty on steel strand for prestressed concrete; to the Committee on Ways and Means.

By Mr. ESHLEMAN:

H.R. 15437. A bill to prohibit the military departments from using dogs in connection with any research or other activities relating to biological or chemical warfare agents; to the Committee on Armed Services.

By Mr. FASCELL:

H.R. 15438. A bill to prohibit the military departments from using dogs in connection with any research or other activities relating to biological or chemical warfare agents; to the Committee on Armed Services.

By Mr. FISH:

H.R. 15439. A bill to terminate the granting of construction licenses of nuclear fission powerplants in the United States pending action by the Congress following a comprehensive 5-year study of the nuclear fuel cycle with particular reference to its safety and environmental hazards, to be conducted by the Office of Technological Assessment; to the Joint Committee on Atomic Energy.

By Mr. FRASER:

H.R. 15440. A bill to provide that the increase in supplemental security income benefits under title XVI of the Social Security Act which was enacted (effective July 1, 1974) by section 4 of Public Law 93–233 shall not be taken into account in determining the minimum level of required State supplementation of such benefits, in any State, until the legislature of the State has had an opportunity to consider such supplementation; to the Committee on Ways and Means.

By Mr. FUQUA:

H.R. 15441. A bill to amend title 38 of the United States Code to liberalize the provisions relating to payment of disability and death pension; to the Committee on Veterans' Affairs.

By Mr. GUDE (for himself, Mr. HUBER, Mr. STARK, Mr. HORTON, Mr. BAFALIS, Mr. DU PONT, Mr. LAGOMARSINO, Mr. WHITEHURST, Mr. ECKHARDT, Mr. JONES of Oklahoma, Mr. BELL, Mr. BROYHILL of North Carolina, Mr. SARASIN, Mr. MOSHER, Mr. FRASER, Mr. FRELINGHUYSEN, Mr. CLEVELAND, Mr. MCKINNEY, Mr. MCCOLLISTER, Mr. THONE, Mr. SYMINGTON and Mr. CULVER):

H.R. 15442. A bill to amend section 502(b) of the Mutual Security Act of 1954 to reinstitute specific accounting requirements for foreign currency expenditures in connection with congressional travel outside the United States, and for other purposes; to the Committee on Foreign Affairs.

By Mr. GUDE (for himself, Mr. STEIGER of Wisconsin, Mr. ANDERSON of Illinois, Mr. REUSS, Mrs. GRASSO, Mr. MCSPADDEN, Ms. SCHROEDER, Mr. VANIK, Mr. KETCHUM, Mr. DAVIS of Wisconsin, Mr. FORSYTHE, Mr. BROWN of California, Mr. MADIGAN, Mr. REES, Mr. HANLEY, Mr. ROBISON of New York, Mr. MANN, Mr. EILBERG, Mr. EDWARDS of California, Mr. DUNCAN, Mr. ANDERSON of California, and Mr. HARRINGTON):

H.R. 15443. A bill to amend section 502(b) of the Mutual Security Act of 1954 to reinstitute specific accounting requirements for foreign currency expenditures in connection with congressional travel outside the United States, and for other purposes; to the Committee on Foreign Affairs.

By Mr. KETCHUM:

H.R. 15444. A bill to amend the U.S. Housing Act of 1937, and the National Housing Act, to provide that future social security benefit increases shall be disregarded in determining eligibility for submission to or occupancy of low-rent public housing or the rent which an individual or family must pay for such housing, and that such increases shall also be disregarded in determining eligibility for (and the amount of) other Federal housing subsidies; to the Committee on Banking and Currency.

By Mr. MINISH:

H.R. 15445. A bill to prohibit the military departments from using dogs in connection with any research or other activities relating to biological or chemical warfare agents; to the Committee on Armed Services.

By Mr. ROUSH (for himself, Mr. BINGHAM, and Mrs. BURKE of California):

H.R. 15446. A bill to amend the Internal Revenue Code of 1954 to allow the rapid depreciation of expenditures to rehabilitate low-income rental housing incurred after December 31, 1974; to the Committee on Ways and Means.

By Mrs. SCHROEDER (for herself and Mr. CHARLES H. WILSON of California):

H.R. 15447. A bill to amend title 39, United States Code, to provide additional standards to regulate the proper use of the penalty mail privilege on an official basis by Government departments, and for other purposes; to the Committee on Post Office and Civil Service.

By Mrs. SULLIVAN (for herself, Mr. CLARK, Mr. DINGELL, Mr. DOWNING, Mr. MURPHY of New York, Mr. JONES of North Carolina, Mr. BIAGGI, Mr. ANDERSON of California, Mr. KYROS, Mr. ROONEY of Pennsylvania, Mr. GINN, Mr. STUDDS, Mr. MOSHER, Mr. RUPPE, Mr. MCCLOSKEY, Mr. SNYDER, Mr. COHEN, and Mr. LAGOMARSINO):

H.R. 15448. A bill to amend section 216(b)(1) of the Merchant Marine Act, 1936; to the Committee on Merchant Marine and Fisheries.

