Miller, Roy D., xxx-xx-xxxx
Miller, Thomas A., xxx-xx-xxxx
Moore, Clayton H., xxx-xx-xxxx
Moro, Kenneth S., xxx-xx-xxxx
Mullaly, Charles F., xxx-xx-xxxx
Murphy, Robert F., xxx-xx-xxxx
Nakayama, Harvey K., xxx-xx-xxxx
Normile, James P., II, xxx-xx-xxxx
Olejnik, Kenneth R., xxx-xx-xxxx
Patterson, James F., xxx-xx-xxxx
Pecoraro, Richard, xxx-xx-xxxx
Perkins, Philip H., xxx-xx-xxxx
Pick, Robert O., xxx-xx-xxxx
Pitts, Larry C., xxx-xx-xxxx
Pope, John, Jr., xxx-xx-xxxx
Popov, Dan, xxx-xx-xxxx
Potter, Michael W., xxx-xx-xxxx
Reamey, Herbert K., xxx-xx-xxxx
Roberts, Donald L., xxx-xx-xxxx
Saugstad, Edward S., xxx-xx-xxxx
Schade, Harold C., II, xxx-xx-xxxx
Short, Thomas E., xxx-xx-xxxx
Simons, John V., xxx-xx-xxxx
Smart, Samuel C., xxx-xx-xxxx
Sodetz, Frank J., Jr., xxx-xx-xxxx
Solook, John T., xxx-xx-xxxx
Sontag, Adolph J., Jr., xxx-xx-xxxx
Stevens, Charles G., xxx-xx-xxxx
Stone, Samuel E., xxx-xx-xxxx
Sweet, Ross B., xxx-xx-xxxx
Tedeschi, Emeric R., xxx-xx-xxxx
Torba, Gerald M., xxx-xx-xxxx
Vybiral, Thomas J., xxx-xx-xxxx
Waller, Charles R., xxx-xx-xxxx
Waters, Keith H., xxx-xx-xxxx
White, Edward D., xxx-xx-xxxx
Wilkinson, Rowland, xxx-xx-xxxx
Williams, Michael D., xxx-xx-xxxx
Williams, William K., xxx-xx-xxxx
Wills, Clarence R., xxx-xx-xxxx
Withrow, Gene, xxx-xx-xxxx
Wright, Cephas C., xxx-xx-xxxx
Young, Hansford L., xxx-xx-xxxx
Zych, Kenneth A., xxx-xx-xxxx

VETERINARY CORPS

To be captain

Caron, Paul Lee, xxx-xx-xxxx
Elmore, James D., xxx-xx-xxxx
Gaub, Steven D., xxx-xx-xxxx
Hardisty, Jerry F., xxx-xx-xxxx
Hofmann, John R., xxx-xx-xxxx
Salamone, Bernard P., xxx-xx-xxxx
Zotler, Jon G., xxx-xx-xxxx

MEDICAL CORPS

To be captain

Albus, Robert A., xxx-xx-xxxx
Baxley, John B., Jr., xxx-xx-xxxx
Deas, Bernard W., Jr., xxx-xx-xxxx
Diamond, Dalton E., xxx-xx-xxxx
Schweitzer, George, xxx-xx-xxxx
Winkel, Craig A., xxx-xx-xxxx

DENTAL CORPS

To be captain

Billingsley, Michael, xxx-xx-xxxx
O'Neal, Robert B., xxx-xx-xxxx

The following-named officers for promotion in the Regular Army of the United States, under the provisions of title 10, United States Code, sections 3284 and 3298:

ARMY PROMOTION LIST

To be first lieutenant

Beyeler, Matthew S., xxx-xx-xxxx
Lasater, Gary M., xxx-xx-xxxx
Pace, William T., xxx-xx-xxxx
Hunt, Kenneth D., xxx-xx-xxxx
Wockenfuss, Clark H., xxx-xx-xxxx

MEDICAL SERVICE CORPS

To be first lieutenant

Dellinger, William R., Sr., xxx-xx-xxxx

IN THE ARMY

The following-named officers for promotion in the Reserve of the Army of the United States, under the provisions of title 10, sections 3370 and 3383:

ARMY PROMOTION LIST

To be colonel

Bruce, Miles E., xxx-xx-xxxx
Lunger, Raymond R., xxx-xx-xxxx

WOMEN'S ARMY CORPS

To be colonel

Swartz, Isabelle J., xxx-xx-xxxx

ARMY PROMOTION LIST

To be lieutenant colonel

Carter, Fred M., xxx-xx-xxxx
Collins, Robert D., xxx-xx-xxxx
Edwards, Robert F., xxx-xx-xxxx
Franklin, Henry G., xxx-xx-xxxx
Gardner, Matthew L., xxx-xx-xxxx
Joye, John M., xxx-xx-xxxx
Landers, Jo., xxx-xx-xxxx
Lawson, Charles J., xxx-xx-xxxx
Lohrmann, Bruno T., xxx-xx-xxxx
Manning, James A., xxx-xx-xxxx
Matsukawa, Joe S., xxx-xx-xxxx
Matthews, Lewis E. J., xxx-xx-xxxx
McCall, Thomas S., xxx-xx-xxxx
McLemore, Bobbie F., xxx-xx-xxxx
Newbold, Kenneth R., xxx-xx-xxxx
Penhart, William J., xxx-xx-xxxx
Quinlan, Daniel, xxx-xx-xxxx
Rubenacker, Clarence, xxx-xx-xxxx
Williams, John P., xxx-xx-xxxx
Williamson, Garrett, xxx-xx-xxxx
Zobrist, Benedict K., xxx-xx-xxxx

WOMEN'S ARMY CORPS

To be lieutenant colonel

Cadwell, Louise M., xxx-xx-xxxx

The following-named officers for appointment in the Reserve of the Army of the United States, under the provisions of title 10, United States Code, sections 591, 593, and 594:

MEDICAL CORPS

To be lieutenant colonel

Bruckman, Joseph A., xxx-xx-xxxx
Shively, Harold H., Jr., xxx-xx-xxxx

The following-named Army National Guard officers for appointment in the Reserve of the Army of the United States, under the provisions of title 10, United States Code, section 3385:

ARMY PROMOTION LIST

To be colonel

Cowan, Thomas L., xxx-xx-xxxx
Demmer, Richard A., xxx-xx-xxxx
Dingler, Walter J., xxx-xx-xxxx
Fanning, James G., xxx-xx-xxxx
Gallagher, Paul J., xxx-xx-xxxx
McGehee, Eugene W., xxx-xx-xxxx
Merritt, Henry C., xxx-xx-xxxx
Reiter, Richard A., xxx-xx-xxxx
Royal, John W., xxx-xx-xxxx
Van Dell, Mose, xxx-xx-xxxx

To be lieutenant colonel

Baugh, Edward L., xxx-xx-xxxx
DeGraw, Thomas J., xxx-xx-xxxx
Doyle, Harold D., xxx-xx-xxxx
Doyle, William J., xxx-xx-xxxx
Fitzgerald, Robert W., xxx-xx-xxxx
Frakes, Paul D., xxx-xx-xxxx
Freitag, Sidney G., xxx-xx-xxxx
Fuqua, Billie E., xxx-xx-xxxx
Fusco, George M., xxx-xx-xxxx
Griffin, Joseph W., xxx-xx-xxxx
Gwint, Ivan W., xxx-xx-xxxx
Hanson, David B., xxx-xx-xxxx
Haransky, Stanley J. Jr., xxx-xx-xxxx
Hartman, John C., xxx-xx-xxxx
Hummel, Don N., xxx-xx-xxxx
Jamieson, William M., Jr., xxx-xx-xxxx
Johnson, Leo P., xxx-xx-xxxx
Jointer, William B., xxx-xx-xxxx
Kemp, David G., xxx-xx-xxxx
Lavimoniere, Donald M., xxx-xx-xxxx
Lyle, Millard D., xxx-xx-xxxx
Mann, George E., xxx-xx-xxxx
Marquardt, Melvin H., Jr., xxx-xx-xxxx
Matthews, Bobby L., xxx-xx-xxxx
Mazzone, Thomas W., xxx-xx-xxxx
McLain, Francis R., xxx-xx-xxxx
Miller, Robert F., xxx-xx-xxxx
Mitchell, Don E., xxx-xx-xxxx
Morrow, David E., xxx-xx-xxxx
Navas-Davila, Luis S., xxx-xx-xxxx
Pointer, Frank M., xxx-xx-xxxx
Roberts, John L., xxx-xx-xxxx
Setzer, Benjamin R., xxx-xx-xxxx
Stallings, Leah W., xxx-xx-xxxx
Strukel, Jack, Jr., xxx-xx-xxxx

CHAPLAIN

To be lieutenant colonel

Turner, Wendell R., Jr., xxx-xx-xxxx

CONFIRMATIONS

Executive nominations confirmed by the Senate June 21, 1974:

THE JUDICIARY

William H. Orrick, Jr., of California, to be U.S. district judge for the northern district of California.

Henry F. Werker, of New York, to be U.S. district judge for the southern district of New York.

HOUSE OF REPRESENTATIVES—*Friday, June 21, 1974*

The House met at 11 o'clock a.m.

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

With God nothing shall be impossible.—Luke 1:37.

O Thou in whom we live and move and have our being, come anew into our hearts and make us ready for the responsibilities of this day.

Remove from us the barriers of pride and prejudice. Take away the bitterness that blights our being, the resentments which ruin our reasoning, and the discouragements which dispirits our dispositions. In all our trials and troubles grant unto us the wisdom which saves us from false choices and leads us in the ways of truth and honor.

Guide Thou our Nation and the nations of the world into the paths of justice and good will and establish among us the peace which is the fruit of righteousness. In Thy light may we see light and in Thy straight paths we may not stumble.

In the spirit of the Master we pray. Amen.

THE JOURNAL

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

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced

that the Senate had passed without amendment bills of the House of the following titles:

H.R. 1376. An act for the relief of J. B. Riddle; and

H.R. 15124. An act 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.

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

H.R. 8977. An act to establish in the State of Florida the Egmont Key National Wildlife Refuge;

H.R. 12628. An act to amend title 38, United States Code, to increase the rates of vocational rehabilitation, educational assistance, and special training allowances paid to eligible veterans and other persons; to make improvements in the educational assistance programs; and for other purposes; and

H.R. 14012. An act making appropriations for the legislative branch for the fiscal year ending June 30, 1975, and for other purposes.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 14012) entitled "An act making appropriations for the legislative branch for the fiscal year ending June 30, 1975, and for other purposes," 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. HOLLINGS, Mr. BAYH, Mr. EAGLETON, Mr. MCCLELLAN, Mr. COTTON, Mr. SCHWEIKER, and Mr. YOUNG to be the conferees on the part of the Senate.

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

S. 2581. An act to amend the Randolph-Sheppard Act for the blind to provide for a strengthening of the program authorized thereunder, and for other purposes.

PERMISSION FOR COMMITTEE ON APPROPRIATIONS TO FILE A REPORT ON HOUSE JOINT RESOLUTION 1061

Mr. MAHON. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tonight to file a report on the joint resolution (H.J. Res. 1061) making further urgent supplemental appropriations for the fiscal year ending June 30, 1974, for the Veterans' Administration, and for other purposes.

Mr. TALCOTT reserved all points of order.

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

There was no objection.

MAKING IN ORDER CONSIDERATION OF HOUSE JOINT RESOLUTION 1061 ON MONDAY OF NEXT WEEK OR ANY DAY THEREAFTER

Mr. MAHON. Mr. Speaker, I ask unanimous consent that it may be in order in the House on Monday next week or any day thereafter to consider the House joint resolution (H.J. Res. 1061) making further urgent supplemental appropriations for the fiscal year ending June 30, 1974, for the Veterans' Administration, and for other purposes.

Mr. TALCOTT reserved all points of order.

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

Mr. GROSS. Mr. Speaker, reserving the right to object, and I do so in order to ask the gentleman from Texas if he used the correct word. Is it "supplemental," or "deficiency" bill, or both?

Mr. MAHON. It is really a supplemental. The Congress passed more legislation providing additional benefits for veterans. The legislation was signed May 31 and this requires the House to provide the money, so it is really a supplemental.

Mr. GROSS. I am glad the gentleman hesitated in his reply. I will not argue with the question further.

Mr. Speaker, I withdraw my reservation of objection.

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

There was no objection.

PERMISSION FOR COMMITTEE ON APPROPRIATIONS TO FILE A REPORT

Mr. BOLAND. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tonight to file a report on a bill making appropriations for the Department of Housing and Urban Development, National Aeronautics and Space Administration, National Science Foundation, Veterans' Administration, and certain other independent executive agencies, boards, commissions, corporations, and offices for the fiscal year ending June 30, 1975.

Mr. TALCOTT reserved all points of order.

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

There was no objection.

APPROPRIATIONS SCHEDULE FOR THE WEEK OF JUNE 24

(Mr. MAHON asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MAHON. Mr. Speaker, for the benefit of Members I wish to announce at this time the appropriation schedule in the House next week.

On Monday, we will have the conference report on H.R. 14434, the special energy research and development appropriation bill. Following that we will have a joint resolution (H.J. Res. 1061) making further urgent supplemental appropriations for the Veterans' Administration.

On Tuesday, we will have H.R. 15544, the Treasury, Postal Service, and General Government appropriation bill.

On Wednesday the House will consider the HUD-Space-Science-Veterans appropriation bill which was reported by the committee this morning.

On Thursday, we will have the appropriation bill for the Departments of Labor and Health, Education, and Welfare and related agencies. This measure will be reported by the committee on Monday.

On Friday, we will have the District of Columbia appropriation bill which will also be reported by the committee on Monday.

In addition, we will have a conference report on the continuing resolution sometime during the week.

Mr. Speaker, in summary, the House will have passed by the end of next week 9 of the 13 regular annual appropriations bills, the special energy bill, the second supplemental, two urgent supplementals and the continuing resolution.

Four bills for fiscal year 1975 will remain. We will report the Interior bill in July. There are major authorization problems with the other three: Defense, military construction, and foreign aid. The Appropriations Committee has finished the Defense hearings but a budget amendment is in the offing. We complete the foreign assistance hearings today and military construction hearings will be largely completed by the end of next week. We will bring those bills to the House when the authorizing legislation becomes available.

THE WEEK THAT NEVER SHOULD HAVE BEEN

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

Mr. GOODLING. Mr. Speaker, to paraphrase a radio or TV show that was on the air some years ago, "This was the week that never should have been."

You do recall that we accepted the conference report on the Congressional Budget and Impoundment Control Act.

The ink on that document, which I predict will never be adhered to, was barely dry when the Members of this body proceeded to knock it into a cocked hat.

We had the national school lunch conference report. This bill left the House within budget figures. The conference report called for an additional expenditure of $135 million. Fifteen opposed the measure.

We passed by voice vote, the Domestic Food Assistance Act that practically makes permanent a temporary program that came into being when we had large food surpluses. There is not anything as permanent as a temporary program.

The price tage on this is an unknown quantity but yesterday the Department of Agriculture announced it plans to buy $100 million worth of beef.

Then, too, we subsidized The Wall Street Journal, Reader's Digest, and Time under the guise of helping small publishers. You do recall that not too many months ago first class postage rates were raised from 8 to 10 cents. This is the only class mail paying its way.

We became so engrossed in spending programs that last night we proposed to spend some $13 to $15 billion on housing and urban development. Have we forgotten the boondoggle programs under HUD?

State, Justice, Commerce, and judiciary received a 13-percent windfall, amounting to $534 million over fiscal 1974.

The country would profit if Congress did not meet during an election year.

Remember, the interest on our national debt is now more than $57,000 per minute.

Before this day ends I predict we will be doing more of the same.

We will be considering the Agriculture-Environmental and Consumer Protection appropriation bill for fiscal 1975.

Unfortunately, we have now incorporated countless welfare programs into this bill which rightfully should be financed by the Department of Welfare. Here again the farmers of America become the whipping boys for welfare programs. It must point out that this bill calls for $4 billion for food stamps, an increase of almost $1 billion over last year. Gradually, I fear we are drifting, and not very slowly, toward a welfare state.

THE WALL STREET JOURNAL'S TAXPAYER SUBSIDY

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

Mr. GROSS. Mr. Speaker, in its news story yesterday reporting on the House passage of S. 411, the Wall Street Journal was more than a little exercised about my statement on the House floor that the Journal's taxpayer subsidy would increase from its present $23,300,000 to $38,700,000 under the bill.

Dow-Jones' vice president, John J. McCarthy, accused me of being badly misinformed and said my figures are the product of accounting legerdemain. Mr. McCarthy was then quoted as contending that the Journal pays well over 184 percent of the cost of handling its mail.

Mr. Speaker, I had not intended to pursue this matter much further, but Mr. McCarthy's accusation now affords me the opportunity to present a more detailed record of the large subsidies and most favored treatment enjoyed by this publication.

I will insert in the Extensions of Remarks of the RECORD a table and additional information, and I recommend it to my colleagues for their reading pleasure.

CALL OF THE HOUSE

Mr. BAUMAN. 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. 313]

Abdnor	Ashley	Brown, Mich.
Abzug	Blatnik	Burgener
Anderson, Calif.	Brasco	Burke, Calif.
Arends	Broomfield	Carey, N.Y.
Ashbrook	Brown, Calif.	Chisholm
Clark	Holifield	Railsback
Clawson, Del	Howard	Randall
Collier	Ichord	Reid
Coughlin	Jones, Ala.	Rhodes
Crane	Karth	Riegle
Daniels, Dominick V.	Ketchum	Rogers
Davis, Ga.	Landgrebe	Rooney, N.Y.
Davis, Wis.	Leggett	Rosenthal
Dellums	McDade	Ruppe
Dent	McKinney	Ryan
Diggs	McSpadden	Sandman
Dorn	Macdonald	Schroeder
Edwards, Ala.	Martin, Nebr.	Selberling
Fisher	Mathias, Calif.	Shuster
Flynt	Matsunaga	Sikes
Forsythe	Michel	Staggers
Ginn	Milford	Stephens
Gonzalez	Minshall, Ohio	Symms
Gray	Mitchell, Md.	Teague
Green, Oreg.	Mitchell, N.Y.	Thompson, N.J.
Griffiths	Mollohan	Udall
Gubser	Mosher	Ullman
Gunter	Murphy, N.Y.	Vander Jagt
Harsha	Nelsen	Wiggins
Hastings	Nichols	Williams
Hawkins	Parris	Wright
Hays	Pickle	Wyman
Hébert	Podell	Young, Alaska
Henderson	Powell, Ohio	Young, Ga.
	Quillen	

The SPEAKER. On this rollcall, 330 Members have recorded their presence by electronic device, a quorum.

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

WAIVING POINTS OF ORDER ON H.R. 15544, TREASURY, POSTAL SERVICE, EXECUTIVE OFFICE OF THE PRESIDENT AND CERTAIN INDEPENDENT AGENCIES, APPROPRIATIONS, FISCAL YEAR 1975

Mr. BOLLING, from the Committee on Rules, reported the following resolution (H. Res. 1188, Rept. No. 93–1134) which was referred to the House Calendar and ordered to be printed:

H. RES. 1188

Resolved, That during the consideration of the bill (H.R. 15544) making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending June 30, 1975, and for other purposes, all points of order against the provisions under the heading "Special Assistance to the President" beginning on page 10, lines 6 through 15, and under the heading "The White House Office" beginning on page 10, line 17 through page 11, line 3, are hereby waived for failure to comply with the provisions of clause 2, Rule XXI.

PERSONAL EXPLANATION

Mr. DANIELSON. Mr. Speaker, during the week of June 3, 1974, I was absent from the House and missed a number of yea-and-nay and recorded votes. For the record, I now state how I would have voted on each of these measures had I been present.

MONDAY, JUNE 3, 1974

Rollcall No. 261: Adoption of House Concurrent Resolution 271, expressing the sense of Congress with respect to the missing in action in Southeast Asia. I would have voted "yea."

Rollcall No. 262. Motion to suspend the rules and pass H.R. 14833, to extend the Renegotiation Act of 1951 for 18 months. I would have voted "yea."

TUESDAY, JUNE 4, 1974

Rollcall No. 266: Motion to suspend the rules and pass Senate Joint Resolution 40, to authorize and request the President to call a White House Conference on Library and Information Services in 1976. I would have voted "yea."

Rollcall No. 267: Motion to suspend the rules and pass H.R. 13595, to authorize appropriations for the Coast Guard for fiscal year 1975, amended. I would have voted "yea."

Rollcall No. 268: Motion to suspend the rules and pass S. 2844 to provide for collection of special recreation use fee at additional campgrounds, amended. I would have voted "yea."

Rollcall No. 269: Adoption of conference report on H.R. 12565, Department of Defense Supplemental Authorization for fiscal year 1974. I would have voted "yea."

Rollcall No. 270: Adoption of the conference report on H.R. 14013, making supplemental appropriations for fiscal year 1974. I would have voted "yea."

WEDNESDAY, JUNE 5, 1974

Rollcall No. 271: Adoption of House Resolution 1152, the rule providing for the consideration of H.R. 14747, to amend the Sugar Act of 1948. I would have voted "yea."

Rollcall No. 272: An amendment to H.R. 14747, that sought to delete South Africa from the sugar quota by 1976. I would have voted "no."

Rollcall No. 273: An amendment to H.R. 14747 that adds two additional criteria when the Secretary of Agriculture determines the minimum wage rates for sugar workers: first, percentage increase or decrease in productivity during the preceding year, and, second, extra expenses which result from travel and living away from home. I would have voted "aye."

Rollcall No. 274: An amendment to H.R. 14747 that would require growers who employed sugar fieldworkers at piece rates to pay them at least the hourly wage determined by the Secretary. I would have voted "aye."

Rollcall No. 275: Passage of H.R. 14747, to amend the Sugar Act of 1948. I would have voted "aye."

Rollcall No. 276: Motion to instruct the House conferees on H.R. 69 to insist on House provisions relating to busing of students embodied in title II of the House bill. I would have voted "no."

THURSDAY, JUNE 6, 1974

Rollcall No. 278: Amendment to H.R. 15155 which sought to delete $800,000 appropriation for the Dickey-Lincoln School Lakes project. I would have voted "no."

Rollcall No. 279: Passage of H.R. 15155 making appropriations for public works for water and power development, and the Atomic Energy Commission for fiscal year 1975. I would have voted "aye."

Rollcall No. 280: The deepwater ports bill reported by the Committee on Public Works. Amendment offered by Mr. ECKHARDT to the amendment offered by Mrs. SULLIVAN (Merchant Marine and Fisheries Committee bill) in the nature of a substitute to the amendment offered by Mr. Jones (Public Works Committee Amendment) to H.R. 10701, which restored the section on liability funds for damage. I would have voted "aye."

Rollcall No. 281: Amendment offered

by Mrs. SULLIVAN, as amended, as a substitute for the amendment in the nature of a substitute offered by Mr. JONES of Alabama to the bill H.R. 10701. I would have voted "no."

Rollcall No. 282: Passage of H.R. 10701, as amended, to amend the act of October 27, 1965, relating to public works rivers and harbors to provide for construction and operation of certain port facilities. I would have voted "yea."

AGRICULTURE AND ENVIRONMENTAL CONSUMER PROTECTION APPROPRIATION BILL, 1975

Mr. WHITTEN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 15472) making appropriations for agriculture-environmental and consumer protection programs 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 3 hours, the time to be equally divided and controlled by the gentleman from North Dakota (Mr. ANDREWS) and myself.

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

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from Mississippi.

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. 15472, with Mr. GIBBONS 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 gentlemen from Mississippi (Mr. WHITTEN) will be recognized for 1½ hours, and the gentleman from North Dakota (Mr. ANDREWS) will be recognized for 1½ hours.

The Chair recognizes the gentleman from Mississippi.

Mr. WHITTEN. Mr. Chairman, I yield myself such time as I may consume.

This bill contains in its various parts most of the essential activities of Government which have to do with food and fiber.

Whatever we may think, the basic things in life are still food, clothing, and shelter.

Whatever some of us may think, the key to our standard of living still lies with the matters that we handle in this bill.

Despite what many folks seem to think, the overall well-being of our economy is tied to the matters that we deal with in this bill.

First, we work with the Department of Agriculture, which represents those engaged in agriculture; and not only that but a big part, and by far the biggest part, of the funds carried in this bill have to do with the food and nutrition programs.

As I have said many times, if we do believe in the consumer, the first thing we must do is provide him with something to consume.

In the Department of Agriculture section of this bill we have held the Department's expenditures for its regular activities very much in line with what we have provided heretofore. There has been a move by the Secretary of Agriculture to reorganize some of the Department. There was the abolishment of the Office of Inspector General and of the sales manager for the $14 billion Corporation, the Commodity Credit Corporation. The committee has seen fit to restore those two organizations to their former status, under which they performed so effectively.

There also was a proposed consolidation of the county offices of the Agricultural Stabilization and Conservation Service. Also proposed was the consolidation of the conservation programs of the Department which have done such a good job. These programs were consolidated into sort of a joint undertaking, and we, in turn, after days and days of hearings, could never find out the advantages of those changes. So we have reestablished the agencies as they were formerly constituted, since they have carried on their work so well for many years.

Mr. Chairman, this bill provides for the agricultural programs. We provide for "food for peace." We provide for the Soil Conservation Service, where we have made some substantial increases, especially in terms of soil technicians.

The committee recommends to the Members the restoration of the Agricultural Conservation Program, in which well over a million Americans have put in their time and put in their money to help save the land for the present and for the future. With the present need for all-out production, this conservation program has again proved its value by providing a strong base from which to expand.

In connection with the REA, we have gone along with substantial increases in order that the energy needs might be met by this country.

In the food area we have increased the amount of food that is available under the various food programs, both for child nutrition and for food stamps.

In a nutshell I may say that as far as the Department of Agriculture is concerned, we have strengthened and restored the existing programs and we have continued to provide for them as we have through the years—years in which we have done a better job than any other country in the world.

Mr. Chairman, we have in this bill again provided for the Environmental Protection Agency. I am rather proud of our record in the 3 or 4 years this committee has dealt with EPA. During that period, we have worked with the agency to try to protect the environment, and now we expect even better progress, since at the committee's direction they have begun to file environmental impact reports.

Heretofore, they would issue an order and say—"Let's do it and see what happens"—and frequently that is the worst thing that could happen as far as the slowing down of production is concerned, and as far as protection of the environment is concerned.

They have also caused many costly delays of projects, and these delays cost us more money because of the constant rise in inflation—money which could have been used to clean up the environment.

We now have seen that agency reach the point where it is following the suggestions of our committee, which the Congress approved last year, and they have agreed to begin filing environmental impact statements, in which they, themselves, have determined what effect their actions would likely cause on the environment. We must make sure we are not changing one type of pollution for another.

In regard to the Commodity Credit Corporation, we have restored, as I said, the sales manager. Many of you will not remember it, but volume 9 of our hearings last year describes our experience when we had no sales manager. At that time the Commodity Credit Corporation built its stocks up to about $8 billion, on which we were paying storage. At a time when we had authority to sell these commodities in world trade, they simply would not do it and we were holding our commodities off the world markets while our foreign competitors were capitalizing on our mistake.

Then because of the surplus of those commodities they reduced American acreage and according to then Secretary Benson's own account, 53,000 farmers were put on the road and off the farms.

Next we have in this bill the Food and Drug Administration. If you have time to read our report—and I hope you will—you will find determinations have been made by the Food and Drug Administration where you would have to have unbelievably large volumes of a given commodity to do you any injury, and yet that commodity has been outlawed because such unrealistic amounts caused harm in experimental animals.

We point out in our report the various laws which Congress passed and the regulations that followed them in the 1950's. These laws were passed at a time when the measuring devices available were such that you could measure parts per million. In the 1960's we had developed measuring devices which measured parts per billion. But we still had the same law, which required zero tolerances in many cases, even though "zero" had changed.

Then in the 1970's we have measuring devices which can measure parts per trillion, and yet we are still operating under the same 1958 law. Because of these changes we had the FDA conduct

a massive study, the largest ever, and I commend it to all Members in part 8 of our hearings which are available to all.

In our committee bill and in the report we call on the Food and Drug Administration and the Environmental Protection Agency, in view of these changes, to review prior decisions to see whether these laws should not be changed in view of the measuring devices which are now available. We also call on FDA to conduct a study on the meaning of these new devices.

Not only that, but we have gone to the Environmental Protection Agency and have gone along with efforts to see that the consumer is protected, but we have asked that the Government go ahead and speed up its decision with regard to the registration of pesticides by adding an additional 20 pesticide reviewers. Under the conditions which we live now, we frequently have some pesticide or herbicide or some other chemical that has been in common use and then its use is prohibited. Where that occurs we need to have ready a substitute which will not be more dangerous than that element which has been prohibited. We have asked them to proceed with that by giving them more reviewers so they can proceed faster.

We have one matter relating to the Federal Trade Commission which much of your correspondence has had to do with. I understand several amendments will be offered in this regard. I shall not go into detail now since it is around the lunch hour with not too many people on the floor, but I shall discuss it more in detail later.

I have here one of our previous reports which shows that the great depression was started because of a decrease in the purchasing power of those who were producing our raw materials. The farm laws which we have passed in order to protect farm income were not relief programs for farmers but were passed in order to restore that purchasing power so that they in turn could buy and so that industry could sell and so that labor could work.

Let me read you an excerpt from this report:

LOW FARM INCOME TRIGGERS FINANCIAL DEPRESSION

It has been stated that the seeds of the Great Depression were sown in the agricultural depression of the 1920s which followed the First World War. The failure to maintain farm exports or to support farm prices and thus to maintain farmers' purchasing power weakened banking and business. Yet, people refuse to remember the lessons of the terrible financial crises of the 1920s and 1930s. It was graphically illustrated in 1921, in 1929, and again in 1937 that if the farmer's prices and purchasing power collapse, the whole economy suffers.

Let us now briefly review the history of farm prices in the late twenties and the thirties, when a drop in the purchasing power of those engaged in agriculture not only wrecked farming, but dragged down the economy of the whole nation.

After the First World War ended, the government announced that it would no longer support the price of wheat. The wheat which had brought $2.94 a bushel in Minneapolis in July, 1920, brought $1.72 in December, 1930, and 92¢ a year later. Agricultural prices in general collapsed. Cotton fell to a third of its July 1920, price and corn by 62 percent. The *Yearbook of Agriculture* of 1922 shows that the total value of agricultural products dropped from $18,328,000,000 in 1920 to $12,402,000,000 in 1921. As a result of the agricultural crash of 1920–1921, 453,000 farmers lost their farms. Many others remained in serious financial trouble which, in turn, was reflected by failures of local banks.

Average wheat prices for the years 1924–1927 stayed pretty much in a range between $1.19 and $1.44 a bushel as compared to a parity price of approximately $1.40 for that period. Corn prices in these same years varied between 70¢ a bushel to $1.06 a bushel versus a parity price of about $1.00. Cotton prices were 12.5¢ a pound in 1926 but averaged 20.7¢ for the other years, compared to a parity price of 19.1¢. In 1928 these prices were: wheat, $1.00; cotton, 18¢; and corn, 84¢. By 1931 wheat was 38¢; cotton, 5.5¢; and corn, 32¢—roughly one-third of the pre-1928 price levels. Starting in August of 1929, wheat prices for the dominant futures on the Chicago Board of Trade fell from $1.43 average price to 76¢ in November of 1930, a drop of over 50 percent in 15 months. The Dow-Jones Stock Price Averages followed by declining from a high of 381.2 in September to a low of 41.2 * * * exchanges was particularly significant since there were nearly $250 million of open contracts in October, 1929, almost 2½ times the number of contracts in normal years. A great many of these speculators were ruined.

It has been said that there were more suicides during this period among those that didn't know what a farm was as a result of the breakdown in farm or commodity prices (which had led to a fall in prices and values throughout the economy) than in any other period in our history.

It was a sad way to learn it, but people at that time came to realize that real wealth starts with material things—corn, wheat, cotton, food crops of all kinds, and other raw materials—and that the general economy was primed by the sale of raw materials since, in general, the total national wealth averages some seven times the sale value of the farm or raw material production.

We learned several lessons in the twenties and thirties.

First, that when farmers can't get a fair return for their production, the land suffers. Remember, the price of food, clothing and shelter is going to be paid either by those who use them, or by the land from which they come. Congress, reacting to the terrible depletion of our natural resources, passed the Soil Conservation and Domestic Allotment Act of 1936. Yet today these same facts get little recognition.

Secondly, we sometimes seem to forget that some form of effective control over farm production and marketing is necessary. In 1937 heavy crops caused surpluses and low prices for wheat and cotton, and a severe drop in commodity prices corresponded to another decline through the economy.

Our farm programs today seem often to be predicated on the belief that cheap raw materials made this country great. That is undoubtedly true; however, we wasted half our natural resources in the process. The high payments which are the result of these policies have engendered a great animosity, in the minds of some, toward our agricultural producers.

It shall be remembered that the price of food, clothing and shelter is going to be paid either by those who use them, directly or through taxes, or by the land from which they come.

The people of India and China throughout the centuries demanded food and fiber below the cost of production. The cost was paid by the land from which it came. As a result, the land is worn out. Yet we in this country wore out more rich land in a shorter time period than any nation in history, largely because we had land to waste. This is no longer the case.

Under the one-man-one-vote trend where we are getting more and more Members from the city, there seems to be less and less understanding of the situation and of the fact that the few on the farm have substituted for those who left by purchasing expensive machinery and other equipment and material which is produced in the city and that they are the biggest and the best market that the city has ever had.

I understand efforts will be made today, as they have been in the past, to get rid of one or another of those programs which were passed in order to restore the purchasing power of those engaged in agriculture and in an effort to keep folks producing food so that we could do something else.

SOUTHERN PINE BEETLE

The southern pine beetle is presently causing severe damage to pine resources in the South. Infestations occurred in 62 percent of the 85 million acres of susceptible commercial pine forests in 10 Southeastern States in calendar year 1973.

While the Agricultural Research Service and the Animal and Plant Health Inspection Service have extensive responsibility for the control of various insect and disease outbreaks, and they work in close coordination with the U.S. Forest Service in many instances, no additional funds are included in this bill for direct appropriation to the Animal and Plant Health Inspection Service or the Agricultural Research Service for research and control of the southern pine beetle.

The reason for this is that the U.S. Forest Service is the lead agency in this control program. The Forest Service Appropriation is handled by the Interior and Related Agencies Subcommittee. The 1975 budget estimate for the Forest Service includes $2,385,000 for research on the control of southern pine beetle; $820,000 of these funds are for allotment to the Cooperative State Research Service for a combined effort.

In addition, the 1975 budget estimate, if approved in full, plus the $952,000 which was provided in the Second Supplemental Appropriations Act of 1974, will provide $2,452,000 for control work on the southern pine beetle.

Timber damage caused by the southern pine beetle has reached catastrophic levels and immediate action is necessary to curtail the current outbreak. Funds available to the U.S. Forest Service, working with the Agricultural Research Service, the Cooperative State Research Service, and the Animal and Plant Health Inspection Service, hopefully will provide sufficient impetus for an all-out attack on this insect.

The subject that we have heard the "mostest" about—and I think that is a

good southern expression—is the Federal Trade Commission. This subcommittee has recommended substantial increases in funds for the Federal Trade Commission since we have had jurisdiction over its operations and appropriations.

The Federal Trade Commission has authority, under section 6(b) of the basic FTC act as the Members will find, to get information from any company that it wants to and for which it has a need. It has had this authority for many, many years. In other words, right now it has a right to go into court and take action against all the companies on which it has a reasonable ground to believe that they may be in violation of the law. This is in the existing law. We do not touch that.

But they have come up now with a new program, which they call the line-of-business program, where they wish to require information, at first from the 2,000 largest corporations—that was the first figure—then they pulled it down to 500. They also commit themselves to keeping this information confidential.

You can imagine what the effect will be on our private enterprise system if the internal factors in any company are made known to their competitors, and vice versa. It could destroy the competitive, free enterprise system we have.

Many wanted us to stop that program.

But your committee has not tried to prevent bringing that new program into being. We have tried to recommend a compromise program.

The Federal Trade Commission is also very anxious to proceed with the pending cases it has against eight of the big oil companies and feels it needs a computer system to do so. Your committee is of the same feeling about the need for the computer indexing system. But we have delayed recommending funds because the Office of Management and Budget has not sent up a budget request for the funds needed. They have not sent us a budget request to match the request that the Federal Trade Commission has made of the committee.

We have waited and hoped that the Congress would not be saddled with raising the budget all this much above the budget in order to meet this need.

I can tell you that I have talked to the Budget Director. He recognizes this need. I asked for this information and I have not heard from the gentleman.

But the committee is prepared to offer an amendment to put this million or so dollars in the bill, even though it means going above the budget, so there can be no question that the committee means that we want the FTC to go ahead with these actions on which they are presently proceeding.

With regard to the other point about the line-of-business information, they want to get over and above, and in addition, to that which they can do under the other sections of the law, to reach out and rake in all types of information. The Commissioner testified it would be treated, all of it, as confidential, and used for statistical purposes only. However, it has been my belief, and it is now confirmed by a study by the Library of Congress, which I will insert later in the RECORD, that a random sampling from the 2,000 biggest companies would give a broader and more accurate basis than if they just took the biggest 500, which the Commission wishes.

So in our report we have said that they should take this information at random, rather than concentrating on bigness per se.

I notice in the separate views in our report concerning line of business, attention is called to the fact that selecting 250 companies at random of 250,000 firms would not provide this type of information. But we very carefully in our report did not try to spell out the numbers. We never mentioned 250,000 firms. We did what we believed to be right, we said they should be selected at random, but we did not specify the universe. It is my belief that the number 250 selected at random should be selected from the 2,000-plus largest corporations on the theory that the small corporation is not likely to have a whole lot of other lines of businesses. So we have established the random sample theory in our report, and we are now trying by legislative history to see that these things are done in line with what we believe the intent of the committee is, that the 250 firms be selected from a reasonable number of firms, such as the 2,000 largest firms.

There are those here who have different views. This is something new, this matter of wholesale requiring of information. Let me say just one thing: we have provided to start this on a reasonable basis.

The Comptroller General has also approved a 1-year trial of this new proposal by the Fderal Trade Commission for many of the same reasons. GAO said in its report it could not think of any better means or any other means to see that the information was treated confidential than to copy the Census Bureau law. We thought we would try out this approach. Especially in view of the answers given by one of the Commissioners who testified in the other body and said that any information FTC got they of course would make that available to the other body.

Our doubts about the ability of the FTC to keep information confidential were further increased by the fact that I wrote the Chairman of the Commission a letter—and there was nothing in this letter I would not just as soon put in the CONGRESSIONAL RECORD—in which I called attention to the fact that the Congress passed a law enabling FTC to ask for this line-of-business data, but that Congress had not passed any law that would provide funds for that data to be collected. That letter was immediately leaked to the newspapers. That just shows that you cannot risk that type of a situation, not, at least, with the Chairman of the Commission.

Not only that, but then we read in the press where one of the Commissioners who had said in hearings before our committee that this information which they told us would be kept absolutely confidential later testified to the other body, "Of couse, anything we learn, you will know." So they said one thing on one side, and another on the other side.

In view of that, we put this confidentiality provision in here which is identical to the confidentiality law on census information and which all of us believe we must have with regard to the line-of-business information. We provide in here that anybody who releases this confidential information shall not be paid, as a further effort on our part to keep it confidential.

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

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

Mr. ECKHARDT. I thank the gentleman for yielding.

I understand from the gentleman, and I think it is certainly correct, that he borrowed the language from section 9 of the Census Act.

Mr. WHITTEN. That is right.

Mr. ECKHARDT. The second item, as I recall, in that section says that one may not release information from which it may be determined that a particular corporation is involved. That seems to me to work pretty well with the Census Act where we are dealing with literally hundreds of thousands of units, but when we are only making an examination of a limited number of companies with respect to lines of business, it might be very difficult to even give statistics which would not be traceable because of the facts.

For instance, Mobil, I suppose is the only integrated oil company that has purchased a mail-order house. If information appears concerning an oil company's operations in a mail order house, it would be rather easy to infer that Mobil was involved. So I simply question whether or not the simple listing of these provisions from the Census Act are appropriate to be applied to the Federal Trade Commission.

Mr. WHITTEN. I can see the point that my colleague makes.

May I say at this point that I view this a little differently from what some of my colleagues do. I write my own bills. I write my own bills because I know what I have in mind, but I know when I write them and when I introduce them, I am not writing the law. The committee is going to pull them apart, go into them, check and inspect them, look them over, rewrite them, and then they come back. I know that. I write them in everyday language that can be read and understood.

In view of the two instances which I pointed out happened, in my opinion, we were faced with finding out how we could at this stage, come up with something that was reasonably tried and true to recommend to our colleagues in the Government. So I did not know any better way to go than to see how we did it under the law with regard to the census.

This being the law, that is where we have gotten this language. In the line-

of-business information, may I say, that the Federal Trade Commission will seek from line-of-business 250 corporations, I have no idea how much detail there will be, how large it will be; but I do think that the point that the gentleman makes is directed to the protection that we write into the law in confidentiality.

We also point out the need for these to be selected at random, because that random is just one further degree of protection, in my opinion.

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

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

Mr. ECKHARDT. I thank the gentleman for yielding.

Briefly, again, I think the gentleman is indicating to me that his Subcommittee on Appropriations has made certain deliberate determinations with respect to specific limitations on the method of making the sampling. Also I think the gentleman has indicated to me that although the census limitations on confidentiality may not be the best devisable, that his committee simply took them as a basis for control, recognizing, of course, that it might be altered by amendment or might be altered after study.

But does not the gentleman feel that this is a rather inappropriate thing for the Appropriations Committee to do? Is that not the kind of thing that the legislative committee that has jurisdiction over the Federal Trade Commission should do?

Mr. WHITTEN. No. With time we have an understanding of what I concede to be the obligations of the country.

We forget that Congress first authorizes and then Congress either implements it with an appropriation or it does not. Congress has the right and the obligation and the power to say what it appropriates for and on what terms and what conditions. Many of our friends on other committees seem to forget that is the normal procedure.

So I say any letter I wrote the chairman that was leaked to the newspapers—I called attention to the fact that we have a new law which the Congress has approved, under duress I might say, but I did not stress that, but we have not considered any appropriation to implement it.

I might call to the gentleman's attention that I think now there are $47 billion in unfunded authorizations on the shelf and nobody would claim we are committed to appropriate all of that.

So I say again there are two steps, and I have said it many times over. One of them is to authorize, and on this committee all we can do is recommend to the full committee and the full committee recommends to the Members and then we send it to the Senate, and then the President signs it. So our committee just writes recommendations. But again I think we are performing our function when we read the letters that are written and which recommend to the Congress how much ought to be appropriated for something and under what terms and conditions. That is my concept of the rights and responsibilities of the Appropriations Committees of Congress if carried out as intended. As we say in our report, there has been too much tendency of late to blur this distinction, and to forget that a project cannot proceed until the funds have been appropriated.

Mr. ECKHARDT. Mr. Chairman, will the gentleman yield further?

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

Mr. ECKHARDT. Mr. Chairman, I can understand the gentleman's concern about controlling the amount expended and whether the amount expended has been approved. Of course the Committee on Appropriations may limit that expenditure or wipe it out altogether.

But when the gentleman says it is a condition of expenditure to provide requirements with respect to confidentiality, it seems to me that is somewhat straining the question of frugality and is putting it into an entirely different substantive field.

Mr. WHITTEN. I do not question that it appears that way to the gentleman. We have a Chairman of the Committee of the Whole who is assisted by the Parliamentarian and the House rules. When I was practicing law, if somebody came in and said, "I do not want to file a lawsuit unless I am right," I said, "the court will tell you whether you are right. If it will rule with you, you are right. If it will rule against you, you are wrong."

Luckily we do have somebody to pass on those things here. I have suggested to my clients, "Do not worry about not filing because you think you may be right or wrong. The court will decide that."

But I do think we have an obligation where we have seen two examples of leakage, one by the commission and one by the chairman or the commission, to look into the law and see if there is some way where we can further protect the confidentiality of that for which we are recommending money in the first instance. That is the way I feel and I can see my friend feels differently.

Mr. ECKHARDT. I might say I would hope this body would voluntarily remain within the jurisdictional lines as between committees.

Mr. WHITTEN. We have a presiding officer to see that we do.

Mr. ECKHARDT. That is of course fortunate.

I thank the gentleman.

Mr. WHITTEN. Mr. Chairman, unless there are further questions I do not care to pursue the matter at this time.

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

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

Mr. ADDABBO. Mr. Chairman, I thank the gentleman for yielding. I ask the gentleman to comment on Public Law 480. From the report on page 36 it would appear we are increasing the appropriation for 1975 by over $200 million. Does this mean more commodities will be put into the Public Law 480 program or is this being increased because the value of the commodities has increased?

Mr. WHITTEN. One of the problems is whether or not we have the commodity. Second, the Public Law 480 program is dependent on working out an agreement between this country and the recipient country. It was recommended by the administration that this amount be provided and the committee concurred with the recommendation.

Mr. ADDABBO. Mr. Chairman, will the gentleman yield further?

Mr. WHITTEN. I yield further.

Mr. ADDABBO. Are there any safeguards that none of the agricultural products that are in short supply in the United States will be placed in that program? It seems last year that such commodities as rice and wheat were in these exports.

Mr. WHITTEN. I am certain there is a provision that requires the Secretary to make such a determination.

Mr. ADDABBO. Will the gentleman yield further?

Mr. WHITTEN. I yield to the gentleman.

Mr. ADDABBO. Also in the hearings, on page 673, part 2, in the questioning between the gentleman in the well and Mr. Hume, it was pointed out that Public Law 480 funds were increased in the fiscal year 1973 from $20 million plus for Cambodia and $143 million plus for Vietnam to over $136 million for Cambodia for the fiscal year 1974 and over $200 million for Veitnam and the moneys could be used for Defense. Is there any protection that this will not be used again?

It would appear that as the House and the Congress cut the military funds for the U.S. participation in the military affairs of Vietnam, they came in by the back door.

Mr. WHITTEN. It is my information that the authority for that has expired and it will not be done again without specific approval by the Congress.

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

Mr. WHITTEN. I yield to the gentleman from Indiana.

Mr. ROUSH. I asked the gentleman to yield for the purpose of making some legislative history. I direct the attention of the gentleman to section 512 of the bill before us today.

If the gentleman will remember, in 1972 the Congress changed by the water pollution control amendments of that year the basic thrust of the waste water treatment facility grants program.

Included were provisions that future construction grants must be made in accordance with regional waste water management plans and also that existing sewer systems would have to be subjected to lengthy infiltration-inflow analysis before expansion grants could be approved.

These new and more stringent requirements caused great problems for many of the States and also for municipalities within the States which were forced to meet stringent new standards that they

had not previously contemplated. The problem was compounded by two additional factors. The act itself was not adopted until October 18, 1972. The Environmental Protection Agency did not publish final guidelines on the new grant program until February 11, 1974.

Indiana is one of from 20 to 30 States which will lose some funds under the provisions of the act. The act contemplated that funds would remain available for obligation to specific projects until one year after the close of the fiscal year for which the funds were first appropriated. If a State could not obligate all of its funds in that time period, the remaining funds would revert to a central fund and be redistributed by the EPA Administrator in accordance with a plan and regulations promulgated by him.

Is it the purpose and intent of section 512 to prevent States from having to return funds following the close of the fiscal year on June 30, 1974 previously alloted to them? And would this allow those States which have not been able to allocate all of the funds made available for fiscal 1974 to do so?

Mr. WHITTEN. Mr. Chairman, that is the intent, and my information is that the Environmental Protection Agency rules and regulations came out in February of this year, which is about 7 months after the beginning of fiscal year 1974.

I would be candid with the gentleman in saying that the language pointed out would have the effect of preventing the return of these funds to other States.

It would be my thought this would maintain the status quo.

Mr. ROUSH. My next question, if the gentleman will yield further, this would allow those States that has not been allotted all the funds for the fiscal year to do so?

Mr. WHITTEN. We could only do what we have here.

I think it is within our power, within our rights, and we did it for the purpose the gentleman mentioned.

I did want to say that it may take further action by the proper committee to straighten the matter out, but this tries to preserve the status quo.

Mr. ROUSH. Mr. Chairman, I thank the gentleman.

Mr. WHITTEN. Let me read some pertinent quotes from our report, which will cover in more detail the points I have touched on during the last hour:

THAT CONSUMERS MAY HAVE FOOD

Comments in the reports on this bill in past years consistently have been directed toward a greater appreciation of the importance of maintaining an adequate food supply and action that must be taken to assure that the five percent of our population who produce the food and fiber crops for the other 95 percent can continue its very important function.

For many years this nation has been blessed with an abundance of food at the lowest prices in the world. During this time our biggest problem had been the disposal of surplus commodities and the maintenance of farm income at a level that enabled the farmer to stay in business.

Recently there has been a dramatic reversal of this situation as a result of several important factors. The question now is not solely whether or not we will produce enough food to help feed the world, but also whether food production will be adequate for the needs of this nation. Farmers, with few exceptions, are no longer being paid to hold acreage from production, but on the contrary are being encouraged to plant from fence post to fence post. Even so, adverse weather conditions the rest of this year could result in a tight supply in view of the fact that carry over inventories of the Commodity Credit Corporation are at the lowest level they have been in many years.

Although current food prices in this nation still represent the best food bargain in the world, the consumer is being made aware of the increases in the cost of food production by the higher prices that now must be paid at the market. Some individuals are concerned to the extent that recommendations are being made for restricting the export of our agricultural commodities.

Those closely associated with agricultural production are aware of the fluctuations of the agricultural economy through the years. We are in the midst of another phase of this cycle which has been made more severe by powerful external influences including the energy crisis, rapid inflation, and more severe food shortages throughout most of the world.

Many short-range solutions are being proposed. For example, price controls were imposed on meat. As a result, we are now experiencing a complete disruption of the meat supply structure. The export of agricultural commodities is absolutely necessary to the soundness of our agricultural economy—on an average we consume about 75 percent of our domestic production. To maintain a strong export market, it is necessary that our foreign customers know they have access to a reliable source of supply. The recent embargo on soybean exports is a dramatic example of how such precipitous action can totally disrupt our trade relations.

Those responsible for our agricultural policies must plan for the long-range good and not be panicked by temporary aberrations. We must keep in mind those tried and true program policies that have made American agriculture the envy of the world and adapt them to changing world conditions with no heavier touch than our ultimate goals require.

Several basic considerations must be kept in mind to enable us to meet the challenge of an adequate food and fiber supply in the future:

"Our irreplaceable land and water resources must be conserved. Tillage of additional acres to increase food production this past year has already given evidence of wind and water erosion.

"Maximum production of food and fiber crops must be continued in order to meet the ever increasing demand.

"Our export markets must be maintained and increased not only to assist in fulfilling the requirement for food in other parts of the world, but also to provide ready markets for production in excess of our needs and thus maintain a viable agricultural economy.

"Full use must be made of the facilities of the Commodity Credit Corporation and Section 32 funds to provide reasonable assurance that producers will receive prices consistent with production costs.

"Productive research must be emphasized not only to reduce the loss of production through plant disease and insects, but also to obtain increased production through the introduction of new strains and improved techniques.

"More concentrated and productive efforts to achieve rural development will not only be helpful in the rejuvenation of rural areas for the general good but will also ameliorate the social problems generated in our urban areas as a result of rural migration to the cities."

These are the factors of prime consideration to the Committee in its review of the 1975 budget estimates and its recommendations for funding in this bill.