By Mr. TAYLOR of Missouri (for himself and Mr. MCSPADDEN):

H.R. 15449. A bill to amend the Consolidated Farm and Rural Development Act to establish a loan insurance program for cattlemen; to the Committee on Agriculture.

H.R. 15450. A bill to prohibit the importation into the United States of any fresh, chilled, or frozen cattle meat during a 180-day period; to the Committee on Ways and Means.

By Mr. THOMPSON of New Jersey:

H.R. 15451. A bill to terminate the Airlines Mutual Aid Agreement; to the Committee on Interstate and Foreign Commerce.

By Mr. VANIK (for himself, Ms. ABZUG, Mr. CARNEY of Ohio, Mrs. COLLINS of Illinois, Mr. DRINAN, Mr. DULSKI, Mr. EDWARDS of California, Mr. GIBBONS, Mr. HARRINGTON, Ms. HOLTZMAN, Mr. LEHMAN, Mr. LONG of Maryland, Mr. MOSS, Mr. REUSS, Mr. ROSENTHAL, Mr. STARK, Mr. CHARLES H. WILSON of California, and Mr. YOUNG of Georgia):

H.R. 15452. A bill to amend the Internal Revenue Code of 1954 to terminate special tax treatment for domestic international sales corporation; to the Committee on Ways and Means.

By Mr. WOLFF:

H.R. 15453. A bill to amend the Atomic Energy Act of 1954 to require that all proposed agreements between the United States and any foreign power for cooperation on atomic energy development be subject to a congressional power to disapprove; to the Joint Committee on Atomic Energy.

By Mr. YOUNG of Illinois:

H.R. 15454. A bill to amend section 502(b) of the Mutual Security Act of 1954 to require a complete accounting of foreign currency expended in connection with congressional travel outside the United States, and for other purposes; to the Committee on Foreign Affairs.

By Mr. ZION (for himself, Mr. BRADEMAS, Mr. BRAY, Mr. DENNIS, Mr. HAMILTON, Mr. HILLIS, Mr. HUDNUT, Mr. LANDGREBE, Mr. MADDEN, Mr. MYERS, and Mr. ROUSH):

H.R. 15455. A bill to authorize the repayment of certain Federal-aid highway funds by the State of Indiana; to the Committee on Public Works.

By Mr. BERGLAND:

H.R. 15456. A bill to amend the Consolidated Farm and Rural Development Act to establish a loan insurance program for producers of livestock and poultry; to the Committee on Agriculture.

By Mr. BROYHILL of Virginia:

H.R. 15457. A bill to amend section 1245(b) of the Internal Revenue Code of 1954, and for other purposes; to the Committee on Ways and Means.

By Mr. EVANS of Colorado (for himself, Mr. BROWN of California, Mr. BROYHILL of North Carolina, Mr. HANLEY, Mr. PEYSER, Mr. SISK, Mr. TRAXLER, and Mr. TREEN):

H.R. 15458. A bill to direct the Secretary of Agriculture to investigate and study the feasibility of a Federal insurance program covering livestock and other similar agricultural entities not covered under the Federal Crop Insurance Act, and to report to the Congress the results of such investigation and study; to the Committee on Agriculture.

By Mr. FREY (for himself, Mr. ADDABBO, Mr. BAFALIS, Mr. BENNETT, Mr. BROWN of California, Mr. CHAPPELL, Mr. COCHRAN, Mr. CONTE, Mr. DU PONT, Mr. FORSYTHE, Mr. HELSTOSKI, Mr. JOHNSON of Pennsylvania, Mr. KASTENMEIER, Mr. KEMP, Mr. LEHMAN, Mr. LENT, Mr. LONG of Maryland, Mr. MCCOLLISTER, Mr. MCKINNEY, Mr. MOSS, Mr. OBEY, Mr. PETTIS, Mr. QUIE, Mr. RODINO, and Mr. ROE):

H.R. 15459. A bill to amend the Marine Mammal Protection Act of 1972 in order to prohibit the issuance of general permits thereunder which authorize the taking of marine mammals in connection with commercial fishing operations, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. HECHLER of West Virginia:

H.R. 15460. A bill to amend the act to incorporate Little League Baseball to provide that the league shall be open to girls as well as to boys; to the Committee on the Judiciary.

By Mr. HUNGATE (for himself, Mr. KASTENMEIER, Mr. EDWARDS of California, Mr. MANN, Ms. HOLTZMAN, Mr. SMITH of New York, Mr. DENNIS, Mr. MAYNE, and Mr. HOGAN):

H.R. 15461. A bill to secure to the Congress additional time in which to consider the proposed amendments to the Federal Rules of Criminal Procedure which the Chief Justice of the U.S. Supreme Court transmitted to the Congress on April 22, 1974; to the Committee on the Judiciary.