AGRICULTURAL CONSERVATION PROGRAM

In 1936 the Agricultural Conservation Program was initiated in an effort to conserve the land and water resources of the rural areas of this country. What started as a rather limited program has continued to develop through the years. This Committee has had to restore the program 18 times after the various Administrations had proposed its termination. It is now a well-balanced program that has accomplished a world of good under a plan whereby one million individuals have shared the conservation cost. It is not hard to imagine the difficulties we now would be experiencing when farmers are being asked for maximum production if this concerted effort had not continued to husband our irreplaceable land and water resources. The following table reflects some of the accomplishments of this program:

PRACTICE UNIT, AND TOTAL ACCOMPLISHMENTS 1936–72

Water impoundment reservoirs constructed to reduce erosion, distribute grazing, conserve vegetative cover and wildlife, or provide fire protection and other agricultural uses; Structures; 2,249,000.

Terraces constructed to reduce erosion, conserve water, or prevent or abate pollution; Acres; 33,216,000.

Stripcropping systems established to reduce wind or water erosion or to prevent or abate pollution; Acres; 114,229,000.

Competitive shrubs controlled on range or pasture to permit growth of adequate cover for erosion control and to conserve water; Acres; 63,260,000.

Green and shrubs planted for forestry purposes, erosion control, or environmental enhancement; Acres; 5,485,000.

Forest tree stands improved for forestry purposes or environmental enhancement; Acres; 4,564,000.

Wildlife conservation; Acres served; 13,592,000.[1]

Animal waste and soil waste pollution-abatement structures (lagoons, storage, diversion, and other); Number; 10,803,000.[2]

Sediment pollution-abatement structures or runoff control measures; Acres served; 2,961,000.[2]

Other pollution-abatement practices; Acres served; 367,000.[2]

COURT DECISION ON REAP PROGRAM

On September 29, 1972 the Department announced the 1973 REAP program. However, as of December 22, 1972, it terminated the program for 1973, contrary to congressional intent as set forth in various legislation.

A class action suit was filed for reinstatement of the program and on December 28, 1973, the U.S. District Court for the District of Columbia handed down a decision in favor of the plaintiffs.

The plaintiffs motion for summary judgment was granted and the court:

"* * * *Ordered, Adjudged and Declared* that all rules, regulations, guidelines, instructions, and other communications, written or oral, heretofore published, promulgated or otherwise communicated, directing, providing for, or intended to accomplish the termination of funding or functioning, dissolution or abolition of the Rural Environ-

[1] 1962–72, inclusive, with certain data estimated.

[2] 1970, 1971, and 1972 only.

mental Assistance Program, conducted pursuant to sections 7 through 17 of the Soil Conservation and Domestic Allotment Act of 1936, as amended, 16 U.S.C. §§ 590g–590o, 590 p(a), 590q, are unauthorized by law, illegal, in excess of statutory authority, null and void, whether such rules, regulations, guidelines, instructions, or other communications were those of defendants Ash or Butz, or any agent, servant, employee, or other person acting in concert with defendants Ash or Butz, or otherwise employed by or purportedly acting for or on behalf of them or the Office of Management and Budget or the Department of Agriculture; and it is further

"*Ordered* that defendants Ash and Butz and any agent, servant, employee, or other person acting in concert with defendants Ash and Butz, or otherwise employed by or purportedly acting for or on behalf of them or the Office of Management and Budget or the Department of Agriculture, be, and the same hereby are, enjoined from implementing or enforcing, or both, any such rule, regulation, guideline, instruction, or other communication, written or oral, heretofore published, promulgated, or otherwise communicated; and it is further

"*Ordered* that defendants Ash and Butz and their subordinates be, and the same hereby are, directed to annul and revoke by official act in writing any such rules, regulations, guidelines, instructions, or other communications, written or oral, heretofore published, promulgated or otherwise communicated; and it is further

"*Ordered* that defendant Butz and his subordinates be, and the same hereby are, enjoined from refusing to process, approve, and implement applications for REAP cost-sharing benefits consistent with the requirements of applicable statutes and regulations, and in accordance with the court's opinion of even date herewith; * * * "

The Department did not appeal the decision and in the course of the hearings on the 1975 budget estimate this year, departmental officials assured the Committee that it was their intent to carry out the court's decision without reservation.

The Committee is pleased to have this matter resolved and anticipates the continuation of the program in accordance with congressional intent.

PROGRAM DESIGNATION

During the past few years there has been some confusion with the nomenclature of this program. For many years it was the Agricultural Conservation Program. Then the Department designated it the REAP program. In the Agriculture and Consumer Protection Act of 1973, various conservation measures were authorized under the so-called RECP program. In the budget estimate this year the Department has now proposed a consolidated conservation program which it has designated as the REP program. The Committee sees no reason why the title "Agricultural Conservation Program" should not continue to be used and has so designated the program in all sections of the bill and the report.

DENIAL OF PROPOSED CONSOLIDATION OF PROGRAMS

The Department proposed in the 1975 budget estimate to combine the Great Plains Conservation Program (previously administered by the Soil Conservation Service), the Water Bank Act Program, the Emergency Conservation Program, the Forestry Incentives Program, and the Agricultural Conservation Program into the Rural Environmental Program. The Committee has not approved this proposal. Consolidation of numerous programs or activities makes it considerably more difficult for the Congress to follow the progress of the activities. For this reason the Committee has provided funding for these programs on a separate basis and has provided for the continued administration of the Great Plains Conservation Program by the Soil Conservation Service.

SOIL CONSERVATION SERVICE TECHNICAL ASSISTANCE

The 1975 budget estimate also proposed another change in the provision of funds for soil conservation service technicians to assist in the planning of the various conservation programs. For many years there has been a provision in the law that five percent of the conservation funds would be available to the Soil Conservation Service for technical assistance needed in drawing up the plans if such assistance was requested. This method of funding has worked very well through the years and has been of benefit both to the Soil Conservation Service and to the actual administration of the individual conservation programs.

The budget recommended the provision of $11.2 million as a direct appropriation to the Soil Conservation Service for this technical assistance. The Committee has earmarked the $11.2 million included in the budget estimate for distribution as follows: $7,300,000 for additional Soil Conservation Service technicians for assistance to conservation districts, communities and other cooperators; $1,500,000 for land inventory programs; $400,000 for operation of plant materials centers; and $2,000,000 for additional soil survey work.

APPROVED AGRICULTURAL CONSERVATION PROGRAM PRACTICES

The funds provided under the appropriation account for the Agricultural Conservation Program are available for the practices under the traditional Agricultural Conservation Program as well as the long-term practices authorized in the Agriculture and Consumer Protection Act of 1973.

In the course of the hearings, the Committee was highly critical of departmental officials who proposed to change the tried and true method of selecting practices for the Agricultural Conservation Program. For many years this program has been tailored to fill the various needs of local areas. One section of the country may need nutrients for the soil; another may need ponds to control water erosion; while another area's most important need may be wind erosion control practices. This accommodation was achieved through the Committee system whereby the local practices were recommended at the community and county levels and had survived the test of need by the local farmer's willingness to contribute his share of the cost of the practices.

For the 1975 program the Department has designated 14 practices at the Washington level and has more or less offered these to the local communities with a "take it or leave it" attitude. There is some feeling that this may be a ploy by those not sympathetic to the program as another way to reduce the program's effectiveness.

The Committee expects the Department to reinstate as established practices those conservation practices which were in effect for the 1970 year along with any revised practices that may be appropriate. The Committee is diametrically opposed to the proposed system of selecting the practices at the Washington level. This has been a democratic system that has worked well on a cooperative basis, program achievements have been commendable, and it would be sheer folly to completely reorganize the selection of practices at this time.

COMMODITY CREDIT CORPORATION

The Commodity Credit Corporation is a $14 billion organization governed by a Board of Directors, the membership of which consists wholly of officials of the Department of Agriculture.

Under authorities vested in it by its charter the Corporation has tremendous influence on all aspects of the marketing of our basic agricultural commodities. Until recently it has held huge reserves which, depending on how they were handled, could materially affect commodity prices. The basic concept under which the Corporation was created is good—to stabilize prices and assure an adequate supply of food.

In the opinion of the Committee the membership of the board being restricted to Department of Agriculture officials could result in certain untoward situations when consideration is given to the scope of influence the Corporation has attained during the years. It is the recommendation of the Committee that serious consideration be given to revising the board membership so that one-third of its members will be from the private sector. Not only would this mix provide a more diverse viewpoint on actions to be taken by the Corporation, but it would also provide some insulation against the Corporation's actions being influenced by political pressures regardless of which party might be in power.

REORGANIZATIONS IN THE DEPARTMENT OF AGRICULTURE

In recent years, there have been several reorganizations and transfers of functions in the Department of Agriculture. Some of them have been for the better, but the Committee has had reservations on a few such as the reorganization of the Agricultural Research Service which took place in 1972.

The Committee is not adverse to change. In fact, the Committee encourages the Department to continually assess and evaluate changing conditions and to institute modification of the departmental structure to effectively meet the challenges brought about by these changes. However, the Committee is not particularly impressed with change solely for the sake of change.

In the budget estimate presented for fiscal year 1975 several reorganizations and consolidations were proposed which raised some concern with the Committee.

OFFICE OF THE SECRETARY—DEPARTMENTAL ADMINISTRATION

One of the changes proposed involved the consolidation of appropriation accounts for the Office of the Secretary, the Office of the General Counsel, the Office of Management Services, and the Office of Inspector General. Also involved in this proposal was the recommendation that the Office of Management Services be abolished with the duties of that office being transferred to other bureaus.

In addition, the Office of Inspector General has been divided into the Office of Audit and the Office of Investigation, with the Office of Audit reporting directly to the Assistant Secretary for Administration and the Office of Investigation continuing to report directly to the Secretary.

This proposal was discussed at length during the hearings. Many questions of serious import remained with the Committee on the advisability of approving the proposal.

The bill provides separate appropriation accounts for the Office of the Secretary, the Office of Inspector General, and the Office of the General Counsel. It was contended that the combination of these accounts would expedite the accounting and budgeting functions by reducing the number of small accounts to be processed. Of course this rationale could be projected to the extent that there would be only one appropriation account for the whole Department of Agriculture. This would be very expeditious

as far as the budget and accounting procedures were concerned, but it would certainly make it much more difficult for the Congress to evaluate program operations for the individual bureaus, especially those in which the Congress is particularly interested.

OFFICE OF INSPECTOR GENERAL

On January 9, 1974 the Secretary restructured the Office of Inspector General. The Office of Inspector General was established in 1962 to fulfill an obvious need in the investigative and audit functions of the Department. Year after year since that time witnesses have appeared before the Committee indicating how much money in operating cost was being saved as a result of the central audits and what a fine job was being done by the investigative staff in disclosing various types of irregularities. Audit and investigative work complement each other in many ways. Irregularities that need to be investigated are discovered through audits. Frequently the investigators need supporting evidence which is obtained by auditors.

Therefore, the Committee has provided funds in this bill for continuance of the Office of Inspector General on the basis which it operated prior to the recent reorganization.

OFFICE OF MANAGEMENT SERVICES

The Committee is in accord with the proposal to abolish the Office of Management Services and has included $3,475,000 in the appropriation account of the Office of the Secretary for allocation at a later date in such sums as may be necessary to the various bureaus who will be absorbing the work previously performed by the Office of Management Services.

CONSOLIDATION OF COUNTY ASCS OFFICES

Another matter to which the Committee devoted considerable time in the course of the hearings was the proposal for consolidation of ASCS County Offices. To a certain extent the Committee has endorsed the long-time practice of bringing together agricultural agencies under the same roof where feasible and would hope this would continue.

However, as the Committee understands the new proposal for consolidation, the effects would be more far reaching with the concept of expeditious administration being given greater consideration than the original purpose for which county offices were established. The Committee will not object to the continued planning of county office consolidation within the county with the understanding that the Committee will be kept fully informed of developments in this connection.

SALES MANAGER—COMMODITY CREDIT CORPORATION

The Committee is firmly convinced that an aggressive effort must be continued to sell our commodities on international markets at world prices. It was for this reason the Committee established the position of Sales Manager in the Commodity Credit Corporation in fiscal year 1956. Prior to that time the Commodity Credit Corporation was holding inventories of about $8 billion in commodities and even though it was authorized to do so by law, refused to dispose of this surplus on the international market. Finally, at the urging of this Committee the commodities were offered and the resultant sales were surprising to those who said it could not or should not be done. Previously, the Department had followed a policy of restricting acreage through the allotment process, thereby driving thousands of small farmers from the farm and at the same time accumulating large surpluses which cost the taxpayers thousands of dollars a day to store.

On February 1, 1974, the Secretary approved a reorganization consolidating the Export Marketing Service with the Foreign Agricultural Service. This reorganization places the Sales Manager under the direct supervision of the Director of the Foreign Agricultural Service. The Committee held extensive discussions on this reorganization during the hearings and is still convinced that the consolidation can have but one effect—to dilute the authorities and responsibilities of the Sales Manager and place his operation under the influence of repressive policy that eventually could bring us again to the intolerable situation which existed prior to 1956 when we failed to offer commodities on the world market at competitive prices.

The Committee has therefore provided that the position of Sales Manager along with whatever immediate staff is required shall be an independent agency and shall report directly to the Secretary or Under Secretary of Agriculture. The Committee directs that the Sales Manager shall submit directly to the Congress quarterly reports of progress on international trade of agricultural commodities.

As mentioned earlier in this report, for the country to have a viable agricultural economy we have to export about 25 percent of our annual production. This is too vital an issue, both to our agricultural economy and to the consumers of this nation, to be downgraded to the third or fourth level of the policymaking process in the Department of Agriculture.

To those who might question the Committee's concern with regard to agricultural exports in view of the commodity inventory situation which currently exists, it should be pointed out that this very well could be a transitory situation. Farmers are being encouraged to plant from fence post to fence post. Barring adverse weather conditions, agricultural production should materially increase notwithstanding various shortages we are currently experiencing in fertilizer, fuel and other supplies directly related to agricultural production. Already there are indications that the export demand may not be as great this year as it was last year. Only time will tell. But in the meantime we must have the machinery in operation to move agricultural production and establish this nation as a reliable source of supply for those countries who must depend on imports of food and fiber crops.

LINE-OF-BUSINESS REPORT

The Committee has approved the full Federal Trade Commission request to begin collecting line-of-business reports.

In view of the energy crisis with shortages of gas and fuels, and the greatly increased profits by some firms which, on the face, would indicate that they may have taken advantage of these shortages, the Committee recognizes that information on competitive conditions is necessary for the Federal Trade Commission to provide proper regulation. The Committee has approved funds for beginning the line-of-business program on a somewhat modified basis.

On the other hand, the Committee does not believe regulation should be carried to the point of regimentation, which could be equally harmful to the general economy, and the consumer, as well as the business community. Therefore, the Committee has recommended that the initial collection effort be modified to insure that it is objective and that the confidentiality of the data is maintained.

The Committee's actions will assure that this important program can begin, while at the same time protecting against any likely abuses.

COMPLIANCE WITH DEADLINES

The Committee has become increasingly concerned with the problem of agencies diverting funds from the purposes for which they were appropriated to other uses in order to comply with new legislation. Rather than diverting funds from existing programs such new legislation should be the basis for submission of a budget request for consideration by the Office of Management and Budget and submission to the Congress for its action.

This problem was recently illustrated by the Federal Trade Commission's diverting over $400,000 to complete a study of the Emergency Petroleum Allocation Act. The study was doubtlessly needed. However, this diversion was made without consideration by the Appropriations Committee, and required the deferral of other projects. The Congress in the Second Supplemental Appropriations Act, denied a request to retroactively approve this diversion of funds, because to have done so would have established a precedent whereby the appropriation process by the Congress would become meaningless.

While the Committee fully recognizes the right of the legislative committees to impose deadlines, such action must await appropriation of funds. To do otherwise, would be to abrogate the separation of the legislative and appropriations functions which has served the nation so well for so many years.

To forestall a continuation of this practice, the Committee has added a new general provision to the bill, section 511, which requires that:

"Except as provided in existing law, funds provided in the Act shall be available only for the purposes for which they are appropriated."

This language is meant to insure that agencies will not divert funds from other projects to meet deadlines and other new requirements without first obtaining the approval of the Appropriations Committee. This change will help restore the traditional and proper balance between the legislative and the appropriations committees.

RECONSIDERATION OF PAST DECISIONS

The Committee in the course of its hearings has reviewed many past decisions of the various regulatory agencies under its jurisdiction. Under questioning, it has become apparent that many of these decisions were based upon incomplete, or questionable data. By pointing this out, the Committee does not mean to inpugn the motives of the regulatory agencies. Most of the witnesses before the Committee are obviously trying to run their agencies in an effective manner. However, many of these agencies are involved in highly controversial areas where tremendous pressures can be brought to bear, and the temptation can sometimes be to take the politically safe decision, rather than the scientifically justified decision.

Examples of questionable decisions abound in each of the regulatory agencies covered by this bill. Some of the more prominent examples include:

DDT—The Environmental Protection Agency has granted an exception for the use of DDT against the tussock moth in the Pacific Northwest. In addition, testimony before the Committee confirms that there has been no known harm to man from DDT in the 30 years it has been in use.

DES—The U.S. District Court of Appeals for the District of Columbia overturned the FDA ban on DES (Decisions No. 73–1581 and 73–1589, dated January 24, 1974). The court in its decision used very strong language:

P. 16–17. "Examining the Notice published on June 21, 1972 (banning DES), . . . we find it inadequate as a foundation for summary

disposition because it failed to establish a prima facie case for withdrawal without a hearing."

P. 24–25. "The FDA accompanied its revocation with reliance on the Delaney Clause—possibly only a 'scare tactic,' for it abandoned that reliance when called upon to make a considered submission to this court."

P. 36. ". . . the FDA cannot assert, as a matter of paternalistic sagacity, that it can dispose of these matters without opportunity for hearing."

Spray Adhesives—On August 13, 1973 the Consumer Product Safety Commission banned spray adhesives. On March 3, 1974 the ban was lifted upon the unanimous opinion of an ad hoc panel of experts.

While each of these examples has been highlighted because they are of relatively recent origin, many others could be cited. The point of these examples is that in each instance cited the agency made an initial decision, either upon the basis of inadequate data or without appropriate due process, which it later had to reverse.

Because the Committee believes there may be other instances where decisions should be reviewed, it has provided money for the various regulatory agencies to review past decisions on the basis of current scientific knowledge and without the intense pressures which may have prevailed at the time of the initial decision. Where appropriate, technical assistance should be sought from the National Academy of Sciences and other qualified, independent experts.

REVIEW OF ENVIRONMENTAL STANDARDS

The Environmental Protection Agency considers itself to be primarily an enforcement agency.

As a result of many of the laws passed by the Congress, and in many cases standards and procedures developed by the agency, many of the regulations developed since the formation of the agency have tended to be in the form of a single nationwide standard.

Evidence before the Committee indicates that a single nationwide standard can be unwise from an economic standpoint, and unnecessary from an environmental standpoint.

A case in point are the auto emission standards. There appears to be no valid reason for requirng a person outside a major metropolitan area to spend several hundred dollars for pollution control equipment, with the resultant loss in fuel economy, when the area in which he lives is pollution free.

Standards being set under the Clean Air Act and the Federal Water Pollution Control Act are nationwide standards.

Evidence before the Committee clearly indicates that the inflexibility of nationwide standards can and have played a role in creating energy shortages, inflation and unemployment. Testimony before the Committee indicates standards now being developed have the potential for costing hundreds of thousands of jobs, for significantly increasing prices for the consumer and for placing enormous demands on an already strained supply of investment capital. Common sense demands that all of these laws and regulations be reassessed in light of the precarious condition of our economy.

Therefore, the Committee directs the agency to thoroughly review all existing laws and regulations, as well as those now in the process of being developed. The Committee requires this information so that it can determine whether or not funds should be provided to implement these laws and regulations. Since most of this information is currently available within the agency, and will therefore only have to be brought together in a single report, the Committee will expect the report to be submitted no later than October 1, 1974.

ENVIRONMENT, ENERGY AND THE ECONOMY

The country does not now have any method for weighing our environmental policy with other competing national needs that all impact directly on our quality of life. Testimony before the Committee clearly supports the need for such a review mechanism. The absence of such a balancing force results in our environmental actions being taken in a vacuum. Therefore, the Committee strongly recommends that the appropriate legislative committees of the Congress give consideration to authorizing the establishment of an organization that would be capable of assessing proposed environmental protective actions in relation to other competing national needs, such as energy requirements and the economy. Such an organization should be charged with advising Congress and the American people of the various tradeoffs so that we may continue to live and enjoy a high quality of life.

STUDY OF MEASURING DEVICES

At the time the protective provisions of the Food, Drug, and Cosmetic Act were passed in 1958, 50 parts per million was considered to be the "practical equivalent of zero." During this year's hearings, the Food and Drug Administration presented a scientific paper, prepared at the Committee's request, which indicates that in the 1950's scientists could measure in the parts per million, in the 1960's in parts per billion, and in the 1970's in parts per trillion. Stated another way, the "practical equivalent of zero" today is one million times smaller than it was in the 1950's.

There has been no comparable increase in the capabilities of the FDA to measure the practical significance of these minute amounts. In fact, the FDA paper on measuring devices concluded:

"Thus, it is clear that some sort of balance must be sought between the ability to perform more sensitive and finer analyses and the interpretation of the findings which derive from such analyses. This balance hopefully will lead to the best of all situations, namely, adequate supplies of needed foods and drugs which are safe and available to all consumers."

The Committee agrees with these sentiments, and has provided $50,000 for a study of measuring devices and their significance. This study will complement the information developed in the recently completed study.

The need for this study is further indicated by the following data which was submitted to the Committee by the Food and Drug Administration concerning the amount of banned substances which would have to be consumed by humans to equal the amount consumed by animals in testing.

Cyclamate.—A 12 oz. bottle of soft-drink may have contained from ¼ to 1 gram of sodium cyclamate. An adult would have had to drink from 138 to 552 12 oz. bottles of soft-drink a day to get an amount comparable to that causing effects in mice and rats.

Oil of Calamus.—In order to get an amount comparable to that which caused effects in rats, a person would have to drink 250 quarts of vermouth per day.

Safrole.—A person would have to drink 613 bottles of root beer flavored soft-drink or eat 220 pounds of hard candy per day to get an amount comparable to that which caused effects in rats.

1,2-Dihydro-2,2,4-trimetheylquinoline:polymerized.—A plasticizer used in packaging material. If all foods in the diet were to be packaged in this material, a person would have to eat 300,000 times the average daily diet to get an amount comparable to that which caused effects in rats.

4,4'Methylenebis (2-chloroanaline).—A plastic curing agent used in food contact surfaces. If all foods in the diet were exposed to this material, a person would have to eat 100,000 times the average daily diet to get an amount comparable to that which caused effects in rats.

DES.—Based on findings of 5 percent of liver samples containing 2 ppb of DES, and assuming that 2 percent of the average diet is beef liver, a person would have to consume 5 million pounds of liver per year for 50 years to equal the intake from one treatment of day-after oral contraceptives.

FOLLOW-UP TO FDA STUDY

At the request of the Committee in last year's report, the Food and Drug Administration conducted a study of the need to modernize the Delaney Clause and other anti-cancer clauses in the light of supersensitive measuring devices, where parts per trillion are identified rather than parts per million which was the limit in the 1950's. All believe that these provisions have been in the public interest. However, in recent years, more and more questions have arisen as to whether the new measuring devices may be finding small amounts of chemicals which do not have any real significance insofar as human health is concerned.

The Committee in its report last year called upon the Food and Drug Administration to undertake a thorough review of the current scientific opinion concerning the pros and cons of modifying the Delaney Clause and other legislation, or at least a need to use the testing devices in existence at the time of the passage of the Acts instead of those of today which are a million times more sensitive in finding chemical traces. It should also be remembered that these tests are on animals and the dosage used is rather large in relation to the dosage which humans actually receive in normal everyday usage. The study was later expanded to consider as well some of the moral and ethical questions which ultimately underlie this issue.

This report was presented to the Committee at a hearing on May 6, 1974. The complete study, and the hearing, have been reprinted as Part 8 of the Committee's hearings. These documents are available to all interested parties upon request, and the Committee hopes they will have wide distribution throughout the scientific community and with other interested persons.

The main conclusion of the study is that these acts have not to date had any significant impact upon the food supply. In the words of the report:

"There has been no clear consensus that the Delaney Clause has barred public utilization of important food additives which would yield benefits outweighing the associated risks assumed with respect to carcinogenesis."

The summary goes on to warn, however, that:

"In view of increasing demands for expanded food production and limitations in conventional means to achieve this goal, there is little doubt that the total available food supply will become increasingly dependent upon new agricultural and food manufacturing practices, many of which will utilize new chemical entities. That some of these may provide great societal benefit and be concurrently shown to have carcinogenic properties under certain test conditions is clearly possible. The possibility that this situation could develop calls for an examination of criteria for "safety," a better mechanism for evaluating societal benefit, and a review of relevant legal requirements, such as the Delaney Clause."

The Committee shares the concern of the Food and Drug Administration that future

conditions may require a modification of existing law or administrative procedures. The FDA study identifies many areas which need further investigation before such a change can be scientifically justified. Therefore, the Committee has included $50,000 for the FDA to use to compile a detailed blueprint of what to do next. In compiling this blueprint, FDA should do everything possible to assure that all interested groups, including consumer groups, are permitted to provide input into the formulation of the plan and to comment on the final plan. Of course, final responsibility for the blueprint will lie with the FDA.

INVESTIGATIVE REPORT

"UTILIZATION OF FEDERAL LABORATORIES"

In April of 1972, the Committee requested the Surveys and Investigations Staff of the House Appropriations Committee to conduct an innvestigation of the utlization of federal laboratories. This request was made because at that time the Food and Drug Administration and the Environmental Protection Agency were requesting over $100 million for new laboratories. The Committee felt that requests of that magnitude should not be approved until it could be determined that no alternative existing laboratory facilities were available. Therefore, the investigative study was commissioned to determine the current status of laboratory facilities throughout the government.

The study has recently been completed and presented to the Committee. It has been reprinted as Part 7 of the 1975 hearings on Agriculture-Environmental and Consumer Protection, and is entitled "Utilization of Federal Laboratories." These hearings are available to all interested parties.

The study consists of two parts. The first part is an analytical section which discusses how the federal government fails to adequately staff or manage its laboratory facilities. This section contains many examples of waste, duplication and overbuilding, in addition to understaffing. It also concludes that there is no central coordination by either the Office of Management and Budget or the General Services Administration. With the possible exception of the Department of Defense, there is a similar lack of coordination even within individual federal agencies.

The second part of the report is a massive descriptive study of all federal laboratories. This study reveals the following information which was supplied in response to a "Technical Facilities Questionnaire":

Figures furnished as of June 30, 1972

Total number of research laboratories	834
Square feet of laboratory space	69,780,976
Square feet of administrative space	24,990,935
Square feet of space other than laboratory and administrative	78,873,451
Square feet of space not occupied	2,714,107
Number of professional personnel	94,860
Number of nonprofessional personnel	164,923
Annual salaries and benefits	$3,765,783,148
Travel costs	$140,342,840
Other costs	$2,471,397,840
Additional research laboratory facilities under construction (58)	$314,093,000
Renovation of existing facilities in progress (52)	$177,973,692
Additional facilities planned for which planning but not construction funds appropriated (27)	$162,295,000

The statistical data furnished in response to the "Technical Facilities Questionnaire" was generally complete with the exception of information concerning initial cost or current value of existing facilities—data was not furnished for the initial cost of 347 and the current value of 415 of the facilities. Even without these figures, the totals are as follows:

Initial cost of existing facilities	$9,713,415,611
Current value of existing facilities	13,203,175,661

The information developed in the "Technical Facilities Questionnaire" is an excellent reference source for anyone interested in federal laboratories. Each federal laboratory is listed separately, both by agency and by State. The staffing, specialized equipment, 1972 operating costs, and percentage distribution of research efforts by scientific category is listed for each of the 834 laboratories. This information shows an amazing diversity of missions and capabilities.

The most disturbing aspect of the investigative report is the apparent lack of coordination of federal laboratories. The Committee believes this situation will continue unless the Executive Branch establishes a systematic method to update the inventory which has been compiled by the Surveys and Investigations Staff. Without a current listing of capabilities, it is difficult to understand how duplication and overbuilding can be detected, or how the OMB can determine on any sound basis the effect of manpower ceilings. Therefore, the Committee suggests that the GSA or the OMB institute regular procedures to maintain a current listing of laboratories, including percentage of utilization. The Committee also recommends that some central review be established for requests for new laboratories. The individual agencies should also establish some central review authority within each agency.

The Committee also believes that vacant laboratory space should be made available to other agencies. To further encourage utilization of vacant laboratory space, the Committee recommends that agencies be required to turn vacant laboratory space back to the GSA, and that their space costs under Public Law 92-313 be reduced accordingly.

The changes recommended, if fully implemented, would significantly change the management of federal laboratories. The Committee believes these changes will be for the better since they will save money by assuring full utilization of existing laboratories and will permit needed scientific facilities to come on line faster since renovations can usually be completed much more quickly than new construction. Finally, this more coordinated review will assure that scarce scientific manpower is not wasted on duplicative research.

Prior to the consideration of next year's appropriations bills, the Committee will expect a report from the General Services Administration, the Office of Management and Budget, and the President's Science Advisor on the steps which they have taken to improve the coordination of federal laboratory requirements.

REDUCTION IN GSA SPACE COSTS

Public Law 92-313 requires that agencies include space costs in their budget estimates. Previously, only the first year costs were funded by the agencies, with subsequent years costs being included in the GEA budget. This change has resulted in large apparent budgetary increases in this year's budget, especially in personnel intensive agencies, without any actual program increase. For example, $36.9 million is included in this bill for space costs of the USDA, exclusive of the U.S. Forest Service, and $14.9 million is included for the FDA, although both agencies have only very minimal program increases.

The new law requires not only that the actual space costs be paid, but that additional charges be levied, similar to depreciation charges, to build up a special fund for construction of future buildings. The result of this policy is to require large space cost payments for existing government buildings. For example, USDA is being billed $10.5 million for the USDA headquarters building in Washington, D.C., which was fully paid for at the time it was completed in 1937.

The new law has other features which will permit GSA to formulate policies which will make the act more workable and just. The law allows for rate differentials depending upon the comparable commercial rates in the surrounding area. The GSA has assured the Committee that such action will be taken. This problem exists particularly in rural areas, where present rates being charged are considerably out of line with comparable private rates. This has had at least two detrimental consequences. First, it has impelled some organizations, such as county offices of the Federal/State Extension Service, to seek new quarters since they can no longer afford the artificially high priced federal quarters. Secondly, it is alleged to have had a potential inflationary effect since many private landlords inspired by the federal example have raised their rents. Where justified, the Committee relies on GSA to keep its commitment to modify its present rates.

The Department of Agriculture is to be commended for the vigorous negotiations it has conducted with GSA through the Office of Management and Budget. As a result of these negotiations, in some cases reasonable compromises were reached concerning rates, especially those in rural areas, which were lowered 11 percent, and these negotiations are continuing. Other agencies, which accepted the rates without question, are encouraged to review the rates, and where appropriate, to petition GSA for adjustments. The Committee expects each agency to give careful attention to its space costs in the coming year, and will closely question each agency again next year as to what it has done to keep space costs to a reasonable minimum.

The Committee was also influenced in its decisions concerning space costs by its investigative report on "Utilization of Federal Laboratories." This study revealed that there is much vacant laboratory space throughout the country. The Committee is of the opinion that agencies should not be charged for vacant space, but should be required to turn it over to GSA for assignment to other agencies. In this way, there would be an incentive not to hold on to vacant space.

In view of the foregoing, the Committee has made an across the board reduction of ten percent in the amount of funds provided for GSA space costs. To assure that funds are not diverted from other sources, the Committee has also included a general provision in the bill limiting these costs to 90 percent of the rates established by GSA.

If the agencies covered by this bill vacate empty space, renegotiate unreasonable rates with GSA, and carefully manage their existing space, this reduction should cause no hardship, and indeed is consistent with the original purpose of the Act, which was to make agencies more conscious of the costs of space, and hence better space managers.

Mr. ANDREWS of North Dakota. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I want to thank the

distinguished chairman of our Subcommittee on Agriculture, Environmental and Consumer Protection for his definitive and accurate analysis of this important appropriations bill.

The problems in agriculture are not just simply problems for farmers—they are problems that affect everyone in this Nation as we have so dearly learned this past year.

The necessity of maintaining and preserving our land and water resources for the production of food and fiber become more imperative with each passing year as our land space dwindles and the demand for food at home and for other nations sorely tests all resources and technology.

Maintaining the quality of our environment equates directly to the quality of our life now and in the future—and few things are more important than that.

Consumer protection in a mass society such as ours—a society served by a vast complex of industries, suppliers, distributors and retailers—involves a broad spectrum of problems—the guarantee of quality and safety of a great range of products. It involves protection against price gouging and many, many other factors. Mr. Chairman, this is what this appropriations bill is all about.

I personally want to thank our eminent chairman, the gentleman from Mississippi, for his leadership, his patience and his judgment, based on so many years of experience and his vast knowledge for guiding the rest of us through many hours of hearings in order that we could come up with a funding bill that is not only adequate but shows a high degree of fiscal responsibility.

There is a lot of money involved in this bill—as the Members will notice when they read the total on the back page—$13.4 billion. But it is for funding scores of programs benefitting 210 million people and countless other millions who face starvation in other lands and look to us for food.

I think it needs to be emphasized here for the record that this is not the old-fashioned agricultural bill which we used to consider separately. Out of the $13.4 billion in this bill, only $1.4 billion goes to fund the regular current farm programs for fiscal 1975. Actually, it could far better be called the consumer protection appropriations bill of 1975.

It is important that all my colleagues in the House understand this—it is more important that the public understand it also. For far too long, there has been a huge communications gap between farmers and the consumers. For years, the public was led to believe that farmers lived high on the hog at taxpayers' expense. The public was told that farmers were getting rich for being paid to keep land out of production. People protested the high cost of storing surplus farm commodities.

So we changed the farm programs in 1973. Farmers are now—for all practical purposes—operating on the free market. Surpluses are gone. The set-aside payments are gone. Wheat prices have dropped $1.50 a bushel under what it was selling for 6 months ago—but bread prices keep going up and up until now you cannot buy a decent loaf of bread for less than 45 cents. I wonder where the bakers are who flooded the headlines with stories about a $1 loaf of bread when wheat reached $6 a bushel, and have not lowered the price of a loaf by 1 cent since wheat dropped almost one-third.

Livestock producers are losing from $100 to $200 a head—and going bankrupt. Yet beef and pork products at the retail level have dropped less than 5 percent in the past few weeks. My colleague from New York City told me that the price of beef in his hometown has gone up 5 cents a pound at retail, which is totally ridiculous. I would like to get to a deeper analysis of this problem later on in my remarks.

Right now, I would like to review where the rest of this $13.4 billion money bill is going to be spent:

Five billion dollars goes for consumer programs, which includes $4 billion for food stamps, a 15-fold increase in the last 5 years; $199 million for the Food and Drug Administration and $37 million for the Federal Trade Commission.

The committee feels this is totally justified in view of the immediate and urgent demands of starving millions living in the vast famine-belt that stretches all across Asia, Africa, and into South America. Experience has shown, time and again, that food is the most effective and cheapest insurance for peace at our disposal, far better than all the bombs and tanks that have been produced in many of our armament factories.

Mr. Chairman, $815 million goes for rural development. We think this is a minimum amount to carry on the programs to improve the quality of life and environment in rural America, which includes more than 95 percent of the Nation's land area.

The committee feels that rural development is an imperative alternative to the congested, strife-ridden life of our cities. These funds continue programs that provide sewer and water systems and other rural community facilities by loans and grants. It carries on the great REA program and the sorely needed rural housing programs for rural areas.

The sum of $1.2 billion goes for environmental activities, of which $644 million is earmarked for the Environmental Protection Agency's operations; and $360 million goes to the Soil Conservation Service which has the major responsibility for developing and preserving our land and water resources.

With this tremendous, increasing pressure on these resources for food production, plus the diminution of these resources for urban development, highways, airports, and now an accelerated program to use vast areas in the West for strip mining that must be reclaimed for productive use, the committee feels that the additional $151 million we have added to the original budget estimates is the absolute minimum needed to preserve our limited, finite resources of land and water. As Will Rogers once said: "Land is the only thing that we've quit making."

Finally, $4 billion goes to restore the capital impairment of the Commodity Credit Corporation incurred in past years when this Government agency, under the old farm program, had the responsibility of handling and disposing of the heavy surpluses of farm commodities under loan. This item of funding, under the new Farm Act, will no longer be much of a cost factor.

I would like to call attention, Mr. Chairman, to some specific items in this bill that are of vital importance if American agriculture is to meet the production goals imposed upon them by the Nation and the world. Only by meeting these goals can we ever hope to break the food and inflation price spiral.

First, I refer to research. It is true that the United States is blessed with a favorable, variable climate and good land resources for agriculture. But other countries are similarly blessed. The miracle of our food production capacity, as compared to that of other countries, is our continuing research programs that started out more than 100 years ago when the Department of Agriculture was first created.

Research has made it possible to make incredible production advancements in agriculture. It was research that made it possible to triple the yield of corn per acre and double the yield of wheat. It was our research that made it possible for us to become the largest soybean producer in the world. It is research that makes it possible for Americans to enjoy the best and most varied food the year around at the lowest prices in the world. I emphasize this for the consumer.

They buy food in this country of ours at the lowest price any consumer anywhere in this world pays, and they get a much better quality product.

But, the race between food production and demand never ends.

Our research scientists tell us we are in critical need for new genetic varieties of our basic crops—corn, wheat, soybeans, almost everything you name.

If these are not developed soon, we are in danger of having our present varieties subjected to new races of plant diseases and pests. I remind the Members of the corn blight plague 2 years ago that nearly wiped out entire fields over large areas in Illinois and Iowa.

For this reason, the committee has asked for some $30 million more in basic agricultural research funds, much of which will be directed to our land-grant colleges and their experiment stations who have, over the years, done a tremendous job. This seems like a small amount to insure an abundant and reliable production of food.

We have added another $95 million to be used for Animal and Plant Health Inspection Services. These funds will be used to prevent the importation of new and exotic animal and plant diseases from other countries. Quarantine stations where new varieties of livestock

from other countries are checked and inspected are of vital importance.

An outbreak of hoof and mouth disease in this country would mean disaster to our livestock industry and a critical blow to our overall food consumption for many years.

In addition, this Animal and Plant Health Inspection Service protects all consumers since it has the sole responsibility of inspection, policing, and grading of all meat and poultry products and plants.

We have provided increased funds for the inspection and grading of imported dairy products. We have done this for two reasons: To protect the American consumer from buying low-grade and unacceptable products at high import prices; and, two, to protect the American farmer and processor who must meet such high standards of quality and sanitation that are not required in other countries.

Finally, Mr. Chairman, I would like to address myself to one final item in this bill that clearly symbolizes the basic intent and purposes of this legislation: Agriculture and Consumer Protection.

I refer specifically to a problem that has been nagging farmers and consumers for nearly a year—and which has been generated into a crisis in recent months. I refer to the price of beef on the farms and the price of meat in the retail stores.

Despite all of the ink that has been printed in the newspapers of this country, they have never come up with any suggestions as to how to solve this problem.

By no stretch of the imagination is there any sense, any logic, or any economic rationale between the price of beef on the hoof in South St. Paul, Sioux City, or Omaha and the price of hamburger or steaks in supermarkets in Washington, New York, or Columbus, Ohio.

Let me just give you a few figures to show what a two-way rip-off farmers and consumers are getting these days.

The season's high of choice beef on the Chicago market was $61.75 per hundredweight, The season's low, on the same grade of beef—but 80 days later was $33.75.

However, the housewife in the Washington area or the New York area did not get any benefit from this. I do not know whether Joe Danzansky wants to pay for his proposed baseball team out of the hide of the consumer or not, but I would think the housewife and the other people who go to the supermarkets of this country are getting darned sick and tired of being forced to pay much more than they ought to pay, since the low price levels received by the farmers are evidently not being passed on to them.

The $33.75 price level the farmers now get for beef is even a little lower than the same grade of beef was selling for in Omaha back in 1952 during the Korean War when we were all under price control and farmers could sell beef at $33.75 per cwt.

Hamburger at that time was selling for 3 pounds for a dollar, and even if most costs had gone up considerably, hamburger should today be selling for two pounds for a dollar, unless somebody in between is profiteering and gouging the customer.

Today hamburger is selling for 89 to 92 cents a pound in the markets in the East. Taking into account increased costs of labor, transportation, and other items—hamburger should be selling for 55 cents a pound with livestock selling for 35 cents at the marketplace.

It is the biggest rip-off in food history.

Livestock farmers are losing $100 to $200 a head and going bankrupt. Consumers are still paying peak-high prices for meat 3 months after the bottom dropped out of the livestock market.

Who is to blame? That is the question.

We on the committee are attempting to find out.

We don't want guesses—vague charges—and mere accusations of blame—we want solid evidence.

Included in this appropriation bill are funds for the Federal Trade Commission to complete an exhaustive investigation. This study will be completed by the end of this year.

I think the mere impact of the findings of this study will go a long way in creating a sensible and reasonable pricing system between farm prices and retail prices. If not, then we have some basis to go from there, if need be.

Mr. Chairman, my colleagues, as the minority member of this subcommittee, I think this is the best and most fiscally responsible appropriations bill I have seen in all my 10 years on this committee. I recommend it for your serious and thoughtful consideration.

Mr. THOMSON of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. ANDREWS of North Dakota. I yield to the gentleman from Wisconsin.

Mr. THOMSON of Wisconsin. Mr. Chairman, I have asked the gentleman to yield so that we might make some legislative history.

On page 81 of the report there is a section entitled "Import inspections."

Now, the record shows that the Food and Drug Administration inspects only 10 percent of the dairy imports that come into this country.

The record also shows that 12 percent on an average of the dairy imports that they do inspect are found to be contaminated in some form so that they are not fit for human consumption whether because of pesticides, residues, or rodent hair or flies or whatever it is. This report says "from existing funds the Food and Drug Administration should give increased inspection coverage to imports with special attention being given to dairy imports."

I would like to know if the committee's intention was that the Food and Drug Administration inspect all of these imports of dairy products which have been shown by spot checks to need full inspection to protect the American consumer and the American dairy producer against substandard quality products that unfairly compete with the high quality products produced in this country.

Mr. ANDREWS of North Dakota. It is the intention of the subcommittee that the Food and Drug Administration inspect enough so that through the random sampling technique they know that the imports are up to the high standards required of food produced in this country. That does not necessarily mean that they inspect every pound, but it certainly means that they take random samples of every lot that comes into this country.

A year and a half ago the FDA came before our committee and told us about new mobile laboratory vans that they were building to enable them to drive out on the piers. They are doing that now and sampling the food as it comes off the ships.

The language which we put in the report was in response to contacts made by the gentleman from Wisconsin, my good friend, who is asking this question now and who appeared before our subcommittee as representing the largest dairy producing area in the country. He wisely and well pointed out the need for this in order to protect the consumers as well as the farmers of America.

The intention of the committee is spelled out in our report where we go on to say that if additional funds are required for this, the committee should be so informed either in a supplemental budget request or in the regular 1976 budget request. We intend to do everything we can possibly do to protect the purity and sanitary conditions of the food that the American public eats.

Mr. THOMSON of Wisconsin. Will the gentleman yield long enough for me to direct a question to the chairman of the subcommittee, the gentleman from Mississippi (Mr. WHITTEN)?

Mr. ANDREWS of North Dakota. I will be glad to yield to the gentleman.

Mr. THOMSON of Wisconsin. I would like to ask Mr. WHITTEN if it is his intention, or the committee's intention in the language in the report, that the Food and Drug Administration inspect every lot of dairy products imported into this country instead of inspecting only 10 percent of those that come in.

Mr. WHITTEN. If the gentleman will yield, may I say to my colleague that if we were to get 100-percent inspection not only on the items on which he is interested and in which I am interested, too, the cost would be prohibitive. We have called on them to increase and to strengthen the amount of protection and inspection that they give in order to correct the situation. If we had inspections not only in this area but in all areas on an item-by-item basis, I think it would take about half of their budget. So I cannot say that I expect them to go that far. I would expect them, from what we told them to do, to increase the number of inspections to the point that they can correct the problem the gentleman mentions. But that is as far as I think they have the money to go. The FDA does a whole lot of other things as the gentleman knows. In many of these areas of inspections the cost is getting phenomenal. So I do not expect that they have the funds to do what the gentleman would like, that is, 100 percent.

Mr. THOMSON of Wisconsin. Certainly you do not approve of the present method which last year permitted over

8 million pounds of contaminated dairy products to be imported into this country and consumed by the American public under the belief that they were getting a wholesome product such as the domestic product is.

Mr. WHITTEN. I certainly do not, and that is the reason for the language in the bill. That is the reason why we expect them to increase the percentage of inspection so that it will bring about a correction of the problem.

The gentleman asked me if I thought there were funds sufficient to do it on a 100 percent basis. I explained that I do not think there are.

Mr. THOMSON of Wisconsin. But the Committee's report also invited the Food and Drug Administration to come back if they needed more money in order to do an adequate inspection job.

Mr. WHITTEN. That is right, I think that was a fair request. I am sure it will have the attention of this committee, because we agree with the gentleman from Wisconsin that we need to protect the American public within the limits that are possible.

Mr. ANDREWS of North Dakota. Let me point out to the gentleman from Wisconsin that if by the use of such random sampling they find and confiscate a sufficient quantity of products, that this is going to call to their attention, the need for action and will have a significant effect on the quality of their products, so that I think it is extremely important that we do require enough random sampling so that we can assure the consumers of a good quality product.

Mr. VANIK. If the gentleman will yield, Mr. Chairman, I hope the gentleman from Wisconsin (Mr. THOMSON) does not suggest that we should harrass the imported products by inspections that are out of dimension with those conducted on commodities produced in this country. I am sure there are some local and domestic producers who would fail inspection. Is the inspection of imported products any less in degree, or is the method used in such inspections any different than those applied to domestic products?

Mr. ANDREWS of North Dakota. The inspections are much less, particularly in the case of dairy products in foreign countries, as the gentleman from Wisconsin referred to, as well as beef products.

Mr. VANIK. I would suggest that the levels of inspection should be equal. We should try to maintain a high standard for both domestic and imported products to make sure that the American consumer is getting a proper product.

Mr. ANDREWS of North Dakota. That is the intent of the committee.

Mr. THOMSON of Wisconsin. If the gentleman will yield further, Americans consume millions of pounds of substandard products that come into the country because of the low quality control standards in those countries. Their farms and their factories operate in ways that do not meet the standards which American dairymen, for instance, have to meet. The American dairyman is inspected on his farm, in the cheese factories, in the creameries, and all along the line.

All I want to do is prevent unfair competition for the American producers, and also to protect the American consumers against the poor quality imported products.

Mr. VANIK. I would agree that we ought to try to get the same level of inspection and quality controls.

Mr. THOMSON of Wisconsin. If the gentleman will yield further, I might point out that there is a bill pending in the Committee on Agriculture of this House that would send American dairy inspectors to every dairy producer all over the world. The cost of this would be exorbitant. However, the situation is getting so critical that even such a drastic remedy is getting some support in the House. I do not think we need to go that far and do that. I believe we can take care of the problem by bringing these units down to the dockside and inspecting each lot. If we can inspect each lot, we could then assure that we would have a quality imported product, and that it would be a wholesome product.

Mr. VANIK. I might suggest to the gentleman from Wisconsin that with the price situation as it is in this country that I think the dairy industry should endeavor to be redeemed. People will go back to drinking milk if the price starts to get somewhere near what the consumer can pay for it.

I also might say that right now I believe that butter is lower in price than most forms of oleo and butter substitutes. I think more and more people are realizing that the natural food is better than the substitute, and they will probably return butter to their diets.

Mr. ANDREWS of North Dakota. I appreciate the point our colleague, the gentleman from Ohio (Mr. VANIK), has made. It is a very important point, and it is a matter that the consumer should realize but, to go one step further, and not just talk about imported products such as dairy products and beef, but in connection with the production of wheat and the use of herbicides. Wild oats is a weed that seriously affects the spring wheat produced here and abroad. An international chemical company has developed a chemical known as Endovan that effectively controls this weed but our Environmental Protection Agency has not as yet cleared it, because they are not sure what the residue might be that is left in the wheat. But the Canadians can use it, and the Canadian wheat we imported contains this chemical, and thus the American consumers end up eating bread produced from Canadian wheat that has been treated with Endovan. Yet this chemical is not available for the use of American farmers, so we allow wheat to be imported from foreign countries containing this chemical. If it's safe our farmers should be able to use it; if not, imports treated with it should not be allowed.

Mr. VANIK. If the gentleman will yield further. I would point out to the gentleman from North Dakota that the Canadians put a ban on our beef because they do not think it is fit or safe for Canadians. Is that a legitimate policy?

Mr. ANDREWS of North Dakota. I think it is a price protecting deal on the part of the Canadian Government. It was a gimmick that they could seize on. Stilbestrol was being used in Canada. They have used it for a long time. They put import bans on our beef, claiming there might be something wrong because we were using stilbestrol, but its more a price-enhancing deal for their farmers because the price of beef on the hoof in Canada is 7 cents higher than it is here.

Mr. VANIK. Did we ban it ourselves?

Mr. ANDREWS of North Dakota. We banned it for a time, and then we went back to using it, pending a court resolution of the matter. Nobody has been able to prove yet that the residue found in beef tissue is harmful. But that is another long story.

I appreciate this matter being brought up by my good friend, the gentleman from Ohio.

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

Mr. ANDREWS of North Dakota. I yield to the gentleman from Pennsylvania.

Mr. GOODLING. I thank the gentleman for yielding.

As the gentleman has so well pointed out, there are many questionable items in this bill that probably should not be in an agricultural appropriation bill. For the record, I want to read just one sentence from the report.

> The consumer programs also include $4 billion for food stamps, an increase of $990 million over last year.

I recall that just a few years ago this appropriation was well under $100 million. It hardly seems fair that, in a sense, this $4 billion item is charged to the farmers of America. I believe the gentleman will agree that in a sense it is charged to the farmers of America because it is in an agricultural appropriation bill.

Mr. ANDREWS of North Dakota. I appreciate my colleague's bringing that matter up. As I mentioned a moment ago, this could well be known as the consumer appropriation bill of 1975 rather than the agricultural appropriation bill.

Mr. GOODLING. I commend my colleague for bringing this to the attention of the membership of this House.

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

Mr. ANDREWS of North Dakota. I yield to the gentleman from Iowa.

Mr. GROSS. I thank the gentleman for yielding.

Mr. Chairman, I want to commend the gentleman from North Dakota for very lucidly pointing out the brutal treatment that beef and pork producers have taken in the matter of prices in the last several months. Is there anything in this bill that would provide any direct relief other than the increased appropriation for the Federal Trade Commission to go into this matter?

Mr. ANDREWS of North Dakota. The key thing, I think, that will help the situation is the funding of the Federal Trade Commission and the direction that the subcommittee gave them to investigate the gigantic ripoff of the American

consumer. If they can bring a case and indict a few people, and maybe, hopefully, put somebody behind bars, it would, I think, straighten out the industry faster than anything else that can be done.

Last week choice dressed beef hanging in the cooler was priced at 57 cents a pound in Chicago so hamburger ought to be costing 55 cents a pound. The housewife ought to be able to go into the supermarket and buy prime ribs for 99 cents; T-bone steak should not cost more than $1.35 a pound. The fact of the matter, of course, is that the consumer knows that is not the case.