By Mr. LITTON (for himself, Mr. BROWN of California, Mr. PODELL, Mr. RONCALIO of Wyoming, Mr. CHARLES WILSON of Texas, Mr. HUDNUT, Mr. LUKEN, Mr. MITCHELL of New York, Mr. MURTHA, Ms. SCHROEDER, Mr. VEYSEY, Mr. ICHORD, Mr. DAVIS of South Carolina, Mr. STEIGER of Wisconsin, Mr. LONG of Maryland, Mr. FROEHLICH, Ms. GRASSO, Mr. ROUSH, Mr. ST GERMAIN, Ms. JORDAN, Mr. WILLIAMS, Mr. BURGENER, Mr. MOSS, Mr. MCCOLLISTER, and Ms. ABZUG):

H.R. 15462. A bill to provide for protection of franchised dealers in petroleum products; to the Committee on Interstate and Foreign Commerce.

By Mr. LITTON (for himself, Mr. ROE, Mr. REES, Mr. EILBERG, Mr. KYROS, and Mr. ROBINSON of Virginia):

H.R. 15463. A bill to provide for protection of franchised dealers in petroleum products; to the Committee on Interstate and Foreign Commerce.

By Mr. MEZVINSKY:

H.R. 15464. A bill to amend section 214 of the Internal Revenue Code of 1954 to provide a deduction for dependent care expenses for married taxpayers who are employed part time, or who are students, and for other purposes; to the Committee on Ways and Means.

By Mr. PATMAN (for himself, Mr. REUSS, Mr. ASHLEY, Mr. HANNA, Mr. KOCH, Mr. MITCHELL of Maryland, Mr. STARK, Mr. WIDNALL, Mr. JOHNSON of Pennsylvania, Mr. BLACKBURN, Mr. WILLIAMS, Mr. WYLIE, Mr. CRANE, Mr. MCKINNEY, and Mr. RONCALLO of New York):

H.R. 15465. A bill to provide for increased participation by the United States in the International Development Association and to permit U.S. citizens to purchase, hold, sell, or otherwise deal with gold in the United States or abroad; to the Committee on Banking and Currency.

By Mr. PEYSER (for himself, and Mr. ROSTENKOWSKI):

H.R. 15466. A bill to amend the Comprehensive Employment and Training Act of 1973 to make it clear that the summer youth recreation program is to be operated in the same manner and on the same conditions as the program has been operated in the past; to the Committee on Education and Labor.

By Mr. PRICE of Illinois (for himself and Mr. ARENDS):

H.R. 15467. A bill to amend the Soldiers and Sailors Civil Relief Act; to the Committee on Veteran's Affairs.

By Mr. RONCALLO of New York:

H.R. 15468. A bill to amend chapter 113 of title 18, United States Code, to prohibit certain acts concerning stolen gravestones in interstate commerce, and for other purposes; to the Committee on the Judiciary.

By Mr. STEIGER of Arizona:

H.R. 15469. A bill to relinquish and disclaim any title to certain lands and to authorize the Secretary of the Interior to convey certain lands situated in Yuma County, Ariz.; to the Committee on Interior and Insular Affairs.

By Mr. SYMINGTON:

H.R. 15470. A bill to amend the Federal Property and Administrative Services Act of 1949 so as to permit donations of surplus property to public museums; to the Committee on Government Operations.

By Mr. ROYBAL:

H.J. Res. 1063. Joint resolution designating the first Saturday in April of each year as National Brotherhood Day; to the Committee on the Judiciary.

By Mr. SPENCE (for himself, Mr. BAKER, Mr. BEARD, Mr. BURGENER, Mr. CAMP, Mr. DAVIS of South Carolina, Mr. DEVINE, Mr. FROEHLICH, Mr. GOLDWATER, Mr. HENDERSON, Mr. HOSMER, Mr. JARMAN, Mr. KEMP, Mr. KETCHUM, Mr. LOTT, Mr. LUJAN, Mr. MCCLOSKEY, Mr. MATHIS of Georgia, Mr. MILFORD, Mr. MILLER, Mr. MONTGOMERY, Mr. RUNNELS, Mr. WAGGONNER, and Mr. WON PAT):

H.J. Res. 1064. A resolution proposing an amendment to the Constitution of the United States relative to the balancing of the budget; to the Committee on the Judiciary.

By Mr. WYMAN:

H.J. Res. 1065. Joint resolution to prevent the abandonment of railroad lines; to the Committee on Interstate and Foreign Commerce.

By Mr. PODELL:

H. Con. Res. 547. Concurrent resolution to limit the spread of nuclear technology without adequate guarantees of its peaceful use; to the Joint Committee on Atomic Energy.

By Mr. RONCALLO of New York:

H. Con. Res. 548. Concurrent resolution requesting the President to declare July 2 through 5, 1976, to be a legal public holiday, which was referred to the Committee on the the Judiciary.

By Mr. ARCHER:

H. Res. 1185. Resolution to amend rule XIII of the Rules of the House of Representatives to require reports of committees to contain estimates of the costs to both public and nonpublic sectors; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. BARRETT introduced a bill (H.R. 15471) for the relief of Kelly Persaude, which was referred to the committee on the Judiciary.