The Secretary of Agriculture urges the housewife to go out and buy beef because it is the greatest bargain ever. It is, at the farm price level. It is lower than it was 24 years ago, but not to the housewife. The only way our market system can work is if the low prices at the farm level can pass on to the consumer so that they can take advantage of the nutritious beef at bargain prices and eat our way out of the temporary problem.

The housewife gets it in the neck twice; first, because she is paying too much now; second, as more and more farmers go bankrupt, there is going to be less and less beef and pork and other meat products around so that she will really have to pay a high price in a year or two, if she will be able to find enough beef available.

Mr. GROSS. The gentleman is precisely correct that the differential in price received by farmers as compared with those paid by consumers is not being reflected on the meat counters of this country either for beef or pork.

Mr. ANDREWS of North Dakota. That is right.

Mr. GROSS. But there is nothing in this bill that would directly relieve the situation of the beef and pork producers other than the reference to the Federal Trade Commission?

Mr. ANDREWS of North Dakota. No; unless the Congress passes legislation for emergency loans they are in trouble. I understand that is before a committee and it could be funded out of CCC funds or wherever Congress directed, and those or supplemental appropriation funds would have to be used for this program.

Mr. GROSS. There is nothing in the bill for that?

Mr. ANDREWS of North Dakota. No, because there is no authority, there is nothing in this bill to cover it.

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

Mr. ANDREWS of North Dakota. I yield to the gentleman from Ohio.

Mr. VANIK. I seem to remember that Secretary Butz 2 years ago said that beef at $2 a pound would be a great bargain. He wanted a free market. He said we should get the Government out of agriculture. He urged the cattlemen to sell wherever they wanted to in the world notwithstanding shortages and higher prices to the American consumer. American food became cheap because of the devaluation of the dollar, the American producers could not resist the temptation to take the food out of our domestic stock and sell it abroad. But the free market works two ways. Apparently the cattlemen want a no-risk business. They want a free market when prices are high and Federal help when prices fall in anything. I do not know how they can expect to have it both ways.

Mr. ANDREWS of North Dakota. If my colleague will again accept our blessings for having brought up an important point, the Secretary of Agriculture did, in fact, last year tell the consumers of America that beef at $2 a pound was a bargain, and beef at $2 a pound is a bargain compared to the increased prices of automobiles or compared to the cost of color television sets, and all the rest.

The point I am making is that beef today is selling for exactly the same price at the farm level as was determined to be a fair price when President Harry Truman put price ceilings on during the Korean war. At that time an automobile was selling at $1,500, and we pay $4,500 for it now. Beef has not gone up threefold, but television sets and the other things the consumers take for granted have gone up.

My point is we want to make the free market system work, as my colleague, the gentleman from Ohio has pointed out, but unless the producers and the farmers as well as the consumers can benefit, then the system will not work. What we are faced with now, and it is something I hope Congress will consider at another time in another committee, is whether it will be in the consumers' interests and the country's interest to pass emergency loan fund legislation so the farmer-feeders will be rescued from bankruptcy so they will be there a year from now to provide the American consumers with the food they need.

Mr. VANIK. Can we be sure these loan funds will not be used to bail out doctors, bankers, and lawyers who invested in tax shelters?

Mr. ANDREWS of North Dakota. If I have anything to do with it I would follow the reasoning of my friend, the gentleman from Ohio. Again, compared to other costs, beef should be bringing much more than it is at the farm. It is not bringing that at the farm and it ought to be costing less to the consumer, so the consumer could help the farmer and they could work their way out of this problem.

Mr. VANIK. I thank the gentleman.

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

Mr. ANDREWS of North Dakota. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Chairman, as I recall a week or so ago the House failed to pass any extension of the Sugar Act. I note on page 2 of the bill that there is an appropriation for the Sugar Act program. Could the gentleman comment on that for us?

Mr. ANDREWS of North Dakota. What we failed to pass was an extension of the Sugar Act, so it expires at the end of this year. These are funds that take care of the crop now in the ground and which is still covered under that act.

Mr. ROUSSELOT. What about anybody who wants to plant sugar beets in October 1975; is he covered?

Mr. ANDREWS of North Dakota. If the crop is determined to be in the crop year of 1975, it is not covered. If it is determined to be the crop year of 1974 it would be covered.

Mr. ROUSSELOT. That is the question I am asking. How did the members in the committee decide whether this appropriation would cover that or not?

Mr. ANDREWS of North Dakota. This appropriation covers those beets and cane that will be harvested and marketed in calendar year 1974. It is my assumption, that anything harvested after the calendar year 1974 would not be covered by the Sugar Act unless it is extended. It would not get the benefit of these funds.

Mr. ROUSSELOT. The fiscal year ends on June 30, 1974, so does that mean anybody who plants after June 30 is not covered?

Mr. ANDREWS of North Dakota. No; anyone who harvests in the calendar year 1974; the crop years are not fiscal years.

Mr. ROUSSELOT. I understand.

Mr. ANDREWS of North Dakota. Congress turns a lot of things around, but they cannot make things grow a year ahead.

Mr. ROUSSELOT. I fully understand. If somebody plants in October of this year, are they covered under this arrangement?

Mr. ANDREWS of North Dakota. No, because that would be for the harvest year of 1975.

Mr. ROUSSELOT. So only those that plant in the fiscal year 1974 are covered; is that correct?

Mr. ANDREWS of North Dakota. That is correct.

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

Mr. ANDREWS of North Dakota. I yield to the gentleman from Iowa.

Mr. GROSS. I was interested in the remarks of the gentleman from Ohio (Mr. VANIK), if I may have his attention.

Yes, free trade has been too much of a one-way street, and against the United States. That is, in part, because of the liberal House Committee on Ways and Means which has written and extended the Trade Agreements Act through the years. That committee has practically wiped out all tariffs, so we have no protection, or virtually no protection.

It would be my hope that the Committee on Ways and Means would see the light and understand that its so-called reciprocal trade has operated all too much and all too often on a one-way street for the benefit of our wonderful friends, the foreigners, wherever they may be around the world.

Mr. VANIK. Mr. Chairman, will the gentleman yield further?

Mr. ANDREWS of North Dakota. I yield further to the gentleman.

Mr. VANIK. With respect to the Trade Act we just passed and which is languishing in the other body, this act was designed to stimulate the agricultural exports of this country. The whole thrust of that act was to give the President wide discretion to promote the sale of agricultural products, perhaps at the expense, as my colleague, the gentleman from Massachusetts (Mr. BURKE), would say, at the expense of the industrial producing sectors of this country. It is really an agricultural promotion act.

Mr. GROSS. A large part of our agricultural exports have not been sold. We have given them away under Public Law 480, and as the gentleman knows, for foreign currencies we could not take out of the benefited country. We have not sold much of anything or acquired much of anything, not even appreciation.

It would be nice if we could barter the arms we ship to Brazil and other Latin American countries for their coffee. We ought to be doing some good old-fashioned Yankee trading with these people, but they demand cash for their coffee.

Moreover, the Committee on Ways and Means helped organize the international coffee cartel by pushing the United States into the International Coffee Agreement. So we helped establish a cartel and the price of name-brand coffee has climbed to $1.35 a pound.

Mr. VANIK. Let me say that coffee is $1.37 or $1.39 a pound now because the coffee agreement is not working. It is not operating at all.

Mr. GROSS. The old cartel is still working and the coffee market is as rigged today as it was when the Committee on Ways and Means made this country a party to the coffee agreement. Coffee prices are fixed in London, as the gentleman knows.

Mr. VANIK. I want to tell the gentleman, my vote was cast against the coffee agreement.

Mr. GROSS. I did not single out the gentleman. I referred to the Ways and Means Committee.

Mr. VANIK. I did not support that agreement. The program under Public Law 480 was put through this Congress as farm legislation. The history of this Congress clearly describes and sets the record straight. It was the farm sector of our economy that wanted Public Law 480. That is why the Congress provided it, to give some relief to the farmer because of the surplus accumulation. Public Law 480 was a farm program. At the time of its adoption it was primarily designed to help farmers—the humane considerations were incidental.

Mr. ANDREWS of North Dakota. Well, as the gentleman from Ohio well knows, the rest of our colleagues are beginning to realize how important the food for peace program was. We can win a lot more friends with food than we can with guns and bayonets.

I would suspect, from the progress we have been making in the Middle East in the last few weeks, that it has been because we do have food and other nations do not. I would suspect, from the agreements to get out of Southeast Asia, when Russia opened the door for better consultations, as did China, the reason was because we did have the food and they needed it, so that food can be a powerful weapon for peace.

Mr. VANIK. Mr. Chairman, I agree with the gentleman. I want to say that in my 20 years in the House, I have voted enough for $100 billion in farm supports, and these programs gave us bountiful supplies of food at reasonable prices. Now, we are in a free market situation, and I feel the American consumer has a right to demand that despite whatever it costs to bail out agriculture, he has a right to demand that food will be adequate and remain in adequate supply and available at a decent price, and be of good quality.

That is the goal we should achieve in this farm program, and I hope this legislation is directed toward that goal.

Mr. ANDREWS of North Dakota. The gentleman does realize that if there is not $5 billion in the form of direct farm programs, which are no longer in this bill, the price has to be higher in the marketplace to take care of what used to be coming through in the form of price support. That stands to reason.

Mr. VANIK. I would agree with that.

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

Mr. ANDREWS of North Dakota. I yield to the gentlewoman from New York.

Ms. ABZUG. Mr. Chairman, I was rather concerned this morning in reading Secretary of Agriculture Butz's remarks. He has proposed that one of the ways we can handle the problem concerning meat is for the purchaser to buy meat and store it, and for the producer to produce less. What does the gentleman think of that as a matter of policy. Is this problem remedied in any way in the bill we are considering today?

Mr. ANDREWS of North Dakota. Mr. Chairman, I think we pointed out earlier that this committee has instructed the Federal Trade Commission to inquire into the cause of the price differential between beef at the farm level and beef for the housewife over the counter in the store. The housewife should be buying hamburger at 55 cents a pound and prime rib at 99 cents a pound. If these low farm prices were passed on, we could work our way out of this.

I think we need to look into more why the housewife and consumer is being ripped off by prices rising while the farmer is going bankrupt, and then both farmers and consumers would benefit. This really needs to be done, and it cannot be done other than under the investigative arm of our Government.

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

Mr. ANDREWS of North Dakota. I yield to the gentleman from Illinois.

Mr. YATES. Mr. Chairman, in connection with the survey by the Federal Trade Commission of the food industry, does the committee direct it be on the basis of random sampling, or will the Federal Trade Commission be able to investigate the largest companies as well?

Mr. ANDREWS of North Dakota. As my colleague knows, the authority of the Federal Trade Commission to investigate specific products remains intact. This is what we intend for them to do, investigate specific firms engaged in the industry.

Mr. YATES. Good. That means they will be able to investigate the largest food companies, if necessary, on other bases than by taking random sampling.

Mr. ANDREWS of North Dakota. I would certainly think so.

Mr. WHITTEN. Mr. Chairman, I yield myself 1 minute to say that we were very fortunate, I think, for the Congress to have the experience of men on the committee in the field of agriculture at the working level on our side, and others who have an agricultural background. I am particularly indebted to two Members on the Republican side, Mr. ANDREWS of North Dakota and Mr. SCHERLE of Iowa, who have been very active in the field of agriculture from the ground level up.

Mr. Chairman, I yield now to one of the more experienced men in the Congress, who has rendered great service in this special work through the years. Due to the rules, we sit a little further apart, but nevertheless we are not separated.

Mr. Chairman, I yield to the gentleman from Kentucky (Mr. NATCHER) such time as he may consume.

Mr. NATCHER. Mr. Chairman, the Subcommittee on Agriculture-Environmental and Consumer Protection Appropriations once again brings to the floor of the House for your approval the annual appropriation bill for fiscal year 1975.

This bill provides the sum of $1.4 billion for the regular activities of the Department of Agriculture, $778 million for the food for peace program and $4.1 billion to restore capital impairment of the Commodity Credit Corporation. In addition, the sum of $815 million is recommended for rural development activities, $1.3 billion is included for environmental activities, with $644 million of this amount recommended for the Environmental Protection Agency and $360 million is for our Soil Conservation Service. This bill carries the sum of $5 billion for consumer programs and included in the $5 billion is $199 million for the Food and Drug Administration, $37 million for the Federal Trade Commission, and $36 million for the Consumer Product Safety Commission. The consumer programs include $3,989,785,000 for food stamps which is an increase of $989,785,000 over last year. The total amount carried in this bill is $13.4 billion which is $35 million below the budget estimates and $2.8 billion above the 1974 appropriation.

Mr. Chairman, the United States of America is rapidly becoming the food basket of the world, and the picture should be bright for the American farmer. During the past several months the price received by the farmer for his products is not adequate, and it is imperative that the people in this country realize and understand fully that the farmer is entitled to a fair share of our national income. Certainly, Mr. Chairman, this is not the time for us to turn our back on agriculture.

The average capital investment in the family farm investment has increased nearly tenfold in the past 34 years from $6,158 to the present sum of $90,000. The average reutrn on farm equities has dropped more than 50 percent in this period. We have fewer and fewer people remaining on our Nation's farms and we all know that 5 percent of our people who reside on the farms are feeding the other 95 percent in addition to themselves.

An average of nearly 800,000 people have left the farm in each of the last 5 years. We are now down to a farm population of about 10 million people as compared to two and a half times that num-

ber in 1950. The total land in farms in 1950 was 1.2 billion acres as compared to 1.1 billion acres in 1965. The average size of a farm has increased from 213 acres to about 373 acres during the period 1950–65.

Today a great many of our young people on farms have no chance to get started in agriculture unless they either inherit a farm or succeed in borrowing a large sum of money to invest in land which is adequate for a livelihood.

One way to assist agriculture is to keep our farmland in production. Here is the major reason why our soil conservation program and research programs are so important. Mr. Chairman, the Members of this Congress should keep in mind that agriculture is our largest industry and when agriculture is in trouble our country is in trouble.

The assets invested in agriculture today exceed those of any of the next 10 largest industries. Agriculture employs more workers than any other major industry, and, in fact, employs 23 times the number of people employed in the coal and oil industry and five times more than the number employed in the automobile industry. Agriculture is one of the major markets for the products of labor and industry. It spends more for equipment than any of the other large industries. Agriculture uses more steel in a year than is used for a year's output of passenger cars. It uses more petroleum products than any other industry in this country. It uses more rubber each year than is required to produce tires for 6 million automobiles. Its inventory of machinery and equipment exceeds the assets of the steel industry and is five times that of the automobile industry.

Our farmers assets at this time are approximately $310 billion. In 1950 the farmer's share of the retail food dollar was 47 cents and twenty years later it was 38 cents.

Our American farmer knows how to produce and today our country is the world's largest exporter of food to the other nations of the world.

Three-fourths of our land area is in private ownership and 60 percent is in farms and ranches. 70 percent of our people living in this country reside in cities and they occupy only a small percentage of the land in this country.

If our country is to survive and prosper, we must continue to be interested in and to assist when necessary our custodians of the natural resources in this country. It is imperative that we reforest our lands, protect our watersheds, and conserve our soil and water. We must leave to the future generations a fertile land and a land sufficient to produce food for our people.

Mr. Chairman, when this country was first settled we had 8 billion board feet of fine timber. According to recent figures, we are down to less than 2 billion board feet. Instead of 450 million acres of arable farmlands we are now down to about 150 million acres. Back in the 1930's when we started having serious trouble with the dust storms we suddenly woke up to the fact that we were wearing out the land in certain sections of this country and to correct this situation we set up the Soil Conservation Service. To be quite frank with you, Mr. Chairman, this bill today still does not contain enough money for soil conservation, research, and the programs that protect agriculture. Nearly every year we have to restore funds in the bill for soil conservation and for our many research programs. Reductions have been made from time to time during the past 20 years that our committee simply would not go along with, and we not only restored the amounts but on a great many occasions increased the overall amount above the amount appropriated for the previous year, thereby placing these programs in a position where they could properly function and protect our people.

Mr. Chairman, we know that the demand for food is increasing and that farm exports are at a new high. Exports are now running over $10 billion for each fiscal year and at the same time most family farmers have not been able to obtain incomes comparable to what their labor and investment could earn in other sectors of the economy. This is the reason why we are losing people every year from the family farm. The American farmer naturally expects to receive a higher net farm income at this time but he is confronted with higher taxes and higher farm operating costs.

We say to the Department of Agriculture every year when they appear to justify their budget before our subcommittee that it is the duty of this Department to make every effort possible to see that farm income is increased and that this Department must make every effort to strengthen the family farm so that it can keep its important role as the primary factor in agriculture and in American society. We say to the Department of Agriculture each year that we must make every effort to increase agricultural exports and we should agree that one of the primary missions of the Department of Agriculture is to continue to make every effort to place the American farmer and rancher in a position where he has the opportunity to earn incomes consistent with investment of capital and comparable to returns in other segments of our economy.

Today in our country we have in cultivation some 385 million acres of land. We have some 300 million acres in crops harvested, and some 60 million acres in grasses and legumes.

During the past 3 months we have witnessed a change insofar as meat prices received by the farmer are concerned. This is a serious matter, Mr. Chairman, and on June 13, 1974, I directed the following letter to President Nixon:

DEAR MR. PRESIDENT: I believe that the time has arrived when we must reimpose the beef import quota as provided by law.

In addition, it seems to me that it would be advisable to enter into negotiations to open the door to beef sales to Canada, Japan and the European Common Market countries. If necessary, the government should buy additional supplies for school lunch, military and needy programs.

I respectfully request that you, at your earliest convenience, proceed to reimpose the beef import quota as provided by law and to take the necessary steps to correct the situation concerning the prices now received by the beef and cattle producers in this country.

With cordial good wishes, I am,

Sincerely yours,

WILLIAM H. NATCHER,
Member of Congress.

Shortly thereafter I received the following answer.

DEAR MR. NATCHER: This is to acknowledge and thank you for your June 13 letter to the President expressing concern about the problems confronting the cattle industry, and urging that action be taken to alleviate the situation.

As you may know, Kenneth Rush announced Wednesday that, at the direction of the President, he and Secretary of Agriculture Butz have called a high-level meeting at the White House next Monday to discuss the red meat supply and price situation. Representatives of several government agencies, meat packing firms, food chains, farm credit institutions, cattlemen and hog producers have been invited to participate in the meeting.

Secretary Butz will report at the meeting on U.S. discussions with Canada, Japan, and Common Market representatives about restrictions these nations have placed on meat imports.

You may be assured that your views on this subject have been discussed with the President's agricultural and economic advisors, and I will be pleased to see that your letter is called to the President's attention upon his return to Washington.

With kind regards,

Sincerely,

MAX L. FRIEDERSDORF,
Deputy Assistant to the President.

On Monday of this week, meetings were held at the White House and we are now making every effort to see that this problem is solved. Unless it is solved the livestock producers of this country will go bankrupt and then, Mr. Chairman, you will really see a change in the economy of this country.

We all know, Mr. Chairman, that no longer can we live on this Earth and continue polluting the air, water, and the land. Beginning in the year 1965 we started programs which should correct many problems that we have insofar as cleaning up our environment is concerned. As we know, Mr. Chairman, the Environmental Protection Agency is currently charged with the administration of the Clean Air Act, the Federal Water Pollution Control Act, the Solid Waste Disposal Act, the Federal Environmental Pesticide Control Act of 1972, the Noise Control Act of 1972, and the Marine Protection, Research, and Sanctuaries Act of 1972. This is one of the most important agencies in operation in this country today, and certainly it is our duty to see that this agency is properly funded and given every assistance in the administration of the programs under all of the acts that I have just enumerated. This bill carries adequate funds for this agency.

As you know, Mr. Chairman, the Council and Office of Environmental Quality was created by the National Environmental Policy Act of 1969 and the Environmental Quality Improvement Act of 1970 and now operates as a single entity. This council is required to prepare an annual environmental report and is further required to prepare recommendations to the President on national policies for

improving environmental quality and to conduct investigations, analyzing conditions, and trends. This bill carries $2,525,000 for the Council and $644,250,000 for the Environmental Protection Agency.

This bill contains $207,789,000 for Agricultural Research Service; $202,789,000 is for research.

The bill also contains recommendations for approval of the sum of $217,097,000 for our Extension Service. This is one of the most important services in the Department, and we are especially blessed in Kentucky with outstanding men and women in our Extension Service. For a period of 10 years now, I have made every effort to see that the salaries for the Extension Service in Kentucky were raised and again this year discussed this matter in detail during the hearings with the Director of the Extension Service as well as the other officials in the Department of Agriculture. Kentucky at one time was next to the bottom as far as salaries are concerned. We are further up the list today but still salaries should be increased.

This bill contains $41,265,000 for Agricultural Marketing Service.

The provisions in the bill provide for $778,473,000 under Public Law 480. We recommend $172,382,000 for Agricultural Stabilization and Conservation Service.

We authorize and recommend $650 million for the rural electrification revolving fund, and $150 million for the telephone revolving fund.

Mr. Chairman, amendments from time to time are offered by Members when this bill is up under general debate on the Floor of the House. Each year, for a number of years now, a number of us have attempted to make every effort to see that this bill was just as fair to one section of our country as to the other sections. When amendments are offered and the sections of the country which are not affected then, they should keep in mind that some commodity that they are very much concerned about might become involved later on. It is right easy for a Member to say that in my congressional district we do not produce a certain commodity and therefore I can vote for an amendment which takes the money out of this bill for assistance with this particular commodity.

Mr. Chairman, for several years now I have tried to show the fallacy of this kind of voting. Figs and nuts are not produced in the Second Congressional District of Kentucky, but when these commodities are in trouble I am concerned about it. Tobacco is produced in my district and I am very much concerned about this commodity. The same applies to many other matters that are called before the House from time to time. Amendments will be offered today which do not directly affect the district that I have the honor to represent, but certainly I do not intend to vote for amendments which hurt other sections of our country and other Members of the Congress just because it might be a good political vote. I do hope that as we proceed with this bill under the 5-minute rule that all of the Members of the House of Representatives, regardless of the section of the country they are from will keep in mind that this bill is a bill that protects the American farmer and our consumer. It is a bill that provides for the people in our 50 States. Under no circumstances should amendments be adopted which destroy programs provided for under this bill which have been successful all down through the years and which have produced benefits for our people.

Mr. Chairman, we recommend this bill to the House of Representatives.

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

Mr. NATCHER. I yield to the gentleman from Kansas.

Mr. SKUBITZ. Mr. Chairman, I was interested in the gentleman's remarks reflecting his strong support for the soil conservation program.

However, the thing that bothers me is that when I look at the appropriation for the soil conservation program, according to the report on page 71, the Department asked for $192,826,000, the committee recommends $192,116,000, a cut of of $710,000.

Now, really the cut itself does not make up for the increased costs due to inflation. Actually we are not even holding our own.

Mr. NATCHER. Mr. Chairman, let me say to my distinguished friend from Kansas that there is $11 million more in this bill than there was last year for soil conservation.

The difference, as the gentleman points out, is relative to a matter pertaining to the space items.

As far as the increase is concerned, there is $11 million more in the bill than there was last year, that is, more than the budget estimate.

Mr. SKUBITZ. Mr. Chairman, if the gentleman will yield further, the budget estimate is $192,800,000, and the recommendation in this bill is for $192,116,000.

Mr. NATCHER. Let me direct the gentleman's attention to the tables that appears on page 120 of the report. The gentleman is looking only to conservation operations.

Mr. SKUBITZ. That is right.

Mr. NATCHER. Mr. Chairman, under Soil Conservation Service we have a total of $359,641,000, which is an increase, and we have an increase of $19,020,000 over budget estimates.

Mr. SKUBITZ. Mr. Chairman, I am talking about a specific program.

Mr. NATCHER. I understand the gentleman.

Mr. SKUBITZ. Let us go to another program—watershed planning. Just recently I contacted the soil conservation program people and asked about funds for the watershed planning program. I was told that there was not much sense getting into this program unless something is done for the planning service.

Actually, with the programs now on the books in Kansas, it is going to take about 15 years to complete what we already have, and yet we are actually cutting down on planning funds.

Why did the committee reduce funds for planning? There is $10 million. You have allowed $800,000 which will not start to take care of the increased cost. When we get to watershed flood prevention and operation in fiscal 1974, it totaled $157 million. The budget itself cut it to $122.8 million for fiscal 1975 and the committee reduced it to $122.6 million. Will the gentleman from Mississippi or someone explain that to me?

Mr. WHITTEN. Will the gentleman yield?

Mr. NATCHER. I am glad to yield to my chairman.

Mr. WHITTEN. There are several things involved in this. The gentleman knows, we have had a few problems that existed over the past few years, and one of those is a ceiling on personnel. The Soil Conservation Service and many others have had a whole lot more money than they were permitted to use because they could not employ the people. This was because the OMB imposed a ceiling on the number of people they could hire. Therefore this problem is involved.

I think the gentleman has noted in this budget we have put $11 million above the budget request, but in addition to that we have also restored the Agricultural Conservation Program, 5 percent of which can go to the Soil Conservation Program for technical service—that is, hiring people.

Not only that, but in our report we directed attention to this and called on the executive branch, including, the Office of Management and Budget, to give relief on the ceiling on people, because, as you know, the Agricultural Conservation Program is a project program, but the Soil Conservation Service is composed of technicians. All the money in the world will not help you if they will not let you have the technicians.

So, with the limit on the number of people concerned, we believe we have taken care of it.

Mr. SKUBITZ. Does the watershed and flood prevention operations call for more people or for more money to carry on projects already planned?

Mr. WHITTEN. That is people.

Mr. SKUBITZ. And that is the sole reason why we are not carrying on these programs?

Mr. WHITTEN. They are programs carried on, as far as the Soil Conservation Service is concerned, by people. We have programs where the local people can borrow funds from the Farmers Home Administration to pay for some of the costs involved.

Mr. SKUBITZ. I thank the gentleman.

Mr. ANDREWS of North Dakota. Mr. Chairman, I yield 5 minutes to my colleague the gentleman from Illinois (Mr. FINDLEY).

Mr. FINDLEY. Thank you.

Mr. Chairman, last week this body very wisely enacted a Budget Control Act. One of our Members nevertheless predicted freely that it could not possibly work and that we would each be in our own way parties to its destruction.

The gentleman who heads the Subcommittee on Agriculture of the Committee on Appropriations and who does

a very able job there was also the able cochairman of the committee that formulated the Budget Control Act.

I believe it was a great achievement. However, I want to point out one of the problems that probably motivated our friend from Iowa (Mr. GROSS) when he made this dire forecast about the future of the Budget Control Act. I cite the item of food stamps.

On page 94 of the committee report I see language that reads as follows:

In view of existing legislation which provides for upward adjustments of allowances proportionate to food cost increases in January and July of each year, additional funds will probably be required for this program in fiscal year 1975.

I am sure there is no one in this room who has not listened to the radio ads, while driving to and from the Hill, asking people, "Are you getting all of the food stamps you are entitled to? Go down to the office and make sure you are getting all the money from food stamps you are entitled to."

This promotion obviously is having some effect, because I see in this bill an increase for food stamps of $1 billion over the year before.

Now, if we have open ended authorizations and open ended funding, which seems to be implicit in this, how can the Budget Control Act ever function?

I would like to start out by raising a question or two to whomever would like to respond.

First, how far do you think this food stamp program can go? We have $4 billion and probably more for fiscal 1975. If this formula keeps functioning as it has, and as the food stamps are passed out more liberally and more broadly than they have been, what is the limit to this? Could the gentleman from Mississippi give me any sort of an estimate as to how many dollars might be involved eventually in this program?

Mr. WHITTEN. If the gentleman will yield, I am sure the gentleman knows that you have to try to keep these programs in line, or else you will have people taking wheelbarrows full of food stamps to the stores. The gentleman also knows that the Congress continues to increase, increase, and increase these programs. The gentleman from Illinois also knows that we do not have the votes on the committee to correct this.

I might point out that on page 94 of the report we make this comment:

The Committee continues to be concerned with the administration of the Food Stamp Program. The divided authority between the Department of Agriculture and the Department of Health, Education, and Welfare contributes to the difficulties in achieving efficient management of this program.

The welfare agencies make the decision as to the eligibility, and then the Congress increases the eligibility by lowering the levels as to the people who are entitled to food stamps. Then the Department of Agriculture is handing them out. The mechanics are almost unworkable. But in the Congress we do not have the votes to hold this program down. The gentleman knows that whatever we put in here, that when it reaches the other side, the gentleman has seen it increase time after time.

It seems to me that the high cost that the families are paying to the grocery stores is because a great part of the food in the grocery stores is coming out the front door with food stamps.

Food stamps are now available to people who were not eligible when the act was first passed. The act originally was just to make up the difference between what they had and what it took to produce a reasonable meal. Now the program has grown all out of proportion. But as I say, I do not know of any way to hold it down, certainly our committee cannot.

Mr. FINDLEY. How does the gentleman from Mississippi feel this will work out under the proposed budget control act with no limitations over programs like this? Will control be any better once we get budget control enacted into law?

Mr. WHITTEN. The gentleman from Illinois knows that I was not on the conference. I congratulate the Members who were on that conference in being able to stick it out, and to work together, and bring out the legislation that they did.

Obviously this is a step in the right direction.

But, in fairness, I have to agree with the gentleman from Iowa and the gentleman from Missouri (Mr. BOLLING) that it depends on whether there is a change in the public attitude, a change in the congressional attitude, and whether we have nerve enough to live within it.

But, when things get bad enough they usually correct themselves, and they are getting awfully bad.

Mr. FINDLEY. It seems to me that we will be forced to establish expenditure ceilings on programs of this sort. I do not mean just on the food stamps, I am also referring to all commodity programs and other programs, I believe that we do have to have an annual limitation of expenditures on these programs.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ANDREWS of North Dakota. I yield 2 additional minutes to the gentleman from Illinois.

Mr. FINDLEY. I know that the existing law gives them the authority to pass out the food stamps on an ever-increasing cost basis, but would the gentleman from Mississippi object to an amendment which would put a limit of, say, $3.99 billion as the maximum expenditure that can be incurred in carrying out the food stamp program in fiscal 1975? If the agency were confronted with a limitation like that they would have to live within it or come back for different legislative authority.

Mr. WHITTEN. As the chairman of the subcommittee, having agreed on a bill in which we have held things in line, I feel that we should vote for the bill as it is written. Of course, as an individual, I perhaps might feel as the gentleman from Illinois does. However, realizing the facts of life, and knowing the vote that we get here, and knowing we have got to face the other body, I do not think we would have any chance of having such a thing prevail.

I have come here to defend this bill, and I think that, all things considered, that this is the best we could do.

Mr. FINDLEY. The gentleman agrees, though, that we should seek to establish expenditure limitations for programs.

Mr. WHITTEN. I think we will have to. I think much of the reason behind the high costs that we are faced with today is because a tremendous amount of the food is going out through food stamps. The people who do not get food stamps have to pay higher prices for their food.

Mr. FINDLEY. One more brief question: There is, apparently, a restoration of capital impairment to the Commodity Credit Corporation in the amount of $4.1 billion. Does that fully restore the impairment?

Mr. WHITTEN. No. It is $180 million less than the full restoration.

Mr. FINDLEY. I thank the gentleman very much for his answers.

Mr. WHITTEN. Mr. Chairman, I yield such time as he may require to the gentleman from Michigan (Mr. DINGELL).

Mr. DINGELL. Mr. Chairman, earlier this year Congressman HENRY S. REUSS and I jointly discovered that the administration, in submitting to the Congress its budget proposals for fiscal year 1975, sought to repeal the 11-year-old Reuss amendment for protection of wetlands and to emasculate Water Bank Act programs. In a February 14, 1974, letter to the Director of the Office of Management and Budget, we said:

We are appalled that the Administration's Budget for Fiscal Year 1975 proposes (a) to repeal the "Reuss Amendment" which has for the past eleven years helped to protect our Nation's wildlife, including migratory birds; (b) to do away with the Water Bank Program which the Congress last year reaffirmed after rejecting the Administration's effort to terminate it; and (c) to transfer $14.7 million of carry-over Water Bank funds to a new Rural Environment Program, with the expressed purpose of giving recreation and wildlife a lower priority basis than at present.

* * * * *

The three Administration actions, coupled with your agency's interminable blocking of the promulgation of the long pending Corps of Engineers wetland protection regulations and the Bureau of Sport Fisheries and Wildlife wetland guidelines, indicate that the Administration is now proceeding on a course of total destruction of our Nation's valuable wetlands. Indeed, even the President's token gesture in his Natural Resources Message to Congress of February 15, 1973, to "use the Federal tax laws to discourage unwise development in wetlands" has received scarcely any further Administration encouragement.

The President's proposals appear to be an all-out attack by development interests to wipe out hard-own legislative efforts to preserve these natural areas. They give the green light to commercial and industrial development on wetlands and their hastened destruction. The wetlands of our Nation deserve a better fate.

Equally disturbing is the fact that the Budget documents and other press statements by Administration spokesman fail to inform the public about these anti-wetland proposals.

Only a few months ago, the Fourth Annual Report of the Council on Environmental Quality (Sept. 1973) described in glowing terms the value of these irreplaceable wetlands. The Council said (p. 311):

"Wetlands are a vital natural resource, characterized by fragile biological and

ecological regimes. Some serve as important recharge areas for replenishing ground water. Coastal wetlands may provide a natural barrier that prevents subsurface fresh drinking water supplies from mixing with undrinkable ocean waters. In many shore areas, the mud, sand, and vegetation of wetlands create natural buffer zones to dampen the force of storm-driven waves, thus providing a barrier for areas farther inland. Wetlands are also prime habitat and breeding grounds for both aquatic and airborne wildlife; an estimated 60 to 70 percent of fish caught in U.S. coastal waters, either commercially or for sport, would not be there if at one time they had been unable to find shelter, safe spawning, or nutrients in a wetland. Further, coastal wetlands are unique in appearance, contrasting sharply with both developed and other natural areas; they offer a high degree of diversity in the natural landscape."

Obviously, your agency and others in the Administration who prepared the President's budget proposals for F.Y. 1975 paid no attention to the CEQ's comments.

We urge that these industry-oriented proposals be withdrawn, that the Reuss amendment be retained, and that the Water Bank Act program be continued and fully funded in F.Y. 1975.

It is interesting to note that these anticonservation proposals were made without benefit of any input from the Interior Department, as Congressman REUSS noted in his April 23, 1974, comments before the House Subcommittee on Agricultural—Environmental and Consumer Protection—which are printed in the CONGRESSIONAL RECORD of April 23, 1974, at pages 11523–11524.

I am pleased to report today that the House Committee on Appropriations rejected the administration's proposals. The bill before us today continues the Reuss amendment and provides for full funding of the Water Bank Act program as a separate program.

I commend the committee for this wise and environmentally sound action. I particularly applaud the distinguished and able subcommittee chairman (Mr. WHITTEN) for recognizing the importance of both of these legislative accomplishments.

I am, however, concerned that the committee's report—House Report 93–1120, page 76—does not take note or object to the continued impoundment of $11 million of Water Bank Act funds. In an April 8, 1974, letter to OMB, Congressman REUSS and I said:

In your March 27 letter to us, you said that you "share" our views and those of the Council on Environmental Quality "that the wetlands of the nation are a vital natural resource and must be protected, not only by the farmers and landowners of this nation, but also by the action of the Federal government." But your continued impoundment of $11 million for the fiscal year 1973 Water Bank Act program makes these words appear hollow.

As you know, the REAP program was terminated on the same day as the Water Bank Act program. Subsequently, the U.S. District Court for the District of Columbia on December 28, 1973, ruled that the REAP termination was "unauthorized by law." (*Augusto Gaudamuz, et al.* v. *Roy L. Ash, et al.*, Civ. Action No. 155–73.) The court ordered reinstatement of the fiscal year 1973 program. Later, the Administration tried to persuade the court that implementation of the REAP program in FY 1974 would satisfy the court's order. But on February 7, 1974 the court rejected that contention, saying: "Executive illegality and the delay inherent in civil litigation cannot be used to frustrate the will of Congress." On March 12, 1974 the Agriculture Department announced reinstatement of the 1973 REAP program as a result of the court's "decision reversing the termination action."

We think it is unfortunate that the public had to resort to litigation to insure that the "will of Congress" be carried out. But now that the litigation is over and you have agreed to reinstate the 1973 REAP program, we urge that you also reinstate the 1973 Water Bank Act program by releasing the impounded funds.

OMB still has not released those funds.

The committee, in its report last year on the Agriculture Appropriation Act for fiscal year 1974 plainly directed that these unobligated funds "be used to fund this program"—House Report 93–275, page 80, June 12, 1973. I hope this was merely an oversight and that the other body and the House-Senate conferees will insist on the release of these funds.

Mr. Chairman, there are several matters in the committee's report that need clarification in our debate today.

First, the report—House Report 93–1120, supra—on pages 55–56 includes a lengthy discussion of the Environmental Protection Agency's staffing here in Washington and in the regions. It quite properly criticizes EPA's overstaffing and overemphasis on decentralization.

But squeezed into this valid criticism is a statement condemning EPA's efforts to "encourage" States to establish more stringent air and water pollution controls than are required by Federal law. The committee's criticism here is invalid and is beyond the scope of its expertise.

Both the Clean Air Act and the Federal Water Pollution Control Act, which were enacted by the full Congress, contemplate and, indeed, encourage the States to establish more stringent standards, et cetera, than are required by these laws. Both laws specifically preclude from establishing a standard, et cetera, "which is less stringent" than the one established by these laws, but the States are free to establish more stringent requirements as their needs require.

Thus, the committee's comments are not consistent with the law.

Second, the committee's report—page 14—states:

Evidence before the Committee clearly indicates that the inflexibility of nationwide standards can and have played a role in creating energy shortages, inflation, and unemployment. Testimony before the Committee indicates standards now being developed have the potential for costing hundreds of thousands of jobs, for significantly increasing prices for the consumer and for placing enormous demands on an already strained supply of investment capital. *Common sense demands that all of these laws and regulations be reassessed in light of the precarious condition of our economy.*

Therefore, the Committee directs the agency to thoroughly review all existing laws and regulations, as well as those now in the process of being developed. *The Committee requires this information so that it can determine whether or not funds should be provided to implement these laws and regulations.* Since most of this information is currently available within the agency, and will therefore only have to be brought together in a single report, the Committee will expect the report to be submitted no later than October 1, 1974. (Italic supplied.)

As a member of one legislative committee—the House Committee on Interstate and Foreign Commerce—I am appalled by these Appropriations Committee comments. The committee has, in effect, decided that it—not the Congress or its legislative committees—will "determine" what EPA-administered laws and regulations should be implemented. Under the committee's proposal, it would apparently decide whether or not EPA enforces the Clean Air Act against the utility industry or the paper industry. I find nothing in the Constitution or the House Rules that gives the Appropriations Committee this unfettered power.

If EPA administered laws and regulations need to be "reassessed"—and I do not think there is such a need—then the legislative committees of Congress will do it, not the Appropriations Committee.

I think that the "review" requested by the committee is an unnecessary and unwarranted interference in the prerogatives of the legislative committees of the House and it should not be undertaken by EPA without the concurrence of those committees.

Third, the committee report states—page 58:

The Committee is also concerned that insufficient attention is being given to the land disposal of wastewater effluent. Treatment of wastewater, in some areas of the country, as opposed to land disposal may be a misuse of a valuable resource in light of the need to increase agricultural production and to conserve energy.

I applaud the committee for these comments. I share their view that EPA has paid insufficient attention to the use of the land disposal of wastes, despite a clear statutory directive to give full consideration to this method of disposal.

At this point I include some pertinent correspondence between the executive branch and Congressman REUSS and myself and a statement entitled: "Importance of Reuss Amendment and Need for Maintaining It":

CONSERVATION AND NATURAL RESOURCES SUBCOMMITTEE,
Washington, D.C., February 14, 1974.

Mr. ROY L. ASH,
Director,
Office of Management and Budget,
Washington, D.C.

DEAR MR. ASH: We are appalled that the Administration's Budget for Fiscal Year 1975 proposes (a) to repeal the "Reuss Amendment" which has for the past eleven years helped to protect our Nation's wildlife, including migratory birds; (b) to do away with the Water Bank Program which the Congress last year reaffirmed after rejecting the Administration's effort to terminate it; and (c) to transfer $14.7 million of carry-over Water Bank funds to a new Rural Environment Program, with the expressed purpose of giving recreation and wildlife "a lower priority basis than at present."

1. Since fiscal year 1963, the Annual Department of Agriculture Appropriation Acts have contained a proviso (commonly referred to as the "Reuss Amendment") in the paragraph appropriating funds for the Department's Agricultural Conservation Program. The proviso was first added to the Agriculture Department Appropriation Act of Octo-

ber 24, 1962 (Public Law 87–879) and reads as follows in the Agriculture-Environmental and Consumer Protection Appropriation Act of 1974:

"Provided further, That no portion of the funds for the current year's program may be utilized to provide financial or technical assistance for drainage on wetlands now designated as Wetland Types 3 (III), 4 (IV), and 5 (V) in United States Department of the Interior, Fish and Wildlife Service Circular 39, Wetlands of the United States, 1956."

While this proviso does not specifically apply to the Small Watershed program of the Soil Conservation Service, the SCS, to its great credit, has taken the position that it will not provide funds for drainage of wetlands Types 3, 4, and 5. (SCS Watershed Protection Handbook, section 106.04).

The budget documents for fiscal year 1975 which the President sent to Congress last week show (Appendix, p. 142) that the Administration is recommending deletion of this proviso from the Agriculture Department's Appropriation Act for F.Y. 1975. The documents fail to explain why the Administration seeks to abandon this proviso after more than a decade of valuable protection for our Nation's wildlife.

2. The Budget Appendix also shows (p. 144) that the Administration is again seeking to end the Water Bank program which helps farmers to preserve wetlands. This effort disregards the Congressional action last year which reactivated that program and provided a total of over $21 million after the President terminated it in December 1972. The Administration now proposes no further appropriation for F.Y. 1975.

3. In addition, the Administration seeks to transfer and merge the unobligated funds currently available for the Water Bank program (which total about $14.7 million) into the Agriculture Department's new Rural Environmental Program. The latter program's principal objectives are:

(a) soil and water conservation (undoubtedly including stream channelization, which the House Government Operations Committee's report of Sept. 27, 1973, H. Rept. 93–530, demonstrated has in many cases adversely affected our Nation's streams and wetlands);

(b) timber incentives (to increase timber production); and

(c) recreation and wildlife. As to this item, the Budget Appendix states (p. 144):

"The primary objective of cost-sharing for recreation and wildlife would be for preserving wetlands for increasing migratory and other waterfowl populations. Recreation and wildlife practices would continue to be supported, but on a somewhat lower priority basis than at present. The USDA water bank program would be superseded by the practices under this objective."

In short, Water Bank funds will no longer be available solely for wetland purposes, but will be spread out to serve several purposes—some of which are inimical to wetlands protection and wildlife enhancement.

The three Administration actions, coupled with your agency's interminable blocking of the promulgation of the long pending Corps of Engineers wetland protection regulations and the Bureau of Sport Fisheries and Wildlife wetland guidelines, indicate that the Administration is now proceeding on a course of total destruction of our Nation's valuable wetlands. Indeed, even the President's token gesture in his Natural Resources Message to Congress of February 15, 1973, to "use the Federal tax laws to discourage unwise development in wetlands" has received scarcely any further Administration encouragement.

The President's proposals appear to be an all-out attack by development interests to wipe out hard-won legislative efforts to preserve these natural areas. They give the green light to commercial and industrial development on wetlands and their hastened destruction. The wetlands of our Nation deserve a better fate.

Equally disturbing is the fact that the Budget documents and other press statements by Administration spokesmen fail to inform the public about these anti-wetland proposals.

Only a few months ago, the Fourth Annual Report of the Council on Environmental Quality (Sept. 1973) described in glowing terms the value of these irreplaceable wetlands. The Council said (p. 311):

"Wetlands are a vital natural resource, characterized by fragile biological and ecological regimes. Some serve as important recharge areas for replenishing ground water. Coastal wetlands may provide a natural barrier that prevents subsurface fresh drinking water supplies from mixing with undrinkable ocean waters. In many shore areas, the mud, sand, and vegetation of wetlands create natural buffer zones to dampen the force of storm-driven waves, thus providing a barrier for areas farther inland. Wetlands are also prime habitat and breeding grounds for both aquatic and airborne wildlife; an estimated 60 to 70 percent of fish caught in U.S. coastal waters, either commercially or for sport, would not be there if at one time they had been unable to find shelter, safe spawning, of nutrients in a wetland. Further, coastal wetlands are unique in appearance, contrasting sharply with both developed and other natural areas; they offer a high degree of diversity in the natural landscape.

Obviously, your agency and others in the Administration who prepared the President's budget proposals for F.Y. 1975 paid no attention to the CEQ's comments.

We urge that these industry-oriented proposals be withdrawn, that the Reuss amendment be retained, and that the Water Bank Act program be continued and fully funded in F.Y. 1975.

We also request that you provide to us copies of the draft and final environmental impact statement on each of these major Federal actions.

Sincerely,

JOHN D. DINGELL,
Chairman, Subcommittee on Fisheries and Wildlife Conservation and the Environment.

HENRY S. REUSS,
Chairman, Conservation and Natural Resources Subcommittee.

DEPARTMENT OF AGRICULTURE,
Washington, D.C., March 7, 1974.

Hon. HENRY S. REUSS,
House of Representatives,
Washington, D.C.

DEAR MR. REUSS: Thank you for sending us a copy of your letter to Mr. Ash of February 14, 1974. We have a few comments on the points you raised concerning our proposal for a new Rural Environmental Program.

You are correct in noting that we propose to delete the proviso that prohibits the use of funds appropriated for the Agriculture Conservation Program for draining certain types of wetlands. Our proposal for the new appropriation language for the Rural Environmental Program would discontinue several provisos that in our judgment are no longer needed in the appropriation language. I can assure you however, that our practice of not using ACP funds to drain wetlands will be continued under the new Rural Environmental Program. The Soil Conservation Service will continue its policy of not financing drainage of wetlands Types 3, 4, and 5 as well.

We are proposing to discontinue the Water Bank Act Program as a separate program. However, it will be continued as a phase of the new Rural Environmental Program. The new appropriation language includes a specific reference to the Water Bank Act. Our budget request for long-term recreation and wildlife practices in 1975 is $900,000. We plan to use the funds only for preserving wetlands. The request represents the first year payments only under long-term agreements for preserving wetlands. Payment in future years under these agreements are expected to be $8,100,000. The total 1975 commitment then for preserving wetlands will be $9,000,000. This is the same as the program level for cost-share payments we will carry out in 1974. The 1974 program also includes funds for SCS technical assistance that, in 1975, will be financed with a direct appropriation to SCS.

Our proposal to merge the obligated balances of the Water Bank Act Program into the new account for REP will not affect payments due on contracts entered into in prior years. Payments will be made as they become due from the balances transferred to the new appropriation.

You asked for copies of draft and final environmental impact statements for our new program. An environmental impact statement on our Rural Environmental Conservation Program that we plan to carry out this year was circulated in draft form last January. From the standpoint of the environment our cost-sharing programs for 1974 and 1975 are very similar. An environmental impact statement on the Water Bank Program has also been prepared. Copies of these statements are enclosed.

Sincerely,

J. PHIL CAMPBELL,
Under Secretary.

OFFICE OF MANAGEMENT AND BUDGET,
Washington, D.C., March 27, 1974

Hon. HENRY S. REUSS,
Chairman, Conservation and Natural Resources Subcommittee, House of Representatives, Washington, D.C.

DEAR CONGRESSMAN REUSS: Thank you for your letter of February 14, 1974, concerning the proposed language in the 1975 budget to remove the "Reuss Amendment" which prohibits the use of appropriation funds for the drainage of Types 3, 4, and 5 wetlands.

As you may recall, we discussed this question when I appeared before the Joint Economic Committee on February 18. At that time, you requested that I supply for the record my detailed response. In that response we indicated that although we did request that the language of the "Reuss Amendment" be removed, it was strictly for the purpose of eliminating what we considered to be superfluous language since Rural Environmental Program funds are not permitted to be used for such drainage in the 1975 program.

Also, in the case of the Water Bank Program, it is only being discontinued as a separate program. All of the measures contained in the Water Bank Act, per se, will be available in the Rural Environmental Program as required by Title 10 of the 1973 Farm Bill (P.L. 93–86). Further, I have been informed that the Department of Agriculture in its comments on your letter to me, has furnished you with considerable details concerning the questions you raised, including the Environmental Impact Statement you requested.

It is my thought that the explanation in this letter taken together with the materials which we supplied to the Joint Economic Committee and the USDA letter with attachments will provide you with the necessary assurance that we do not intend to be a party to the destruction of the wetlands of our nation by giving the green light to commercial and industrial development. On the contrary, we share your views and those of the Council on Environmental Quality that the wetlands of the nation are a vital natural resource and must be protected, not only by the farmers and landowners of this nation, but also by the actions of the Federal Government.

It is unfortunate that the language of the 1975 budget gave the impression that careful attention was not being given to these vital areas of concern; but if we have not dealth satisfactorily with the misunderstanding, and you feel that you need a further response, please let me know and I will be glad to furnish such additional information you may require.

Warm personal regards, I am

Sincerely,

ROY L. ASH,
Director.

CONSERVATION AND NATURAL RESOURCES SUBCOMMITTEE,
Washington, D.C., April 8, 1974.

Mr. ROY L. ASH,
Director, Office of Management and Budget, Washington, D.C.

DEAR MR. ASH: Thank you for your March 27, 1974 reply to our February 14 letter concerning the Administration's proposals to strike the Reuss Amendment from the Agriculture Department's Appropriation Act for fiscal year 1975 and to revamp the Water Bank Act program in that fiscal year.

I

Your letter, which confirms the Administration's clear intention to strike the Reuss Amendment, stresses that you believe the amendment is "superfluous", because the Agriculture Department will not permit "Rural Environmental Program funds . . . to be used" for drainage of wetlands "in the 1975 program". The Agriculture Department's March 7, 1974 letter to us provides a similar explanation for the recommendation to strike the Reuss Amendment.

We welcome the OMB and Agriculture Department assurances that REAP program funds will not be obligated in fiscal year 1975 for wetlands drainage purposes, but such assurances are not adequate.

First. This appears to be an after-the-fact commitment that has not been made to the public. The Administration's budget documents for fiscal year 1975 fail to include such a commitment. In fact, we reached a different conclusion upon reading them.

Second. But for the Reuss Amendment, the Department's present statutory authority permits it to expend funds for wetlands drainage generally throughout the country. Thus, it is difficult for us to understand how the Amendment could be considered "superfluous" to that law. Moreover, removal of the Amendment could be interpreted as indicating a Congressional intention that funds should be obligated for this purpose. Even legislative history to the contrary might not be sufficient to prevent such an interpretation by the Agriculture Department a few years from now, or by a court in an action challenging the Agriculture Department's authority to withhold funds for this purpose.

Third. The new commitment is an *administrative decision* not to use RECP funds for wetlands drainage in fiscal year 1975. But that decision might change in fiscal year 1976 or thereafter. Indeed, it could even be changed, over our protest, in fiscal year 1975.

We recall that in the fall of 1972 the Agriculture Department administratively decided to fund both REAP and the Water Bank Act programs in fiscal year 1973. But in December 1972 the Department abruptly reversed itself and abandoned the programs.

We therefore request that the Administration reconsider its earlier recommendation to delete the "Reuss Amendment" and provide to us written support for our recommendation that the amendment be continued and, indeed, be expanded to insure that no Agriculture Department grants, contracts, or loans will be used to drain valuable wetlands.

II

In our February 14, 1974 letter to you, we said that, as proposed by the Administration, in fiscal year 1975 "Water Bank funds will no longer be available solely for wetland purposes, but will be spread out to serve several purposes . . ."

Your reply is that the Water Bank program "is only being discontinued as a separate program" and that all of the "measures" contained in the Water Bank Act, "per se, will be available in the Rural Environmental Program". The Agricultural Department made a similar reply. But both replies skirt the issue raised in our letter, namely, that the Administration's merged program contemplates that Water Bank funds may be used for purposes other than wetlands protection.

First. Public Law 93-86 did not contemplate that the Water Bank program should be "discontinued" as a "separate" program. Indeed, it specifically recognized the existence of that Act and did not repeal it. Congress intended that the program continue unscathed within the new RECP program. The Agriculture Department's budgetary proposal is contrary to that congressional intention.

Second. The 1975 Budget Appendix lumps the Water Bank Program into a broad category entitled "Recreation and Wildlife" (formerly known as "Wildlife Conservation Practices"). The Administration has requested an appropriation of $900,000 for this category in fiscal year 1975. Under Secretary of Agriculture, Mr. J. Phil Campbell, advised us on March 7 that his agency plans "to use the funds only for preserving wetlands."

But Mr. Campbell's March 7, 1974 promise contradicts the Administration's statements in the Budget Appendix (p. 144) and other public documents on this matter. The Appendix expressly states that these funds would be used "primarily" for wetlands purposes, and that recreation and other wildlife practices, which in the past have received about $3.6 million annually, "would continue to be supported, but on a somewhat lower priority basis than at present." If Mr. Campbell's March 7 commitment prevails, none of these funds could be available for recreation and other wildlife practices. They would have to be used solely for Water Bank purposes and these other practices would go unfunded in fiscal year 1975.

We want to continue the Water Bank Act program at the full level authorized by Congress under the Water Bank Act. We understand that the $900,000 appropriation in F.Y. 1975 would do just that. But we do not want to achieve this purpose by sacrificing these other "practices," as Mr. Campbell now proposes. Both programs should continue to be funded.

We therefore request a firm written, commitment from both the OMB and the Agriculture Department that (a) the Water Bank Act program will not be discontinued as a "separate" program (b) that all of the $900,000, if appropriated by Congress, will be obligated in fiscal year 1975 solely for Water Bank Act purposes, and (c) that you would support inclusion of a provision in the Appropriation bill for F.Y. 1975 which expressly provides that such funds will not be obligated for any other purpose. We also request that you request adequate funds in F.Y. 1975 for recreation and other wildlife practices.

III

In your March 27 letter to us, you said that you "share" our views and those of the Council on Environmental Quality "that the wetlands of the nation are a vital natural resource and must be protected, not only by the farmers and landowners of this nation, but also by the action of the Federal government." But your continued impoundment of $11 million for the fiscal year 1973 Water Bank Act program makes these words appear hollow.

As you know, the REAP program was terminated on the same day as the Water Bank Act program. Subsequently, the U.S. District Court for the District of Columbia on December 28, 1973, ruled that the REAP termination was "unauthorized by law." (*Augusto Gaudamuz, et al.* v. *Roy L. Ash, et al.*, Civ. Action No. 155-73.) The court ordered reinstatement of the fiscal year 1973 program. Later, the Administration tried to persuade the court that implementation of the REAP program in F.Y. 1974 would satisfy the court's order. But on February 7, 1974, the court rejected that contention, saying: "Executive illegality and the delay inherent in civil litigation cannot be used to frustrate the will of Congress." On March 12, 1974, the Agriculture Department announced reinstatement of the 1973 REAP program as a result of the court's "decision reversing the termination action."

We think it is unfortunate that the public had to resort to litigation to insure that the "will of Congress" be carried out. But now that the litigation is over and you have agreed to reinstate the 1973 REAP program, we urge that you also reinstate the 1973 Water Bank Act program by releasing the impounded funds.

IV

We request your response to each of the above matters by April 17, 1974.

Sincerely,

HENRY S. REUSS,
Chairman, Conservation and Natural Resources Subcommittee.

JOHN D. DINGELL,
Chairman, Subcommittee on Fisheries and Wildlife Conservation and the Environment.

OFFICE OF MANAGEMENT AND BUDGET,
Washington, D.C., May 2, 1974.

Hon. HENRY S. REUSS,
Chairman, Conservation and Natural Resources Subcommittee, Washington, D.C.

DEAR MR. CHAIRMAN: Your letter of April 8, 1974, indicates that there is still some confusion regarding our intentions in managing the Rural Environmental Program (REP) as proposed in the President's 1975 Budget.

Because of the need to have more managerial flexibility to achieve most efficient use of funds, we proposed consolidation of funding for several agricultural conservation programs and deletion of the detailed and restrictive appropriation language that has accumulated over the past few years in connection with them. Included in the language proposed for deletion was the so-called "Reuss Amendment" which prohibits cost sharing and technical assistance for the drainage of wetlands under the Rural Environmental Assistance Program. However, in recognition of the intent of the Congress, as expressed in the "Reuss Amendment," there was and is no intent to provide assistance for that practice in the REP. You are correct when you say that this is an administrative decision, but on the other hand, this policy was clearly stated in the Department's January 14 announcement of the 1974 Rural Environmental Conservation Program (RECP), and I wish to assure you that it will be so stated in the announcement of the 1975 program. If the Congress believes it desirable again to specifically prohibit such assistance under the REP authorities, we have no objection.

We continue to support the proposed program consolidation. Consequently, even though we assure you that the $900,000 included in the 1975 budget for Water Bank Act purposes will be used for those purposes, we cannot support inclusion of language which would so restrict their use. To do so would negate one of the advantages of a consolidated program, i.e., the flexibility to adjust to changing priorities within a region.

I appreciate your concern about the problems these programs are designed to address.

I assure you that we share these concerns and that our efforts are directed solely toward the most effective operation of these programs.

With warm personal regards, I am

Sincerely,

ROY L. ASH,
Director.

DEPARTMENT OF AGRICULTURE,
Washington, D.C., May 3, 1974.

Hon. HENRY S. REUSS,
Chairman, Conservation and Natural Resources Subcommittee, Washington, D.C.

DEAR MR. REUSS: This is in response to your letter of April 8 which continues our correspondence on the proposal for a Rural Environmental Program. You asked for our comments on a letter you sent to Mr. Ash on April 8 and for some information on USDA programs that authorize drainage of wetland areas.

In your letter to Mr. Ash you asked that the recommendation to discontinue the "Reuss Amendment" be reconsidered. Our recommendation to discontinue this prohibition on drainage of type 3, 4, and 5 wetlands was based on plans to discontinue all drainage practices under the new program. Nevertheless, since the "Reuss Amendment" would not be in conflict with our policy in this area we would have no objection to its continuation in the 1975 Rural Environmental Program if Congress determined it necessary.

In so far as the other Departmental programs are concerned it has been long standing policy not to provide technical and financial assistance for drainage of wetlands type 3, 4, and 5.

You also raise questions regarding the continuation of the Water Bank Act Program and other wildlife and recreation practices under the new program. The proposed Rural Environmental Program is basically a consolidation of several cost-sharing conservation programs. It was always intended that the basic purposes of each program would be continued. In this regard, the 1975 budget request of $900,000 will be used solely for the Water Bank Act Program and would provide for an authorized program level of $10 million. The other wildlife and recreation practices to which you refer would also be continued as a part of the soil and water conservation practices under the Rural Environmental Program. Current indications are that the demand for these practices will be as great in 1975 as they have been in the past.

You asked for a listing of USDA administered programs where assistance for drainage of wetlands, either type 3, 4, and 5 or any other type, is authorized by law. A listing of the programs, with an estimate of the assistance provided for drainage of wetlands and copies of applicable regulations are attached. It should be noted that the assistance provided in 1972 and 1973 for the drainage of "other wetland types" was primarily classes 1 and 2. These types of wetlands are normally under water only part of the year.

Sincerely,

CLAYTON YEUTTER,
Assistant Secretary.

U.S. DEPARTMENT OF AGRICULTURE, SUMMARY OF LEGISLATION AUTHORIZING ASSISTANCE FOR DRAINAGE OF WETLANDS

[Dollar amounts in thousands]

Agency/program	Legislative authority/citation	Type of assistance	Funding for drainage of wetlands: Types 3, 4, and 5 1972	Types 3, 4, and 5 1973	Other wetland types 1972	Other wetland types 1973
Agricultural Stabilization and Conservation Service:						
Rural environmental assistance program	Soil Conservation and Domestic Allotment Act (16 U.S.C. 590g-590o, 590p(a) and 590q).	Cost-share	0	0	$389	$415
Rural environmental conservation program	Soil Conservation and Domestic Allotment Act (16 U.S.C. 590g-590o, 590p(a), 590(q) and secs. 1001 to 1010 of the Agriculture and Consumer Protection Act of 1973, 87 Stat. 241 to 246).	do	0	0	0	0
Appalachian stabilization and conservation program	Appalachian Regional Development Act of 1965 (40 U.S.C. app. 203h)	do	0	0	4	3
Soil Conservation Service:						
Watershed and flood prevention operations	Public Law 78-534 and Public Law 83-566 (16 U.S.C. 1001-1005, 1007-1008; 33 U.S.C. 701).	Financial	0	0	275	140
Resource conservation and development	Public Law 87-703 (7 U.S.C. 1011)	do	0	0	15	25
Farmers Home Administration: [1]						
Farm ownership loans	7 U.S.C. 1923	Loans	0	0	0	0
Soil and water loans	7 U.S.C. 1924(a)	do	0	0		
Irrigation and drainage loans	7 U.S.C. 1926(a)(1)	do	0	0		

[1] Only a small amount, if any, of the funds available under these programs are used for drainage of other wetland types.

IMPORTANCE OF REUSS AMENDMENT AND NEED FOR MAINTAINING IT

Gives clear commitment to agency personnel and the public for maintaining important wetland areas and their numerous public values.

If the Reuss Amendment is removed, the 5 percent of ASCS dollars made available to SCS for technical assistance may be used for drainage. Up to $4.5 million (of a $90 million program) could be used in this way.

The Reuss Amendment helps maintain control over unwarranted options at the county level. There presently is no guarantee that the N-practice (emergency) and S-practice (special) cannot be used for drainage. Drainage was done under the F2 practice in the past. Also, county committees in the past have interpreted practices in their favor. For example, it is reported that a grassed waterway has been used to drain a Type III wetland.

If, as has been stated by USDA representatives, all drainage practices are out of all ASCS programs and practices for 1974, the Reuss Amendment will provide a safeguard to help insure that no drainage of Type III, IV and V wetlands is included in applications for assistance during the program-transition period.

The Reuss Amendment is badly needed now to make sure important wetland areas are not sacrificed as food and fiber production is accelerated under new philosophies of the U.S. Department of Agriculture. The DEIS (draft environmental impact statement) states that RECP is being implemented in 1974, but not all former practices. However, nothing in Agriculture Secretary Memorandum 1829 and Title X of the 1973 Agriculture Consumer and Protection Act says that drainage will not be included. Hence, there is great need for the Reuss Amendment to maintain important wetland areas, rather than using taxpayers dollars (through technical and financial assistance) to destroy them.

Demands for draining important wetland areas continue at a relatively high rate. For example, from the beginning of the referral law in the early 1960's through calendar year 1970, there were 34,645 requests for assistance to drain wetlands in the pothole portions of North Dakota, South Dakota, and Minnesota. In the 12-county area near Minot, North Dakota, 61 percent of the referrals through 1972 contained wetland types III, IV, and V. These are the types covered by the Reuss Amendment.

Private drainage of important wetlands also is continuing and is being assisted directly and indirectly. Ditches constructed in conjunction with Corps projects, judicial drainage boards, watershed projects, and highway projects serve as outlets to convey waters released from strictly private drainage efforts.

Mr. ANDREWS of North Dakota. Mr. Chairman, I yield such time as he may consume to the gentleman from Massachusetts (Mr. CONTE).

Mr. CONTE. Mr. Chairman, the gentleman in the well made a very fine presentation. I might add he is a very able and conscientious Member of Congress. He spoke about the investigation by the Federal Trade Commission with respect to the price of meat.

I wrote a letter to the Federal Trade Commission, I believe it was 2 months ago—it could have been longer—asking them to have this type of investigation. My colleague and I spoke about it, and he was the one that advised me that this would be the best way to proceed. We have not heard a thing.

I received a letter from the Federal Trade Commission advising us that they are having an investigation of the huge discrepancy between the price of beef on the hoof and when it reaches the consumer. But I sort of feel that the Federal Trade Commission is dragging its feet.

Did the gentleman go into this with them when they came before the committee?

Mr. ANDREWS of North Dakota. We very definitely did. Last year in our report we specifically asked them to investigate the food price spread. We were not satisfied that they had done that when they appeared before our subcommittee in the hearings this spring, so we again told them we wanted this done.

The letter my colleague sent to them I am sure is one more step in urging them to move toward this goal that

needs to be accomplished, finding out just exactly what the problems are in the food pricing structure. I am disappointed that they have taken this long, as my colleague is, as I am sure the consumers of America will be when they hear about this footdragging that has been going on down there. Hopefully, we have gotten them moving along the trail, and the results should be forthcoming before the end of this year.

Mr. CONTE. I am pleased to hear that. Of course, when we get into reading the bill, I have an amendment to increase the budget for the Federal Trade Commission. I am very, very hopeful that they will proceed in all fours on this one, because it is imperative.

We have not seen a drop in the price of beef and hamburger and steak in the supermarkets, which should be reflected as a result of this low price of beef on the hoof.

Mr. ANDREWS of North Dakota. We have not seen it, and the consumers and the farmers need it if we are going to make the market system work.

Mr. WHITTEN. Mr. Chairman, I yield such time as he may consume to the distinguished chairman of the Committee on Appropriations, the gentleman from Texas (Mr. MAHON).

Mr. MAHON. Mr. Chairman, I believe that the Committee on Appropriations, and its Subcommittee on Agriculture—Environmental and Consumer Protection—has done the best job possible under the circumstances to bring a bill before the House this afternoon that is reasonably acceptable to a majority of the Members. It is not possible to have a bill that covers such a variety of complex and often controversial matters that is acceptable to everybody, but the committee has certainly undertaken to bring an acceptable bill before us.

The farmers of this country have done a magnificent job, and I think it is good that we are able to give some assistance in the Congress to promoting the economy and strength of the country which agriculture provides.

Mr. ANDREWS of North Dakota. Mr. Chairman, I yield 5 minutes to the gentleman from Colorado (Mr. JOHNSON).

Mr. JOHNSON of Colorado. I thank the gentleman for yielding.

Mr. Chairman, I want to talk today for a few minutes about Public Law 480, because it seems to me that there is more empty rhetoric, more claims, and more misunderstanding about this particular program than about anything else in connection with this bill.

We talk about our great Christian obligations and the reason we are doing this is because of our charity. But the bill and Public Law 480 are divided into two parts, part 1 and part 2. Part 2, of course, is a humanitarian program, but part 1 is that portion of the bill which talks about concessional sales to other countries. There is no one in this room who can say what the money under title 1 is going to be used for next year because it is done through an interagency group made up of members from OMB, members from the Department of Defense, the Department of the Treasury, the USDA, I believe the National Security Council. Nobody can tell us what kind of contracts they are going to make next year with Vietnam and with Cambodia. No one can tell us the deals that they are going to make with these countries. We do not even know what they did last year in 1973. We do not know what they are doing this year. We do know that they make contracts with the importing countries in a fashion that they do not have to pay the money back.

They can use it to provide for the common defense, to pay for their soldiers. This is not done under the jurisdiction or guidance of the Congress but hundreds of millions of dollars are turned over every year to this group to make the decisions.

Last year I tried to find out the individuals involved in making the decisions. They would not identify themselves. So I would like to ask the chairman of the committee or the ranking minority member, either one, out of the $425 million involved for title I, can these gentlemen tell us how much is going to be used in Vietnam and what terms of sales will be made and how much will go to Cambodia?

Mr. WHITTEN. If the gentleman will yield, I have just been handed some figures that show it is projected that in 1975 for Cambodia it will be $77 million and for Vietnam it will be $18.5 million.

Mr. JOHNSON of Colorado. There is no limitation on that, is there, Mr. Chairman? They can actually change that and do as they please.

Mr. WHITTEN. There is no control in this committee on that or under the law. They have to work these arrangements out and that is the situation.

Mr. JOHNSON of Colorado. Can the chairman tell us how much money has already been put into these programs, these Public Law 480 programs that will not be paid back because of the agreement that they can use 100 percent or 80 percent of the funds for their common defense?

Mr. WHITTEN. I do not know the total of the amount that will not be paid back. I do understand under the law only 10 percent of the currencies generated are subject to control of the Congress. Then 90 percent of the funds are not within our control. What the total amount is I cannot say.

Mr. JOHNSON of Colorado. I have some figures as of December 31, 1972, which show that Israel owes $210 million, generally on 40-year terms. They get a 10-year grace period and then 31 years of repayment period. It varies somewhat with an average of 34 years for a period of time, and now it is about 31 years after the payments commence, starting at 2 percent and then at 3-percent interest. These figures show that Korea owes $333 million, and Cambodia and Vietnam we do not have any figures for.

Let me ask the chairman this question. Why should not the foreign military aid program come under the jurisdiction of the House Foreign Affairs Committee so that we can actually know what we are giving in the way of foreign military aid to these countries? Why do we give a slush fund of hundreds of millions of dollars to the executive branch every year to use as they please?

Mr. WHITTEN. Let me say to my colleague I cannot answer his qu .tion forthrightly. I can only say in my experience we find it under title I one year, and then it will be in another .tle next year, and it would be easy to believe this was being done because it was easier that way. I cannot tell the gentleman why it is one time in one place and another time it is in another. I have seen the titles changed many times since I have been here. I assure the gentleman by and large I voted against foreign aid. I think foreign aid is 100-percent inflationary.

We provide them large sums of money. We, in turn, sell them our goods and when we get the money back and when the goods are gone, there is more and more money and it adds to inflation.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ANDREWS of North Dakota. Mr. Chairman, I yield the gentleman from Colorado (Mr. JOHNSON) an additional 5 minutes.

Mr. JOHNSON of Colorado. Mr. Chairman, I was trying to find out from the gentleman if he agrees with the executive branch giving the interagency committee hundreds of millions of dollars to use as they please in connection with the foreign military program.

Mr. WHITTEN. After the Greek-Turkish loan, which was in 1942 I think, I have voted since then against foreign aid. I think that speaks for itself.

Mr. JOHNSON of Colorado. I wonder if the chairman would accept an amendment that under title I, Public Law 480, anything that is going to be used for the foreign aid program has to be approved by Congress before it is done.

Mr. WHITTEN. I would not be in a position to speak for the subcommittee. I would personally favor such an amendment if it is offered and perhaps it will be; but I am not in a position to speak for the subcommittee as a whole.

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

Mr. JOHNSON of Colorado. I yield to the gentleman from Ohio.

Mr. WYLIE. I would like to direct a question to the distinguished gentleman from Mississippi in connection with Public Law 92–544, the foreign aid program that is to be appropriated thereto. There is money appropriated to the FAO, the United Nations food and agricultural aid program. Could the gentleman tell us how much money would be appropriated to that fund?

Mr. WHITTEN. Approximately $70 million, between $70 million and $75 million, I am advised.

Mr. WYLIE. Between $70 million and $75 million?

Mr. WHITTEN. Yes.

Mr. WYLIE. Does the gentleman know how much the other nations of the world have contributed to said fund?

Mr. WHITTEN. My information is that our share is 32 percent, which is in excess of the 25 percent for maintenance of the United Nations.

Mr. WYLIE. The gentleman has anticipated my next question. On October 25, 1972, Congress passed a bill that after December 31, 1973, no appropriation is authorized and no payment shall be made to the United Nations or any affiliated agency in excess of 25 percent of the total annual assessment of such organization.

I wonder if this bill violates that standard.

Mr. WHITTEN. My information, is that the contribution from other individual nations is less than ours to FAO. But this is not directly related to the 25 percent U.N. contribution.

Mr. WYLIE. Will the gentleman yield further?

Mr. JOHNSON of Colorado. I yield to the gentleman.

Mr. WYLIE. If we could find out the amount by which this appropriation is in excess of the 25-percent standard, would the gentleman support an amendment reducing it to a 25-percent amount?

Mr. WHITTEN. I personally would not object; but I cannot speak for the subcommittee.

Mr. WYLIE, I wonder if the gentleman could have a staff member or someone find out how much money in this bill is in excess of that 25-percent amount?

Mr. WHITTEN. I will make the effort; but the gentleman realizes that it is not the easiest job in the world.

Mr. WYLIE. Well, I understand that it is sometimes difficult to get through the bureaucratic maze.

Mr. JOHNSON of Colorado. I think it is clear to everybody here that we have $425 million for the on-going continuing program and nobody knows what it will be used for and nobody is accountable for the way it will be used and we cannot even predict where it will go. That is totally inconsistent with the rhetoric we have been hearing about a responsible Congress caring for its own expenditures.

I hope when we get to the amending process we consider favorably an amendment that will prevent turning over to the Executive process carte blanche authority in this particular area.

Mr. WHITTEN. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois (Mr. YATES).

Mr. YATES. Mr. Chairman, free competition in the marketplace is the cornerstone of our capitalistic society. There are two principal agencies charged with the responsibility of protecting the American people and the American economy from monopoly, cartels, and devices to throttle competition. One is the Antitrust Division of the Department of Justice. The other is the Federal Trade Commission. The Antitrust Division depends in great measure for its evidence in its cases upon the data that is produced by the Federal Trade Commission.

One would think, therefore, that we would be encouraging and helping the Federal Trade Commission in its job, because as it succeeds in its task, the health of the economy improves. What a shock, therefore, to see the action by the Appropriations Committee—of which I am a member—in placing a halter upon the Federal Trade Commission in this bill, a crippling halter which restricts the Commission's operation. The Commission will be unable to do its work if the limitation is not stricken. I will offer an amendment to strike it at the appropriate time.

There is no greater threat to our economy today than the unbridled movement toward monopoly which is led by the huge conglomerates. Every day brings word of the latest move by one of the big companies to gobble up a small company. A few days ago, we read that Mobil, the third largest corporation in the country, is considering buying Marcor, the fourth largest company in the mercantile field.

What will happen? If that merger is approved, to all intents and purposes, Marcor will have disappeared. Its financial statements will be buried in the financial statements of Mobil, the economy will have lost another company, the competitive vigor of our economy will have been shaken.

The FTC wants to investigate the huge conglomerates in what is known as the line of business investigation. The committee has made funds available in this bill, but it has placed a crippling limitation upon the study. The committee has said, "Wait a minute, you cannot make your study on the basis of bigness because that would be unfair. This country is not against big business as such. You must do your investigation on an at random basis."

So, the Commission will be required to make its investigation of the companies by pulling its selections out of a hat. They will be compelled to pick the companies to be investigated on an at random basis. What does this mean? The investigation will become a lottery. There are 250,000 corporations in the country. The chances for selecting General Motors or Litton or Gulf-Western or any of the other conglomerates will be on the ratio of 1 to 800.

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

Mr. YATES. I yield to a gentleman for whom I have great affection, the gentleman from Mississippi.

Mr. WHITTEN. Mr. Chairman, may I say that the gentleman's sentiments are certainly returned, and I thank him for yielding to me.

Mr. Chairman, earlier in my remarks here, the gentleman has informed me, and I have talked to members of the committee, and we do feel that the 250 should be from the 2,000 larger companies, which the Federal Trade Commission first considered dealing with. I just thought I would correct that.

We very carefully, in our report, put this at random so that we would have, as was said earlier, a degree of safety from being able to trace the information to a particular firm which would give unfair advantages to its competitors. We were also told, and I have here the study by the Library of Congress, that a random selection from the 2,000 would be a much better statistical basis for making judgments than if we had information only on the first 500. Not only that, but I would like to call the gentleman's attention to the fact that this is a new program we are dealing with; that under the existing law, the Federal Trade Commission can take action against any company it wishes to investigate, so this is just a new program we are trying to direct in the direction of getting what they claim they want; that is, a chance to show what the situation is.

We are advised by the Library of Congress that our system will be a much sounder system, with a much broader base than the other. But, I would want to call to the gentleman's attention that we will put this report in the RECORD so that everyone can see what will be missed if the committee's approach is not followed. From his argument and from the minority report, I have personally concluded that we would be better to scale it back to at random from 2,000, and I will include the Library of Congress study at this point:

[From the Library of Congress, Congressional Research Service, June 20, 1974]

LIBRARY OF CONGRESS STUDY ON SUPERIORTY OF RANDOM SAMPLING

To the House Appropriations Committee.
From Economics Division.
Subject: Sampling Accuracy.

In analyzing the accuracy of a sample, information regarding types of answers and questions is necessary. Predetermining the exact level of accuracy is, therefore, impossible, although a rough estimate can be made in some instances assuming a normal distribution. Furthermore, the population size is relatively unimportant in determining accuracy, provided the sample is random selected. As a general rule econometricians accept a random sample of 30 or more as being sufficient to allow conclusions to be drawn from the data. For a sample size under 30 adjustments are made to the formula that is used to calculate accuracy (technically referred to as confidence levels).

With respect to the particular FTC study under consideration the major question to be answered is what population is to be studied. If the target group is the top 2000 firms, a sample of 500 of the top 500 would be statistically biased. Inferences drawn from this sample would certainly apply to the top 500, but could not be generalized to the population. A randomly selected sample of 250 of the 2000, however, would be more than sufficient—on statistical grounds—to draw inferences applicable to the entire target group.

For purposes of completeness it should be noted that the number of variables used in analysis also play a part in determining the accuracy. With a sample of 250, however, it is highly unlikely that the number of variables used would have any significant impact on the reliability of the study.

Mr. YATES. Mr. Chairman, I thank the gentleman for his suggestion, but I still disagree with the gentleman on this. What is happening then is that, instead of the chances being 1 in 800, they are now reduced to 1 in 80. The opportunity is still presented, as a result of the use of the at random system, for companies like Mobil, General Motors, Litton, Gulf-Western, the big conglomerates, to escape the investigation. It does not make sense.

Point two is this: Mr. Chairman, you have allocated $305,000 for this study. If the Commission wants to make its investigation, it will not be able to use the $305,000 unless it does so on an at random basis; is that not correct?

Mr. WHITTEN. Mr. Chairman, I yield myself 3 additional minutes.

May I say that that is in the report as the gentleman knows, at the direction

of the subcommittee. We put it in the report so that we could modify or make changes as circumstances might require. May I say again that this is a bill; this is a report. I want to point out to the gentleman that he is overlooking the basic authority of the Federal Trade Commission which he will find carried in section 6(b) of the FTC Act, which says that the Commission may obtain information from any company that it desires.

Mr. YATES. Mr. Chairman, why is it necessary to authorize this investigation if it already has the authority?

Mr. WHITTEN. Because it does not care to use that authority for the purpose of determining a trend, so they ask for a new authority so they could make a study of the overall situation. We have tried to set some guidelines for the new activity. They still have the old authority to inspect on a firm-by-firm basis, with all the due process protections available under that method.

Mr. YATES. Mr. Chairman, that cannot be true. The report indicates that this kind of investigation has to be specially funded. There has to be a foundation based on anticompetition for the Commission to engage in a study of this kind. In this instance, all it is seeking to do is to obtain the statistics that may lay the foundation for an anticompetitive investigation or action. There is a distinction.

Mr. WHITTEN. As to that, it happens that they have ample authority in the existing law, which is not touched by this report.

Mr. YATES. If that be true, then there is no need at all for having this kind of separate investigation. I do not understand why the committee would set up separately.

Mr. WHITTEN. I would think that the committee's thinking is sound, and I am sorry to hear my friend say that he does not believe in the new program at all, but we do believe in it. We just give them all they ask for and nothing more than that.

Mr. YATES. The gentleman puts words in my mouth I did not say. I believe very strongly in the new program, and I believe the new program should not be crippled by having to go through an at random kind of investigation such as the committee has recommended. Let the Commission decide which companies should be investigated, no matter what their size, rather than requiring the Commission to pull out the companies from a hat.

Mr. WHITTEN. The Library of Congress study has given us a much broader base. They still have the authority to proceed under the existing law where there is cause to proceed.

Mr. YATES. I will be very glad to read the Library of Congress study, but as the chairman knows, we have not always agreed with the Library of Congress studies, if that is what the study says.

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

Mr. WHITTEN. I yield to the gentleman from Michigan.

Mr. DINGELL. Mr. Chairman, I would like to point out this fact, and I am sure the gentleman from Mississippi and the committee had the very best intentions: What they have accomplished here was to diminish almost to zero the probability that any of the big firms would be audited. In this study, also, they have almost required that it include also small businesses.

Second, they have set it up so that it is impossible to get any certainty that we can get compliance with the existing law with respect to line of business requirements.

Mr. WHITTEN. Mr. Chairman, I yield the gentleman 1 additional minute.

May I say to my colleague, the gentleman from Michigan, that we have just gotten through saying that we, the majority, had concluded that the at random selection should be limited to the 2,000 major companies. It is subject to a change of mind where there are changing situations, and I think it is most sound to include the top 2,000. Therefore, the other argument certainly does not apply to the substance of this.

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

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

Mr. YATES. What does the gentleman mean by 2,000 major companies?

Mr. WHITTEN. Well, it is the 500 that the Federal Trade Commission had, the 500 largest corporations. Earlier they said, "two thousand," according to the hearings. That was the first figure they had.

Mr. YATES. Mr. Chairman, if the gentleman will yield, do I understand that the chairman of the committee is permitting the Commission to make its investigation from the 2,000 largest companies, then and not at random.

Mr. WHITTEN. I said I have concluded—and I have told the Members it is by a majority consensus of the subcommittee—and we have concluded that would be better than what they had in the original statement and better than what was construed from the standpoint of the gentleman's view. In other words, we still think a random sample is the best method, and no matter what happens today, if the Commission has the flexibility we hope they will use it. We do agree, however, it would be better to use this flexibility by selecting the 250 at random from among the top 2,000 firms rather than from some large universe, as might have mistakenly been implied by reading the committee report.

Mr. DINGELL. Mr. Chairman, will the gentleman yield for a further question, if he has sufficient time?

The CHAIRMAN. The time of the gentleman from Mississippi (Mr. WHITTEN) has expired.

Mr. WHITTEN. Mr. Chairman, I yield myself 2 additional minutes, and I yield to the gentleman from Michigan.

Mr. DINGELL. Mr. Chairman, will the gentleman tell me where in the law or where in the bill before us or where in the report there appears the requirement of the figure of 2,000 firms that the gentleman from Mississippi is referring to?

Mr. WHITTEN. I was expressing my opinion and the opinion of the majority of the subcommittee.

Mr. DINGELL. Mr. Chairman, what I am trying to find out is this: What are we debating, the intent of the subcommittee, the language of the report, or the language of the bill?

I hear in all this discussion nothing that tells us where is this figure of 2,000. What are we debating, the bill, the report, or the good intentions of the subcommittee?

Mr. WHITTEN. Mr. Chairman, I did not think it was a matter of debating the good intentions of the committee. The gentleman is entitled to his own opinion. What we are discussing is the committee's feeling that it would be desirable to pick 250 firms at random from the top 2,000 firms.

The CHAIRMAN. The time of the gentleman from Mississippi (Mr. WHITTEN) has expired.

Mr. WHITTEN. Mr. Chairman, I yield 2 minutes to the gentleman from Montana (Mr. MELCHER).

Mr. MELCHER. Mr. Chairman, there has been mention made of Public Law 95–153 in regard to the line of business report, and that is the Alaskan pipeline bill which passed this Congress last year. I refer the Members to the language. It reads as follows:

> While the Comptroller General shall determine the availability from other Federal sources of the information sought and the appropriateness of the forms for the collection of such information, the independent regulatory agency shall make the final determination as to the necessity of the information in carrying out its statutory responsibilities and whether to collect such information. If no advice is received from the Comptroller General within 45 days, the independent regulatory agency may immediately proceed to obtain such information.

Mr. Chairman, that is referring to the line of business reports, and to the FTC as the regulatory agency. In the conference report of the managers on the bill, I refer the Members to these two paragraphs, the concluding paragraphs on page 31, as follows:

> The purpose of Section 409(a) is to preserve the independence of the regulatory agencies to carry out the quasi-judicial functions which have been entrusted to them by the Congress. The intent of this section is not to encourage a proliferation of detailed questionnaires to industry, small business or other persons which could result in unnecessary and unreasonable expense. Any legitimate need for information in carrying out the statutory responsibilities of these agencies would, however, be carried out even though responses may entail some expense and inconvenience.
>
> The purpose of this section is to insure that the existing clearance procedure for questionnaires or requests for data does not become, inadvertently or otherwise, a device for delaying or obstructing the investigations and data collection necessary to carry out the important regulatory functions assigned to the independent agencies by the Congress.

Mr. Chairman, seeking in this particular appropriation act to legislate obstructive methods hindering the FTC in obtaining their line of business reports or in determining how they are going to collect that data or from whom they are going to collect that data would be a mistake. We sought to forbid that in the bill we passed here last year. I hope that

the Committee on Appropriations will not insist on carrying in this bill language that would seem to restrict or change the legislation we passed in the Alaska Pipeline bill.

Mr. WHITTEN. Mr. Chairman, I yield 5 minutes to the gentleman from Tennessee (Mr. EVINS).

Mr. EVINS of Tennessee. Mr. Chairman, I wish to commend the distinguished chairman of the Committee on Appropriations for Agriculture—Environmental and Consumer Protection—the gentleman from Mississippi (Mr. WHITTEN)—and I want to commend him for this appropriation bill of 1975. The gentleman is the ranking member of the Committee on Appropriations; he also serves on the committee on which I serve as chairman of the Subcommittee on Public Works—AEC. He knows, I am sure, of my high regard for him

I wish to state that I support this overall bill and commend the committee for bringing it out. However, there is one item in the report on the bill to which I must take exception. I would address myself to this aspect of the report on this appropriation.

I am concerned about language which would restrict and tie the hands of the Federal Trade Commission. I joined with several other members of the full committee in expressing separate views on one item—that concerning collecting information on big business concentration in this country by the Federal Trade Commission.

I may say that it is seldom and certainly a very rare occasion when I join in expressing separate views on a bill coming out of the Committee on Appropriations on which I serve. I do so in this instance because I feel that the Federal Trade Commission should be given a free hand in gathering information and certainly information dealing with the largest business corporations and conglomerates in the country. I do not think we should tie the hands of the FTC as proposed in the accompanying report on this appropriation.

In this connection I point out that in 1970 and 1971 the House Committee on Small Business, which I am privileged to serve as chairman, held extensive hearings concerning the projected energy crisis. That was before the energy crisis was as acute as it is now. This situation was brought about by the acquisition by the big oil companies of substantial energy reserves and resources.

We found that the major oil companies of the country account for 84 percent of the refining capacity and 72 percent of the natural gas production and reserve ownership. The evidence also adduced showed that 30 percent of the domestic coal reserves were owned by the major oil companies as well as large amounts of the uranium reserves.

This report of the committee was filed with the Federal Trade Commission. We asked for a thorough investigation into this energy control and concentration. The commission initiated such an investigation and filed a very voluminous and extensive report on various phases of the study. They agreed substantially with many of the findings of our committee and then proceeded to file a complaint against Exxon and seven of the other major oil companies of this Nation, charging them with monopolistic operation and concentration in alleged violation of the antitrust laws.

The FTC directed those corporations to divest themselves of certain phases of their operations. This is one of the largest and most important cases in the history of the Federal Trade Commission.

It has been called to my attention that this bill and report would appear to defer appropriations in connection with the gathering of information in this case and in their proceeding with this case.

As the gentleman knows, I have spoken to him about this situation and he has indicated that adequate funds will be provided in the bill for the prosecution of this important case.

Mr. WHITTEN. Will the gentleman yield?

Mr. EVINS of Tennessee. I yield to my friend.

Mr. WHITTEN. That is what I wanted to say. The committee in fact tried to get a budget estimate for it so that the committee could match that amount of money. However, we did not get the budget estimate. Therefore we will offer an amendment to provide the funds so that this may be properly prosecuted, which is a matter which has been our intention from the start.

Mr. EVINS of Tennessee. I thank the chairman for this assurance. This is certainly one of the most important cases in the history of the Federal Trade Commission. I do not believe we should tie their hands in prosecuting this energy concentration case in the oil field.

As some of my colleagues already know at one time I worked for the Federal Trade Commission, prior to my coming to the Congress. While I was chairman of the Independent Offices Subcommittee on appropriations I heard the FTC budget requests for a number of years. I believe this Commission is rendering a great service in the public interest. I hope the language in the report will be deleted which appears to tie the hands of the Commission in its study of the 500 largest business corporations in the Nation.

As we have learned from the energy crisis, this concentration and arrogation of power produces higher prices for the consumer. Let us not handcuff and impede the important work of this Commission in the public interest.

I thank my friend for yielding me the time to express my views on this subject.

Mr. WHITTEN. Mr. Chairman, I yield 2 minutes to the gentleman from Texas (Mr. ECKHARDT).

Mr. ECKHARDT. Mr. Chairman, I rise to try to attempt to clarify a matter that was touched on in colloquy between the gentleman from Illinois and the distinguished subcommittee chairman, the gentleman from Mississippi, with respect to what the bill purports to do with respect to the sampling, allegedly a random sampling, of 250 firms out of a total of 2,000, as I understand it.

I note that the bill itself in its section on the Federal Trade Commission on page 47 merely says that the $305,000 is to be expended with respect to this investigation of 250 firms. There does not appear specific language respecting random sampling. But in the report on page 89 there is discussion of the point, as follows:

> Starting out on a random selection basis should be more in keeping with the justifications submitted to the Committee.

Then I also note in the bill in section 511 the following:

> Except as provided in existing law, funds provided in this act shall be available only for the purposes for which they are appropriated.

I am addressing this question to the gentleman from Mississippi (Mr. WHITTEN). Does the gentleman then read the language on page 47 in conjunction with section 511, and the language in the report to provide in the bill that the $305,000 expenditure shall be limited in accordance with the report, to the examination of 250 firms on a random sampling basis?

Mr. WHITTEN. If the gentleman will yield, I would have to say that the report reflects the feeling of the committee. It does not have the force of law, as if it were written in the bill.

As the gentleman from Texas well can understand, this line-of-business report is stepping into a new area. It is a field in which the House has never been willing to permit the Federal Trade Commission to go before. This provision was tied on in the Senate in amendments that were not germane to the Alaska pipeline bill, but we had to have that bill, and the House was forced to accept this language concerning the Federal Trade Commission without debate on its merits.

This being a new program, and without any guidelines beyond the circumstances of its unusual passage, the committee felt that we should put in this report the feelings and directive of the committee so that the Congress, for the first time, could express itself on this vital issue.

The gentleman from Texas (Mr. ECKHARDT) knows full well, good lawyer that the gentleman is, that there is quite a distinction between having it in the act itself, where it could not be changed when circumstances may cause us to wish to change, and having it in the report where it can reflect the attitude of the committee. This money was made available in the bill. Our directive being in the report is at a place where changes, or such other actions as time and circumstances may convince us are needed, could take place.

Mr. ECKHARDT. May I ask our distinguished subcommittee chairman, the gentleman from Mississippi (Mr. WHITTEN) then, how does section 511 effect this matter? It says except as provided in existing law, funds provided in this act shall be available only for the purposes for which they are appropriated. I would ordinarily think that all funds would be limited to purposes for which they are appropriated. Certainly that would be true in the bill. But does this include in the definition of "purposes for which they are appropriated" those defined in the language in the report?

Mr. WHITTEN. It does not change the basic law, as I understand it now. However, this particular commission, may I say, on at least four or five occasions did spend money which the Congress appropriated for one purpose, for an entirely different purpose. The money was not spent in line with what I understand the facts of the situation to be, and not in line with what was intended. That is the reason for the section. We want the Federal Trade Commission and other agencies covered by the bill to clearly understand that funds cannot be diverted to new programs without the approval of the Appropriations Committee.

Mr. ECKHARDT. Then the gentleman is saying that section 511 does not require that the purposes for which the $305,000 is to be expended exactly conform with the language on page 89 of the report? That language is not statutory language tying the purpose down to the report?

Mr. WHITTEN. The language in the report is not in the bill. I think if we had put such language in the bill that it may have been subject to a point of order, if we had wanted to take the time of the committee to defend it.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ANDREWS of North Dakota. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio (Mr. WYLIE).

Mr. WYLIE. Mr. Chairman, I have asked for this time so that I might address a couple more questions to the chairman of the committee, the distinguished gentleman from Mississippi, if I might. I notice that this bill is about $2.8 billion over fiscal year 1974 appropriations. In that connection there are at least 15 places, on a quick count, where it says that money is made available to provide additional employment—on page 3, for example.

It says:

> That in the preparation of motion pictures or exhibits by the Department, this appropriation shall be available for employment pursuant to the second sentence of section 706. . . .

Down further it says: money, "including employment."

On page 5 there is another reference:

> To provide for additional labor, subprofessional, and junior scientific help. . . .

Could the gentleman tell me, is there any estimate as to how many new Federal employees may be provided for by this bill?

Mr. WHITTEN. I am afraid I did not understand the gentleman.

Mr. WYLIE. As I say, I was looking through this bill, and I counted at least 15 places in the bill where money is provided for placing additional people on the Federal payroll for some program or another. I mentioned three or four places, and there is another one on page 8, line 6, where it says:

> That this appropriation shall be available for field employment pursuant to the second sentence of section 706. . . .

The language mentions employing additional people to do certain jobs, but it does not say how many. As I said, the first such example occurs on page 3 of line 9 where it says:

> That in the preparation of motion pictures or exhibits by the Department, this appropriation shall be available for employment. . . .

My question is, there are at least 15 references to making money available for additional employees, to carry out the purpose of certain specified programs provided for in the bill. Does the gentleman have any estimate as to how many new employees might be provided for?

Mr. WHITTEN. I do not have at this time. It is next to impossible to have a 40-hour week in connection with certain types of labor. For example, in regard to the Soil Conservation Service, for a part of the year in most areas of the country they can do field work and yet they cannot do it for the full year, so in effect what it amounts to is part-time employment.

Mr. WYLIE. I thank the gentleman.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ANDREWS of North Dakota. Mr. Chairman, I yield 1 additional minute to the gentleman from Ohio.

Mr. WYLIE. I thank the gentleman.

I notice that another place in the bill funds are provided for three new aircraft for the Environmental Protection Agency. What kind of planes are we talking about?

Mr. WHITTEN. It is three helicopters, which will be made available to them by the Department of Defense, and I understand there is no cost involved.

Mr. WYLIE. There is no cost involved?

Mr. WHITTEN. There is no cost involved, as I understand it.

Mr. WYLIE. I thank the gentleman.

Mr. WHITTEN. Mr. Chairman, I yield 1 minute to my colleague, the gentleman from California (Mr. Moss).

Mr. MOSS. Mr. Chairman, I should like to address a further inquiry on section 511 where the language is:

> Except as provided in existing law, funds provided in this Act shall be available only for the purposes for which they are appropriated.

I have been attempting to determine where those purposes are set forth.

Mr. WHITTEN. The purposes are set forth in the hearings. Under the usual procedure we consider a budget request made to the committee in normal conditions, though sometimes there is an additional request. The justifications are the basis on which the funds are obtained. In this instance this agency on these several occasions has used money appropriated for one purpose for an entirely different purpose without reporting to the Congress at all. It is for that reason it is here where we say, "Except as provided by existing law." With respect to many departments there is a law that provides they may transfer funds from one activity to another not to exceed a certain percentage of the total appropriation. That is provided by law. But in this instance at least this agency spent money that was appropriated for one purpose for another purpose entirely without reporting to the Congress.

Mr. MOSS. The justifications would not be in the formal and informal agreements arrived at in respect of the appropriation?

Mr. WHITTEN. The hearings would be the justification to which the Congress would look as to what the purpose was in making the appropriation.

Mr. MOSS. And it would not be only in the formal submission made to the committee at the time of the initiation of the hearings?

Mr. WHITTEN. I would think the hearings would speak for themselves. I would not think any side or oral discussion would be sufficient to change it.

Mr. MOSS. Any discussion appearing on the hearing record would be the basis for determining the purposes?

Mr. WHITTEN. That is right, insofar as it was then supported by action of the Congress.

Mr. MOSS. I thank the gentleman.

Mr. ANDREWS of North Dakota. Mr. Chairman, I yield 2 minutes to the gentleman from Kansas.

Mr. SKUBITZ. Mr. Chairman, I thank the gentleman for yielding this time. I would like to have the attention of my colleague from Mississippi.

Mr. Chairman, I take this time because I want to call attention again to the funds that have been recommended to the watershed and flood prevention program.

According to the report on page 73, in 1974 $157 million was appropriated. Of this amount $35 million was spent to take care of hurricane damage along the Mississippi River as provided by section 216 of the Flood Control Act. I am told by the Department that really what it had available to it in 1974 for the actual work under the watershed program was $122 million. The other $35 millilon was for emergency work. According to the bill before us, the committee recommends $122 million which is about the amount spent last year for watershed programs. Of the $122 million recommended, $20 million again will be used to take care of the emergency damage under 216 of the Flood Control Act. So, in fact, we have cut the amount of money for the watershed program by $20 millilon below what it was in fiscal year 1974 and we are not allowing anything for the inflation that has taken place.

Mr. WHITTEN. I will say to my colleague, he is familiar with the fact that in recent years we have had money impounded by the Office of Management and Budget. Just checking the figures in 1974, I think we had $17 million frozen which will remain available until expended and which, added to what is in this bill, will give them an increased amount if it is released.

I do not know if the gentleman can get the Office of Management and Budget to release it or not. That has been our biggest problem, getting money released. Then if we do get it released, we find there is a limit on personnel and the people cannot handle it. Under this bill we provide in excess of the money that was permitted to be used last year and we provide for personnel over and above what they were allowed to have last year.

Mr. SKUBITZ. I understand it was $12

million short of what it should have been last year without inflation money.

Mr. WHITTEN. Is the gentleman talking about money that was carried over that was frozen under the bill?

Mr. SKUBITZ. That should have been spent last year.

Mr. WHITTEN. But it was not.

Mr. Chairman, I yield 3 minutes to the gentleman from New York (Mr. BINGHAM).

Mr. BINGHAM. Mr. Chairman, I would like to address a question to the chairman of the subcommittee. I am somewhat puzzled by language that appears on page 33 of the bill at line 17. It states that the Environmental Protection Agency may transfer so much of the funds appropriated therein as it deems appropriate to other Federal agencies for energy research and development activities.

Now, in view of the fact that it is customary, and provided for in other laws, that an agency may transfer funds to other agencies for work performed, I wonder why this language was considered to be necessary in the appropriation bill?

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

Mr. BINGHAM. I yield to the gentleman.

Mr. WHITTEN. Well, it is a repetition of existing law. Whether it was required or not is open to question, but had it not been here I suspect we would take an hour to explain why it is not. It is repetitious. It is the existing law.

Mr. BINGHAM. I appreciate that. I understand there is no intention in this language to impose any obligation on EPA to transfer obligations without its concurrence.

Mr. WHITTEN. It says it is authorized; so EPA would have to be the initiator. In many areas they have to let contracts.

As I say, it is just to call attention of the Members that the authority does exist.

Mr. BINGHAM. I thank the gentleman, because the conflict between energy needs and environmental stability has taken an ominous course. One of EPA's most important undertakings is in the area of flue gas desulfurization, sometimes called FGD or stack scrubbing. That agency has conducted extensive R. & D. into FGD technology to date and has established FGD as a feasible alternative to filthy air. EPA views FGD as a pollution control technology, and I concur in that assessment, even though its applicability to expanded energy supplies is apparent, to the extent that high-sulfur coal can be made environmentally safe to burn in large cities and in powerplants located in dense population areas. I am concerned that EPA should continue to have a significant involvement in the future development of FGD. The language in the bill, as explained by the distinguished subcommittee chairman, reinforces my understanding that the EPA cannot be forced to transfer out its FGD research and development program without a specific congressional directive.

Mrs. SCHROEDER. Mr. Chairman, I rise in support of the amendment to set a ceiling, at the levels requested by the administration, on agricultural commodities provided South Vietnam and Cambodia under the Public Law 480 program.

This administration has demonstrated its resourcefulness in end-running congressional intent on aid to Indochina with supplemental requests, inaccurate reporting and accounting procedures, and hidden war reserve materials. The Public Law 480 program, a humanitarian food assistance program, is no exception to administration dissembling in providing funds for a continuing war in Indochina. The Public Law 480 program, established to feed the hungry of the world, has been perverted into a food for war program in Indochina.

This amendment would establish a ceiling on Public Law 480 funds for South Vietnam and Cambodia at exactly the level requested by the administration for fiscal year 1975. Recent history describes the necessity of ceiling controls. Funds for Indochina under the Public Law 480 program have mushroomed seriously over the past year. Originally, Congress was advised that for fiscal year 1974, $206 million of Public Law 480 funds were allocated for Indochina. As of June 19, 1974, however, the actual figure was $450.9 million. At a time of starvation in Central Africa, and worldwide shortages and famine predictions for the future, Vietnam and Cambodia receive about one-half of the total worldwide dollar amounts of Public Law 480 assistance while they represent only 1 percent of world population. This ceiling amendment would give Congress, for the first time, a handle on these important assistance funds, and some direction in their allocation to the world's hungry.

It has been estimated that in 1973, 42 percent of the entire Vietnamese military budget was provided through local currencies generated by sales under the Public Law 480 program and the American commodity import program. In an effort to control this perversion, Congress last year passed an amendment which prohibited the military use of counterpart funds unless approved by Congress. The administration, however, has managed to evade the intent of Congress by delaying deliveries until fiscal year 1975 under agreements made before the amendment takes effect on June 30, 1974. The tragedy is that rather than providing funds from a program intended to relieve human suffering, the administration is perverting congressional intent in order to prolong human suffering by underwriting war. This is not "peace with honor," but rather war by deception with dishonor.

I strongly urge the passage of this amendment. In effect, it would do three things: First, impose further congressional and fiscal controls on aid to Indochina; second, underscore the intent of Congress to allocate scarce food resources where they are most needed; and third, send a message to the administration that end-runs and deceptions in our aid programs will not be tolerated.

Mr. BEARD. Mr. Chairman, because of a commitment I have in my district in Tennessee, I will be unable to vote on the agricultural appropriations amendments bill; however, I cannot leave for the State until I make my position—which adequately represents the majority of my constituents in the rural sixth district—known to the House membership.

Even though there are certain undesirable portions of this bill that directly compete with aspects of the free enterprise system, the key portions of the bill are so essential to a smooth operation of the agricultural sector of our economy, that I feel I must support this bill.

Mr. FRENZEL. Mr. Chairman, the total appropriation in this bill is at an extremely high level and is a source of concern to anyone interested in fiscal responsibility and in balancing our budget. I know that the bill totals $13.4 billion, which is $2.8 billion or about 25 percent more than the 1974 appropriation. Despite the difficulties and special problems, I believe the increase is too high.

The CCC appropriation is up three-quarters of a billion dollars and Public Law 480 is up one-quarter billion dollars. That puts $1 billion extra to work bidding up the prices of scarce food products. It is hard to conceive a more inflationary influence and it is equally hard to see the merit of the extra $1 billion overspending.

Aside from the consideration of total spending, I believe the bill could be improved with the addition of several amendments that have been proposed.

In the FTC appropriation, I believe that the FTC should be given the three-quarters of a million dollars it needs for its Exxon case, and that it should have the $350,000 additional that it needs to complete its energy study. On the other side of the ledger, I do not believe that the FTC needs anything at all for its line of business data collection scheme, and I think an elimination of this project would help to fund the necessary two amendments noted above.

The line of business investigation, which was authorized as a nongermane Senate rider to the Alaska pipeline bill, is, at best, a fishing expedition and, at worst, a wasteful bureaucratic exercise. I think the FTC should be funded, as in the Exxon matter above, whenever it is involved in a case. When it is engaged in an aimless random search for information on which it might base future work, I don't think it should get a red cent. The line of business data collection scheme to me resembles a search and seizure operation by a police department which might stop every car looking for marihuana, or which might search every black person looking for stolen material or firearms.

The FTC ought to be well funded when it has reason to progress a case, or to investigate a merger, but it should not be funded to simply make work for itself in the future.

There are two food stamp amendments which I intend to support. The

first by Congressman DICKINSON would deny food stamps to strikers, but only if they had not been previously qualified and only if they were members of the union involved in the dispute. This amendment is far more equitable and refined than earlier types and is worthy of support. My district polled 85 percent in favor of this amendment last year.

Another good amendment is the Anderson amendment which attempts to limit food stamps to students whose parents are claiming them as dependents. The dependency claim and the collection of food stamps constitute a double dip into the public resources. If a student needs food stamps, he or she should be able to receive them, but, at the same time the parent or guardian should not be allowed the income tax exemption. The idea of food stamps was to provide low cost nourishment to people who could not provide it themselves. It was not to feed the sons and daughters of relatively well-off citizens.

There are some other amendments, such as the reduction of the peanut subsidy, the elimination of the cotton promotion subsidy, and the elimination of the subsidy for dead bees which I shall support. I hope that other amendments will be offered to reduce the total cost of this bill. I would surely support a reduction of Public Law 480, and at least a limitation on Public Law 480 shipments to Southeast Asia.

It is true that much of the increase in the bill stems from the food and nutrition program. Nevertheless, we cannot be passing a series of appropriation bills as we have done this week, with increases of 13–28 percent over last year. In so doing we are contributing heavily to our raging inflation. I hope the overall cost of this bill is substantially reduced before it is passed.

Mr. BAUMAN. Mr. Chairman, the legislation which we are considering today would provide funds for the operation of a number of Government agencies and programs during fiscal year 1975. Included in this measure is $1.4 billion for the regular activities of the Department of Agriculture, with $217,789,000 of this amount set aside for the activities of the Agricultural Research Service within the Department of Agriculture. The Research Service conducts varied research activities which have been most beneficial to farmers in the United States and abroad. Its basic and applied research programs have led to higher yields per acre on many food grains, especially in the West and Midwestern sections of the United States.

Yet there does not appear to be adequate research toward improved planting, growing and harvesting of vegetable crops which has led to a deterioration of the vegetable processing industry in the Eastern region of the United States. Particularly affected is the Mid-Atlantic region, which includes the First District of Maryland, which I am privileged to represent in the Congress.

This lack of research action may lead to a shortage of processed vegetables in many sections of the country, as farmers who have been hit by increased operating costs, and the rising rate of inflation are not able to obtain the necessary return on their investments, and switch instead to corn and soy beans, more profitable crops. The severity of the the situation was brought to my attention by a number of individuals from my district, who are involved in the farming and food processing industries. Earlier this year it was my privilege to present a representative group from this industry to the Subcommittee on Agriculture-Environmental and Consumer Protection Appropriations, at which time they presented an eloquent statement with regard to the need for increased research to obtain higher yields per acre for a variety of vegetables. At that point, I informed the subcommittee that I fully supported the comments which were made by the representatives of the Mid-Atlantic Food Processors Association, and I use this opportunity to reiterate my support of expanded research by the Department of Agriculture in this vital area.

Just to illustrate the impact that the lack of research in this area has had on the growth of vegetable industry in my State of Maryland, in 1945, 42,000 acres were devoted to sweet corn acreage in the State of Maryland, but by 1972 this acreage has been reduced to 14,500 acres. This trend clearly indicates the drastic decline in the production of sweet corn in the State of Maryland, and it could be indicative of the decline of the vegetable industry in the eastern sector of the United States, which would lead to increasingly higher prices to the consumer for the vegetables that would be available in the marketplace.

In an effort to encourage initiative by the Department of Agriculture in this field during the coming fiscal years, I arranged a meeting late last week with Under Secretary of Agriculture, J. Philip Campbell and representatives of the food processing industry. I am hopeful that the discussions which were initiated last week, will lead to serious consideration within the Department of Agriculture and its research service, as to the important need for the implementation of a vegetable research project within the Department oriented toward the particular needs of the eastern region of the United States.

Mr. REUSS. Mr. Chairman, earlier this year the administration, in its 1975 fiscal year budget, submitted to Congress two proposals which, if adopted, would have disastrous consequences for the Nation's wildlife resources.

The first proposal was to strike from the Agriculture Department's 1975 appropriation act a proviso prohibiting the use of agriculture conservation program funds to drain wetlands designated in the 1939 circular of the U.S. Fish and Wildlife Service as types 3, 4, and 5. These are the inland fresh water marshes so vital to migratory waterfowl nesting and feeding. This provision, commonly known as the Whitten-Reuss amendment, has been part of the Department's annual appropriation acts ever since 1962.

The second administration proposal for fiscal year 1975 was to discontinue the Water Bank Act program as a separate program and to provide that water bank funds will no longer be available solely for wetland purposes, but will be spread out to serve several purposes.

The House Appropriations Committee has wisely rejected both proposals. I applaud the committee, and, in particular, my colleague from Mississippi (Mr. WHITTEN) for doing so.

Prior to 1962 the agriculture conservation program—which is a valuable tool for genuine soil conservation practices such as strip cropping, terracing, contour plowing, and tree planting—was heavily criticized for subsidizing drainage of wetlands valuable to migratory waterfowl and other wildlife.

During the previous 10 years, Federal funds appropriated for the ACP program were used to drain and destroy almost half of the more than 1.3 million acres of wetlands in the prairie pothole area of Minnesota, North Dakota, and South Dakota.

In 1959 the Whitten subcommittee noted the utter senselessness of the Agriculture Department's policy of paying farmers to drain wetlands valuable for wildlife while at the same time the Interior Department was buying such wetlands to protect wildlife. At this subcommittee's request, the two departments in 1960 agreed that Federal subsidies for drainage of these wetlands should not be approved where Interior recommended against such drainage.

But by 1962, it was evident that the interdepartmental agreement was ineffective. Interior's recommendations were generally being disregarded.

On July 24, 1962, the House adopted the "Whitten-Reuss amendment" to stop the use of Federal ACP funds to drain the types 3, 4, and 5 wetlands, which are the types most valuable to wildlife. As I have previously noted, it has been reenacted in every one of the Agriculture Department's annual appropriation acts since then.

It achieved its purpose well. On April 9, 1974, the Bureau of Sport Fisheries and Wildlife advised us that between October 1962 and December 1972, the Agriculture Department had received 7,449 requests for financial assistance to drain over 85,745 acres of "high value" wetlands—types 1, 3, 4, and 5—in North Dakota alone. The amendment has saved about 57.7 percent—49,475 acres, the types 3, 4, and 5—of these "high value" wetlands from being drained with Federal ACP funds. Thus, if landowners wanted to drain these areas for farming or real estate development, they had to use their own money, not the taxpayers' money.

On February 14, 1974, Congressman JOHN D. DINGELL and I asked OMB Director Roy Ash why he had recommended the deletion of this important Whitten-Reuss proviso. In his March 27 reply, Mr. Ash said he did so because, as he put it, the proviso is "superfluous language" since Agriculture conservation program funds "are not permitted to be used for such drainage in the 1975 program."

But Mr. Ash was in error, because without the Whitten-Reuss amendment, these funds could be used for this purpose in fiscal year 1975.

Under Secretary of Agriculture Camp-

bell assured us on March 7 that his Department would not spend these funds for wetland drainage purposes in fiscal year 1975. However, his assurance was a poor substitute for a statutory prohibition against the use of those funds for such purposes, for several reasons:

First, administrative decisions are subject to change. We all remember, I am sure, the Agriculture Department's public announcements in the fall of 1972 that the REAP and Water Bank Act programs were being funded in fiscal year 1973. The Department even listed the States in which water bank funds would be spent. But only a few weeks later, on December 26, 1972, the Agriculture Department abruptly reversed itself and terminated both programs.

Second, removal of the proviso could be interpreted as indicating congressional approval for use of REP funds for wetlands drainage. Even legislative history to the contrary might not be sufficient to prevent such an interpretation by the Agriculture Department a few years from now, or by a court in a suit challenging the Department's authority to withhold funds for this purpose. A recent lawsuit challenging the termination of the REAP program was successful only because Congress had included statutory language which the court said required the Department to continue the program. *Guadamuz* v. *Roy L. Ash* (civil action 155–73, D.Ct.D.C. Dec. 28, 1973).

Third, these assurances were made only after Congressman DINGELL and I protested the administration's decision. Indeed, to our knowledge, these assurances have never been made public. The administration's budget document, which is public, does not include these assurances. In fact, we reached a different conclusion upon reading it.

Mr. Chairman, these administration officials apparently do not object to the concept of prohibiting subsidies for drainage of wetlands. Rather, they object to a congressional prohibition for this purpose. But we believe our Nation's wetlands will be afforded greater protection by congressional enactment of the Whitten-Reuss amendment than by the vagaries of an administrative decision.

I am happy to report that on May 2, 1974, the OMB, and on May 3 the Agriculture Department, wrote to us and said that upon reconsideration they "would have no objection" to the "continuation" of the Whitten-Reuss amendment.

On May 3, 1974, we asked the Interior Department to review the Agriculture Department's expenditures for other types of wetlands to assure that lands valuable for wildlife not be drained with Federal funds. We also asked Interior for its views on whether the Whitten-Reuss proviso should be broadened to prohibit the Federal expenditure of funds to drain other wetlands in addition to types 3, 4, and 5, such as types 1, 2, or 7, which in some parts of the Nation can be very useful to our wildlife resources.

The Appropriations Committee, unlike the administration, fortunately believes that continuation of the Whitten-Reuss amendment and the Water Bank Act program is in the national interest. Many State fish and game agencies, such as the Minnesota Department of Natural Resources, the Maryland Department of Natural Resources, and the Louisiana Wildlife and Fisheries Commission, environmental groups such as the Lafayette Area Sportsmen's Club of Louisiana, and many citizens wrote to us and to many of our colleagues to continue these items. I am certain they will appreciate the committee's dedication to wildlife protection.

Mr. SARASIN. Mr. Chairman, I rise in support of the amendment being offered to H.R. 15472, which will restore the funds to the Federal Trade Commission for their investigation into the possible antitrust activities of the eight largest oil companies.

In my weekly district forums and in my mail, I am asked continually by my constituents if the energy crisis is in fact for real or is it merely a created tool of the oil industry so that they may raise their prices.

The action of the House Appropriations Committee deleting the funds is an absolutely incomprehensible act in view of our Nation's present needs. The amendment today would allow the FTC to continue their study, with the necessary equipment, so that the worries of America's consumers will be alleviated.

With what this country has been through with petroleum prices and practices in the past year, it is nothing short of outrageous to tie the hands of the consumer's advocate in these legal actions. The potential value of this litigation to the consuming public is far greater than the $650,000 requested to pursue the case.

The energy crisis may not be quite as painful right now as it was at the time of the long gas lines and cold houses last winter, but that is no reason to abandon those halting steps we did take toward establishing some sort of meaningful national energy policy. We are still going to be faced with a number of complex questions about energy and we need all the information we can get.

Mr. BROTZMAN. Mr. Chairman, due to official business in my district, I unfortunately will not be present on the floor for the final votes on this important piece of legislation, the Agriculture/Environmental and Consumer Protection appropriations for fiscal year 1975. However, at this time, I would like to voice my support for this bill, and briefly explain why I believe its passage is so important.

In the first section of the bill, which deals with agriculture appropriations, funds are provided for agricultural and economic research, animal and plant inspection, housing for farm families, and agricultural stabilization and conservation services. In addition to simply providing for financial support for these programs, the bill provides incentives for technological advancement in these areas by assisting with the development and construction of agricultural laboratories, and research and development centers at the State and local level.

One of the most important provisions of this section is the continued financial support of the Commodity Credit Corporation. By increasing the funding of this program over what it was in fiscal year 1974, the Commodity Credit Corporation will be enabled to improve its efforts to stabilize farm income and prices, and to maintain an adequate supply and distribution of agricultural products for the American consumer.

The second section of this bill, to which I lend my unqualified support, is the increased level of funding for environmental programs. This section of the bill also allocates funds for energy research and development programs which include environmental control requirements related to energy extraction, conversion and use of energy resources, and development and demonstration of techniques to control associated pollutants. Through this provision, the bill helps to guarantee that this country will be able to extract its vitally needed energy resources without damaging the surrounding environment, which is of the greatest concern to so many of the citizens of Colorado and the Nation.

The third section of this bill deals with programs specifically designed to protect the interests of the American consumer. The Food and Drug Administration, the Consumer Product Safety Commission, and the Federal Trade Commission are a few of the indispensable consumer agencies provided for by this bill.

Mr. Chairman, these agencies provide, for the American consumer, invaluable information about the American marketplace, as well as guidance on how to operate within the marketplace in the most economical manner. They have also been a firsthand source of important information on consumer safety and personal nutrition.

I heartily congratulate the Appropriations Committee for drafting a responsible and worthwhile piece of legislation that meets so many of the needs of the citizens of this country. I am sorry that I cannot be here to cast an affirmative vote for final passage.

Mr. FRASER. Mr. Chairman, I note with interest that the Appropriations Committee has chastised the Federal Trade Commission for tardiness in responding to the information needs of Congress. However the Appropriations Committee is likewise tardy in responding to the information needs of Congress. There are many important issues contained in the agriculture-environmental and consumer protection appropriation bill. I am sorry that the committee's report was not available until so late.

Twelve of our colleagues on the Appropriations Committee have dissented from the bill's report, however. They quite rightly criticize the mutilation of the line of business reporting permission which the FTC received from the Congress in the Alaskan pipeline bill. While funding for the program has been continued, the Appropriations Committee has imposed such stringent limitations on the actual information gathering that the program will be useless.

The original purpose of line-of-business reporting was to enable the FTC to

have complete information on the various and diverse products that are produced by conglomerates. It is the 500 largest firms, by asset size, which have the most varied product lines. Therefore it is only logical that the FTC, with its limited resources, examine these companies.

The Appropriations Committee has destroyed any usefulness for this program. They have changed the number of firms reporting on their lines of business of 250. But more amazing, these 250 firms are to be selected at random from the 200,000 to 250,000 companies in the United States. The odds of selecting just one of the top 500 firms is small.

The committee states that getting information on the lines of business of the largest firms is a "fishing expedition." That is ridiculous. The line of business reporting must ascertain what is the degree of concentration of conglomerates in the various product categories.

Currently a conglomerate need report its line of business as just 1 of 31 categories. We can be certain that the R. J. Reynolds Co. does not report in the food categories. Yet it produces Chun King products. Surely food is not the major product of the Reynolds Co., but their concentration in the Chinese food industry in this country must be quite high.

It is a simple fact of American economic life that most of the conglomerates are big companies. No one is saying that their mergers are per se bad. But we need to know how the conglomerates are affecting the degree of competition in various industries.

Another blunder made by the Appropriations Committee is the refusal to give adequate funding to the FTC for its antitrust actions against the energy companies. We have a modern day example of David fighting Goliath whenever the FTC files suit against the giant companies. The committee does not even want us to fund the slingshot.

Mr. Chairman, I hope that the myopic approach of the Appropriations Committee will be corrected by passage of amendments restoring both the funds and the full authority to have an adequate line of business reporting program.

If we are paying more than lipservice to our concern for the consumer and small business, we must have an active FTC. Our best hope in fighting inflation is to restore reasonable competition in our economy.

In conclusion, I will paraphrase the committee report and hope that next year the Appropriations Committee will supply both the bill and report in a timely fashion so that the House can adequately study these important funding decisions.

Mr. PASSMAN. Mr. Chairman, the $3 million for cotton research, provided for in this year's agricultural appropriations bill is essential to the total research effort being conducted by the cotton industry.

Cottongrowers have been putting up $1 per bale for research and promotion. This money combined with federally appropriated funds, for research, has enabled this industry to make significant progress in the development of new techniques that would lower production cost as well as developing new and improved cotton products for American consumers.

The research generated by these funds runs the entire gamut.

In the area of insect control, an economic synthetic sex attractant for male pink bollworms has been developed that promises to be an ecologically sound method for controlling this pest that our Western growers have been fighting for years.

Also, research that will lead to lowered chemical application to cotton with increased ecological protection is now underway.

Integrated seed cotton handling systems that offer significant savings have been successfully developed by Cotton Inc. Harvesting efficiently is increased in the field and handling efficiency at the gin. This system is commercially on stream and something over 500,000 bales were stored utilizing this newly developed system.

Short season cotton is a cultural concept involving many elements. The benefits are cost savings, resulting from fewer herbicide and insecticide applications, reduced irrigation, and once over harvesting.

In the area of product development, through intensive research, cotton fabric can now be made fire retardant. A joint research project with a major textile mill led to the successful commercialization of earlier technology developed by USDA.

Further research has resulted in technology making the process more efficient as well as making the flame retardant finish more durable under repeated washings. Another research project has successfully solved the new fire retardant requirement covering cotton batting in mattresses and furniture.

The research developments I have referred to are only part of the program being conducted today by cotton. Projects offering even greater opportunity lay ahead, but research costs money, and if this industry, that is vital to our Nation, is to continue to move ahead in developing programs that will render benefits not only to the cotton industry, but contribute to a cleaner environment as well as offer consumers better products, they must not be denied the funds appropriated by the bill.

Mr. DU PONT. Mr. Chairman, earlier today I spoke on an amendment I introduced to reduce the amount of the agriculture appropriations bill by $700 million.

Due to the limitation of debate, there was no opportunity for detailed discussion of my proposal before it was voted upon. I was sorry to see my proposal lose on voice vote.

Mr. Chairman, I do not believe we can continue to spend and spend without continuing to erode the purchasing power of the consumer's dollar.

Because of this belief, I voted against the entire bill. Obviously I support many of the programs funded in the bill—EPA funds, FHA loan programs, the food stamp program to name a few. But a 27-percent increase is just too much—it is irresponsible and will inevitably lead to even greater inflation in the years ahead.

Mr. ADDABBO. Mr. Chairman, I rise in support of the amendment offered by the gentleman from California (Mr. ROYBAL).

The amendment speaks for itself:

SEC. 513. None of the funds appropriated or made available pursuant to this Act, and no local currencies generated as a result of assistance furnished under this act, may be used for the support of police, or prison construction and administration within South Vietnam, for training, including computer training, of South Vietnamese with respect to police, criminal, or prison matters, or for computers or computer parts for use for South Vietnam with respect to police, criminal, or prison matters.

The hearings have shown that South Vietnam has attempted through the use of Public Law 480 funds to circumvent the mandate of Congress. This prohibition was written into the Foreign Assistance Act last year and I believe it should again be spelled out to declare the mandate of Congress. Agriculture programs are people and not police states, or activities or use for defense funds.

I urge the adoption of the amendment.

Ms. ABZUG. Mr. Chairman, I rise in support of these amendments. Congress created the Federal Trade Commission as an independent agency designed to serve the interests of consumers. Now, according to the Committee on Appropriations, it seems that the FTC is supposed to serve the interests of big business. As it now stands, H.R. 15472, grants to the Commission its requested $305,000 for the line-of-business study, yet the committee has dictated how and to what extent the Commission should investigate our large corporations. Since when does a committee of Congress change the intent of a bill already passed? I am referring to the Alaska pipeline bill, which mandated the line-of-business study in its original form and scope.

This Congress, so often a friend of big business, may once again forget about the individual consumer. If the FTC cannot obtain a breakdown of corporate profits on a product by product basis, and if it cannot even investigate the 500 major U.S. corporations, how else are we to get to the bottom of the secret deals and combinations which conspire to raise prices to intolerable levels?

No less reassuring is the Appropriations Committee's obliviousness to an even more pressing need—I refer to the FTC's request of $650,000 for a computer based data retrieval system. This computer is desperately needed for the current FTC suit against the eight major oil companies. If the companies are expected to furnish the Commission with about 3 million documents, the Commission must be able to store this information in an efficient and accessible manner. Indeed, I already fear that rising costs may endanger the Commission's ability to maintain the suit. If we do not approve the request for $650,000, we may never begin to know the truth behind our recent energy crisis: why, for example, fuel prices have risen at the expense of

the consuming public while the profits reported by the oil industries for 1973 reflect increases from 27.7 to 60 percent over the previous year.

In addition, I am in favor of appropriating the $364,000 needed by the FTC to complete its energy study. In our many discussions this past year on the energy crisis, I think we all agreed that our primary need was complete and reliable information on resources and profits of the coal, gas, and nuclear industries, among others. Without such data, it will be impossible to legislate in the public interest in an informed and intelligent manner.

Mr. Chairman, I support these amendments and urge their passage—the FTC must be free to do its work, and to help us do ours, in behalf of consumers, not conglomerates.

Mr. CHAMBERLAIN. Mr. Chairman, while section 314 of the 1972 Amendments to the Federal Water Pollution Control Act authorized $150 million for fiscal year 1975 to restore the quality of eutrophic lakes, it is noteworthy that that same act had authorized $50 million for 1973 and $100 million for 1974—and during this entire period, the administration chose not to request funding.

Last year, efforts were again made to provide startup funds for the clean lakes program, but EPA felt funding would be premature since EPA was only in the process of developing a program to carry out their restoration.

The conference report on the 1974 appropriations bill urged EPA to get on with their work in this area—and today the EPA indicates it will have a program completed by the end of this calendar year. Again, EPA chose not to request funds for the clean lakes program. The Appropriations Committee, however, is recommending that $75 million be appropriated to provide grants for sewer systems under the authority of section 314 of Public Law 92-500, so that we can at least get something started in the way of cleaning up our lakes—and for this, I would commend the committee for addressing what is a most critical problem.

Communities throughout the country have not known where to turn for assistance to clean up lakes, especially those lakes which serve as a multipurpose recreational facility for thousands upon thousands of people who would not necessarily be able to help pay for costly measures to clean up such lakes.

In Michigan's Sixth Congressional District, Lake Lansing, just a few miles from Michigan's capital city, serves a metropolitan area of more than 250,000. The Lake Lansing Lake Board, together with Michigan State University with its resources of scientific records of the lake, dating back for several decades, has been knocking at EPA's door since August of 1970, trying to work with the Federal Government to develop a program to clean up this lake and to study the effects of the cleanup so that other communities might have the benefit of their experience and data. Our efforts thus far have been to little avail. And I am sure that there are many lakes with like eutrophic conditions, and without such tremendous scientific resource at hand, who would welcome data from such a demonstration program.

It has been reported that EPA intends to request a supplemental $3 million to support a pilot lake restoration program in fiscal year 1975, but, this is too little and too late.

In this appropriations bill, we direct $75 million to lake cleanup, but earmark those funds for sewer systems. There is no question that sewage is a significant nutrient source contributing to lake eutrophication. But what about farm drainage, or pesticides, fertilizers, and and silts flushed into our lakes. What about lakes already choked with weeds and sludge? Why are we earmarking $75 million to a point of origin problem to help stop additional pollutants, and yet we take no action to actually clean up the lakes already polluted?

As I read this bill, we are earmarking the $75 million to the clean lakes program, only for sewer systems. And, I agree that eliminating known point of origin pollutants from human sewage and industrial wastes is, indeed, a positive first step. But it is not enough. Greater emphasis should be given to actually cleaning up our dying lakes—or figuring out how to eliminate the diffuse wastes that are killing them off from any one of a number of sources.

Because I feel strongly that we must get the clean lakes program operating, I would urge my colleagues to support this appropriation, but I would feel much better if the committee hadn't been so restrictive in the purpose for which it feels this $75 million should be expended.

And, I might add, I think everyone concerned about cleaning up our lakes would have been more encouraged if EPA had requested demonstration funds for lake cleanup in their appropriations request—rather than as an afterthought—in a supplemental request that may or may not be forthcoming.

To date, the clean lakes program has existed on paper only. Hopefully, with our action today, we may be getting started to work on the real problem.

Mrs. BURKE of California. Mr. Chairman, I would like to voice my deep concern over recent direction of our Food for Peace program. The intent of this program is clearly humanitarian: it was established as a nonpolitical means to aid the world's starving poor with our surplus agricultural production. Yet today that intent seems to have been ignobly perverted.

In the most recent fiscal year, almost half of the total resources of the Food for Peace program have gone to but two countries with less than 1 percent of the world's population—Cambodia and South Vietnam. Incredibly, figures that have recently come to light indicate that these massive amounts have not been used for the intended purpose of relieving human suffering, but as an underhanded means of financing the respective war efforts of the Thieu and Lon Nol regimes. In 1973, for example, over 40 percent of the entire South Vietnamese military budget was provided through local currencies generated by local commercial sales under the Food for Peace and commodity-import programs.

While Congress has acted to restrict the use of these local currencies to nonmilitary purposes, the tremendous size of the South Vietnamese and Cambodian programs would allow these latter governments to divert needed resources from their own economic and agricultural development programs to the war effort.

At the same time, the resources of the program have not been applied where they are needed most. For more than 5 years drought and famine have taken a hard toll in northern, central, and western Africa. Millions are threatened with total starvation unless this country makes a substantial commitment in terms of direct assistance in the form of both emergency food commodities and funds for economic development.

The situation in the Sahel region of Africa is particularly severe. The six countries of the Sahel—Mali, Chad, Niger, Mauritania, Senegal and Upper Volta—cover an area which is approximately 60 percent of the United States. In these countries the drought not only continues but is worsening. It is estimated that the Sahara Desert is encroaching upon the region at the rate of more than 30 miles per year. The unavailability of grain is so severe that even the livestock, upon which the population must depend for much of their nutrition, are starving to death.

The question arises: Why do we provide subsidized and underpriced wheat to the Soviet Union, but next to nothing to the starving masses in the Sahel? I can only hope that it is not because this country places less value on the lives of black people.

I believe a careful examination of our foreign aid policy suggests that our motivation for giving is more directly tied to political considerations than humantarian ones. The low priority commitment to Sahelian Africa is not paralleled in other regions that contain large reserves of oil, chrome and other needed raw materials.

Regardless of the requirements of our foreign policy, the purpose of the Food for Peace program is to provide basic nourishment for those whose survival is threatened because of the unavailability of food. It is essential that this noble purpose not be further debased by allowing the inequitable distribution of the program's food resources.

The administration's priorities in Indochina has seriously threatened the validity and integrity of this program. Unless we place a ceiling upon the amount of funds going to Indochina the program will become another suspect method of subsidizing military objectives and neocolonialist efforts in Asia. We do not need to cut off essential aid to Indochina, but by placing a ceiling on this aid, it will insure a more equitable distribution of resources to those in genuine need.

At a time of widespread starvation throughout the world, particularly in the drought-stricken area of the Sahel, we cannot afford to engage in the politics of famine.

Mr. KOCH. Mr. Chairman, I rise in opposition to Mr. ANDERSON's proposed

amendment, though we are in accord that some college students undoubtedly abuse the food stamp program by subscribing to it illegally. A May 27 story in the Chicago Sun-Times reported that some students are allegedly forging their parents' names on the parental income statement. Other students do not report money received from their parents as income. These actions are now illegal under the Food Stamp Act. Individuals found guilty of such violations should be prosecuted to the full extent of the law. They are doing a great disservice to all those legally participating in the program, as well as to all American taxpayers.

However, the truth is, that we have no idea how widespread this practice is. Just last week, Senator McGOVERN, for the Senate Select Committee on Nutrition and Human Needs wrote to the Department of Agriculture requesting statistics pertaining to the number of students enrolled in the food stamp program. As I understand it, no such statistics exist, and so we have no idea of the breadth of the cheating amongst college students.

In my opinion, Representative ANDERSON's amendment is an overreaction to a problem whose dimensions area as yet undefined. Many students are truly dependent on the food stamps they receive, and would suffer hardships if they were discontinued. The Anderson amendment puts a blanket restriction on all students listed as tax exemptions by their parents, regardless of their need for assistance. Were this to be enacted, the people who would suffer would be those who need the help. This restriction would do more harm than good.

I also believe that the proposal invidiously discriminates against college students. It does not cover the millions of 18- to 21-year-olds whose parents list them as tax exemptions, who are not attending college. Most of these young people are wage earners, and would probably be better able to help themselves than college students paying the ever-rising tuition costs.

What should be done, instead of excluding so many needy people from the food stamp program, is to increase administrative allocations for food stamp agencies so that they can devote more time to ascertaining and eliminating the cheats and ineligibles. Administrative funds for the food stamp program are ridiculously low. Last year the Federal Government only contributed 1 percent of the cost of the program for administrative expenses. According to Senator McGOVERN:

> Such a situation does not give the program a fair chance to work efficiently—to do the outreach required to reach all those needy who are potentially eligible, and to do the investigation required to weed out those ineligible.

The discrimination against college students as proposed in this amendment is unfair, and I believe unconstitutional. Whether a person attends college or not should not determine his or her eligibility for public assistance. I urge my colleagues to oppose this amendment.

Mr. SCHERLE. Mr. Chairman, a great deal of discussion has prevailed concerning the introduction of legislation affecting the position of the FDA. I would submit the attached for general information regarding this subject matter:

FOOD AND DRUG ADMINISTRATION,
Rockville, Md., June 18, 1974.

Hon. WILLIAM J. SCHERLE,
House of Representatives,
Washington, D.C.

DEAR MR. SCHERLE: Enclosed as you have requested is a copy of the Secretary's report on H.R. 922 and H.R. 1171, bills "To amend the Federal Food, Drug, and Cosmetic Act to revise certain requirements for approval of new animal drugs."

Sincerely yours,
ALEXANDER M. SCHMIDT, M.D.,
Commissioner of Food and Drugs.

DEPARTMENT OF HEALTH,
EDUCATION, AND WELFARE,
June 18, 1974.

Hon. HARLEY O. STAGGERS,
Chairman, Committee on Interstate and Foreign Commerce, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: This is in response to your request for reports on H.R. 922 and H.R. 1171, bills "To amend the Federal Food, Drug, and Cosmetic Act to revise certain requirements for approval of new animal drugs."

H.R. 922 and H.R. 1171 would amend the anticancer clause in section 512(d)(1)(H) of the Federal Food, Drug, and Cosmetic Act, which deals with new animal drugs and medicated feeds. Similar clauses exist in the food additives and color additives sections of the law but these would not be amended by either bill. All three clauses prohibit the approval of any food additive which causes cancer in man or other animal, except that, under an amendment to the Act by the Drug Amendments of 1962, an exception is provided in the case of carcinogenic ingredients in animal feeds if the animal is not harmed and if no residues of the drug may be detected by prescribed or approved methods in edible portions of the animals.

Both H.R. 922 and H.R. 1171 would expand this exception by providing additional circumstances under which use of carcinogenic animal drugs in food animals may be allowed. The effect of H.R. 922 is to allow residues of such drugs in food for human consumption if they are not "cancer inducing." Similarly, H.R. 1171 would permit such residues if it has been shown, by scientific tests considered appropriate by the Secretary, that the amount or form of such residues will not induce cancer in humans.

At present, the Department of Health, Education, and Welfare lacks the scientific information necessary to establish no-effect levels for carcinogenic substances in animals in general and in man in particular. In the absence of such information, we do not believe that detectable residues of carcinogenic animal drugs should be allowed in the food supply.

The Department has encouraged qualified scientific agencies and organizations to undertake comprehensive studies and analyses of the several anticancer clauses of the Act. In addition, the Department itself has devoted considerable effort to expand current knowledge in this area. One such effort is our National Center for Toxicological Research (NCTR), which will assist in development of scientific data to support an accurate determination of the degree of risk to an animal population from long-term, low-dosage exposure to various substances, and may eventually enable us with confidence to extrapolate that risk to human experience. The NCTR program is designed to increase our knowledge through the orderly establishment of appropriate experimental designs and toxicological tests, statistical methods for comparison of lower doses to those practical in safety evaluation, and experimentation in comparative pharmacology, metabolism, and pathology which will support the appropriateness of extrapolation. The Department is also the leader in a major national effort to discover the fundamental mechanisms of carcinogenesis.

Through these efforts, it may someday be possible for the Department to establish levels at which residues of carcinogens can safely be tolerated in human food without risk of cancer to humans. Until the necessary scientific cata base exists to establish such levels, however, we oppose enactment of legislation such as H.R. 922 or H.R. 1171 to amend or even repeal one or all of the anticancer clauses of the Act. Enactment of such legislation would have no effect on current Department policies since, under the present state of scientific knowledge, the general safety provisions of the Act would not permit this Department to allow detectable residues of carcinogenic animal drugs in human food.

The Department has supported wide public discussion of the benefit-risk issues involved in the anticancer clauses of the Act so that societal judgments and values can be incorporated into the regulatory mechanism by which it is decided which chemicals will be allowed in food. Difficult decisions are quite likely to confront us in the future since new agricultural and food manufacturing practices, many involving new chemical entities, will increasingly be relied upon to achieve expanded food production. It is conceivable that it may someday be necessary to abandon current policies reflected in the anticancer clauses in favor of an alternative accommodation between benefit and risk. Although we do not believe that the anticancer clauses—or the Department's policy under the general safety provisions of the Act—have had any deleterious effect on the food supply, the day may come when the knowledge base may be available so that the Congress will be in a position to permit exceptions from present law for additives which may be carcinogenic but are found to be of great importance to the food supply.

The Department therefore recommends against enactment of H.R. 922 and H.R. 1171 since enactment of legislation to amend the anticancer clauses is premature considering the present state of scientific knowledge and the lack of public consensus as to the wisdom of changing current policies concerning carcinogens in food.

We are advised by the Office of Management and Budget that there is no objection to the presentation of this report from the standpoint of the Administration's program.

Sincerely,
(S) CASPAR W. WEINBERGER,
Secretary.

Ms. ABZUG. Mr. Chairman, during a strike, worker's expenses stay the same. He cannot make deductions for food and clothing and he certainly cannot get tax relief over a number of years if his losses grow large. Food stamps would help to alleviate this imbalance by subsidizing some of a worker's expenses.

Since food stamp eligibility is quite restrictive, the vast majority of strikers do not receive them anyway. Often only 10 or 20 percent of the workers can qualify. Those who do are those really in need. Simple justice demands that we see to it that a workingman's family does not go hungry.

The strike is recognized as a legitimate right of working men. Prohibiting food stamps is a punitive measure, one that expresses a disapproval of the collective bargaining process. Business and labor should settle their disputes on the mer-

its of the issues and not on whether or not one side must submit in desperation.

The American worker bears a heavy load in taxes and provides a substantial portion of his income to pay for programs like food stamps. We cannot turn our backs on employees in a time when they need this program the most.

Mr. GAYDOS. Mr. Chairman, I rise in opposition to this amendment.

Once again, the Members of this House are asked to make a decision whether or not workers on strike shall be deprived of the benefits of food stamps, even though they demonstrate the need for such assistance which is required of all applicants, including indigents, families of felons, and hippies.

It is not my intention to review prior history, but rather to look into the future and to consider the effect that this amendment might have on the families of workers who go on strike.

It is interesting to note, however, that my friend and colleague from Alabama (Mr. DICKINSON), who last year sponsored this amendment, and pointed out the abuses by strikers in obtaining food stamps, indicated in his recent testimony before the Subcommittee of the Committee on Appropriations that he was pleased that the Agriculture Department is tightening up its regulations so that it will be more difficult for strikers to obtain food stamps. Such action by the Agriculture Department should prevent a repetition of those incidents of abuse which the supporters of this amendment have, on previous occasions, used as justification for this amendment.

On March 20 of this year, this body overwhelmingly, by a vote of 375 to 37, approved amendments to the Fair Labor Standards Act, which among other things, provided for the first time for the inclusion of domestics, perhaps the most exploited group of workers. This bill became law on April 8 of this year.

On May 30 of this year, less than 1 month ago, this body overwhelmingly, by a vote of 240 to 58, passed a bill to include within the jurisdiction of the National Labor Relations Act, the employees of nonprofit hospitals, another group at the lowest income level. This bill is now in conference.

I believe this House can take great pride in its attempts to improve the status of these particular groups of workers.

Yet, the amendment before us is, in essence, a request that this House take a step back and deprive workers who are engaging in the federally protected right to strike from their entitlement to food stamps with which to aid in feeding their families while on strike.

With reference to the employees of nonprofit hospitals, we may well see strike activity in the future as these employees attempt to negotiate collective-bargaining agreements with their employers.

I do not think it is the intent of this body to place restrictions on the rights of these employees when they attempt to raise their living conditions from their current marginal existence.

Additionally, there may be strikes in other sectors of our economy when workers attempt to alleviate some of the substantial loss in purchasing power of their wages which has resulted from the rampant inflation in our economy, inflation that, to date, the Federal Government has been unable to cope with and find a solution for.

It is interesting to note that just a year ago, President Nixon stated in instituting phase IV:

> The reason I decided not to freeze wages is that the wage settlements reached under the rules of Phase III have not been a significant cause of the increase in prices.

This is a clear indication that the American worker has tightened his belt to aid in the Government's attempt to stifle inflation. Despite this, however, inflation has gotten out of hand in the year following the President's remarks.

Now that the controls have been lifted, many workers who are overwhelmed with rampant inflation, despite their splendid sacrifices, will rightfully seek wage increases to compensate for the substantial erosion of the purchasing power of their wages. Are we to say that despite their past and present sacrifices, we will now obstruct their efforts to recoup their losses by denying nutrition to their family in the event they are forced to obtain their just demands through a strike? I think the answer is clearly "No," and that this Congress, consistent with its attempt to improve living conditions for domestic and nonprofit hospitals will not now take a step backward and deny the necessary nutrition to families of those workers who find it necessary to go on strike in order to realize the benefits that this Congress has provided for them.

Mr. ALEXANDER. Mr. Chairman, I rise today in support of this bill to make appropriations for agriculture, environmental, and consumer protection programs. At the same time that I would urge my colleagues to support this proposal, I feel compelled to insert into the legislative record some facts. Some of these are both disappointing and all too familiar to those of us who have worked long and hard to bring into reality the hope of improved housing, education, jobs, health and recreation opportunities sparked by the commitment to rural development the Congress has made repeatedly since 1970 by enacting laws and funding development programs.

And, some of the facts which I will mention may well come as a surprise to many of our colleagues from metropolitan districts.

I would begin by saying that while I support this proposal, I would emphasize here that the funding levels in the rural development programs do not represent the levels which I believe we need for fiscal year 1975. They are certainly not the levels which we must eventually reach if we are to turn the promise of the Rural Development Act of 1972 into something other than the political shell game this administration has made it.

Though I am not well pleased with the funding levels recommended by the committee, I believe that they are within the range of a feasible compromise between the needs for development and for budget control.

Before going on with this story which we have heard far too often in the past, I would like to emphasize as strongly as possible that the agriculture portion of this bill emphatically is not "just for the farmers and country people." Even if not a penny of these funds were spent outside the countryside, the work done with these funds in terms of improved and expanded food production, conservation of natural resources, and fish and wildlife enhancement would be of national benefit.

But, in fact, a great deal of the agriculture budget moneys are spent in metropolitan counties. In continuing my efforts to learn how much of the money we, here in Congress, appropriate goes to the countryside, I studied outlays in fiscal year 1973 for 62 Department of Agriculture programs. Forty-seven of these programs were crop, farm ownership and operating, or conservation of natual resources-related.

Outlays for these funding categories totaled more than $7.7 billion.

Metropolitan counties of the Nation are generally agreed to be the most densely populated in the Nation. While they may be well known for many fine things, agriculture and rural life is rarely if ever one of those things. Nevertheless, as the chart I would make a part of the record at this time shows, they are directly benefiting from Federal agriculture program spending.

Program funds spent in metropolitan counties—Total number considered 41

Number of funding categories:	Present
5	60–81
6	40–59.9
12	20–39.9
13	10–19.9
7	0– 9.9

The 15 remaining funding categories were for community development and housing funding and grants. The percentage of funding going into the metropolitan counties is shown in the chart. I found it particularly interesting that 63 percent of the loans and 39.7 percent of the grants for farm labor housing went into metropolitan counties.

Program funds spent in metropolitan counties—Total number considered 15

Number of funding categories[1]:	Percent
1	60–81
0	40–59.9
8	20–39.9
2	10–19.9
5	0– 9.9

[1] Four of the funding categories are salaries and expenses for Agriculture Stabilization Service, Cooperative Extension Service, Farmers Home Administration and Rural Electrification Administration.

Before going into the results which I have been able to develop in further analysis of where the funds for these programs go, I would like to take note of a number of matters which I believe we should consider in making decisions on funding for rural development programs.

Those of us who maintain a continuing interest in the performance of the executive branch, and the Department of Agri-

culture in particular, in implementing the Rural Development Act of 1972 have experienced nearly 2 long years of disappointment. We are repeatedly told that the responsibility for the low level of commitments in this fiscal year must fall on congressional shoulders because of the lateness of the date that the appropriations bill became law.

That is hardly correct. The bill became law on October 24, 1973, not even 4 months into the fiscal year. The following chart shows in four major community development program areas the numbers and total value of the loan and grant applications that have been received and those that have been approved for the Nation and for Arkansas:

U.S. DEPARTMENT OF AGRICULTURE, FARMERS HOME ADMINISTRATION

APPLICATIONS AND APPROVALS ON HAND, AS OF MAY 31, 1974

[Dollar amounts in thousands]

	Water				Waste				Community facility		Business and industrial			
	Loan		Grant		Loan		Grant		Loan		Loan		Grant	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
National:														
Applications	1,180	$496,738	549	$117,489	833	$416,386	476	$89,296	302	$127,178	1,138	$669,467	146	$30,102
Approvals	1,074	323,593	187	17,539	355	138,345	17	2,116	65	23,784	259	90,454	107	7,096
Arkansas:														
Applications	50	11,000	50	7,559	32	5,000	32	5,000	5	300	53	25,425	1	259
Approvals	46	6,396	5	315	15	3,312	5	3,315	0	0	4	2,937	0	0

In addition, the Department of Agriculture, apparently handcuffed by the omnipresent Office of Management and Budget, did not even bother to propose final regulations for the Rural Development Act programs until after that act had been law for a year.

Also, the administration has steadily reduced the number of personnel available to such agencies as Farmers Home Administration, the Soil Conservation Service and the Agricultural Stabilization and Conservation Service despite the responsibilities under the Rural Development Act and other countryside development programs.

These developments seem to be aimed at crippling the programs which the Congress has enacted as a commitment to the revitalization of the countryside. Another seriously detrimental habit indulged in by the OMB is impoundment. I would hope that our efforts to enact budget and impoundment control law will help relieve that situation.

I would make clear here that the criticism which I make here today and which I have made frequently in the past of the executive branch failure to properly implement the rural development programs is not a blanket indictment of all the departmental and agency employees who work with these programs. There are thousands of civil servants, I am sure, who are dedicated and who work many hours at trying to do the job right. That does not lessen the harshness of the criticism which I believe is so heartily and justly deserved by those in the administration who have continually taken an obstructionist's view of rural development programs.

The Congress enacted into law a commitment to a national balanced growth policy more than 3 years ago. Almost 2 years ago the Rural Development Act became law. Its enactment was meant to help implement the national balanced growth policy. We have funded the programs which the Rural Development Act authorized and we move here today to provide new funding.

I have worked long and hard to see these programs implemented. I am deeply disappointed in the failure of the administration to implement the countryside community development programs according to the law and to congressional intent. I am frustrated but I am not ready to throw in the towel. We have enacted good programs. Now we have to see that they are implemented.

The charts which I would insert in the RECORD today are similar to those which I have prepared for earlier appropriations bills. The percentage of funds which might be expected to go to rural areas are based on the supposition that at least as much of the outlays made from the fiscal year 1975 appropriations will go to rural areas as did the outlays in fiscal year 1973. I would point out that no reduction has been made in these figures taking into account what OMB might impound and refuse to allow to be spent. In many or most of the cases the loan funds involved should not be taken as the level of loans which will be made but as the amount of capital appropriated for a loan fund.

Also the spending categories in the chart are not all the programs involved in this bill. They are only the ones for which we have been able to devise a metropolitan-non-metropolitan county breakdown.

[Dollar amounts in millions]

Program	1975 committee recommendation	1975 estimate going to nonmetropolitan counties	1974 appropriation	Fiscal year 1973 percentage going to nonmetropolitan counties
AGRICULTURAL PROGRAMS				
Agriculture Stabilization and Conservation Service:				
Salaries and expenses	$256.2	$138.4	$245.0	54.0
Sugar Act program	88.7	59.1	88.5	66.6
Dairy and beekeeper indemnity programs	1.85	1.1	0.0	59.0
Cropland adjustment	46.8	21.1	50.3	45.0
Federal crop insurance	17.8	13.9	16.6	78.1
Farmers Home Administration—Loans:				
Farm ownership	350.0	320.2	350.0	91.5
Soil and water conservation	4.0	3.7	4.0	92.8
Recreation facilities	2.0	1.2	2.0	62.8
Farm operating	520.0	467.2	525.0	89.0
ENVIRONMENTAL PROGRAMS				
Soil Conservation Service:				
River basin surveys and invsetigations	14.1	6.8	12.3	48.0
Watershed planning	10.7	2.99	10.0	28.0
Watershed and flood prevention operations	122.6	76.5	157.6	62.4
Great Plains conservation program	20.0	18.6	18.1	94.1
Agricultural Stabilization and Conservation Service:				
Agricultural conservation program	225.0	178.9	175.0	79.5
Forestry incentives program	25.0	(1)	25.0	(1)
Water bank program	10.0	8.98	10.0	89.8
Emergency conservation measures	10.0	6.56	10.0	65.6

Program	1975 committee recommendation	1975 estimate going to nonmetropolitan counties	1974 appropriation	Fiscal year 1973 percentage going to nonmetropolitan counties
RURAL DEVELOPMENT PROGRAMS				
Rural Development Grants	$10.0	(1)	$10.0	(1)
Soil Conservation Service:				
Resource conservation and development	19.86	$12.6	17.2	$63.6
Rural Electrification Administration:				
Rural electric loans	650.0	489.4	618.0	75.3
Rural telephone loans	150.0	130.8	140.0	87.2
Rural telephone bank—loans	30.0	21.0	30.0	70.1
Farmers Home Administration:				
(Rural housing insurance fund):			(2,144.0)	
Low-to-moderate income housing loans	2,123.0	1,599.7	----------	75.4
Rural housing loans site development	5.0	4.9	----------	97.6
Rural rental housing loans	179.0	129.7	----------	72.5
Very low-income housing repair loans	20.0	18.3	----------	91.7
Farm labor housing loans	10.0	3.6	----------	37.0
(Rural development insurance fund):				
Water, waste and other community facility loans	670.0	1 484.4	520.0	1 72.0
Rural industrialization loans	300.0	(1)	200.0	(1)
Self-help housing land development fund	.9	.9	----------	100.0
Water and waste disposal grants	225.0	189.2	150.0	84.1
Farm labor housing grants	5.0	3.0	7.5	60.3
Mutual self-help housing grants	4.0	2.7	4.0	67.1
Business and industrial grants	10.0	(1)	10.0	(1)

[1] The programs by which this symbol appears either were not in operation in fiscal year 1973 or, in the case of the "water, waste and other community facility loans," program have been altered so that performance records are not available or the assumption is made in "water, waste and other community facility loans" that the performance will be at least as favorable under the new program as it was in fiscal year 1973.

Ms. ABZUG. Mr. Chairman, I rise in support of the amendment offered by Mr. JOHNSON of Colorado.

It is unfortunate, in my opinion, that we are being forced to deal with this issue in considering the Agriculture Appropriations bill. The question of food for peace and how it should be administered so that it fulfills the promise of its name would be better dealt with in the Foreign Assistance authorization and appropriation process. It does not belong in the Agriculture bill; it does not belong in any of the military billls. I hope that when the Foreign Assistance Authorization bill and its accompany appropriations measure comes before us next month, that we can deal with many of the other substantive issues not covered by this amendment.

But this amendment is valuable and I commend the gentleman for offering it.

While there are reports every day of new and more severe food shortages around the world, it is nothing short of murder to channel 50 percent of our Food for Peace resources to two countries, whose total population is less than 1 percent of world population.

According to the Nixon administration's presentment to Congress, Indochina was to receive, in fiscal year 1974, $206 million dollars. Even this figure, 20 percent of all funds available, is unbelievably large. But the actual figures spent in Indochina have more than doubled within this last year. Ten days before the end of fiscal year 1974, we find that $450.9 million has been spent on these two countries for Food for Peace.

Unfortunately in Indochina we might as well change the name of this program to "Food for War" or "Food for Police Equipment." Because, Mr. Chairman, it is not the U.S. Department of Agriculture which is responsible for setting the levels of Public Law 480 distribution to South Vietnam and Cambodia, it is not even the Agency for International Development, but rather it is the U.S. National Security Council. Mr. Chairman, the U.S. Security Council is doing the setting of priorities not on the basis of the needs of the refugees that the war has created, but based on something called "strategic security." While this may be boilerplate language, its real meaning becomes clear when you realize that under section 104 (c) South Vietnam has accumulated $1.2 billion for use in the "common defense including internal security."

Although there was a congressional attempt to limit the use of local currencies for military purposes, through the adoption of section 40 of the Foreign Assistance Act of 1973, its purpose may, and I feel will be, abrogated by fancy bookkeeping. This will happen because under section 104(c) there is a 10-year grace period before principal must be paid and because the law provides 40 years in which to repay the "loan" at 3 percent interest. Although technically this money may not be used for military purposes, it is clear that it will "free up" other money that can be so used.

With the severe food shortages now facing so many parts of the world, with the use of the Public Law 480 funds for military and police work in Indochina we should no longer tolerate the diversion of 50 percent of Food for Peace funds to two countries.

I urge the adoption of the Johnson amendment.

Mr. MICHEL. Mr. Chairman, first I want to commend and compliment the distinguished chairman of our subcommittee, the gentleman from Mississippi (Mr. WHITTEN), and the ranking minority member, the gentleman from North Dakota (Mr. ANDREWS), along with the other members of our subcommittee who have contributed so much to the development of this bill.

And, I want to extend those compliments as well to our Secretary of Agriculture, who has managed to keep a cool head and his good, old-fashioned horse sense during a time when so many other folks have not.

The bill we are bringing to you today is no small one. It is almost $3 billion over last year, for a total of nearly $13.4 billion.

Where are the increases? Nearly $1 billion additional goes to the food stamp program alone. The budget submitted by the Department was premised on complete, nationwide food stamp coverage, and increased participation in the program along with the mandatory semiannual upward adjustment of food stamp allowances to reflect food cost increases, mean a substantial jump in program costs.

The Commodity Credit Corporation and Public Law 480 take almost another $1 billion of the $3 billion increase. The CCC, of course, is the agency that ultimately gets the bills for the farm price-support programs, but there is a 2-year lag before we see those costs reflected in the budget or in our appropriation bill. So, the $4 billion plus that we have in this bill for reimbursement of CCC losses is actually for losses incurred through the farm programs in fiscal 1973. With CCC inventories at the lowest level in years, the next budget should show a substantial reduction in this figure.

But, I would also point out to my colleagues that once again our committee is playing games with the CCC reimbursement figure. You will notice that our bill is about $35 million below the total budget request, but if you will check page 40 of our committee report you will also notice that the figure in our bill for reimbursement of CCC losses is $180 million below the budget request.

If we had granted full reimbursement for CCC, our bill would be $145 million over the President's total budget request for all the programs in our bill, instead of $35 million under. Last year we shorted CCC in this way by about $156 million, and the year before it was $225 million. It makes no difference as far as the operations of CCC are concerned, because the Corporation has several million dollars of statutory borrowing authority to work with, but it does make our bill look better from the standpoint of always being just a little below the President's budget request. It is a phony cut, but despite the objections of some of us, our committee continues to resort to this gimmick on a regular basis.

And, while we are talking about farm price supports, I would like also to make the point that over 90 percent of the budget outlays of the U.S. Department of Agriculture in fiscal year 1975 will go for programs that are of primary benefit to the needy, consumers, businessmen and the general public, as opposed to programs predominantly for the stabilization of farm income, which will receive less than 10 percent of the Department's outlays in fiscal year 1975. This year. fiscal year 1974, the ratio was 90–10. Also, but the year before, fiscal year 1973, it was 66–34, by way of comparison.

Most of the remainder of the $2.8 billion increase is for rural development and environmental programs. Losses associated with the FHA rural housing programs account for $464 million over the fiscal 1974 level, and the Environmental Protection Agency and the agricultural conservation program received increases totaling nearly $160 million over this past year.

As to specific items in the bill, I will not presume to cover ground already so well covered by the chairman and my colleagues on the subcommittee, but I do want to highlight a few of the concerns some of us have over the conditions that exist with respect to the production of food in this country as we consider this bill today.

Agricultural markets have been operating like a see-saw lately, and I am afraid if it keeps bouncing back and forth like this some folks are going to be falling off. The livestock industry is being hit hard by high costs and falling prices, and now we are advised that poultry producers are finding their returns falling below the breakeven line, too.

Inflation and higher production costs are going to eat heavily into net farm income in 1974. Tight fuel and fertilizer supplies have pushed farm production costs toward the sky. Prices paid for farm labor, equipment, supplies, and interest on loans have increased right along with the prices farmers receive for their commodities.

Environmental restraints are forcing many farmers to refigure their production costs, too. The legitimate use of safe insecticides, herbicides, and antibiotics is a concern of everyone, but it may also lead to higher built-in costs of production.

What this all boils down to is that unless farm prices can somehow be stabilized above the farmers' cost of production, we are going to see another round of tight supplies and high prices, because when the farmer cannot make any money he is not going to produce—it is just that simple. Farmers do not want this, consumers do not want this—it is in no one's best interest. So, if we are smart we will all work together to find ways to keep our Nation's farmer in business producing food at prices consumers can afford to pay. It is our hope that the programs and the funds provided in this appropriation bill will in some measure work toward that end.

Mr. VANIK. Mr. Chairman, I would like to take this opportunity to commend the committee for its continued support of efforts to provide special as-

sistance for the clean-up of the Great Lakes. Specifically, I am referring to the language on page 37 of the bill, lines 9 through 12 which provide that $100,000,000 out of $400,000,000 available to the Department of Housing and Urban Development for basic water and sewer facilities "shall be available for transfer to the Environmental Protection Agency to fund storm and combined sewer projects for the Great Lakes area."

As page 69 of the committee's report makes clear, the committee has consistently and persistently sought to require the administration to assist the Great Lakes States in meeting the staggeringly expensive problems of storm and sanitary sewer separation projects. To quote from the committee report:

For fiscal year 1973, the Committee also directed the Department of Housing and Urban Development to cooperate with the Environmental Protection Agency in establishing procedures to make $100,000,000 of the frozen funds available to fund the Special Great Lakes Program. This program called for the construction of nine or ten sewer projects to study the cost/benefit of various systems to solve the problem of storm and combined sewers. However, these funds were never made available to EPA to fund this important program for cleaning up the Great Lakes.

For fiscal year 1974, the Committee again recommended and the Congress approved, the carrying forward of the $400,000,000 of frozen funds and again directed that $100,000,000 of those funds be used to combat the problem of storm and combined sewers in the Great Lakes area. The committee has been advised that no use will be made of these funds during fiscal year 1974.

Specifically, Public Law 93–135, the Agricultural-Environmental and Consumer Protection Appropriation Act for fiscal year 1974 provided that $100,000,000 of these funds shall be available for transfer to the Environmental Protection Agency to fund storm and combine sewer projects for the Great Lakes area.

Also, as the committee's report for fiscal year 1974 pointed out, "regrettably, the Office of Management and Budget did not see fit to release these—fiscal year 1973—funds for this critically needed program." The committee's report went on to state that language was being provided in the fiscal year 1974 act "in order that this very important demonstration program may be carried out."

Yet in fiscal year 1973 and 1974, the administration ignored the committee's wishes and took no action to implement the $100 million Great Lakes program. Now we are considering the fiscal year 1975 appropriation bill—and once again the committee has requested HUD, EPA, and the Office of Management and Budget to work together to provide $100 million to help solve the problem of storm and combined sewers in the Great Lakes basin.

I note with interest that the committee report accompanying the bill before us today states:

The Committee has recently been advised that EPA will soon be submitting a proposal to the Office of Management and Budget for a program to utilize the $100,000,000 for the storm and combined sewer problem in the Great Lakes area.

Mr. Chairman, my office has made repeated telephone inquiries to the Environmental Protection Agency throughout the late winter and spring of this year. Over 3 months ago, I was informed that EPA was in the process of writing the Office of Management and Budget to request the transfer of the $100,000,000 from HUD to EPA. We were assured that this transfer request would be made within several weeks. But the weeks went by and nothing was done. I hope that the assurances which the committee has received will be honored. I hope that they are more valid and certain assurances than I have been given.

Yesterday, there was good news concerning the basic water and sewer program. A number of suits had been lodged against the administration for impounding these funds. Our colleague from Pennsylvania (Mr. ROONEY) has been a leader in the effort to uphold congressional prerogatives. In a ruling from the bench yesterday, U.S. district court judge, the Honorable June L. Green, said that the administration's impoundment of the water and sewer funds had been improper. At the present time, an order is being drafted to reinstitute this important program.

In view of this development, I am hopeful that the intentions of the Congress will now be backed by the courts—and the $100 million as well as the rest of the basic water and sewer appropriation will be made available at the earliest possible date.

The Great Lakes need help as soon as possible; they cannot wait; their pollution problems continue nearly unabated and this money is needed immediately.

The special Great Lakes program is of vital importance. I do not have to describe to you the present condition of the Great Lakes, especially the lower lakes, Erie and Ontario. If we ever hope to revitalize these lakes, action must be taken now. According to the latest report of the International Joint Commission's Great Lakes Water Quality Board, pollution due to inadequate sanitary and combined sewer systems is a major problem in the water quality of the lakes. The special Great Lakes program would deal specifically with this important problem.

The Board also reports that no new programs have been implemented in the past year to reduce this pollution source. The Board recommends:

That the U.S. Government be requested to utilize all reasonable means at its disposal to assure expeditiary completion of the following major municipal projects: Detroit-Metro, Michigan; Cleveland Regional Sewer District, Ohio; Buffalo, New York; Niagara Falls, New York; Duluth, Western Lake Superior Sanitary District, Minnesota.

Mr. Chairman, the enormity of the combined storm and sanitary sewer problem in the Great Lakes States is almost incomprehensible. According to the Environmental Protection Agency "Report to Congress on cost of construction of publicly owned waste water treatment works, 1973 Needs Survey," the cost of providing necessary storm and sanitary sewage separation in the Great Lakes States is absolutely staggering. The following is a statement of the costs of providing storm and sanitary sewage separation in the Great Lakes States:

[In millions]

New York	$2,980
Pennsylvania	1,589
Ohio	191
Illinois	1,375
Indiana	391
Michigan	843
Minnesota	325
Wisconsin	167
Total	7,861

Of course, Mr. Chairman, not all of these sewer projects would fall into the Great Lakes basin area. For example, I would estimate that most of the New York, Pennsylvania, and Indiana projects would serve either the watersheds flowing into the Atlantic or Mississippi. Nevertheless, it appears safe to assume that about $3 billion involve projects in the Great Lakes watershed.

In addition, Mr. Chairman, I seriously question the accuracy of the EPA figures. For example, in June of 1968, Cleveland, Ohio, did an estimate of the cost of constructing a sewer separation project in Cleveland, Newburg Heights, Garfield Heights, Cuyahoga Heights, and East Cleveland. It was estimated that the cost of the project in these communities—which in terms of population constitutes less than half of the population of Cuyahoga County and much less than half the population of the Cleveland standard metropolitan statistical area—was $948 million.

Since mid-1968, construction costs have risen dramatically. In a conversation with officials in Cleveland yesterday, I was informed that the cost of this necessary project would now approximate $1½ billion.

Mr. Chairman, I simply do not know how my own community of Cleveland, Ohio, can afford such an enormous project. I am sure that many other communities along the Great Lakes, especially some of the older industrial towns, simply cannot manage this problem without some financial assistance, some revenue sharing from the Federal Government.

Mr. Chairman, an additional point to consider is that the cleanup of the Great Lakes is a joint effort by the United States and Canada. On April 15, 1972, President Nixon signed an agreement in Ottawa with Prime Minister Trudeau to provide for increased Canadian-American cooperation in improving the quality of the Great Lakes. As of now, Canada is projected to serve 98 percent of its population with adequate water treatment by 1975, while the United States will only be able to serve 58 percent of its population with adequate sewage treatment. It apears that Canada will be very close to achieving the water quality objectives of the 1972 Ottawa agreement set for 1975 by the two nations. Yet the United States will be little more than halfway to the 1975 goal. We must do better to live up to our share of the agreement—as well as to insure the improvement and preservation of the Great Lakes for the millions of Americans who live along its shorelines. Of extreme importance then is to guarantee that the $100 million for the Great Lakes that we appropriate are used and used as intended.

Mr. Chairman, because of the importance of the Ottawa agreement and the obligation of the United States to live up to its international agreements, I would like to comment for a minute or two on the extent of our failure to live up to the 1972 agreement. A large number of my constituents are deeply embarrassed and angered by the failure of the United States to match the Canadian effort on the Great Lakes. Typical of a type of letter which I have received on this issue is one from Mr. Michael Fersky of South Euclid, Ohio, in my congressional district. Mr. Fersky asks a series of questions—very good questions—which deserve good answers:

DEAR CONGRESSMAN: A while ago the United States and Canada agreed to clean up Lake Erie and the other Great Lakes. The Canadian Government has kept its half of the bargain, but the United States has not cleaned up the lakes. Please tell me who was instrumental and responsible for the agreement with Canada, what money was supposed to fund this agreement, the reason for the breach of contract, and what is being done to remedy this situation. Thank you.

MICHAEL FERSKY.

SOUTH EUCLID, OHIO.

There is no doubt that the United States has failed to keep pace with the Canadian effort. I would like to enter into the CONGRESSIONAL RECORD an article from the Wall Street Journal of January 16, 1974, entitled, "U.S. Falls Behind in Doing Its Share To Carry Out Agreement with Canada to Clean Up Great Lakes." As the article states:

But the U.S., it now appears, is lagging badly. Since the 1973 agreement Canada has provided funds for nearly three-quarters of its $250 million commitment. These funds have put 16 new municipal treatment plants into operation and extended or improved eighteen others. In the United States, on the other hand, while the government has provided $246 million for 115 projects, that's only 21% of the work the U.S. is supposed to do and none of the projects is now operating.

The Wall Street Journal article is also interesting because it provides some facts and figures on the Great Lakes:

Lake Erie, the dirtiest of all, absorbs the wastes of 12 million Americans—the brunt coming from Detroit, Cleveland, Erie and Buffalo.

Experts say Lake Erie is the most vulnerable to the effects of pollution because its waters are the shallowest and slowest moving of the five. In some places public beaches are closed, and the lake is often labeled "dead." Yet it continues to yield the biggest commercial fishing catch of the lakes.

It is obvious, Mr. Chairman, that Lake Erie, more than any of the other lakes, is in need of the type of assistance which the separation of storm and sanitary sewers could provide.

In addition, to the Wall Street Journal article of January, I would like to enter into the RECORD at this point an article from the April 17, 1974, Christian Science Monitor entitled "U.S. Lags in Great Lakes Cleanup." As this article indicates:

On the U.S. side, meanwhile, the program has been slowed by a wide range of problems, from administrative snafus to red tape to laxness by municipal officials in aggressively going after available federal funds and, according to some Canadian officials, to impoundment by Mr. Nixon of federal water-pollution control funds.

I would also like to enter in the RECORD an article by George Rasanen of the Cleveland Plain Dealer on April 8 entitled, "U.S. Trails Canada in Cleanup of Great Lakes." In this article, the Honorable Christian Herter, Chairman of the U.S. Commissioners to the International Joint Commission admits that administration impoundments "could slow U.S. efforts to clean up the Great Lakes." Ambassador Herter also admitted that the United States is behind Canada in meeting United States and Canadian commitments to improve the quality of the Great Lakes.

This article is also of interest, because it describes places in which water pollution efforts have improved the quality of Lake Erie. The IJC analysts for example, found improvement in the quality of Lake Erie near Vermilion, Mentor, Painesville, and Toledo where advanced treatment of sewage and other wastes is proving effective. Quoting from the article:

IJC studies did show Lake Erie's pollution has not grown worse since 1970.

That alone, analysts said, may attest to the soundness of remedial programs, despite economic growth on the U.S. and Canadian sides of Lake Erie.

For Cleveland, the IJC could not find significant improvement in the quality of the lake immediately off the city's shoreline.

"Perhaps the Cuyahoga River has been made fireproof, but our information now does not show significant improvement." Herter said.

Finally, Mr. Chairman, I would like to enter into the RECORD a memo to me from the Library of Congress regarding the United States-Canadian Great Lakes Water Quality Agreement. As this memo indicates:

While Canada has taken great initiative in meeting provisions of the Treaty, there has been some doubt as to whether the United States is fulfilling its responsibilities under the agreement.

Mr. Chairman, the United States has failed in its obligation to Canada. It is failing its own citizens. Action is desperately needed. I hope that this year, the committee and the Congress will insure that the $100 million provided for separation of storm and sanitary sewers is indeed made available to the communities along the Great Lakes.

I include the following:

[From the Wall Street Journal, Jan. 16, 1974]

UNITED STATES FALLS BEHIND IN DOING ITS SHARE TO CARRY OUT AGREEMENT WITH CANADA TO CLEAN UP GREAT LAKES

(By Leonard Zehr)

NIAGARA FALLS, N.Y.—Every day, 85 million gallons of raw sewage from this city ("screened to remove a few lumps," says a state environmental official) pour out of two huge pipes at the bottom of the famous waterfall and are swept into Lake Ontario, 10 miles downstream.

But across the Niagara River at Niagara Falls, Ontario, all of that Canadian city's sewage—seven million gallons a day of it—is chemically treated, disinfected and then used to help drive hydroelectric generators at the falls before being released to flow harmlessly downstream.

That dramatic contrast, both Canadian and U.S. environmental officials agree, illustrates the different ways in which the United States and Canada have followed through on a joint Great Lakes clean-up agreement signed with much fanfare by President Nixon and Prime Minister Pierre Trudeau in April 1972.

Under the agreement the two countries committed themselves to having municipal sewage treatment plants for all major cities on the five Great Lakes completed or under way by the end of 1975. And they pledged to cut all Great Lakes pollution, whether from municipal, industrial, agricultural or other sources, in half by 1977.

But the U.S., it now appears, is lagging badly. Since the 1972 agreement Canada has provided funds for nearly three-quarters of its $250 million commitment. These funds have put 16 new municipal treatment plants into operation and extended or improved 18 others. In the U.S., on the other hand, while the government has provided $426 million for 115 projects, that's only 21% of the work the U.S. is supposed to do, and none of the projects is yet operating.

What especially irks Canadian officials is that by the end of 1975 they'll have kept their part of the bargain and all of their municipal sewage projects will be in operation, while many U.S. plants will be still under construction. That, one Canadian environmental official says, will be "like mixing a glass of clean water with a glass of dirty water. You end up with dirty water."

A VARIETY OF BOTTLENECKS

The United States, it must be noted, has a far bigger job to do than Canada. In a 1970 study that became the basis for the Nixon-Trudeau pact, the International Joint Commission, which supervises the lake waterways, estimated that upgrading municipal sewage plants along the lakes would cost $2.25 billion, with the U.S. share at $2 billion. That difference in spending, officials point out, is roughly proportional to the difference in the amount of pollutants that Canada and the U.S. dump into the lakes.

Environmental officials on both sides blame the U.S. delays on the Nixon administration's impoundment of water-pollution-control funds appropriated by Congress in recent years and on a variety of legislative and administrative bottlenecks.

The only area where both sides have made good progress in implementing the Nixon-Trudeau agreement is in reducing phosphate discharges—which are attributable mainly to detergents. In the first year of the agreement for instance, phosphate discharges into Lakes Erie and Ontario were to be reduced by 6,200 tons. The actual reduction was more than double that. This success is attributed by officials to crash programs in Ohio, Indiana, New York, Michigan and Ontario that restricted the use of high-phosphate detergents.

However, both sides missed the April 1973 deadline for adopting compatible regulations to control waste discharges from lake vessels, and it still isn't known when those guidelines may be drafted and accepted.

And there have been mixed results so far on curbing industrial pollution. The International Joint Commission's original study of the lakes estimated the cost of upgrading industrial waste treatment facilities might equal the $2.25 billion cost of municipal improvements. Since the agreement, Canadian industry along the lakes has put up about $20 million for some 120 projects.

Comparable figures for the U.S. aren't available, the EPA says. But it's certain the total exceeds that $30 million. And there have been some notable successes. One of the best examples is U.S. Steel Corp.'s South Works, near Chicago, where U.S. Steel will have spent $25 million before 1974 is over

to provide treatment or recycling for some 95% of the water the plant uses. (The remaining 5% will go through the municipal system.)

In fiscal 1973 Congress appropriated $5 billion for construction of municipal sewage plants, but the Executive Branch gave the Environmental Protection Agency the green light to spend only $2 billion of those funds. Of that sum, only $300 million was allocated by the EPA for projects in the Great Lakes basin. Much the same thing happened in fiscal 1974. Congress authorized $6 billion for water pollution control expenditures, but the EPA is using only $3 billion. Of this, $450 million was set aside for the lakes, and much of it has yet to work its way down to the hardware level.

EPA plans for the $7 billion appropriation for fiscal 1975 haven't been detailed yet. However, President Nixon last week ordered $3 billion of this amount impounded.

A PAPER EXERCISE

Environmental officials in the eight states that border the lakes—New York, Pennsylvania, Ohio, Michigan, Indiana, Illinois, Wisconsin and Minnesota—aren't too optimistic. They think it will take a drastic increase in spending if the U.S. is to complete a fair share of the lakes project by 1975.

"We want to move at a faster pace than the federal government, but we can't under existing cost-sharing regulations," says John Beckman, a New York state assemblyman who's chairman of an eight-state committee on the lakes. New York, for instance, has approved 156 municipal projects, Mr. Beckman says, but federal funding has been made available for only 29. The federal government provides 75% of the cost of a municipal sewage plant, but the states are prevented from prefinancing the federal share and getting repaid later, Mr. Beckman says.

The state officials also complain of bureaucratic snarls. "It's a supercomplicated paper exercise getting the EPA to approve a grant," complains Eugene Seebald, a New York state pollution control official. Adds Ralph Purdy, executive secretary of the Michigan Water Resources Commission: "The legislation is more complicated than the problem we are trying to solve."

UNITED STATES STEEL CLEANS UP

The EPA, for its part, holds out some hope of being in at least technical compliance with the Nixon-Trudeau pact by 1975. Noting that the pact requires that the sewage treatment plants simply be under way by 1975, Carlysle Pemberton, the EPA's Great Lakes coordinator, says: "The U.S. fully expects to live up to its end of the pact. If a project has been financed but money not necessarily spent, that project can be considered to be under way."

FACTS AND FIGURES: WHY ERIE IS DIRTY, SUPERIOR IS CLEAN

NIAGARA FALLS, N.Y.—The Great Lakes constitute the world's largest single reservoir of fresh water and 20% of the world's total fresh-water sppply. They're the hub of a large part of the continent's shipping industry—used for the movement of about $7 billion in cargo annually.

The boundary between Canada and the U.S. runs through the middle of four of the five Great Lakes—Superior, Huron, Erie and Ontario. The fifth, Lake Michigan, is entirely within the U.S. About seven million Canadians, or one in three, live around the lakes, compared to 30 million Americans, or one in seven. Industries around the lakes contribute 50% of Canada's gross National product and 20% of the GNP in the U.S.

The cleanest of the five lakes are Huron and Superior—both of which benefit from relatively thinly populated basins. Lake Michigan is relatively clean in open water, but is heavily polluted along its densely populated and industrialized southern end, near Milwaukee, Chicago and Gary. Lake Erie, the dirtiest of all, absorbs the wastes of 12 million Americans—the brunt coming from Detroit, Cleveland, Erie and Buffalo.

Experts say Lake Erie is most vulnerable to the effects of pollution because its waters are the shallowest and slowest moving of the five. In some places public beaches are closed, and the lake is often labeled "dead." Yet it continues to yield the biggest commercial fishing catch of the lakes. Lake Ontario, easternmost of the five, inherits the cumulative pollution of the system.

[From the Christian Science Monitor, Apr. 17, 1974]

UNITED STATES LAGS IN GREAT LAKES CLEANUP

(By Guy Halverson)

WASHINGTON.—The much-touted, 1972 Canadian-United States Great Lakes Treaty—designed as an imaginative dual attack on pollution in the lakes—has become partly waterlogged.

And the reason, grumble critics (especially some Canadian officials), is not difficult to pinpoint: tardiness by the United States.

Now, top planners on both sides are asking how best to step up the program to meet the original treaty deadlines—or at least come as close as possible to the original timetables.

The Great Lakes agreement was signed in April, 1972, by Prime Minister Pierre Elliott Trudeau and President Nixon.

Under terms of the plan, not only was all pollution on the five Great Lakes to be cut in half by 1975, but more importantly, all large cities on the lakes were to have major municipal treatment plants either under construction or finished by that date.

FACILITIES BUILT

Right from the outset the Canadians moved aggressively forward on the project. By early this year, they had built or modified some 34 treatment facilities—including 16 new ones.

All told, it is estimated that roughly 75 percent of all Canadian project funds have been met, in some cases with dramatic results, as treatment plants have eliminated or sharply reduced the flow of pollutants into the lakes.

On the U.S. side, meanwhile, the program has been slowed by a wide range of problems, from administrative snafus to red tape to laxness by municipal officials in aggressively going after available federal funds and, according to some Canadian officials, to impoundment by Mr. Nixon of federal water-pollution-control funds.

IMPOUNDMENT DENIED

U.S. officials, however, insist that impoundment has not been a factor in the slow U.S. program.

The huge Great Lakes system—Lakes Superior, Huron, Erie, and Ontario (all sharing borders with the United States and Canada) and Lake Michigan (entirely within U.S. borders)—has profound economic and environmental importance for both nations. Some 37 million people live around the lakes (30 million Americans, and 7 million Canadians), and the lakes basin accounts for an important chunk of the North American industrial base, particularly for Canada.

The U.S. congressional commitment to cleanse U.S. waters has been substantial. For fiscal years 1973 through 1975 Congress authorized some $18 billion. Mr. Nixon has impounded half that amount, releasing $9 billion.

ONLY A PORTION

Of this $9 billion total, only a portion reaches the Great Lakes basin itself. Carlysle Pemberton, Great Lakes coordinator for Region 5 of the Environmental Protection Agency (EPA) based in Chicago, says that at this point impoundment is not a problem, though it could well be later as available funds are used. For now, however, Region 5 (encompassing Minnesota, Wisconsin, Michigan, Illinois, Indiana, and Ohio) have some $2 billion available for water clean-up projects.

Mr. Pemberton, like other top EPA officials, argues that more than anything else, the U.S. delay can be attributed to administrative problems arising out of 1972 amendments to the Water Pollution Act.

POLLUTION LEVELS VARY

Just to erect a municipal-treatment facility, insist EPA officials, takes the combined expertise of literally scores of project planners, environmentalists, lawyers, government officials, and others—hardly a hasty process by itself.

Earlier this month, the International Joint Commission, the two-nation agency supervising the cleanup, conceded that pollution in the lakes likely will persist at least until 1979. The lakes themselves have different pollution levels: Lake Erie is assumed to be the worst; Lake Superior the cleanest.

Christian A. Herter, Jr., co-chairman of the commission, has said that some $1.1 billion has been spent on treatment facilities in the lakes region since 1971—$1 billion of that from the United States.

Treatment facilities or programs are under way at a number of key U.S. cities along the lakes, including Detroit; Duluth, Minn.; Rochester, N.Y.; Buffalo, N.Y.; Cleveland; and Niagara Falls, N.Y.

How many of these projects will be finished before the end of 1975—or even the late 1970's—now is the main question mark for EPA planners. It is hoped, however, that some facilities—such as the large Duluth, Cleveland, and Detroit projects—can be either finished, or at least well along by 1976.

[From the Plain Dealer, Apr. 8, 1974]

UNITED STATES TRAILS CANADA IN CLEANUP OF GREAT LAKES

(By George P. Rasanen)

WASHINGTON.—President Nixon's impoundments of federal water quality aid, including more than $150 million for Ohio, could slow U.S. efforts to clean up the Great Lakes, Christian A Herter, Jr. of the International Joint Commission (IJC) conceded in an interview here.

In a surprising but cautious reaction, Herter admitted the United States was already behind Canada in meeting U.S. and Canadian treaty commitments to improve the quality of the Great Lakes, including Lake Erie.

He said Nixon's withholding federal aid authorized by Congress could further slow water quality projects over the next four to five years, but he insisted no evidence existed to show impoundments have had any immediate adverse effects.

Herter made his remarks in response to Plain Dealer questions following a semi-annual meeting of the IJC held here throughout last week.

The IJC is a U.S. and Canadian agency authorized by a treaty signed in 1909 to try to solve mutual problems between the two countries. Herter is the U.S. chairman of the IJC.

The IJC, following its private meetings here last week, had hoped to report that the quality of the Great Lakes was showing significant signs of improvement.

"Little can be definitely stated about changes in overall water quality because data analysts, interpretation and quality control will continue lagging behind information gathering until governments assign more resources to data analysis," the IJC reported officially.

IJC analysts did, however, find improvement in the quality of water in Lake Erie near Vermilion, Mentor, Painesville and Toledo where advanced treatment of sewage and other wastes is proving effective.

IJC studies did show Lake Erie's pollution has not grown worse since 1970.

That alone, analysts, said, may attest to the soundness of remedial programs, despite economic growth on the U.S. and Canadian sides of Lake Erie.

For Cleveland, the IJC could find no significant improvement in the quality of the lake immediately off the city's shoreline.

"Perhaps the Cuyahoga River has been made fireproof, but our information now does not show significant improvement," Herter said.

Major antipollution projects lagging behind completion schedules included waste water treatment plant improvements now under jurisdiction of the Cleveland Regional Sewer Authority.

Herter said the latest information shows that Cleveland antipollution projects are to be finished in 1978, with other major projects in Detroit and Buffalo to be finished by 1979.

About $7 billion in federal aid has been authorized for use by Great Lakes states for pollution projects. The funds, however, have not been released.

"I've been assured that the money will start moving out (to the states) in about two months," Herter said.

Herter said administrative procedures imposed by Congress have caused a holdup in federal funds being released to the Great Lakes states.

Rep. Charles A. Vanik, D–22, in response to Herter's claims, asked the General Accounting Office to examine and explain the delays in getting the federal aid to the states.

Maxwell Cohen, Canadian chairman of the IJC, said he was not qualified to make a judgment on Nixon's impoundments.

"I think the will is there for the U.S. to keep its commitments," Cohen said.

The 1972 U.S.-Canadian treaty to clean up pollution called for both governments to spend up to $8.8 billion to have antipollution projects under construction or completed by Dec. 31, 1975. Herter said the United States expected to have all projects under construction by the deadline, but the federal government is behind Canada in meeting commitments.

[From the Library of Congress, Congressional Research Service, Washington, D.C., Feb. 5, 1974]

UNITED STATES-CANADIAN GREAT LAKES WATER QUALITY AGREEMENT

To: Honorable CHARLES A. VANIK.
From: S. William Becker, Analyst, Environmental Policy Division.

TERMS OF THE AGREEMENT

On April 15, 1972, the United States and Canada signed an intergovernmental agreement committing themselves to a massive clean-up effort designed to enhance the quality of the Great Lakes. The program calls for the following:

(1) A commitment to construct municipal waste treatment facilities in all of the major cities of the Great Lakes region by December 31, 1975, in order to provide levels of treatment consistent with the achievement of specific water quality objectives.

(2) The establishment of treatment requirements to eliminate mercury and other toxic substances, control thermal discharges, and reduce the emission of radioactive materials from industrial sources of pollution.

(3) The control of eutrophication, the major pollution problem identified by the International Joint Commission (IJC) in a study of the lower lakes (1970). Both the United States and Canada agreed to a 60% reduction of phosphates in Lakes Erie and Ontario by 1976.

(4) Provisions to control pollution from a) agricultural, forestry, and other land use activities, b) shipping activities, c) dredging, d) onshore and offshore facilities, and e) oil and hazardous substances.

The International Joint Commission was assigned the following responsibilities of assisting the U.S. and Canada in implementing the agreement:

(1) Collecting and analyzing data relating to water quality in the Great Lakes.

(2) Monitoring the operation and effectiveness of the programs.

(3) Reporting annually to the participating parties and making appropriate recommendations.

(4) Conducting public hearings when necessary.

(5) Establishing the Research Advisory Board to review Great Lakes research activities at regular intervals.

As a result of the 1970 International Joint Commission study which became the basis for the agreement, the IJC estimated the total costs of upgrading municipal facilities to meet water quality objectives to be $2 billion for the United States and $250 million for Canada. These estimates were primarily determined according to the amounts of pollutants each country discharges into the Great Lakes.

CARRYING OUT THE PROVISIONS OF THE AGREEMENT

While Canada has taken great initiative in meeting provisions of the Treaty, there has been some doubt as to whether the United States is fulfilling its responsibilities under the agreement.

With regards to funding levels for municipal waste treatment projects in the Great Lakes Basin area, the EPA has provided through October 1973, approximately $426 million for 115 projects, roughly 21% of the original estimate. Canada, on the other hand, has allocated almost 75% of its original commitment of $250 million, placing 16 new municipal treatment facilities into operation and making improvements on 18 others.

A second area where the United States may have fallen behind in its responsibility concerns staff authorizations and funding. In its 1972 report on water quality of the Great Lakes, the IJC concluded that the U.S. "has provided insufficient staff authorization and funding for complete and effective Commission and Board activity to date and for fiscal year 1974. These circumstances have caused target dates to be missed on some activities and have seriously impaired the capability of the Commission and its Boards to report progress and make recommendations at this time". While Canada's procedures for hiring have delayed staffing thus far, the county has at least committed staff authorization and funds as recommended by the IJC.

A third area where U.S. efforts have lagged is in the control of wastes from pleasure craft. There are several areas in the Great Lakes region where adequate receiving (pump-out) facilities are lacking. A target date of April 15, 1973 was set for meeting this provision and neither country has fully complied. In its 1972 report, the IJC recommended that the Federal and State Governments of the two countries "formulate programs to ensure the prompt provision of adequate receiving facilities for both pleasure craft and commercial vessels and that agreement by the Governments on compatible regulations based on a no-discharge policy from all vessels be reached by December 31, 1973".

As you are probably aware, Acting Administrator of the Environmental Protection Agency, Robert Fri, issued a policy statement last year to the effect that all waste treatment projects in the Great Lakes area had to be given enough priority (under the priority system for distributing waste treatment construction grants) so that the project would receive 75% grants from the Federal Government. Those states failing to comply with the policy statement would not have their planning processes accepted by their regional administrator. The EPA policy statement met with such controversy among several of the Great Lakes states that bills (S. 2812 and H.R. 11928) were introduced in the House and Senate to remedy the situation. A law was enacted on January 2, 1974, amending Section 511 of the Federal Water Pollution Control Act Amendments of 1972 and providing the following (P.L. 93–243):

"Notwithstanding this Act or any other provision of law, the Administrator (1) shall not require any State to consider in the development of the ranking in order of priority of needs for the construction of treatment works (as defined in title II of this Act), any water pollution control agreement which may have entered into between the United States and any other nation, and (2) shall not consider any such agreement in the approval of any such priority ranking."

The intent of this law was to eliminate the pressure by the Environmental Protection Agency on the states bordering the Great Lakes (and Mexico) "to give precedence in the development of the ranking, in order of priority, of needs within that state for construction of those waste treatment works required to meet international agreements of the United States with other such nations." The amendment now permits a state to determine for itself whether it would be in its best interest to consider international water pollution control agreements.

A Great Lakes border state, wishing to carry out the provisions of the U.S.-Canadian water quality agreement, has at least three options available. First, the State may choose to include the Great Lakes project in a high enough priority so as to obtain 75% construction grants from the Federal Government. In doing so, however, the State risks the possibility of meeting the international obligations at the expense of people who live in areas removed from the drainage basins of the boundary waters, and whose project has received a lower priority. Secondly, as was indicated by Congressman Roberts (*Congressional Record*, December 18, 1973), the Public Works Committee "would certainly give favorable consideration to a proposal for legislation authorizing the construction and providing a source of appropriations for the necessary treatment works "to implement an international agreement.

According to Mr. Roberts, "This is not unlike other international agreements which our country has entered into and where either the President or the State Department has sought and obtained special legislation to carry out the requirements of international agreements." Thirdly, it was pointed out in House discussions on the proposed amendment that the problem of funding international agreements, such as the U.S.-Canadian water quality agreement, would probably never have arisen if the administration had funded the water pollution control program at the levels recommended by the Public Works Committee. Instead, the $9 billion impoundment of water pollution control funds over the past three years has eliminated funding of many "high priority" projects. At the present time, at least nine lawsuits involving fourteen plaintiffs have been filed in district courts against the Administrator of EPA over the failure to allot waste water treatment money to the states.

In summary, the major area where the United States is falling behind in its responsibility of meeting provisions of the water quality agreement with Canada, is that of funding municipal waste treatment facilities throughout the major cities of the Great Lakes states. Mr. ———— of the Environmental Protection Agency, has informed me (reinforcing previous discussions) that the major problem thus far in implementing the provisions of the agreement has been the inadequate funding levels. He emphasized, however, the long lead time in building municipal waste treatment facilities, and the

"recent" (October 1972) expanded funding levels under the FWPCA.

Mr. CONTE. Mr. Chairman, I have no further requests for time.

Mr. WHITTEN. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

None of the funds provided by this Act shall be used to pay the salaries of any personnel which carries out the provision of section 610 of the Agricultural Act of 1970, except for research in an amount not to exceed $3,000,000; projects to be approved by the Secretary as provided by law.

AMENDMENT OFFERED BY MR. CONTE

Mr. CONTE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CONTE: On page 3, line 16, strike the comma and insert in lieu thereof a period; strike lines 17, 18, and 19.

Mr. CONTE. Mr. Chairman, I rise to offer an amendment to strike all public funding for one of the most wasteful subsidies in our agriculture sector—the payment of $3 million to Cotton, Inc.

Cotton, Inc., is the publicity and research arm of the cotton lobby. But though it represents private interests, it has been very busy since special legislation was passed in 1970 "reeling in" tens of millions of dollars in Federal subsidies.

The arguments that justify this cotton boondoggle are threadbare.

This is another case of the Emperor's new suit of clothes. I hope my colleagues can see through the disguise and recognize that the Emperor, in this case "King Cotton," is making a streak for the public subsidy trough.

Last year, on both the agriculture appropriations bill and the extension of the Farm Act, Members of the House voted overwhelmingly to end this boondoggle. I urge my colleagues to repeat their votes of last June and July.

I recognize that in an agriculture bill, you need a little pork for flavoring. But this wallowing on the cotton lobby in the public trough has got to stop.

Mr. Chairman, of the big six commodity crops, cotton is the only one that receives Federal money for promotion and research. Thirteen million dollars of Cotton, Inc.'s budget comes from a $1-a-bale checkoff from cotton producers. But Cotton, Inc., does not spend this money.

Instead, Cotton, Inc., has preferred to spend its Federal subsidy money first, holding the private funds in reserve. At the moment, Cotton, Inc., has a reserve of approximately $10 million.

With this level of private resources, why is a Federal subsidy needed?

And why is a Federal subsidy needed when it is so misused?

Mr. Chairman, nearly 20 percent of Cotton, Inc.'s, budget is for staff and overhead expenses. Over 32 percent of salary expenses are for fringe benefits, none of which is paid by employees.

The top salary at Cotton, Inc., is $100,000 a year. An additional 14 employees earn over $30,000 a year. And I understand that there are discussions currently underway between Cotton, Inc., and the Department of Agriculture about raising these salaries.

Now I have heard the argument that these salaries are merely on par with the textile industry. That may be fine for the textile industry, but I am not going to make the American taxpayer pay for a penny of these exorbitant salaries.

Earlier this year, I supported the move to kill the salary increase for Congressmen. But now I am asked to appropriate funds for an organization where the top salary is more than twice mine. I will wear wool suits all summer in Washington before I vote a penny for Cotton, Inc.

I will not go into detail about Cotton, Inc.'s wasteful spending habits with public funds, because I am sure my colleagues recall the lurid details from last year's debates. Just to summarize, remember that Cotton, Inc., spent over $400,000 of taxpayers' funds for a private elevator, a private telephone system, cabinets, wall coverings, and granite flooring in the reception room for its offices in New York City.

Not only is Cotton, Inc., wasteful, but the cotton market situation rules out the need for public funds. In the past 5 years, despite increasing demands for fiber products, cotton consumption in the United States has decreased from 8 million bales a year to 7.6 million bales a year—a drop of 5 percent. Despite this decrease in domestic consumption, cotton prices are high and all the incentives are there to boost production. The oil shortage has given cotton producers an extra boost, because it has caused a shortage of those synthetic fibers that compete with cotton.

In my congressional district, there are half a dozen paper plants that use cotton fibers to make their fine paper products. But every week I hear from these plants that they cannot find any cotton fibers on the market to buy. So while there is a shortage of cotton available, the taxpayer is being asked to spend funds so the cotton lobby can find more customers and new markets.

Meanwhile, the price of cotton has grown like a weed. The wholesale price of cotton is 10 cents a pound higher than this time last year.

I hope my colleagues have followed the thread of my arguments, about the need to end public funding for Cotton, Inc. It should be ended now, so that Congress does not have to spin this same yarn every year.

I urge my colleagues to pass this amendment so that this cotton lint and waste can be combed out of this bill, and these subsidy-picking cotton hands can be plucked from the taxpayers' pockets.

Mr. WHITTEN. Mr. Chairman, I rise in opposition to the amendment.

We have by law certain advantages declared fair by law, such as bargaining rights of labor unions, minimum wages, the right of industry to mark up its prices, protective tariffs, things of that sort. It has become increasingly necessary to protect the income of the producer of raw materials; otherwise he will be pushed to the point where he cannot stay in business.

As we have learned in the depressions we have had, if we lose purchasing power at the farm level, we certainly are going to feel it all the way through the economy. With respect to Cotton, Inc., as we know, the cotton industry for many, many years was in serious trouble.

Why? Because during World War II and the Korean conflict, the producer was urged to go all out in producing cotton. Then when the war was over, we made $20 billion available to industry to reconvert to peacetime activity, but nothing for the farmer.

If the Members will look at volume IX of last year's hearings, they will see we had over 7 million bales of cotton that the world was crying for, but we had a domestic policy where we would not let it be exported.

If the Members will review the other investigations which I initiated as chairman of this subcommittee, they will find we had 714 experts in foreign lands teaching them how and helping them to produce cotton.

In that period of time we ran into some really major problems with this commodity that is so important to so much of the United States.

As a result of that, we have had a terrific problem of trying to make cotton competitive with the synthetic fibers which were developed at a time when we held cotton off the market. We had a terrific problem in trying to keep cotton competitive with foreign production which American interests were financing.

As a result, the Congress, in its wisdom, provided that up to $10 million could be used for cotton research and development. If we look at the hearings on page 673 we will see that much of the reason today that we do not have cotton in the hands of the Government through the Commodity Credit Corporation is because of the development we have had in research and to some degree because of the work of Cotton, Inc. in the field of making cotton more competitive and adapting it to meet the needs that exist, in a market where we have so many synthetics.

May I say again that your committee, though the law provides $10 million, has cut this back to $3 million. I just say that in looking at the cost factor, this $3 million is a really good investment.

Mr. Chairman, if I might have the attention of my good friend, the gentleman from Massachusetts—and he is my good friend—some years ago I recall that he could not travel abroad with his subcommittee. I asked the Subcommittee on Agriculture, that he be permitted to go along with them. If I had known he was going to become such an agricultural expert, I might have had a little more hesitancy in approving those trips.

Be that as it may, I do not think the trips have anything to do with it. I think he has found it is a good headline issue, maybe, in an area where they do not realize that cotton is important to them too.

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

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

Mr. CONTE. I want to say to my good

friend, the gentleman from Mississippi—and I mean this sincerely—that I have had the greatest respect for him. He is a great debater and was an excellent district attorney. But let me tell the gentleman one thing: He has been a very good tutor. He taught me where the skeletons are in the bill.

Mr. BURLISON of Missouri. Mr. Chairman, will the gentleman yield?

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

Mr. BURLISON of Missouri. I appreciate the chairman's emphasizing the fact that the commitee has reduced the $10 million that the law authorizes to the $3 million that is in this bill.

I would like to emphasize another point, one point that was made by my friend, the gentleman from Massachusetts, and that was how the price of cotton is spiraling. It is not true. I would say to my friend, the gentleman from Massachusetts, that in recent months the price of cotton has fallen dramatically, while at the same time the cost of production of cotton has risen just as dramatically, and the cost of fertilizer and chemicals and other of the inputs that are necessary to produce the cotton crop have risen.

Mr. WHITTEN. Mr. Chairman, may I say again—and I hope the Members will listen to me seriously, because I was just as serious before, if we do not keep cotton competitive with these synthetics made by the big corporations, which design new products constantly and which have a tremendous amount of money, we are going to have a real problem with those in this Nation who grow cotton and are involved in its manufactured products.

The CHAIRMAN. The time of the gentleman from Mississippi (Mr. WHITTEN) has expired.

(On request of Mr. BURLISON of Missouri, and by unanimous consent, Mr. WHITTEN was allowed to proceed for 2 additional minutes.)

Mr. WHITTEN. Mr. Chairman, if we do not continue to make progress toward keeping cotton competitive with synthetic fibers, we are going to have economic chaos in a big part of the country, and it might be felt even in Massachusetts.

Mr. MAHON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, we often find it necessary in our legislative work to compromise issues when they arise, and no Member is able to get in every case just what he wants in the way of legislation.

There is an authorization in the law for $10 million for this cotton research program. There has been objection to that, and as a result of the attacks that have been made on this provision, the committee has brought in a proposal, as explained by the chairman of the subcommittee, Mr. WHITTEN, for $3 million, which is the figure from last year. This we thought was a reasonably acceptable compromise to all parties concerned.

This does not suit the cotton industry, and it does not suit any who are against any kind of contribution to this research program. However, I think it is the best we can do, and I hope this amendment will be voted down.

As we know, the cotton producer contributes $1 per bale for research and promotion of cotton, including sales, and so forth.

Those funds raised by the farmer are used for those purposes. The $3 million provided by the Federal Government is strictly for research. We have research funds in many areas of Government, covering agriculture and other fields.

It is very important that we have a viable agriculture. We had a great year last year, but we are faced this year with falling prices in many agricultural commodities. It is absolutely essential to this Nation, to the economy of this Nation, that we have a healthy export program. We would have been in a disastrous situation last year, in respect to our balance of payments, if it had not been for agricultural exports. Agricultural exports last year totaled $17.7 billion. Cotton was a significant contributor to this favorable balance.

Mr. Chairman, it was announced, I believe, yesterday, that we are now in a favorable balance-of-trade situation by a relatively small figure. Anything we can do to encourage the producers to make it possible for us to export more and more and bring in more and more dollars is in the public interest. The essential point is not that this is helpful to the farmer. It is helpful to the farmer, but it is absolutely essential to the economy of the country that with relation to cotton and wheat and other commodities which are produced by the farmer, we take proper steps to encourage greater production. The consumer profits from this.

Mr. Chairman, I am hopeful that the Members will do as they finally did last year, and provide the $3 million which is proposed in the pending bill.

Mr. ROSENTHAL. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I wonder if our distinguished colleague from Mississippi can tell us a little bit more about the mechanism and the construction of Cotton, Inc. Is that a private group or corporation of producers, and what is its purpose, or what is its concept and what are their responsibilities?

Mr. WHITTEN. Will the gentleman yield?

Mr. ROSENTHAL. I yield to the gentleman.

Mr. WHITTEN. My recollection is the gentleman was a member of the Committee on Agriculture at the time this was provided for in the law, so he is probably as familiar with it as I am.

My understanding is that Cotton, Inc., had a different name when the law was first passed by the Committee on Agriculture.

Mr. ROSENTHAL. Council.

Mr. WHITTEN. A cotton council or committee which turned into Cotton, Inc. It does have under its basic law certain authorities and responsibilities.

I may say further to the gentleman that our committee in the first year of Cotton, Inc.'s existence raised the question as to whether Congress had the right under existing law to review its activities each year. We took the view that not only did we have that right but we should supervise it.

Mr. ROSENTHAL. Within the time limitations that I am permitted I would like to understand clearly whether the motivation of those who belong to this private corporation is to sell more cotton overseas. Is that essentially right?

Mr. WHITTEN. Insofar as I am concerned—and, as I say, I am not on the legislative committee and I am speaking from my general understanding—the sale overseas of cotton is not its primary obligation nor its primary purpose but, rather, it is research and development on cotton to make it more competitive in the domestic market and to make it be more in demand by the consuming public and to make it more popular so that it will be competitive along with synthetics.

Mr. ROSENTHAL. I think I understand what the gentleman is saying. Why should the Federal Government contribute to that kind of a function?

Mr. WHITTEN. The only way I could justify any such action would be the history of other actions we have taken.

Mr. ROSENTHAL. Other than history.

Mr. WHITTEN. Wait a minute. We have spent billions of dollars in the past on the development of other commodities in order to make them competitive in world markets. Our hearings disclose that because the cotton grower had been put into a secondary position there were 53,000 farm families that were on the road without employment because of the past history in this field. I feel that if $3 million can be spent to keep that commodity competitive and keep the industry going, our economy in about six or eight States of this Nation is materially assisted. Compared to the tremendous cost to the Federal Treasury years ago because of the unemployment situation brought about by a reduction in this industry, this is a very insignificant amount.

Mr. ROSENTHAL. What disturbs me is why cannot the producers themselves pick up that small tab of $3 million? I ask that because it is in their own interest and they are making a profit out of it.

Mr. WHITTEN. There are a lot of reasons. The cotton industry has a great many problems because of the cost of labor, the cost of chemicals, and other matters.

Mr. ROSENTHAL. Do we do this for any industry other than agriculture? In other words, do we support the sale of their products?

Mr. WHITTEN. I do not know whether we do it exactly in that way. For example, the suit that the gentleman has on. I do not know what material it is made of. I think he can buy that suit for the price he paid as a result of laws which we passed which contributes to the maintenance of the industry which makes the material that goes into that suit. I believe that is a big part of it because the raw materials probably only amount to about 25 percent of the total cost.

Mr. ROSENTHAL. What we are really doing is subsidizing the selling cost of cotton producers. Is that not correct?

Mr. WHITTEN. No. We are trying to look after the national economy by not having the total cotton industry in chaos which we did have at one time. If this happens again, we might have to spend many, many times this amount of money.

Mr. ROSENTHAL. Do you have any projection as to whether this program should continue?

Mr. WHITTEN. Well, I am chairman of the subcommittee and the subcommittee held it back to $3 million on the ground that we could probably get a better use of the money in that way.

Mr. ROSENTHAL. The amount of money involved does not bother me, but what does bother me is the principle as to why we should use Federal funds to support the selling and promotion of a particular product. I have difficulty with that.

Mr. BURLISON of Missouri. Will the gentleman yield?

Mr. ROSENTHAL. I yield to the gentleman.

Mr. BURLISON of Missouri. I think it would be of interest to my friend from New York to note that the expenditure of this $3 million will have to be on projects and programs that are approved by the Secretary of Agriculture. This is not an appropriation to be used at the pleasure of the cotton industry.

Mr. ROSENTHAL. I appreciate that. Frankly, that does not impress me very much. I did an investigation of this program some 8 or 10 years ago. I was unhappy with it then, and I am amazed that it continues. I do not know of any other industry where we subsidize the sale of and promote its particular product.

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

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

Mr. CONTE. Mr. Chairman, I thank the gentleman for yielding, and I want to associate myself with the remarks of the gentleman from New York. The gentleman is absolutely right. We are not getting a real clear answer on this. There are six major crops such as soybeans, corn, wheat, and so forth, and this is the only one that gets Federal funds for promotion and research. We do not have such a program for the applegrowers, we do not have it for the orangegrowers, or for any other commodity.

Mr. ROSENTHAL. Why does cotton get this favorable treatment?

Mr. CONTE. Because it has a strong lobby here.

They keep saying that this is a compromise figure. Well, by a vote of 241 to 162 we moved to strike all of these funds last year. It was in the conference that they put this $3 million back in. The House of Representatives has never compromised on this figure. On two rollcalls that I called for they moved to strike all of the funds. Prior to that were they were getting $10 million, and at the same time they were getting billions of dollars not to plant cotton.

Mr. STEIGER of Arizona. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I get the awful feeling that we are in the position of being bogged down in rhetoric and losing sight of the issue at hand.

Recognizing that those of us who represent the powerful, overwhelming majority of this House from the eight cotton producing States, which I think make up some 32 Members at the outside, shows that the concept of sheer muscle power being responsible for the existence of this program is nonsense.

The fact is that the reason there is no research program for apples, or there is no soybean research program that I know of, is for the simple reason that there is no synthetic competitor to apples or soybeans or any of the other crops that have been mentioned. The fact is that this ongoing research money is not designed to either shore up or make it easier to sell cotton. The fact is that the ultimate winner in this one can honestly be said to be the consumer, because whatever is done to make cotton more salable will have to result in its reduced price to the consumer.

Therefore, our Federal obligation is certainly at least as well defended as that Federal obligation which my great and good friend, the gentleman from Massachusetts (Mr. CONTE) and my equally good friend, the gentleman from New York (Mr. ROSENTHAL) the previous speakers here, the same rhetoric and same rationale that they used in supporting the subsidies for newspapers, magazines, et cetera, can be used.

My friend, the gentleman from New York, asked what other industries in this country are subsidized in this way. I will tell my friend it comes to my mind that organized labor is subsidized this way; in fact, not only is organized labor so subsidized, but I am sure that as I suspect the gentleman will not vote to reject a future amendment to reject the concept of subsidizing food stamps to strikers.

I would also tell my friend, the gentleman from New York, I would suspect he will support such a subsidy. I am sorry the gentleman is not here—yes, I see him in the back of the room. Wonderful. I am certainly pleased the gentleman could make it back. I will tell my friend that whatever rationale is used to subsidize feeder airlines and the major airlines in this country might properly be applied here.

Of course, the fact is that if we resisted the billions of dollars we use to subsidize newspapers, magazines, airlines, organized labor, and so forth, we would not make any points in the big urban areas. But if we can shoot at cotton, or, as my learned agricultural expert here from New York is going to shoot at peanuts, I understand—there is a brave soul. He is going to take on the entire peanut lobby, that massive, powerful organization. He may not make any friends in the peanut industry; he does not care if it beats him in New York—he is going to shoot at the peanuts.

I want my colleagues to remember that this is a defense of the budget in the face of the mammoth and powerful cotton industry; I want my friends to remember that when the gentleman from Massachusetts leaps in here to defend silver, that we get a little different thing going there.

My colleagues all understand the exercise that is going on. They understand why I am in the well. It is because I represent the cotton industry and I represent cotton growers. I will tell my friends that I told my cotton growers I thought they ought to pay for this program, but in the absence of their paying for it at this time we are kidding ourselves if we stop the program and wait for them to regroup to pay for it, because we are going to lose the continuity of research that is ongoing, and that just does not make any sense.

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

Mr. STEIGER of Arizona. I would not yield to the gentleman from Massachusetts for $3 million.

Mr. CONTE. How about $200,000?

Mr. STEIGER of Arizona. I do hope the Members recognize that aside from the political responsibility we have here to ourselves, we do have a responsibility for rational handling of this budget. If we interrupt the research that is ongoing, we really do a great disservice to that money which has been spent. I suggest we spend a lot of valuable time on this matter now. I suggest that all of the political hay has been wrung out, and I hope that my colleagues will defeat the amendment and will recognize it for what it is.

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

Mr. SISK. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I am sure I would probably be just as well off in these remarks right now to put this material in the RECORD. The problem with my good friend, the gentleman from Massachusetts, is he will not read it. I have been, for several years, inviting him to become a little better informed on what is actually going on in connection with really one of the most valuable commodities to the economic well-being of this Nation that we produce, but my friend, the gentleman from Massachusetts, apparently finds other places to go and other things to visit, because it is evident from the information he has passed out here today that he still has not learned very much about this program or what is going on.

I appreciate the fact that it is a great vehicle to be reelected on, I guess, in Massachusetts.

I am reminded of my good friend, the gentleman from Kentucky, Mr. Siler, who had a little bill—some of us remember; I see my good friend, the gentleman from Kentucky (Mr. NATCHER) nodding his head—in which he was going to repeal liquor or liquor advertising. Finally, after a number of years, the committee reported it out, and it almost scared him to death because it would destroy the issue on which he had been elected for a number of years.

I made a little talk to some farmers out in California earlier this week in which I suggested that we increase the

check-off which was authorized—and I hope my good friend, the gentleman from New York (Mr. ROSENTHAL) is around and available, because I believe he was on the committee when this program was authorized back in 1966—in which the farmer has $1 a bale check-off. His contribution to this program was, I believe, something like $12 to $13 million this last year. The 610 funds which were authorized by an act of this Congress are the funds, of course, that we are talking about here in connection with this appropriation bill.

Under that provision, in order to get this program off the ground to give some assistance to this particular industry and importance to this country, those funds were to be used for research.

I should like to call the attention of some of my colleagues to the fact that there is nothing new here. We have all kinds of research going on in connection with soybeans and oilseeds. It would be interesting if one were to take a look at how much money we are appropriating for research in a whole variety of agricultural commodities. Basically, these funds—and this is where the misinformation, unfortunately, has been peddled by those who apparently have not taken the time to really find out what is going on—here are dealing with research. They are dealing, for example, with byssinosis.

The allocation for this year's research program by Cotton, Inc., for byssinosis is over $1 million. That is only one facet. I do not know how many of the Members, I am sure most of them, and I know I did vote to support all kinds and types of research in black lung and the problems we were having in the coal industry. We have unfortunately what is referred to as "brown lung" in connection with the cotton industry. This is only one area in which research is being done at the present time. I have a long list of projects, pure and simple research projects, which Cotton, Inc., is involved in. These are the purposes for which we use these dollars we are talking about—and there are only $3 million out of the $10 million which actually have been authorized which are hereby appropriated, and I am personally very disappointed with that. We frankly need the entire $10 million.

I have frankly advocated a phaseout as early as possible of this program. I have said so to my farmers I talked to in my area just this week, that we have to increase the checkoff to the extent that the growers pick up 100 percent of the tab both in research and sales promotion. At the present time under the accounting procedure, sales and promotion are handled exclusively from producer checkoff funds.

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

(On request of Mr. BURLISON of Missouri and by unanimous consent, Mr. SISK was allowed to proceed for 2 additional minutes.)

Mr. SISK. I thank the gentleman for seeking this additional time for me.

Mr. BURLISON of Missouri. Mr. Chairman, will the gentleman yield?

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

Mr. BURLISON of Missouri. Mr. Chairman, I would briefly like to say there have been some vague references here that this program is of some value to the consumer. I think the record ought to be more specific in this respect. I would like to point out to the Members that in the last year our agricultural export program yielded about a $10 billion favorable trade balance while the rest of the economy had a $10 billion trade deficit, while at the same time the imports of oil products cost us about $10 billion. So would the gentleman agree that on this point alone the work we do in the agricultural research to improve our export strength is a tremendous lift to the consumer element of our economy?

Mr. SISK. There is no question. I agree with the gentleman 100 percent.

Cotton has made the largest single contribution over the last 100 years to the favorable trade balances on behalf of the U.S. economy in our trade with foreign countries. It still is a substantial item. Also, I think there are many other areas where it makes a tremendous contribution to the American consumer, because we are all consumers, but particularly I do completely agree with the statement made by the gentleman from Missouri.

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

Mr. SISK. I yield to my friend the gentleman from Massachusetts.

Mr. CONTE. I am sorry every year when we get into this debate the gentleman from California gets personal with me.

Mr. SISK. I am sorry we get into it but I thought the gentleman enjoyed it.

Mr. CONTE. Is that a polyester shirt the gentleman is wearing? He is such a cotton expert.

Mr. SISK. It has a little cotton in it.

Mr. CONTE. It is a very little cotton. That is a synthetic.

Mr. SISK. Has the gentleman tried to buy a cotton shirt lately?

Mr. CONTE. The shirt the gentleman has on is as synthetic as this program.

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

(By unanimous consent, Mr. SISK was allowed to proceed for 2 additional minutes.)

Mr. SISK. Mr. Chairman, let me say to my good friend that, if I have hurt his feelings, I deeply apologize. I thought he always enjoyed this exercise because we seem to have gone through it year after year. I well understand his point of view. I still wish though I could get the gentleman up to New York and to some of the other places so he could really find out what is going on. Very frankly, I do not know of any fancy quarters anywhere. Let me say to the gentleman I have spent some time traveling up in New York and I have been down to Raleigh and I have been to the laboratories, I have been to Mississippi, and I have been to Starkville and I have been in Texas recently to the laboratories there.

I frankly made a commitment here last year that we would look into it, and as chairman of the Cotton Subcommittee I have, and try to guarantee that there are no abuses in connection with the use of these particular funds. I frankly stand here today and assure the Members that the Federal funds that are involved are not being used in connection with sales and promotion. These are checkoff funds which the grower is putting up.

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

Mr. SISK. I yield to the gentleman.

Mr. CONTE. These are not my figures. These were brought about by the Comptroller General, Mr. Staats. Last year I put the whole record in, the whole report.

The gentleman does not dispute that Mr. Wooten, the president, gets $130,000 a year?

Mr. SISK. Well, there are presidents of corporations all over the country who get more than $130,000 a year, some of them $300,000 and $400,000.

Mr. CONTE. But not paid by the taxpayer?

Mr. SISK. This is not being paid by the taxpayers. This is being paid by the $1 a bale checkoff paid by the cotton growers of the country.

At this time I would like to spell out some of the projects in which Cotton, Inc. is involved.

PROGRESS IN AGRICULTURAL RESEARCH

The pink bollworm is under attack. Research led to development of an economical, synthetic sex attractant, which when broadcast over a field, so confuses the male insect that he cannot locate the female and mate. Field trials last year were so successful that in 1974 the entire 5,000 acres of cotton in southern California's Coachella Valley will be treated. Success here will lead to full expansion to all pink bollworm infested areas.

The uniform droplet nozzle, using the principle of sonic pulsations, delivers herbicides and insecticides with significantly greater accuracy, control, and efficiency. "Drift" is reduced, protecting human operators and neighboring crops. Now under actual field testing by the USDA in Mississippi, this invention can lead to lowered chemical application to cotton with increased ecological protection.

The module builder was developed by a Cotton Inc. research project at Texas A. & M. University. It is part of a complete seed cotton handling system bridging the field and the gin. The system embodies a compacting machine which compresses picked cotton into ricks that stand freely on pallets. Later, at the convenience of the farmer, the modules are winched into a transporter and pulled at highway speed to the gin. At the gin the modules can be stored and, when gin schedule permits, be fed into the gin by another Cotton, Inc., invention—the automatic gin feeder.

The automatic gin feeder cuts down on scarce gin labor and creates a

smoother flow of cotton, virtually eliminating "choke ups." It also helps blend and fluff the cotton for better ginning. The entire system saves time and money. Harvesting efficiency is increased in the field and handling efficiency at the gin. Ginning schedules are stretched as is capacity with modest investment. This system is commercially on-stream. Over 500,000 bales were stored by a form of this system in 1974.

Short season is a cultural concept involving many elements, such as plant varieties, land preparation, planting configurations, and harvesting practices. The concept leads to a compressed crop that has the same or even higher yield despite a shorter growing season. The benefits are cost savings, resulting from fewer herbicide and insecticide applications, reduce irrigation and once-over harvesting. The fiber quality is also more uniform, thus more desirable.

PROGRESS IN TEXTILE RESEARCH AND DEVELOPMENT

Fire retardance research has been intensive to comply with governmental standards. A joint research project with a major textile mill led to successful commercialization of earlier USDA technology. Called fire stop cotton, fabrics containing at least 70 percent cotton are rendered flame retardant, meeting the Federal children's sleepwear standard. The method is superior because the fabric remains soft and comfortable—important for sleepwear—and maintains strength where others are weakened.

Further research has resulted in second generation technology, rendering the process more efficient as well as making the flame retardant finish more durable under repeated washings.

Research has also led to the successful development of a testing apparatus which simulates in 1 hour the required 50 wash/dry test cycles that normally require a week. This will save costly time for mills and manufacturers who want to use flame retardant cottons.

Another research project has successfully solved the new fire retardant requirements covering cotton batting in mattresses and furniture. This treated batting, called flex-xel cotton, in addition to satisfying the cigarette-resistant standard is also more resilient and comfortable.

Durable press research has resulted in several important breakthroughs. The vapor phase durable press treatment for high cotton blends is in commercial use by several leading uniform rental/commerical laundries.

A newer development, called cotton press 1011, imparts excellent durable press, shrinkage control, and color retention to heavier weight cotton fabrics. Garments are currently being wear-tested to measure all aspects of this superior process before commercialization.

Knitting research has been exceptionally active and productive due in large part to the inhouse knitting laboratory at the research center in Raleigh. For example, the heretofore 100 percent synthetic double knit market is now being penetrated by a Cotton, Inc. development—a double knit fabric of 60-percent cotton 40-percent polyester, which delivers the strength and stretch of polyester plus the added virtues of cotton: Comfort, softness, no snagging or static, and air permeability, which makes apparel cool in summer and warm in winter.

This development originated with yarn research in which a blended cotton-polyester yarn was perfected so that it would run efficiently on knitting equipment designed originally for synthetic filament yarns.

Other knit research has resulted in successes in warp knits, novelty yarns for single knits, and high speed tricot knits.

PROGRESS IN TECHNICAL SERVICES AND EDUCATION

Technical services is a department under the textile research division that offers to mills and manufacturers a speedy problem-solving capability so that mills find it easier and more efficient to run cotton. Technical services experts have solved spinning problems, have laid out more efficient processing lines, and have even shown a clothing manufacturer how to eliminate unwanted wrinkles in men's cotton suits, saving him from needing to "mark down" the garments as "seconds."

Educational activities are varied, but one of the most intensive is working with USDA extension home economists by creating and supplying booklets on what to look for when buying cotton apparel and how to sew at home with cotton fabrics.

Agricultural research implementation takes research discoveries and translates them into on-farm practices that will immediately pay dividends to cotton producers through lower costs and higher yields. Last year 42 field demonstrations were conducted throughout the Cotton Belt as part of this effort, which also included the creation of education "how to" films and pamphlets.

THRESHOLDS FOR POTENTIAL BREAKTHROUGHS

A significant portion of our energies, manpower, and resources are targeted against a group of projects which, if they succeed as we expect, can offer tremendous potential to cotton producers and the entire industry. The leading projects are:

Seed banks is the concept whereby reserves of seeds of various fiber qualities would be held in storage—for example, specialty cotton with more lustrous fiber. As market research predicts textile and fashion direction, seed varieties of the appropriate fiber type would be made available to commercial seed breeders. Within 3 years enough seed could be bred from these starter quantities to supply any amount of fiber required. By employing a national cottonseed bank, cotton would be able to meet any market expectations.

Byssinosis is the problem of cotton "dust" confronting U.S. mills. A major amount of research is devoted to solving this problem for our customers. A three-pronged attack is being carried out, all tied into the model cardroom at North Carolina State University. The model cardroom is a laboratory-controlled area which duplicates the mill conditions where cotton is first opened from the bale and fed into cleaning equipment. All of our research approaches are measured as to their ability to reduce byssinotic reactions by known byssinotic volunteers. Research is aimed at breeding "cleaner," trash-free cotton, producing cleaner cotton through new harvesting and ginning techniques and isolating the causative agents botanically and medically.

In a project for acid delinting of planting seed, is currently in a pilot test in Mississippi. An improved delinting process makes more efficient use of sulfuric acid, thus lowering costs and reducing pollution problems.

Gin waste pyrolysis is a research area in which we are attempting to solve the problem of gin waste disposal in a novel and positive manner. The project calls for the burning of waste in a controlled system to eliminate pollution. At the same time, offgases are being captured and methane removed. This methane gas has commercial value and can be used to generate power or for drying cotton at the gin.

Nonwoven is a method of fabric formation which today accounts for a huge quantity of fiber but very little cotton. This research is aimed at obtaining an important share for cotton in products like disposable diapers, sanitary napkins, and industrial wipes. Cotton Inc. is intensively working at an economical system scouring and bleaching cotton fiber to make it commercially acceptable for nonwoven manufacture.

International marketing is their newest division. It has the objective of enlarging the export market for U.S. cotton. To accomplish this goal, they are building close working relationships with the leading mills in major European markets. The key to raising the quantity of U.S. cotton used by these mills is the marketing support and textile research and development capability they can offer. No other cotton-producing country is currently in a position to compete in this way. For example, a durable press system created by Cotton, Inc. research has particularly good application for European mills because of the wash-boil line drying home laundering technique practiced throughout most of Western Europe. They are currently developing a licensing program of this system for European mills which can lead to greater usage of U.S. grown cotton.

CRITICAL NEEDS

A number of opportunities are currently receiving only a portion of the attention they merit solely because of budget limitations. They are:

Twistless yarns are a new development of yarn formation which can hold enormous potential for cotton. A great deal of research in the area of yarn adhesives and machinery is required. Without sufficient funding, Cotton Inc. is forced to take an interested but secondary position when they should be in the forefront. Without a preemptive position for cotton, there is always the risk that synthetics, with their greater resources, will move into a dominant position on twistless yarns.

Open end spinning is a high-speed

spinning method that is sweeping through the textile industry. Many mills have purchased open end equipment and must reach a decision as to what fibers they will spin. Unless cotton makes information, methods, and test data readily available, mills could gravitate toward synthetics. Cotton Inc., has taken action by purchasing a sample open end frame, which will be used to develop initial capability. Added funds would let them broaden their research in this promising field.

Vapor technology covers an area from which several cotton research successes have come—two in durable press and one in flame retardance. As a result, cotton has exceptional expertise in a field that could ultimately be as broadly employed in textile finishing as water systems are today. The potential advantage with vapor technology is that it utilizes completely closed systems. Chemical costs are generally lower, waste disposal minimal. The pollution problems of water disposal are totally avoided. With additional resources cotton could rapidly acquire a dominate position in what could be the textile technology of the future.

Pollution effluents is a complex problem involving the disposal of dyeing and finshing effluents. Projects are underway, but in view of government deadlines, more intensive work would be desirable, funds permitting, to accelerate results. For example, proposed regulations are extremely disadvantageous to cotton finshing and dyeing because cotton in some instances requires 5 times the water that synthetics do. Regulations of this type can drive mills toward synthetics unless cotton can offer a viable solution. It is a race against the clock, and the rules favor synthetics.

These are some of the projects in which this group is involved. I ask you to reject the amendment of my colleague from Massachusetts.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts (Mr. CONTE).

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 182, noes 189, not voting 62, as follows:

[Roll No. 314]

AYES—182

Abzug	Broyhill, Va.	Culver
Adams	Burke, Calif.	Daniel, Robert W., Jr.
Anderson, Ill.	Burke, Fla.	Davis, Wis.
Annunzio	Butler	Delaney
Archer	Byron	Dellenback
Armstrong	Carney, Ohio	Dellums
Ashbrook	Chamberlain	Dennis
Aspin	Chisholm	Devine
Badillo	Clancy	Diggs
Bafalis	Clausen, Don H.	Dingell
Barrett	Clay	Donohue
Bauman	Cleveland	Drinan
Bell	Cohen	Duiski
Biaggi	Collins, Tex.	Duncan
Biester	Conable	du Pont
Bingham	Conte	Eilberg
Blatnik	Conyers	Erlenborn
Brademas	Cotter	Eshleman
Bray	Coughlin	Findley
Brotzman	Cronin	Fish
Brown, Mich.	Frenzel	McKinney
Froehlich	Madden	Schroeder
Giaimo	Madigan	Seiberling
Gilman	Mallary	Shoup
Goodling	Maraziti	Shriver
Grasso	Mayne	Shuster
Green, Oreg.	Mazzoli	Skubitz
Green, Pa.	Mezvinsky	Smith, N.Y.
Gross	Miller	Stanton, J. William
Grover	Minish	Steele
Gude	Mitchell, Md.	Steelman
Hamilton	Mitchell, N.Y.	Steiger, Wis.
Hanna	Moakley	Stokes
Hanrahan	Moorhead, Calif.	Studds
Harrington	Moorhead, Pa.	Sullivan
Hastings	Nedzi	Tiernan
Hechler, W. Va.	O'Brien	Towell, Nev.
Heckler, Mass.	Owens	Van Deerlin
Heinz	Parris	Vander Jagt
Hillis	Patten	Vander Veen
Hinshaw	Peyser	Vanik
Holt	Pike	Veysey
Holtzman	Powell, Ohio	Vigorito
Horton	Railsback	Waldie
Hosmer	Rangel	Walsh
Hudnut	Regula	Whalen
Hutchinson	Reuss	Whitehurst
Johnson, Colo.	Rinaldo	Widnall
Johnson, Pa.	Robison, N.Y.	Wiggins
Karth	Rodino	Wilson, Bob
Kastenmeier	Roe	Wilson, Charles H., Calif.
Kemp	Rogers	Winn
King	Roncallo, N.Y.	Wolff
Koch	Rosenthal	Wydler
Kyros	Rostenkowski	Wylie
Lagomarsino	Roush	Yates
Lent	Rousselot	Young, Fla.
Long, Md.	Roybal	Young, Ill.
Luken	Sarasin	Zion
McClory	Sarbanes	
McCloskey	Schneebeli	
McDade		

NOES—189

Abdnor	Fulton	Murphy, Ill.
Addabbo	Fuqua	Murphy, N.Y.
Alexander	Gaydos	Murtha
Andrews, N.C.	Gettys	Myers
Andrews, N. Dak.	Gibbons	Natcher
Arends	Ginn	Nix
Baker	Goldwater	Obey
Beard	Gonzalez	O'Hara
Bennett	Gubser	O'Neill
Bergland	Guyer	Passman
Bevill	Haley	Patman
Blackburn	Hammer-schmidt	Pepper
Boggs	Hanley	Perkins
Bolling	Hansen, Idaho	Pettis
Bowen	Hansen, Wash.	Pickle
Breaux	Harsha	Poage
Breckinridge	Hébert	Preyer
Brinkley	Helstoski	Price, Ill.
Brooks	Hicks	Price, Tex.
Brown, Ohio	Holifield	Quie
Broyhill, N.C.	Huber	Rarick
Buchanan	Hungate	Rees
Burke, Mass.	Hunt	Roberts
Burleson, Tex.	Jarman	Robinson, Va.
Burlison, Mo.	Johnson, Calif.	Roncalio, Wyo.
Burton	Jones, Ala.	Rooney, Pa.
Camp	Jones, N.C.	Rose
Carter	Jones, Okla.	Roy
Casey, Tex.	Jones, Tenn.	Runnels
Cederberg	Jordan	Ruth
Chappell	Kazen	St Germain
Clark	Kluczynski	Satterfield
Cochran	Kuykendall	Scherle
Collier	Landrum	Sebelius
Collins, Ill.	Latta	Shipley
Corman	Lehman	Sisk
Daniel, Dan	Litton	Slack
Danielson	Long, La.	Smith, Iowa
Davis, S.C.	Lujan	Snyder
de la Garza	McCollister	Spence
Denholm	McCormack	Staggers
Derwinski	McEwen	Stanton, James V.
Dickinson	McFall	Stark
Downing	McKay	Steed
Eckhardt	Mahon	Steiger, Ariz.
Edwards, Calif.	Mann	Stephens
Esch	Martin, Nebr.	Stratton
Evans, Colo.	Martin, N.C.	Stubblefield
Evins, Tenn.	Mathis, Ga.	Stuckey
Fascell	Meeds	Symington
Fisher	Melcher	Talcott
Flood	Metcalfe	Taylor, Mo.
Flowers	Michel	Taylor, N.C.
Flynt	Mills	Teague
Foley	Mink	Thomson, Wis.
Ford	Mizell	Thone
Fountain	Montgomery	Thornton
Fraser	Morgan	Traxler
Frey	Moss	Treen
Waggonner	Wilson, Charles, Tex.	Young, S.C.
Wampler	Wyatt	Young, Tex.
Ware	Yatron	Zablocki
White	Young, Ga.	
Whitten		

NOT VOTING—62

Anderson, Calif.	Gunter	Pritchard
Ashley	Hawkins	Quillen
Boland	Hays	Randall
Brasco	Henderson	Reid
Broomfield	Hogan	Rhodes
Brown, Calif.	Howard	Riegle
Burgener	Ichord	Rooney, N.Y.
Carey, N.Y.	Ketchum	Ruppe
Clawson, Del	Landgrebe	Ryan
Conlan	Leggett	Sandman
Crane	Lott	Sikes
Daniels, Dominick V.	McSpadden	Symms
Davis, Ga.	Macdonald	Thompson, N.J.
Dent	Mathias, Calif.	Udall
Dorn	Matsunaga	Ullman
Edwards, Ala.	Milford	Williams
Forsythe	Minshall, Ohio	Wright
Frelinghuysen	Mollohan	Wyman
Gray	Mosher	Young, Alaska
Griffiths	Nelsen	Zwach
	Nichols	
	Podell	

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. The clerk will read.

The Clerk read as follows:

AGRICULTURAL RESEARCH SERVICE

For expenses necessary to enable the Agricultural Research Service to perform agricultural research and demonstrations relating to production, utilization, marketing, and distribution (not otherwise provided for), home economics or nutrition and consumer use, and for acquisition of lands by donation, exchange, or purchase at a nominal cost not to exceed $100; $202,789,000, and in addition not to exceed $15,000,000 from funds available under section 32 of the Act of August 24, 1935, pursuant to Public Law 88-250 shall be transferred to and merged with this appropriation: *Provided*, That appropriations hereunder shall be available for field employment pursuant to the second sentence of section 796(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $75,000 shall be available for employment under 5 U.S.C. 3109: *Provided further*, That appropriations hereunder shall be available for the operation and maintenance of aircraft and the purchase of not to exceed one for replacement only: *Provided further*, That of the appropriations hereunder, not less than $10,526,600 shall be available to conduct marketing research: *Provided further*, That appropriations hereunder shall be available pursuant to 7 U.S.C. 2250, for the construction, alteration, and repair of buildings and improvements, but unless otherwise provided, the cost of constructing any one building (except headhouses connecting greenhouses) shall not exceed $50,000, except for six buildings to be constructed or improved at a cost not to exceed $100,000 each, and the cost of altering any one building during the fiscal year shall not exceed $18,000, or 18.6 per centum of the cost of the building, whichever is greater: *Provided further*, That the limitations on alterations contained in this Act shall not apply to a total of $100,000 for facilities at Beltsville, Maryland: *Provided further*, That $6,420,000 of this appropriation shall remain available until expended for plans, construction and improvement of facilities without regard to the foregoing limitations: *Provided further*, That the foregoing limitations shall not apply to replacement of buildings needed to carry out the Act of April 24, 1948 (21 U.S.C. 113a).

Mr. YOUNG of South Carolina. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, relating to agriculture research, many of us have appeared before the Committee on Appropriations on Agriculture, those of us who are concerned about the eradication of the boll weevil.

The boll weevil has been a pest in our area for a good number of years. We feel now that the research which this committee has done has provided us with the ability to eradicate the boll weevil. This can be done by providing male sterile weevils to be flown over the area by the diapose methods, which eradicates the weevil before it goes into the overwintering.

We also feel that we have other methods which may be used. Lures are provided in the fields, and they attract the boll weevil. These methods could eradicate the boll weevil, thus saving the cotton farmers billions of dollars in cotton.

Today we will be putting on our fields cotton poison.

Mr. Chairman, one-third of all the poisons in the United States today are used by the cotton farmers. This has in effect upset some of the environment in our areas. The poison kills the boll weevil, but it also destroys the insects that do a lot of good in our area.

We feel the tool is at hand to accomplish this. We have asked the committee to let us have the money plus the money that will be provided for the farmers to join together to eradicate the boll weevil.

Mr. Chairman, this has been done earlier with the screwworm, which was an insect which came into our cattle years ago and actually ate their flesh. Many of the cattle were destroyed in this manner. Through research the male flies were made sterile, and these sterile screwworm flies were flown over the area and in that way eradicated the screwworm. We feel the same thing can be done in research on the boll weevil.

I feel that the committee considered it and rejected it. It hope it will be done over on the Senate side where we can come back with a conference report which will help us to move in this direction.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

PUBLIC LAW 480

For expenses during the current fiscal year, not otherwise recoverable, and unrecovered prior years' costs, including interest thereon, under the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1701–1710, 1721–1725, 1731–1736d), to remain available until expended, as follows: (1) sale of agricultural commodities for foreign currencies and for dollars on credit terms pursuant to title I of said Act, $425,175,000; and (2) commodities supplied in connection with dispositions abroad, pursuant to title II of said Act, $353,298,000.

AMENDMENT OFFERED BY MR. JOHNSON OF COLORADO

Mr. JOHNSON of Colorado. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JOHNSON of Colorado: Page 18, line 24, after "425,175,000", strike out the semicolon, insert a comma and add the following: *"Provided, That no more than 10% of such amount shall be made available to any one country."*

Mr. JOHNSON of Colorado. Mr. Chairman, during the debate I would say to my colleagues that it was established that under this particular title, under Public Law 480, provides for $425 million under title I, and $352 million under title II. I might point out that title II is the so-called humanitarian part of this program which provides for aid in cases of disasters and such things.

Title I is the title on which we make allegedly concessional sales. Nobody knows, and nobody in this body controls what those contract terms will be.

Last year nobody could predict how much money was going to be spent under the terms of these concessional sales with any one particular country, and that is true this year.

These decisions are made downtown by a faceless group, an interagency body, it is called, and it is made up of representatives from OMB, Treasury, AID, National Security, National Defense, and Agriculture.

What it amounts to is a $435 million slush fund. We have no control over that. All of this money can be provided for countries like Cambodia and Vietnam, as a military foreign-aid program, and the Congress has nothing to say about it. If we want to provide foreign aid for those countries, then we ought to provide it under our specific foreign-aid appropriation program. We give hundreds of millions of dollars every year in the form of a slush fund to this faceless body that none of us can identify, and they can do with the money as they please.

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

Mr. JOHNSON of Colorado. I yield to the gentleman from Illinois.

Mr. FINDLEY. Mr. Chairman, I want to commend the gentleman from Colorado on the point the gentleman is making, and to add further that each year we have a great ordeal on the floor of the House in picking apart the foreign aid bill, piece by piece, and yet give almost no attention whatever to this very substantial foreign aid.

Mr. JOHNSON of Colorado. These concessional sales contracts are generally in excess of 30 years, and provide for a grace period and a small rate of interest. But there are no requirements on where this $435 million will go or as to how much shall be provided under its terms to Cambodia, Vietnam, or any other country. It is only this faceless group downtown that decides where it is to go.

In addition to that, there is money under title I, which is approximately $300 million, that has come back to the Government, and is being spent as this group decides, in areas that they please, as the result of repayments of these previous contracts.

Right now we have proposed by the group to the Congress that under the total of title I and title II, Latin America will receive only $78 million, the Middle East will receive under titles I and II only $41 million, Africa will receive only $56 million, but under the present proposal, Cambodia and Vietnam will receive approximately 45 percent of the total of the $435 million.

It would seem to me that under the agricultural conditions as they are around the world, with famine facing everyone in the world, or at least in these underdeveloped countries who want to make progress, that no country should be entitled to receive more than 10 percent of this amount.

This would be aimed principally at Cambodia and Vietnam, they would get $42.5 million for each country as a maximum and the balance would be spread around the other needy nations in the world.

I urge the adoption of the amendment.

Mr. WHITTEN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, as the chairman of the subcommittee, I feel I should oppose this amendment primarily because if we are going to have a food for peace program, and we do have, then it strikes me as we should put the food for peace in the place where it is most greatly needed, either from the standpoint of peace, or because of the conditions of the people.

I do not know offhand what the effects of this amendment will be. I do represent the viewpoint of the committee which brings the bill before the House. I would hope the House will keep the bill intact. Mr. PASSMAN is having hearings on these matters at the present time. As the Members know, I have not voted for the foreign aid bill, although the chairman of that appropriations subcommittee (Mr. PASSMAN) and I are very close friends and have worked together for a long time.

But I do think that in this area, certainly, it would be well to let those who are expert in this area decide these matters as against deciding them off-the-cuff here on the floor. Frankly, I do not know what the effect of the amendment will be. The foreign aid bill is the place to deal with this subject, in my opinion, as against going counter to the composite view that is presented in the bill before us.

I would hope that we would vote the amendment down and deal with the foreign aid program when it comes to us in the proper form and at the proper time.

Mr. JOHNSON of Colorado. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Colorado.

Mr. JOHNSON of Colorado. I thank the gentleman for yielding.

Mr. Chairman, in the debate we went into this colloquy. I hate to do it again, but it would be for the benefit of Members who were not present at that time.

Is it not true that the $435 million can be spent as this interagency committee determines under the present law?

Mr. WHITTEN. That is my understanding; yes.

Mr. JOHNSON of Colorado. Is it not true that they can decide to give all the money, under whatever terms and conditions, without repayment, if they so decide?

Mr. WHITTEN. I do not think that is probable. The gentleman has expressed

himself on foreign aid for a long time. I do think it should be dealt with by those who are not expert in that area. Insofar as dividing it up and limiting its distribution, I do not feel qualified to do that. I do not want to substitute my judgment, because I do not have that kind of specific information, for the judgment of those who deal directly with the subject.

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

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

Mr. GROSS. I thank the gentleman for yielding.

Does not the gentleman from Mississippi think we ought to retain some control over the expenditure of a half billion dollars, no matter in what form it may be? Why do we delegate all of this power, as the gentleman from Colorado says, to some faceless bureaucracy downtown?

Mr. WHITTEN. I certainly agree with my colleague from Iowa, but I do not have sufficient information to make these decisions. I am not on the Foreign Affairs Committee, and I feel they are more competent to make policy decisions because this is one of their basic responsibilities. Actually, the Department of Agriculture is mainly responsible for providing the commodities. Policies on international affairs are established elsewhere.

Mr. SYMINGTON. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, I rise in support of the amendment offered by the gentleman from Colorado. I think the amendment is clearly warranted by facts and the law and the circumstances surrounding what we like to call the food for peace program.

I have tremendous respect for the committee chairman. In fact, in the days when I served that program as Deputy Director for Food for Peace, we spent a great deal of time taking his counsel and guidance in trying to make the program effective for our country. Those are the days back in the early 1960's when we had surpluses.

We had a desire also to help developing countries pull themselves together and get their economies going. We developed a fair-minded approach to this, using our surpluses to help needy countries and people. Hunger was great in those days, but it is infinitely greater today, and our stocks are low. We really do not have that much now to meet the needs of the hungry world. And peace will very much depend on how the hungry are treated.

There is an old Spanish expression which I will translate into English: "Hunger is a bad adviser."

This kind of advice is being given to people in Pakistan, Indonesia, the Philippines, India, and throughout Africa and Latin America. By the year 2000 there will be 600 milion of our neighbors to the south. They would like to think that our concern for their progress is second to none we demonstrate anywhere else in the world.

What this amendment would achieve is simply this: It would limit any single country's share of title I funds to 10 percent of the total available for fiscal 1975.

And there are some 90 countries that desperately need this kind of help for their economies and the relief of their peoples. Why should 1 percent of the world's population, the peoples of Cambodia and South Vietnam, receive nearly 50 percent of the scarce funds available under title I? It does not seem proper. Yet it happened in fiscal 1974 much to our surprise and dismay. If we examine it, of course, we might be led to the conclusion that it is a convenient device to circumvent what Congress intended when it decided we should limit our military aid to those countries.

Actually, the Indochinese countries are traditionally food surplus areas. Normally they are exporting countries. The fact of the matter is that if they would pull themselves together and get along they would be exporting countries today. Our continued intervention in that part of the world is preventing this kind of arrangement. The fact of the matter is that in rural areas of Vietnam and Cambodia there is plenty to eat. They have a little trouble with distribution and getting it to the cities. What we ought to be helping them with is technical assistance to improve distribution. What they should do which we cannot do for them is establish the political conditions favorable to the full exploitation of their resources.

And if we look at Bangladesh and the cuts made there to make the Indochinese program possible, we would wonder if this is not a very good amendment. Look at the Philippines. Last year we practically eliminated that program for a gallant people whose caloric intake is distinctly less than it is in Cambodia and Vietnam.

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

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

Mr. ADDABBO. Mr. Chairman, I wish to associate myself with the remarks of the gentleman.

Also I would like to point out that in 1973 Cambodia received under this program $20 million. In 1974 that jumped to $136 million, which was right in line with our cut in military aid, as with Vietnam, it was $149 million in 1973 and that jumped to $227 million in 1974 as Congress reduced our military aid. These funds all were used or could be used under aid for common defense, so as we cut the military aid they came in through the backdoor with Public Law 480 aid and reversed the mandate of Congress.

Mr. SYMINGTON. I think our foreign economic aid program for Vietnam is roughly $750 million. There are many ways in which they can spend such funds if food is a requisite perhaps some of it could go in that direction.

Mr. Chairman, I urge the adoption of the amendment.

Mr. HARRINGTON. Mr. Chairman, I move to strike the requisite number of words and I rise in support of the amendment.

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

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

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

I wonder if the gentleman is as puzzled as I am by the statement of the chairman that his only reason for opposing this aid is that he does not feel qualified to speak on the way in which these funds should be distributed. The fact of the matter is the way the bill is drafted the matter is left entirely to the executive branch to do as it pleases and Congress abdicates any responsibility it has in that regard.

Mr. HARRINGTON. That is substantially correct and in fact in many ways the problem is worse than that. I appreciate the gentleman pointing that out to the House and I wish to address myself also to that point.

If I could, I would address some remarks to the chairman on the question of whether this amendment essentially ties the hands of the administrators of the program. Let me point out that to a degree what the Congressman of Colorado is suggesting be done will not fully control expenditures of the Public Law 480 program. While I fully support this effort, this amendment does not provide controls on Public Law 480 even to the degree we would like as proponents. This amendment does not end the discretion currently given to the executive branch and operators of this program if they choose to use it. The Public Law 480 program will be effectively funded by nonappropriated money, and Congress, even with this amendment, will not be able to fully control expenditures of Public Law 480 funds for South Vietnam and Laos.

Last year we saw an enormous amount of money, approximately $300 million generated in foreign currency that was repaid to the Commodity Credit Corporation from previous Public Law 480 loans. These repayments and other nonappropriated funds generated moneys for Public Law 480 which could be used without there being any effective ability on the part of the Congress to limit it. My point in endorsing this particular amendment to limit to each of these countries not more than 10 percent of the title I program deliveries, even with the omission of controls on nonappropriated funds, is this:

If there is an extraordinary situation in South Vietnam or Cambodia, a genuine emergency where starvation is a real threat, and if there is a reason for the Congress to reevaluate the narrowness of the current limitation proposed by this amendment, there has been precedent established, as recently as last year, to extend surplus funds on an urgent basis. In addition, the funds remain that we cannot get to in the context of this afternoon's debate because of the limitations of amending an appropriations bill. These

funds can be used, and used very effectively, to meet the humanitarian needs of extraordinary situations.

I must join with the gentleman from New York (Mr. ADDABBO) to suggest rather cynically, nonetheless, that even the funds allowed by the passage of this amendment will not be used to the intent of Congress, expressed today—to reduce the war effort.

I do not think it appropriate to suggest we, the proponents of this amendment, leave unmet the argument that we are being overly rigid. There is at least $300 million available, to judge by last year's standards, for obligation in the Public Law 480 program. In particular, the returns in foreign currency, and in U.S. currency, in repayments from prior food for peace loans, provide the resources necessary to meet all contingencies.

I think the gentleman from Missouri (Mr. SYMINGTON) is also accurate in making the observation that the countries that had Public Law 480 assistance taken from them last year, to the benefit of South Vietnam and Cambodia, are in general less self-sufficient as far as food programs of their own are concerned, and are really more in need of consideration and assistance than just Cambodia and South Vietnam.

Public Law 480—food for peace—is really an extension of voting for economic and military aid to these countries. It ought to be called as such, and voted on with that consideration in mind.

I hope the gentleman from Colorado is successful in his attempt to narrow this issue, and reinforce congressional control over assistance to Indochina.

Mr. PASSMAN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, as you know, I am chairman of the Appropriations Subcommittee on Foreign Operations and I am very familiar with the situation in Southeast Asia. I can state it is touch and go in Cambodia and South Vietnam now with respect to their food supply in the coming year. If we make a substantial reduction in the food supply, provided by the Public Law 480 program, it is a very real possibility that thousands of people could starve to death. At the present time, there is a shifting population in South Vietnam and Cambodia in the form of refugees. They are unable to plant crops or to farm so production of food commodities is greatly reduced. So unless they receive a substantial food import program, they will be in serious trouble.

Keep in mind these people get far less in quantity of goods now because of the advance of prices, It may be that somewhere along the way some reductions can be made; but unless this formula is worked out scientifically, we may deprive those Southeast Asian people of the very bare amount of food they need for existence.

I would hope this amendment could be voted down. We should give further study to what we are getting for the dollars appropriated, because in some instances food costs are up 180 percent. Rice has gone from 7 cents to 28 cents a pound.

So we have to take into account what the money will buy, on the basis of quantity and not of the basis of money.

Mr. JOHNSON of Colorado. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from Colorado.

Mr. JOHNSON of Colorado. Is it not true that title II of that program provides help for those people? Title I is a different section.

Mr. PASSMAN. Both titles provide food assistance to these countries. It is just a question of the amount of food to make available. They are existing now on a very, very bare minimum. We are actually dealing with food to the people of these countries.

I know the distinguished gentleman from Mississippi does not bring up a bill on the floor unless it is carefully thought out before.

I would hope we would not deprive the people of this food.

Mr. JOHNSON of Colorado. Would the gentleman say the people in Latin America, the people in Africa and other parts of the world are not as hungry as the people in Cambodia and Vietnam?

Mr. PASSMAN. I am just as sympathetic to the people of Latin America and Africa or any other place; but since this amendment would greatly affect the people in Southeast Asia that is why I have directed my remarks to this area. That is what we are talking about is Southeast Asia.

Mr. JOHNSON of Colorado. That is correct and it is an enormous injustice to give 45 percent of these funds to Cambodia and Vietnam.

Mr. PASSMAN. I would also like to point out that any local currencies generated from these commodities provided under the Public Law 480 program can no longer be used for common defense purposes after July 1, 1974, unless specifically authorized by Congress, I would like to quote from the Foreign Assistance Act of 1973:

> Effective July 1, 1974, no amount of any foreign currency—including principal and interest from loan repayments—which accrues in connection with any sale for foreign currency under any provision of law may be used under any agreement entered into after the date of the enactment of this act, or any revision or extension entered into after such date of any prior or subsequent agreement, to provide any assistance to any foreign country to procure equipment, materials, facilities, or services for the common defense, including internal security, unless such agreement is specifically authorized by legislation enacted after such date.

With that, Mr. Chairman, I hope this amendment is voted down.

Mr. ESCH. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I think we ought to make certain that we understand the amendment offered by the gentleman from Colorado. It does this: It provides that no one country will receive more than 10 percent of the total amount in the program. It is an attempt to suggest that an individual who is hungry, whether it be in the famine belt in Africa, or in the Mideast or in the Far East, should be treated equitably.

The intent of this program is not for foreign policy initiative. It is not through indirect means to support any military effort on the part of this or any other country. The purpose of this program is, to the extent possible, to feed hungry individuals.

Therefore, I would suggest that this amendment has been very carefully drawn. Second, it will not impair the conditions in Southeast Asia immediately, this year, because, as has already been pointed out, there are already $300 million in the pipeline which can be utilized at the discretion to phase out.

Mr. Chairman, I would suggest to the Members that it is a reaffirmation that this program should be utilized to feed the starving people of the world, wherever they may be, and not be subverted for military purposes.

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

Mr. ESCH. I am happy to yield to the gentleman from Missouri.

Mr. SYMINGTON. Mr. Chairman, I thank the gentleman for his remarks and for his understanding of the problem. I would simply say to the gentleman and to the Members present that the four countries which suffered the most, because of diversion of food from these title I funds primarily in fiscal year 1974 were the Philippines, Equador, Colombia, and Korea.

They suffered greatly because of the changes that were made in order to make the Vietnamese and Cambodians even more pleased with us.

Mr. ESCH. I think that contribution is a significant one. I think the Members should be well aware that what we are talking about here is to reaffirm the belief of this Congress that individuals should be treated equitably, that the need should be put where needed by the greatest country in the world.

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

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

Mr. HARRINGTON. Mr. Chairman, I would like to point out, in response to what the gentleman is saying in support of the amendment, that this year's foreign aid bill, in contrast to last year's, which contained $634 million in bequests for economic and humanitarian aid, contains $860 million, which is an increase of almost 25 percent of value. If it is a concern that we will not be able to meet that need, I think the one the gentleman has suggested here will be no loss to the countries in Southeast Asia.

Mr. ESCH. Mr. Chairman, I appreciate the gentleman's comment, and it would be to reemphasize the intent of this legislation, which was very carefully drawn by the gentleman from Colorado, is to use the program for which it was originally intended.

There is debate on whether there is support or lack of support for specific

countries. This can come later, but let us not continue to subvert this purpose.

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

Mr. ESCH. I yield to the gentleman from New Jersey.

Mr. HUNT. Mr. Chairman, will the gentleman in the well tell me what countries are affected primarily by this amendment? I understand there are currently six countries receiving more than 10 percent.

Mr. JOHNSON of Colorado. Mr. Chairman, will the gentleman yield so that I may reply?

Mr. ESCH. Mr. Chairman, I yield to the gentleman from Colorado.

Mr. JOHNSON of Colorado. Mr. Chairman, Vietnam and Cambodia are scheduled to receive approximately 45 percent of the funds of the full $435 million to be spent under the direction of this agency. There is no limitation, however. They can spend it wherever they wish to do so.

Mr. HUNT. Do I understand that if this amendment carries, that the aid to Cambodia and South Vietnam will be cut?

Mr. JOHNSON of Colorado. Under title I, no more than $42.5 million could be spent in this program in any country. The agency still has approximately $300 million in the fund to provide for them from repayment contracts. This comes back in the form of repayment on previous sales.

They have that to use in accordance with their discretion. They still have $350 million under title II, and it is quite true that they can use that to provide aid for those countries that are starving, but with my amendment only 10 percent would be available to be spent for any one country throughout the whole world, Latin America, Africa, the Mideast, and so forth under title I which is the concessional sales program.

Mr. HUNT. How about India?

Mr. JOHNSON of Colorado. India would be limited under title I to 10 percent.

Mr. HUNT. Are they entitled to 10 percent now?

Mr. JOHNSON of Colorado. No, not under title I. The Interagency Committee can spend all the funds wherever they please without limitation under present law.

Mr. ESCH. Mr. Chairman, I would like to emphasize that the comments just made reemphasize that we have flexibility in the programs and in the carryover, but let us make it the policy of the Congress not now to subvert this program first.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Colorado (Mr. JOHNSON).

The question was taken; and on a division (demanded by Mr. WHITTEN) there were—ayes 61, noes 51.

So the amendment was agreed to.

AMENDMENT OFFERED BY MR. WYLIE

Mr. WYLIE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WYLIE: On page 19, line 2 after the period insert a new sentence: "No payment under the provision of Public Law 480 shall be made to the United Nations or affiliate thereof in excess of 25 per centum of the total annual amount available to such organization."

Mr. WYLIE. Mr. Chairman, a little earlier in a colloquy with the distinguished chairman of the committee (Mr. WHITTEN) the gentleman from Mississippi, I asked if he could tell me how much money as provided in Public Law 480 would go to the United Nations under the United Nations Food and Agricultural Organization program. If I understood the gentleman correctly he said the funding would be approximately $70 million, but he did not know if this was in excess of 25 percent of the total amount which would be available to this organization for expenditure throughout the world.

I have been unable to find out whether it is in excess of 25 percent of the amount which would be available throughout the world, so I thought I would just pin the amount down by saying that under this public law we will carry out the intent of a section previously added to the Department of State appropriations which states:

That after the December 31, 1973, no appropriation is authorized and no payment shall be made to the United Nations or any affiliated agency in excess of 25 per centum of the total annual assessment of such organization . . .

I thought that statute would and should apply to this bill before us today.

However, I have been informed by counsel that that provision only applies to our assessment to maintain the headquarters at New York and that would not apply to any other contribution we might otherwise wish to make to the United Nations.

It is my opinion that 25 percent is quite adequate, and that if the $70 million which the gentleman from Mississippi suggests will be provided to this organization is in excess of 25 percent of the total amount available to the Food and Agricultural Organization and other voluntary agencies of the U.N., the amount should then be reduced accordingly. I do not think it will be reduced by very much, but, as I say, I just could not put a handle on the actual figure and no one could tell me the amount for sure.

I believe this amendment goes to the core of what I intended to do, and, if I heard the gentleman from Mississippi correctly, I believe he indicated a little earlier in our colloquy that he would support such an amendment.

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

Mr. WYLIE. I yield to the gentleman from Mississippi.

Mr. WHITTEN. Mr. Chairman, I am not in position to do so. Of course, I am in the position in which the chairman of a committee usually finds himself, that of having to defend the position of the bill.

I am afraid I did not follow the gentleman's position as much as I should have, but I have been talking with the members of the staff and have been trying to get as many of the facts as I could.

I am not an expert in this area, but as I understand it, the limitation of 25 percent is the assessed contribution and does not apply to any contribution that is over and above that which is assessed. That being true, I would think, as I said earlier, that the floor is hardly the place to decide these matters, since we do have committees that deal with this subject on foreign affairs and we do have committees which handle the appropriations for foreign organizations of which we are a member.

Mr. Chairman, I will be forced to oppose the gentleman's agreement, and I say frankly that part of my reason for doing so is that this is not the place or occasion to do it. I do understand the gentleman's position, and to the best of my belief, the limitation of 25 percent does apply only to the assessment. I am now told the actual amount is $47 million, as against the figure which I gave earlier.

Mr. WYLIE. Mr. Chairman, I regret that the chairman of the committee feels the necessity of opposing this amendment.

I found out also that there is $38 million more in this bill this year as a contribution to these voluntary organizations than there was in the bill for the fiscal year 1974. I had thought of putting in an amendment which would reduce the $427 million by the amount of $38 million which is in excess of the amount which we appropriated through this Congress last year. However, I thought perhaps that might be a greater cut than we should make at this time, and that the cut would reduce our contribution below the 25-percent figure which is the percentage we have expressed in the law previously.

So I simply used the figures which we have enacted into law and I used the same language which was enacted into law in Public Law 92–544 back in October 25, 1972.

It is my feeling that other nations in the world should contribute to these organizations to a greater extent. I feel they should contribute also to these United Nations organizations, and that they should contribute at least 75 percent of the resources and money available to be dispensed or distributed to the United Nations organizations, and I believe the 25-percent figure, as proposed in my amendment, to be a more than adequate share to be contributed by the United States.

I, therefore, Mr. Chairman, urge support for my amendment.

Mr. WHITTEN. Mr. Chairman, I rise in opposition to the amendment.

I repeat again that I do not feel this is the place to decide this matter. Therefore, I hope that the amendment will be defeated and this matter will be dealt with in another way.

In principle, I certainly can agree with the arguments which have been made by my colleague, but the amendment at this point, since it is admitted that neither of us has the facts or figures before us and since the latest information is to the effect that this is not in violation due to the fact it is not part of the

assessment, certainly should not be adopted at this time.

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

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

Mr. BINGHAM. Mr. Chairman, I thank the chairman of the committee for yielding.

Do I understand correctly that the gentleman is saying this does not have to do with an assessment, but, rather, with a voluntary contribution to the agency; is that correct?

Mr. WHITTEN. As I said, that is my understanding. Now, insofar as my knowledge is concerned, I cannot say I am certain I am right. That is one of the reasons why I think we should defeat the amendment at this point, because I have not heard anybody who has professed to know the full facts about it.

Mr. BINGHAM. I certainly join the chairman in that regard and point out that if it is a voluntary contribution, as he has said, then the 25-percent principle does not apply and has not applied in other cases.

Mr. EVANS of Colorado. Will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman.

Mr. EVANS of Colorado. I agree with the chairman. If we adopt this limitation, it would be impossible for this country to come to the assistance of any countries or areas of the world that may have a serious food problem unless other nations came in also, upon a prior agreement with all other assisting nations, which would make our contribution 25 percent of whatever the total may be. For that reason I urge defeat of this amendment.

Mr. COLLIER. Will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman.

Mr. COLLIER. Did I understand the gentleman to say that this was involuntary or that it was not?

Mr. WHITTEN. It is my understanding it is voluntary and it is not a part of the assessment.

Mr. COLLIER. It is certainly not voluntary as far as the taxpayers of this country are concerned, if I read the mood of the people correctly.

Mr. WHITTEN. My colleague and I kind of view the attitude of the people alike, as he well knows, but I think, with as little information as we have at this point, the amendment should be defeated.

Mr. ROUSSELOT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment offered by the gentleman from Ohio, because I think it is a reasonable formula.

This country has been doing more than its share in contributions to the United Nations. This amendment merely abides by the basic formula already established for our country as it relates to assessment. It is a ceiling, and I think it is an appropriate one.

If I read the mood of many of the people of this country correctly on the basis of the mail which I have received they feel that time has come to begin to set ceilings with the United Nations. This only applies to title I, as the amendment of the gentleman from Colorado did. I feel the amendment is appropriate and in conformity with other formulas which our country has applied to international agencies.

The gentleman is to be complimented for offering it, because it is offered in consideration of our country which is actually overcontributing in this area.

So I hope that Members will feel persuaded that the gentleman from Ohio has been thoughtful in the way he presented this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. WYLIE).

The question was taken; and on a division (demanded by Mr. WYLIE) there were—ayes 29, noes 56.

So the amendment was rejected.

Mr. WHITTEN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I have had numerous Members ask me what we could do to speed up these proceedings, or reach some agreement on the time so that those who have commitments could get out of town at a reasonable hour.

I wonder if it would be agreeable to the Members to say that all debate on this bill and all amendments thereto end at 5:30?

Mr. Chairman, I ask unanimous consent that all debate on this bill and all amendments thereto close at 5:30.

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

Mr. CONTE. I object.

The CHAIRMAN. Objection is heard.

Mr. WHITTEN. Mr. Chairman, I move that all debate on this bill and all amendments thereto close at 5:30.

The CHAIRMAN. The Chair will state that the committee must complete the reading of the bill before such a motion could be entertained.

Mr. WHITTEN. Mr. Chairman, I ask unanimous consent that further reading of the bill be dispensed with, and that it be printed in the RECORD and open to amendment at any point.

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

Mr. GROSS. I object.

The CHAIRMAN. Objection is heard.

The Clerk will read.

The Clerk read as follows:

AGRICULTURE STABILIZATION AND CONSERVATION SERVICE

SALARIES AND EXPENSES

For necessary administrative expenses of the Agricultural Stabilization and Conservation Service, including expenses to formulate and carry out programs authorized by title III of the Agricultural Adjustment Act of 1938, as amended (7 U.S.C. 1301–1393); Sugar Act of 1948, as amended (7 U.S.C. 1101–1161); sections 7 to 15, 16(a), 16(b), 16(d), 16(e), 16(f), 16(1), and 17 of the Soil Conservation and Domestic Allotment Act, as amended and supplemented (16 U.S.C. 590g–590q); the Agriculture and Consumer Protection Act of 1973 (87 Stat. 221 to 246); subtitles B and C of the Soil Bank Act (7 U.S.C. 1831–1837, 1802–1814, and 1816); the Water Bank Act (16 U.S.C. 1301–1311); and laws pertaining to the Commodity Credit Corporation, $172,382,000; *Provided*, That, in addition, not to exceed $83,895,000 may be transferred to and merged with this appropriation from the Commodity Credit Corporation fund (including not to exceed $35,377,000 under the limitation on Commodity Credit Corporation administrative expenses): *Provided further*, That other funds made available to the Agricultural Stabilization and Conservation Service for authorized activities may be advanced to and merged with this appropriation: *Provided further*, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $100,000 shall be available for employment under 5 U.S.C. 3109: *Provided further*, That no part of the funds appropriated or made available under this Act shall be used (1) to influence the vote in any referendum; (2) to influence agricultural legislation, except as permitted in 18 U.S.C. 1913; or (3) for salaries or other expenses of members of county and community committees established pursuant to section 8(b) of the Soil Conservation and Domestic Allotment Act, as amended, for engaging in any activities other than advisory and supervisory duties and delegated program functions prescribed in administrative regulations.

AMENDMENT OFFERED BY MR. PEYSER

Mr. PEYSER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PEYSER: On page 3, line 19, after the period add the following:

"No part of the funds appropriated or made available by this act shall be used to pay the salaries of the personel who formulate or carry out a price support program for the 1975 crop of peanuts."

Mr. PEYSER. Mr. Chairman, the effect of the amendment that I am offering now is to bring about a change in the peanut support program.

I think it is most important at this time that the House take a good look at what permanent legislation really does.

For those Members who may not be aware of it, the peanut legislation was passed in 1938, and it is what is known as "permanent legislation." The only chance the Congress has to make any changes in this legislation is the device I am using right now.

Let us look briefly at the peanut bill. I have heard several times today the expression that the chairman of the subcommittee and the people speaking support a free market system.

Nothing could be further from the free market system than that which is brought about by this peanut legislation.

I do not know if the Members are aware of this, but I was shocked to find out that if I owned 40 acres of land today, let us say in Georgia, that is good peanut country, and I wanted to grow peanuts, I would be prohibited from selling the peanuts that I grow by law, because if I sold them I would be fined 75 percent of the market price by the Department of Agriculture.

If one independently wanted to grow

peanuts on more than 1 acre of land, one just cannot do it.

In a free economy in America, today, this seems inconceivable to me, but that is the law.

Also a point is going to be raised today on the so-called accuracy of figures. I think many of the Members have received a letter raising this question. What I have in my hand here is a GAO report. This was published in April 1973.

The figures from this GAO report are on this chart so that all the Members, perhaps, can see this. Where it says "losses," this means losses to the taxpayer each year. There are factual figures; these are not made-up figures. These losses in the period of time shown here, which is from 1962 to 1972, represent $513 million.

The GAO in its report in 1968 called on the Department of Agriculture to make a change in this peanut program. In 1973 on the front page of their program they say,

The need intensifies to amend legislation to reduce Government losses on peanut price support programs.

On the inside it outlines what is anticipated to happen. The interesting thing is that in 1973–1974 for the first time in 20 years the losses to the Government, to the taxpayer, were down to under $4 million. Everybody points to this as though this is a wonderful accomplishment. The projections for this next year, the year following, and the year following that, are that this program will cost is nearly one-half billion dollars.

The question is, Why was the loss so small this last year? We had in the major peanut-growing countries—South Africa and Nigeria—a major drought, and for once the world marketplace came up to this fake price that we force in the United States. Do the Members realize that we make the American consumer pay twice as much for peanuts as the world market—double?

I am delighted to see peanuts being consumed. It does my heart good, because I do not want to hurt anybody. I certainly do not want to hurt the peanut grower.

I heard my friend, the gentleman from Kentucky, before, say, What is good for New York or Kentucky is good for the country, and no section wants to hurt another section of the country. I could not agree more.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. PEYSER was allowed to proceed for 3 additional minutes.)

Mr. PEYSER. What I am asking for is fairness to the taxpayer and to the people of this country, and even to the peanut growers, because if these people need help, I do not think it ought to be disguised in this bill as though we are doing something for the peanut industry and simply paying poor people. If the poor people need help in Georgia, let us give them the help they are entitled to, the way everybody else in the country is entitled to it, but not under a phony system. That is what we are doing here.

I think that we should recognize that most of the small farms in this country, the peanut-growing farms, do not grow their own crops, but they lease the land and they get a subsidy in effect of $100 to $150 an acre. The bigger farmers take over. We have seen this in every one of these subsidy programs. I am just trying to suggest to the Members that the Secretary of Agriculture has repeatedly said he is opposed to subsidy programs.

In the move today the peanut people, the peanut interests, have said, We are ready to come out with a new bill, and we are ready to make some changes. I congratulate them, and I will be willing to support their changes if they are meaningful.

But today let us pass this amendment that in the year 1975, unless there is new legislation, will eliminate this program, and that is what I think we should do.

Mr. MATHIS of Georgia. Mr. Chairman, will the gentleman yield?

Mr. PEYSER. I yield to the gentleman from Georgia.

Mr. MATHIS of Georgia. I thank the gentleman for yielding.

Does the gentleman have any idea as to the proposed legislation when it would go into effect?

Mr. PEYSER. Does the gentleman mean if we have new legislation?

Mr. MATHIS of Georgia. If the new legislation is passed, does the gentleman know when it would become effective?

Mr. PEYSER. If the new legislation that is being proposed and that I have seen on the peanut subsidy program is brought out I think there are still changes to be made to it and I would be willing to support any compromise-type legislation, but I must say if we continue this program, and incidentally if we pass this amendment today we will not be prohibiting the right of the peanut growers to come back to the floor of the House with a decent and fair bill, and I think if we do not pass this amendment we are going to be in a place we have been in for the last nearly 36 years in a program that has cost us billions of dollars, and I just do not think it is fair.

Mr. MATHIS of Georgia. I would like to ask the gentleman for the third time if he has any idea when the legislation will go into effect that has been proposed by the department and the growers and the committee.

Mr. PEYSER. I assume when the Congress has passed it.

Mr. MATHIS of Georgia. For the 1975 crop year, I would say to the gentleman, which is what he is trying to eliminate. He says he will support this legislation?

Mr. PEYSER. In spite of my amendment being passed and if the Congress wishes to change or amend that bill and we go to a 1975 program for peanuts, then they can act for the first time in 36 years, then I will support it. It is not that I am against agriculture of farmers. I am willing to support the cattle growers who desperately need help. I am not trying to pick on any industry, and I hope the Members will support this amendment.

Mr. JONES of North Carolina. Mr. Chairman, I move to strike the requisite number of words and I rise in opposition to the amendment.

Frankly I am quite delighted to have my friend, the gentleman from New York, offer this amendment. It is not often the Agriculture Committee gets an instant expert on agriculture and the gentleman has been with us three months and he is making a great contribution in his own way, but let us put this thing into perspective.

Certainly the present peanut program is indeed antiquated to some degree. Times have changed. But let me assure the Members as chairman of the subcommittee handling the peanut legislation that I have an appointment Tuesday morning with Mr. Kenneth Frick and Mr. Bill Lanir and an Under Secretary to work out the final and complete details on a new peanut bill which will to all practical purposes answer whatever criticism the gentleman from New York has.

After considering the amendment offered by the gentleman, I find he does not go to the heart of the agricultural program at all but merely says that no funds appropriated or made available by this act shall be used to pay the salaries of personnel which formulate or carry on a price support program for the 1975 crop of peanuts. I suppose that is about the only thing he could find in the bill that would be germane to the bill in question and he had to have something and that is it. But at least it brings the matter into focus.

I assure every Member of this House that unless the administration continues its stalling tactics and if they will bring forth a bill which has been promised for Tuesday morning, that the bill will be brought to the House floor, which answers the gentleman's criticism which with great pride the gentleman has put forth.

As far as the open end reduction, if the gentleman does not know what that means, and perhaps he does not know what it means, one plants over and above the legal allotments, so that answers that criticism, I suppose.

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

Mr. JONES of North Carolina. I will yield to the gentleman in just a minute.

Mr. Chairman, I think this amendment, whatever it may have or may not have is certainly one of the most ill-timed on the appropriation bill that I know of since I have been here, particularly in view of the solemn promise of the subcommittee chairman that, unless I am outvoted in the committee or subcommittee, the Members will have the right within a few short weeks to pass judgment on new legislation which I am positive would answer whatever criticism, if at all possible, the gentleman from New York (Mr. PEYSER) has.

Mr. PEYSER. On the open-end program the gentleman is speaking of, in the new legislation, does that open-end reduction come under any allocation? In other words, could a new farmer come in and get an equal allocation that the old farmer gets?

Mr. JONES of North Carolina. I am glad the gentleman asked the question, in order that he might be better informed. We have under the present program acreage allotments, historical ac-

reage allotments. At the present time we must abide by the allotments. Under the proposed legislation which is approved, by the way, by the Secretary of Agriculture, Mr. Butz, we will move into the second phase, what is known as an open-end production. The answer is yes, a new open-end program would provide for additional peanut production. Does that answer the question?

Mr. PEYSER. No. I am very familiar with the proposed legislation——

Mr. JONES of North Carolina. I am glad the gentleman is, because I have not seen it.

Mr. PEYSER. I am quite familiar with what has been discussed. My belief is, the farmer that comes in is not eligible under the same allocation schedule or the same parity program as the historical farmer that is being protected under the new legislation.

Mr. JONES of North Carolina. The gentleman is absolutely correct. He would be entitled to only a partial support, based on economic factors, which would be only sensible and feasible under a fair and workable program.

Mr. MATHIS of Georgia. Mr. Chairman, will the gentleman yield?

Mr. JONES of North Carolina. I yield to the gentleman from Georgia.

Mr. MATHIS of Georgia. I wanted to ask the gentleman from North Carolina, would he tell the Members of the body the position of the Department of Agriculture on the Peyser amendment; is he familiar with the position the Department has taken?

Mr. JONES of North Carolina. I have been authorized by the Administrator, Mr. Frick, to state to this body, speaking for the Secretary of the Department, that they desire a continuation of the peanut program. Let me qualify that by saying, certainly not the present program, but the new program.

As I understand the amendment, that even if we pass a new program this would also eliminate funding in 1975.

The CHAIRMAN. The time of the gentleman has expired.

(At the request of Mr. MATHIS of Georgia and by unanimous consent, Mr. JONES of North Carolina was allowed to proceed for an additional 3 minutes.)

Mr. MATHIS of Georgia. If the gentleman will yield for a further question, then as he understands the position of the Department, it would be in opposition to the Peyser amendment; is that a correct assumption on my part?

Mr. JONES of North Carolina. I would assume by implication that if this Peyser amendment prevails, there would be no program in 1974 or 1975, for the simple reason there would be no funds to provide the administrative personnel; so to answer the question, I believe by implication it is the statement of Mr. Frick that he is opposed to the amendment.

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

Mr. JONES of North Carolina. I yield to the distinguished Speaker.

Mr. ALBERT. This amendment means no money could be used for the stated purposes, even if a completely new law were enacted before the 1975 crop were put in?

Mr. JONES of North Carolina. I will read it exactly:

> No part of the funds appropriated or made available by the amendment shall be used to pay the salaries of personnel to formulate or carry out a price support program for the 1975 crop of peanuts.

It does not say old or new.

Mr. ALBERT. It says a price. It does not say the present price program.

Mr. JONES of North Carolina. No; it does not.

Mr. ALBERT. This amendment would make absolutely useless any new law, unless we could get back the appropriation also.

Mr. JONES of North Carolina. May I state that in North Carolina we call this the "Catfish amendment." Where the fisherman takes a small fish and promises not to hurt him—then proceeds to cut the insides out of the little fish and that is what this amendment does. It guts the whole program.

I urge the Members to vote down this amendment.

Mr. BURLESON of Texas. Mr. Chairman, will the gentleman yield?

Mr. JONES of North Carolina. I yield to the gentleman from Texas.

Mr. BURLESON of Texas. The gentleman has made an excellent case against this amendment, stating it properly and adequately. The precipitous cutoff of a program of this kind would be irreparably damaging.

Mr. Chairman, the gentleman from North Carolina has ably and adequately argued against this amendment. I support his position. To precipitously eliminate this program would be disastrous to this important segment of agriculture.

Mr. Chairman, since notice was given that the pending amendment would be offered, I have talked to many of you personally about it.

This amendment, according to its sponsors and supporters, is presented as an economy measure. The small sum, compared to the total, and as to that matter to the huge programs recently enacted, is literally and truly a drop in the bucket.

Very frankly, this amendment is offered in prejudice and is obviously one which has an appeal to some who only look at the surface. I am aware, of course, that few of you have peanuts produced in your district but all of you have an interest in this commodity which is tremendously important to some areas of this country.

Although peanuts are actually produced in only a few areas of the Nation, as a food they affect everyone. The end products are a big business in this country and highly important as protein food, and important to the economy.

The peanut program has worked well. There is no other part of the farm program which has had more discipline by those benefiting from it than has the peanut program. All segments of the industry have been concerned with any excessive costs and have consistently exerted efforts to make it the sound operation that it is.

The figures presented by the supporters of the amendment are misleading and tend to prejudice the actual facts all out of proportion. The program for 1973 has cost very little money and has yielded benefits far beyond the cost. To read some of the "Dear Colleague" letters, one would get the impression that this is a costly drain on the taxpayers. It is no such thing and there is no rationale of starting with 1955 and citing costs to the present time. This is like a great many other things. We can go back to the turn of the century and apply the changes which have taken place up to this point and come up with some sensational comparisons. In this instance however, the figures used are not even relevant to the present.

In one of the letters by the promoters and supporters of this amendment they project cost to taxpayers from 1975 to 1979 as being above $1,118,000,000. This is wholly misleading and simply cannot be supported with facts. The peanut program has a very good chance of not costing the taxpayers anything in this period. For instance, this figure is based on a resale price of peanuts by the Commodity Credit Corporation at not less than 115 percent of the loan rate. This is misleading because the Department of Agriculture has long abandoned any idea of the 115-percent resale price. Obviously, the estimate by the USDA, if actually the Department made such an estimate, is net outlays and not losses.

There is legislation dealing with this program pending in the Agriculture Committee of this House of Representatives. Fullest cooperation is being given by the growers association and others in the industry to modify some present provisions for workability and to reduce the cost. This has been a process administratively in cooperation with those so vitally affected by this program over a period of years and those efforts will continue. To completely eliminate the program would be ruinous and I think it safe to predict that we would not have the production and the products of peanuts very long, resulting in loss of a valuable food and much higher prices to the consumer.

Mr. Chairman, I urge the defeat of this amendment.

Mr. JONES of North Carolina. I appreciate the opposition to this amendment.

Mr. STEIGER of Arizona. Mr. Chairman, I rise in hysterical opposition to the amendment.

I know that my colleagues will be delighted to hear that I will not consume the entire 5 minutes, but I would like to point out to them that in addition to obviously doing devastating harm to an industry and an ongoing legislative program, let me give the Members of the Committee a little insight into what even the offering of an amendment such as this does, at least to those of us who live in the country.

Farmers and agribusiness depend on bank credit. Inevitably, the farmer and the subsidy program or whatever Federal program is involved, whether it be soil conservation programs or whatever, his economic life is closely allied to it. What

happens today when a person goes into a bank and is involved in a Federal program; goes into a private bank in the country? Inevitably, he will be asked the question, "What is to prevent the program that you have been operating under for 20 or 30 years from being knocked out by some zealous Member of Congress from Long Island or someplace who, in his desperation to get reelected, might accidentally knock out the program?"

Knowing the dedication of the gentleman from New York (Mr. PEYSER) to agriculture in general, I know he would not do any harm deliberately. But, the fact is that it is the precipitous removal, without any planning at all or forethought, any phaseout, any orderly process, which really jeopardizes rural credit everywhere.

That is not just a casual observation; that is a very sincere observation. In the highly unlikely event that this should come to a rollcall vote of any kind, I would hope that it is defeated overwhelmingly so as to demonstrate to those people involved in rural credit the Congress will give great deliberation and thought to the removal of ongoing programs, and whose removal would result in serious economic depredation of the communities involved.

Mr. ROBERT W. DANIEL, JR. Mr. Chairman, will the gentleman yield?

Mr. STEIGER of Arizona. Mr. Chairman, I yield to the gentleman from Virginia.

Mr. ROBERT W. DANIEL, JR. Mr. Chairman, I oppose the amendment which would prohibit the use of any funds provided in the Agriculture appropriations to carry out a price-support program for peanuts.

Although I am involved in a farm operation, I have never received a peanut allotment nor am I financially involved in any peanut program.

This amendment is not only ill advised, but the cost figures are sheer fabrication. To say that the program will cost the American taxpayer $1,188,000,000 between 1975 and 1979 shows a complete lack of knowledge of the program as well as a callous juggling of figures.

The peanut industry working in conjunction with the Department of Agriculture has reduced the cost of the program from $55.3 million in 1973 to $3.9 million in 1974. The Department and industry leaders are predicting that there will be no appreciable change in the costs figures over the next few years and the costs to the American taxpayers could conceivably be reduced to zero.

The Agriculture Committee has held numerous hearings on this subject, and any attempt to destroy this program by attaching an amendment on an appropriations bill would seriously damage any ongoing negotiations between the parties involved.

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

Mr. STEIGER of Arizona. I yield to the gentleman from Virginia.

Mr. WAMPLER. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from New York to repeal the farm program.

Do not be mistaken about this amendment. It purports to repeal the peanut program, but it is only another thrust aimed at killing the entire agricultural program that has helped bring the American people the world's best and cheapest food supply.

This amendment is based on gross misinformation and inaccuracy and if allowed to prevail, will signal the death knell of all our farm programs.

The present peanut program is by most Federal standards rather modest in cost—less than $4 million per year. Allegations that this is some kind of a billion dollar ripoff are only figments of wild imagination.

Aside from the absence of factual or substantive support for such a proposition its chief mischief lies in the notion that farm programs are responsible for consumer price increases.

In sincerely hope that the membership of this great body—particularly the membership on my side of the aisle—will not be deluded into thinking that this amendment, which today would repeal the peanut program and tomorrow would repeal the tobacco program, the rice program, the cotton program, the feed grain program and the wheat program or any of the other farm programs that are essential to providing farmers and ranchers with the tools of orderly marketing and the basis for sound capital financing, can do anything but harm our Nation.

Will this amendment save any money? Of course not. Will this amendment reduce the price of peanuts? Of course not. All it will do is kill the program and pull the rug out from under thousands of small family-sized peanut growers across the land.

You know, Mr. Chairman, it does not take a great deal of talent or work to burn down a house. It takes quite a bit to build one.

I hope this House does not help burn down the houses of thousands of peanut growers and other farmers because if we do, we will all live to suffer from it.

Mr. WHITTEN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, may I point out again that the author of the amendment says that he would support a new program. The head of the subcommittee which handles peanuts in the Committee on Agriculture has assured us that there will be a new program. With those two statements having been made, when we read this amendment, it says that whatever law we might adopt, there will be no money available to carry it out.

Mr. Chairman, I think we should defeat the amendment because the amendment says that there will be no money to carry out any new program. The gentleman from North Carolina says that there will be a new program; the author of the amendment says that he would support a new program. I think it would be very unwise for us now to prohibit the carrying out of a new program.

Mr. FINDLEY. Mr. Chairman, I move to strike the last word.

The peanut program is very clearly a remnant of the 1930's which is outdated and needs reform, and needs reform badly. It is not the only one still on the books, but it is one of the few remaining. It embodies high price supports and nonrecourse loans.

I think the gentleman from New York has rendered a service to the House in focusing attention on the need for fundamental reform. I have been impressed with the fact that my good friend from North Carolina (Mr. JONES) says that we are going to have a bill on the floor dealing with this program. We will have a chance to change the peanut program. I think that, in itself, is an advance because presently there is no time limit on the legislation for the peanut program. Therefore, this does open the possibility of some improvement in the bill.

But let us not hold our breath. If we are waiting for a fundamental, progressive change in the peanut program to come forth from the Committee on Agriculture, we are going to be badly disappointed.

What is now proposed is some sort of agreement between the Department of Agriculture and the peanut lobby, if that is the proper term, is a modest change, actually a change that probably will not save 10 cents in appropriated money year in and year out. In fact, in some ways the so-called reform is worse than present law.

The present bill guarantees price support at 75 percent of parity, with the grower standing the cost of any storage. The new scheme will still guarantee price support, but at 70 percent of parity. However, the Government picks up the tab for any storage expense. It looks to me like a tradeoff. In addition to protecting the allotment producers of peanuts at virtually the same price support level they now get, the new proposal will permit others unlimited production at something like 42 percent of parity.

The rumor was around that the agreement would be of a different character and would go to the target price concept that is now established for feed grains, wheat, and cotton. If so, we would have something that would finally get peanut production back on a reasonable economic base with respect to price supports. That is not in prospect. The peanut lobby rejected that type of compromise, and it got the acquiescence of certain leaders in the Department of Agriculture to go along with the same old price support concept.

It may well be that the language offered by Mr. PEYSER is to restrictive. As the Speaker of the House very correctly said, it would prohibit any price supports for peanuts. This goes too far. We are not going to be without a peanut program of some kind next year.

However, I think, Mr. Chairman, that Mr. PEYSER has rendered a great service to us, and I hope the Members will be alert to the opportunity when it does come along late this summer, to effect

some fundamental change in the peanut program which will bring it more in line with the existing programs perhaps with the target price concept. In the meantime, let us not hold our breath expecting that the Committee on Agriculture itself to produce that type of agreement.

Mr. SMITH of Iowa. Mr. Chairman, I move to strike the last word.

Mr. Chairman, one of the principal arguments for this amendment seems to be that farmers who have not historically grown peanuts without buying an allotment from someone else, or at least leasing an allotment.

I am not for allotments for any commodity that has not been previously covered by allotments. However, I think the Members ought to know what they are doing when they abolish a program which operates under this concept and has for years.

Let us look at what happened when they put a limitation on cotton payments. What happened was that the big producers quit leasing allotments from the small farmers. The cost of the program went up. Actually, that limitation on payments provision increased the cost of the program by about $8 million.

A lot of the Members do not seem to realize—and it is hard to realize sitting here in Washington—that there are thousands of people in this country who still exist on an income of about $2,000 or less a year. They have a small allotment which they lease to larger farmers. From that lease they may receive $150, $300, or $500. They also may raise a litter of pigs and 3 or 4 acres of corn to feed them. These are poor people. They may be 50, 60, or 70 years old. They are not in a position to move to a city and secure employment. They do not want to go on welfare in some city and are happier where they live. They ought to be able to stay there.

Therefore, let us not think it is so bad when, in order to get a few more acres, a larger farmer has to pay a little fellow to lease his acreage.

Let those who vote for the amendment realize they are hurting the poorest of the working poor and mostly elderly when they vote for this amendment.

AMENDMENT OFFERED BY MR. ANDERSON OF ILLINOIS TO THE AMENDMENT OFFERED BY MR. PEYSER

Mr. ANDERSON of Illinois. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. ANDERSON of Illinois to the amendment offered by Mr. PEYSER: On page 20, line 17, after the period add the following:

"No part of the funds appropriated or made available by this act shall be used to pay the salaries of the personnel who formulate or carry out the existing price support program for the 1975 crop of peanuts."

Mr. ANDERSON of Illinois. Mr. Chairman, I have had an opportunity to listen to most of the debate on the amendment which has been offered by the gentleman from New York (Mr. PEYSER) and it seems to me that there are probably some valid arguments on both sides of the proposition.

On the one hand, as the chart to my left would indicate, this has been a program that has been costly to the taxpayers, to the tune of $513 million since the 1962–63 crop year.

On the other hand, as I read that chart, we have seen a steadily diminishing number of farms involved in the program; the number is down from 105,000 in the 1962–63 crop year to the most recent figure of 82,000.

However, as I listened to the distinguished Speaker of the House and the gentleman from Mississippi (Mr. WHITTEN) and others who spoke, it seemed to me that they did have some merit to their argument It seemed that there is some merit to the argument which they offered concerning the gentleman's amendment as it is now worded, which says, as the Members will recall, that "no part of the funds appropriated or made available in this act shall be used to pay the salaries of personnel to formulate or carry out a price support program for the 1975 crop."

The interpretation of that amendment would inexorably lead to the conclusion that we could not have any kind of program at all. And it may well be, as the gentleman who just left the well, the gentleman from Iowa (Mr. SMITH) said, that there are some small farmers who would, if they could not enjoy the revenue from this crop and make their incomes in that manner, be transferred to the welfare rolls or would become in some manner otherwise a charge upon the taxpayers of this country.

So, very simply, what I have attempted to do in this amendment to the gentleman's amendment is to take out the words, "a price support program," and substitute the words, "the existing price support program," which it seemed to me would give some impetus and some incentive to the Congress to fashion a new program, one that would be workable and less costly, and yet not render it completely impossible for us to have some kind of price support program for the farmers who are engaged in this particular field of agriculture.

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

Mr. ANDERSON of Illinois. I am pleased to yield to the gentleman from Illinois.

Mr. FINDLEY. Mr. Chairman, I want to voice my support of the amendment to the amendment. I feel that it puts the amendment in good form, and all Members of this body can be assured before January rolls around that we are going to have a supplemental appropriation bill for food stamps, if for nothing else, in which could be accomplished for funding whatever price support program for peanuts does emerge from Congress.

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

Mr. ANDERSON of Illinois. I yield to the gentleman from New York.

Mr. PEYSER. Mr. Chairman, I thank the gentleman for yielding.

I wish to say that I accept the amendment which the gentleman from Illinois has offered. I think it really does clarify the situation. I am grateful to the Speaker for speaking on this point, because it was not my intention to create this type of problem. I think the amendment to my amendment does clarify it.

I think when the new program comes out, the House can then work its will on the matter, and we can have an effective program for peanut help.

Mr. Chairman, I thank the gentleman.

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

Mr. ANDERSON of Illinois. I yield to the gentleman from Texas.

Mr. KAZEN. Mr. Chairman, I have listened to the arguments, and I see no need whatsoever for any type of an amendment on this subject, because if we are going to have a different price support bill, they will still have to operate under the provisions of this bill; or if we retain the present price support bill, if we cannot agree on a new bill by the end of the year, we are still going to have a price support program.

So why should we have this type of an amendment at all? Mr. Chairman, I oppose both of these amendments.

Mr. ANDERSON of Illinois. Mr. Chairman, I think, very simply, to answer the gentleman's question, as I said a moment ago, this is designed to offer some incentive to the committee to bring out a new program, one that would answer some of the arguments that have been raised—and I think they are legitimate arguments—against the manner in which the present program is operating and yet not simply cut off completely any possibility for any kind of program administered by the Secretary of Agriculture.

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

Mr. ANDERSON of Illinois. I yield to the gentleman from Illinois.

Mr. FINDLEY. Mr. Chairman, the amendment offered by the gentleman from Illinois to the Peyser amendment simply cuts money from the existing program, not from the employees to formulate and carry out a successor program. The best way we can be sure we are going to get some form of peanut legislation reform is to adopt the gentleman's amendment and then adopt the Peyser amendment.

Mr. ANDERSON of Illinois. I think the gentleman is eminently correct.

Mr. ALBERT. Will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the distinguished Speaker.

Mr. ALBERT. Of course, the gentleman acknowledged in a sense, indirectly, this is sort of a shotgun amendment. It has forced the House to act. However, does the gentleman believe an appropriation bill, anticipatory completely, is the proper place to inject a program of this kind?

Mr. ANDERSON of Illinois. In response to the distinguished Speaker, I think the argument could have been raised that the original amendment probably suffered from the vice he mentioned in that it was a shotgun approach, but with the amendatory language I pro-

pose that makes it possible this year to work out a new program I do not think we have to be afraid to adopt it.

As far as this being an appropriate vehicle, I think it is the only chance we will have to work on this.

Mr. MATHIS of Georgia. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I think the distinguished Speaker of the House put his finger perfectly on the problem with the Anderson substitute.

First of all, working in the Committee on Agriculture, even if we can get this legislation out—and we do intend to get it out—and this is something I can say for the majority of the members—still we have to bring it to the floor of the House and it has to go to the Senate. We do not know what the outcome will be in the other body. So I think it is the better part of wisdom to reject the Anderson substitute and then in turn reject the Peyser amendment.

Mr. ANDREWS of North Carolina. Will the gentleman yield?

Mr. MATHIS of Georgia. I will be happy to yield to the gentleman from North Carolina.

Mr. ANDREWS of North Carolina. Do I understand this correctly: if the amendment passed there could be no salaries for persons to formulate the program we are talking about? Is that correct?

Mr. MATHIS of Georgia. The gentleman is eminently correct, as I understand the amendment.

Mr. SISK. Will the gentleman yield?

Mr. MATHIS of Georgia. I am happy to yield to the gentleman.

Mr. SISK. I want to join with the gentleman in opposition to this amendment.

I think we have had an expression here by the chairman of the subcommittee in all good faith as to what will happen in connection with resolving this program. It would be most unfortunate if this amendment should happen to be adopted.

So I join my colleague from Georgia both in opposition to the substitute and to the amendment.

Mr. YOUNG of Georgia. Will the gentleman yield?

Mr. MATHIS of Georgia. I am happy to yield to the gentleman from Georgia.

Mr. YOUNG of Georgia. Mr. Chairman, I rise in opposition to the amendment.

Frank McGill, University of Georgia Extension Service specialist for peanuts based in Tifton, estimates that one of every three black families in the 84 peanut producing counties of Georgia derive a major part of their livelihood directly or indirectly from peanuts.

A number of these families are engaged directly in the production of peanuts either as land and peanut allotment owners, renters, share farmers or hired farm workers.

A much larger number of blacks, Mr. McGill states, are employed in agribusiness enterprises that serve peanut producers. These activities include peanut warehousing and shelling facilities, fertilizer and chemical companies, farm equipment service companies, custom services for farmers such as lime spreaders, and many others.

These black families, along with their white neighbors, would suffer disastrously if the peanut price support program were abruptly terminated.

The entire industry would be thrown into utter chaos, because the handling and marketing of the peanut crop is fundamentally built around the price support program that has been in existance for some 30 years. And, of course, the price of peanuts to farmers could fail to ruinous levels with no likely reduction in consumer prices of peanut butter or other peanut products. The value of the peanut crop to farmers in Georgia this year probably will be between $225,000,000 and $250,000,000. This will represent some 20 percent of our State's total farm income from crops. The Georgia Peanut Commission estimates the total impact of peanuts on Georgia's economy at more than $1 billion annually.

Thus the entire State and all its people—black and white—will suffer should the peanut program be destroyed.

Mr. McGill's estimate that one of every three black families derive a major part of their livelihood from peanuts applies to Georgia. But it is fair to assume that the same would be true also for Alabama, Florida, North Carolina, and to a lesser degree, for Virginia and Texas. In the Southwest, especially south Texas, a large number of Spanish-American families are involved in the peanut industry.

Mr. McGill is one of the foremost and most respected authorities in the United States on peanuts.

Therefore I urge the defeat of this amendment.

Mr. WHITTEN. Will the gentleman yield?

Mr. MATHIS of Georgia. I will be happy to yield to the chairman of the subcommittee.

Mr. WHITTEN. Mr. Chairman, this amendment, I hope, will be defeated.

These programs are handled by ASCS employees in the various counties throughout the country. This money goes to the person who might be doing this work, but he might also be doing work in many other programs, in a variety of other things in connection with other crops. If we deny the funds here that the gentleman from Illinois has referred to, we will be affecting many other programs.

I believe it is unwise at a time like this to try to write this type of an amendment into an appropriation bill, when that is not the matter really before us. I hope we will vote this amendment down.

Mr. PEYSER. Will the gentleman yield?

Mr. MATHIS of Georgia. I yield to the gentleman.

Mr. PEYSER. I want to say to my friend from Atlanta that I have been there many times. It is a great city and great State.

Second, I want to say I would like to point out with regard to this amendment that if the amendment to the amendment passes and then the amendment passes, it would in no way preclude new legislation being enacted for an adequate amount of funding to carry out anything that the new legislation would have in it. It would in no way change or affect it. I think we can do it, and I know we will get a new bill.

Mr. MATHIS of Georgia. The gentleman, I think, is wrong. He is simply misinterpreting what his amendment will do.

Mr. FOUNTAIN. Mr. Chairman, I rise in opposition to both the Peyser and the Anderson amendments, both of which in effect, would destroy a vitally important peanut price support program which has meant so much to countless thousands of peanut growers in this country, a program which has provided a good supply of peanuts to the consuming public at very reasonable prices.

The proposed amendments have a bearing on a major issue—the question of whether or not an adequate supply of high quality food at reasonable prices for all the consumers of this Nation will be insured.

Our farm programs as a whole and the peanut program as one of them, have, of course, at times involved the substantial expenditure of tax funds. But, the programs have been a major factor in our being able to build the most efficient, most productive agricultural system in the world. In fact, our system of agriculture is the envy of every other nation on the face of the globe.

With our system, we have the capacity to produce substantially much more food and fiber in any given year than is currently needed. Surely we want to maintain this enviable position just as long as we can in view of the increasingly serious worldwide food shortage. Famine now stalks some areas of the world.

In most years, we've been able to hold a part of our productive capacity in reserve. Expenditures to build and maintain this reserve have been and are a good investment for the American consumer.

Ask yourself where we would be today, where we would have been in the past year, where would we be next year, if we did not have this capacity?

How can we provide continued supplies for our own people and take advantage of the opportunity to trade with the rest of the world if we lack the capacity to produce?

How can we sell agricultural commodities to the rest of the world and thus improve our balance of payments, if we lack the capacity to produce?

As an individual, have you ever thought of what a near-miracle it is that wherever you are in America—in your home, in a restaurant, in a supermarket, or in some big convention hotel in New York—you have a plentiful, even bounteous, supply of fresh, wholesome, delicious food, including peanuts, readily available?

If we take this daily miracle for granted and are not concerned about how it comes about, then we could eliminate the cost of our farm programs. But, by doing so, we would surely substantially reduce the capacity of our agricultural system; and we just might destroy it, in which case millions of us would starve.

The consequences of eliminating vital farm programs at this time would inevitably be extremely high prices for food rather than the still relatively low prices we have come to take for granted. The consequences would be a lack of food and fiber— and thus hunger—such as we have never known in this country.

Mr. Chairman, I have the honor to represent an area which is a major producer of agricultural commodities, including peanuts. In fact, the farmers of the first and second congressional districts of North Carolina represented by my colleague, Congressman WALTER JONES and myself respectively, grow practically all, if not all; of the peanuts grown in North Carolina. And in a number of our counties except for home consumption, a peanut farmer relies altogether upon his production of peanuts for his families livelihood. Peanut farmers are hard workers. All of our farmers are hard workers, and also good managers. They have to be because their operating costs are high, but unfortunately their margins of profit and income are not.

As a matter of fact, the average net income from peanuts per operating farm is around $4,000 a year. For all of the families living on and operating these farms, the average net income per family is around $2,500.

Fortunately, many of these farms do grow some other crops, but still the total net income is low on average. And, remember, the net income of a farmer is not only what he and his family have to live on, but what he has to keep his farm—business—going. Salaries are not taken out before hand. In most cases, the outcome of a years operation is so uncertain and dependent on so many factors that they cannot pay themselves a salary. They just hope they will have something left at the end of the year with no debts unpaid.

I regret to say it, but on some of the best farms in my district there are good hard-working farm families with incomes below the poverty line who could apply for food stamps, if they wanted to. Some do, and at times have to, to survive.

In my judgment, the cost of the agricultural programs—and I favor reducing the expenditures of the Federal Government wherever we can safely do so—has been returned to the public many times over in the form of ample supplies of high quality foods at relatively low cost.

This statement is particularly pertinent as it applies to the peanut program. As a matter of fact, the cost of the peanut program as a percentage of the farm value of the crop from 1960 to 1972 compares quite favorably to the cost of other farm programs in those years.

For peanuts, the average cost was only 14 percent of farm value, compared with 56 percent for wheat, 19 percent for feed grains, and 41 percent for cotton.

I might point out that the reserve capacity for wheat, feed grains and cotton in the past was maintained essentially by payment for withholding part of the land from production, when our supplies were undesirably large.

In the case of peanuts, the reserve was maintained by production at a level somewhat above food requirements and by the sale of the excess in the secondary market for crushing and export. The cost of the peanut program has been relatively much less.

In addition, let me add that farm programs, including peanut, tobacco and cotton ones, have returned to the U.S. Treasury in taxes from farm people and others dependent upon farming for a livelihood many more millions of dollars than have ever been expended by their Government on their behalf. Those proposing to destroy our vital peanut program today—by a sort of backdoor approach—have unjustly called our existing peanut price support program a "feudal system." That description seems to be saying that the peanut program has retarded progress and growth.

But, the contrary is true, and abundantly clear. Let us take a look at the record. From 1960 to 1972, production of peanuts increased 91 percent, yield per acre increased 79 percent, domestic food use of peanuts increased 44 percent, exports of peanuts increased 586 percent, and the gross farm value of the crop increased 78 percent.

For wheat, corn and cotton, no measure of growth is as good as that shown for peanuts. Only corn comes close in increased yield per acre.

There also seems to be some kind of idea that the peanut program prevents normal shifts in the ownership, rental and operation of farms. However, the fact is that these shifts occur in the peanut area just as they occur in other areas.

The point has been made that the minimum national allotment of 1,610,000 acres for peanuts results in production beyond the domestic food needs in this country. And that is correct.

The peanuts not needed for food have moved into the secondary market for crushing and for exporting. This has been accomplished only at some cost to the Government in most years. But, I repeat, our farm programs have been of tremendous benefit to the general public, to the consumer.

The statement has been made that "According to the General Accounting Office report, only 1,015,000 acres are needed every year to grow the crop." I can only say that if the acreage were reduced to this level, we would be woefully short of the peanuts needed to supply our own food requirements. Further, the additional costs to the consumer, because of higher prices for peanut products would substantially exceed the cost of the program. In fact, a stable peanut market during the last year, at a time when other commodities such as wheat rose fantastically in price, probably saved American consumers more than the entire cost of the peanut program for the last decade or two.

I am not critical of the GAO report. I have the greatest respect for that Agency. But, the GAO report, in terms of cost estimates, reflected figures prepared by the Department of Agriculture and circumstances have drastically changed since those figures were prepared.

In February of 1973, the Agriculture Department estimated the Commodity Credit Corporation loss on the 1972 peanut crop at $96 million, but the actual cost was below $60 million.

The Agriculture Department estimated the cost on the 1973 crop at $121 million, but the cost turned out to be less than $5 million.

The Agriculture Department has estimated the cost of the 1974 crop at $131 million, but the actual cost will likely be only a minute fraction of that figure—less than 1973. Based upon a profit shown, so far during the first quarter of 1974, there is a good chance of no loss at all in 1974.

The consumption of peanuts for food in the United States over the past year increased around 12 percent. The increase reflects the fact the peanut products are a good food buy. USDA figures show that in January 1974, the cost of 20 grams of protein in peanut butter was only 13 cents. The nearest item cost-wise to peanut butter was dry beans at 14 cents for 20 grams of protein. The cost climbs for a long list of some 34 food items to 73 cents for 20 grams of protein in sliced bacon. Furthermore, the protein in peanuts along with its high energy oil content makes it a highly nutritious food.

And compare the cost of the salted peanut with the cost of other nuts: pecans, cashews, walnuts, almonds.

The public is paying less today for peanuts than it did 20 years ago. The real price for shelled peanuts—that is, the actual market price adjusted for changes in the value of the dollar—declined from 14.92 cents per pound in 1954 to 13.09 cents per pound in 1973. It will decline still further in 1974.

Incidentally, only in the United States and Canada is there extensive use of peanuts as a major food item in the forms in which we use the commodity. Try to buy some peanut butter at a store in England or Germany.

Most of the peanut production outside the United States goes into crushing for oil and meal. As might be expected, the quality of foreign peanuts is way, way below ours.

The maintenance of high quality peanuts as they come from the farm and move through processing and manufacturing channels is a key factor in use of them for food. Recently, an official of the Canadian Food and Drug Directorate commented that Canadian manufacturers have almost completely stopped buying peanuts from anyplace but the United States because they know that they can obtain and rely on the high quality of U.S. peanuts for food use.

Peanut growers and others in the industry, from the sheller handlers in the producing area to the manufacturers throughout the country, are interested in a sound peanut program. They want an adequate stable supply that can be marketed at reasonable prices.

The farmer and other members of the industry are entitled to a fair return when they provide the consumer with high quality products at prices that are fully competitive with other food products.

They can do this only when the capacity to produce is adequate. As the program has operated, this has entailed some cost to the taxpayer. However, peanut growers are just as concerned as others about the cost of the Federal Government and about inflation. And, they are

willing to modify the peanut program in ways that will reduce the cost to the Federal Treasury.

Incidentially, many economists have concluded, after analyzing the farm programs, that they really should be called "consumer" programs. This is important to keep in mind.

In any event, the peanut grower is willing to do anything he can to improve his efficiency and to pass on most of the gains to the consumer. He also hopes he can keep a little share for himself.

Peanut growers in working with Department of Agriculture officials over the past year have been striving for constructive modification of the program. There have been hearings before the appropriate subcommittee of the House Agriculture Committee. It is expected that recommendations for legislation will be forthcoming soon.

The growers have clearly expressed their willingness to go along with modifications that will reduce the program's cost to near zero in future years.

Summing up Mr. Speaker, this is an appropriation bill, not a legislative authorization bill. Secretary Butz and his associates have recommended that changes are now under consideration by the Committee on Agriculture, and this is as it should be.

Changes in the peanut program should be made on the basis of recommendations made by the Committee on Agriculture. It would be completely irresponsible to kill the peanut program by eliminating needed appropriations for 1975.

In the light of the current strong demand for protein foods, the costs of operating the current peanut program are negligible. We do not expect the 1974 peanut program to involve Government losses on price support operations. Clearly, there is no urgent financial reason for discontinuing the program at this time.

The Committee on Agriculture has plenty of time to consider changes in the 1975 peanut price support program before another crop is planted next spring. In fact, for months my able colleague, Walter Jones, as chairman of the Oil, Seeds and Peanut Subcommittee, the Agriculture Committee has been in conferences with Department officials and peanut grower leaders, about a more up-to-date peanut program. Out of these deliberations a new program will emerge. It would be impossible if this House were terminating this program by an amendment to the pending Appropriation bill. Let the Agriculture Committee bring a bill to the floor amending the current peanut price support legislation in an orderly way and responsible way.

Until then, let us keep the current program. It is of vital importance in maintaining a stable and expanding peanut industry which contributes well over $500 million to farm gross income in the United States.

I am confident that industry leaders are anxious to expand their production and marketing if it can be done on a profitable basis.

Let us defeat both of the pending amendments overwhelmingly, and pass this appropriation bill today without gutting the peanut program. Then let us ask the Committee on Agriculture to propose amendments to existing legislation, which will improve the peanut price support program before next year's crop is planted.

Mr. BAKER. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, last year I introduced legislation to change the peanut program to the target system, which is a part of the Agricultural Act of 1973 applying to cotton, corn, and wheat.

I believe the target system is a good approach. I would probably agree with all of the criticism which has been voiced by the sponsor of this amendment: The acreage allotment system and minimum acreage which can be planted, recognizing that acreage production has doubled over the last 20 years, and we are getting twice as many peanuts off of the same acreage allotment as we had gotten before.

We are not allowing new producers, young people who want to produce peanuts, to get into the program.

I will say that probably if Mr. Frick of the Department of Agriculture answered the question directly he would probably say, "I would just as soon see this amendment adopted to put some pressure on the peanut people to come together and come to some reasonable agreement."

We have the problem of transfers of acreage. We have elderly people, widows, and so forth, who have acreage that is rented out. If the amendment were adopted they would be in dire circumstances.

We have the problem of aflatoxin peanuts, that is, peanuts which have a mold which is considered to produce cancer, and we would have the hazard of washing those peanuts and getting them to market and creating an unhealthy situation.

I would have to agree that the peanut interests are difficult to corral. This is, however, a meat ax approach. I trust we can depend on the good faith representations of the peanut people, as they have stated to our subcommittee chairman, that they will get together. We cannot consider effective legislation, certainly, that would apply to a nicer group.

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

Mr. BAKER. I yield to the gentleman from Alabama.

Mr. DICKINSON. Mr. Chairman, I rise in opposition to the amendment offered by Congressmen FINDLEY and PEYSER to prohibit the use of any funds in the agriculture appropriations bill for the peanut program.

I commend the gentleman for their enthusiasm. However, I can assure the Members of this body that no one is working harder to iron out the wrinkles in the peanut program than the Department of Agriculture and myself. We recognize that for many years the peanut program has been rather costly. That has changed drastically.

Over the last 2 years the Department of Agriculture, members of the Agriculture Committee, and leaders of the peanut industry have worked diligently to put together a workable, cost-worthy peanut program. Agriculture Department officials and industry leaders have testified numerous times before Congress on this matter. Some drastic changes have been effected in the peanut program. The Department of Agriculture has gotten a handle on the peanut program and does not support the Findley-Peyser amendment.

I really cannot understand where the gentlemen got their figures. If indeed the figure $611,926,000 for 19 years of price support for the program is accurate, then this is an average of only $22.21 per acre, not the $66.91 figure for 1971, a rather unusual year. Incidentally, the cost per acre in 1973 was only $2.60.

The gentlemen quote USDA as saying the peanut program will cost the taxpayers $1,183,000 between 1975 and 1979. I do not know where the gentlemen got this figure either and I do not question their veracity, but I do take strong exception to these figures which, in all likelihood, were prepared by some GAO accountant totally unfamiliar with the peanut program.

The fact is, the Department of Agriculture predicts that the peanut program will cost only $3.9 million this year, and if world demand for peanuts continues to be high, and there is no reason to believe otherwise, the program cost could be minimal. But, even if the program did cost $3.9 million per year, which it probably will not, this would amount to only $15.6 million for 4 years, not over $1 billion as the gentlemen contend.

Let's talk for a minute about the lowly peanut which is so often maligned by many of my colleagues. I would like to submit for the RECORD a USDA study which shows that peanuts, and peanut butter in particular, is the cheapest source of high protein of the leading 34 food items. The only way that the consumer can get this cheap source of high-quality protein is if the consumer is able to purchase peanuts. Would the Congressmen deny this cheap form of protein to their constituents?

If indeed, the peanut program did cost $3.9 million next year, this is essentially an insurance policy to keep thousands of peanut farmers from going bankrupt if the bottom should fall out of the world market, which in all probability will not happen. Yet, this is less than the cost of one F-4 plane—$4.3 million—which we gave to Israel during the recent Yom Kippur war. Most every other commodity has some sort of insurance coverage, why should not peanuts be afforded the same protection.

Basically, this amendment is not needed and is totally uncalled for. If adopted, it would throw a monkey wrench in the USDA's plans for the peanut program and could place an undue burden on the thousands of peanut farmers in America.

I urge my colleagues to reject this absurd peanut amendment and get on with important matters.

The study referred to follows:

COST OF 20 GRAMS OF PROTEIN FROM VARIOUS SOURCES, JANUARY 1974 AND AUGUST 1973

Rating (January 1974) and food [1]	Market unit	Price per market unit (cents)		Part of market unit to give 20 grams of protein (percent)	Cost of 20 grams of protein (cents)	
		January	August		January	August
1. Peanut butter (2)	12 oz	56	52	23	13	12
2. Dry beans (1)	pound	57	29	24	14	27
3. Bean soup, canned (4)	11.5 oz	20	18	96	19	17
4. Chicken, whole, ready to cook (14).	pound	59	92	37	22	33
5. Milk, whole fluid (5)	Half gal	76	65	29	22	19
6. Eggs, large (10)	Dozen	93	97	25	24	25
7. Tuna, canned (7)	6.5 oz	54	50	44	24	22
8. Sardines, canned (6)	4 oz	26	23	94	24	22
9. Hamburger (11)	pound	102	104	24	25	25
10. Beef liver (9)	do	103	98	24	25	24
11. Chicken breasts (17)	do	101	140	25	26	37
12. American process cheese (8)	8 oz	71	60	38	27	23
13. Pork, picnic (13)	pound	89	92	32	29	33
14. Turkey, ready to cook (12)	do	84	80	35	30	28
15. Ham whole (15)	do	124	122	29	36	35
16. Round beefsteak (19)	do	177	188	22	39	41
17. Ocean perch, fillet, frozen (16)	do	112	101	36	40	37
18. Pork loin roast (26)	do	123	152	33	41	51
19. Rump roast of beef, boned (22)	do	173	182	26	44	47
20. Liverwurst (21)	8 oz	75	73	60	45	43
21. Frankfurters (23)	pound	125	129	36	45	47
22. Ham, canned (20)	do	189	171	24	45	41
23. Salami (24)	8 oz	95	93	50	48	47
24. Sirloin beefsteak (28)	pound	173	187	28	49	53
25. Chuck roast of beef, bone in (18)	do	139	114	35	49	40
26. Rib roast of beef (27)	do	156	160	33	51	53
27. Haddock, fillet, frozen (25)	do	148	136	35	52	48
28. Pork chops, center cut (30)	do	163	196	35	57	68
29. Bologna (29)	8 oz	82	81	73	59	59
30. Pork sausage (32)	pound	127	137	52	66	71
31. Porterhouse beefsteak (33)	do	203	217	34	68	73
32. Veal cutlets (31)	do	330	325	21	71	69
33. Lamb chops, loin (34)	do	232	241	31	71	74
34. Bacon, sliced (35)	do	139	161	52	73	85

[1] Number in parentheses; rating for August 1973.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois (Mr. ANDERSON) to the amendment offered by the gentleman from New York (Mr. PEYSER).

The question was taken; and on a division (demanded by Mr. PEYSER) there were—ayes 11, noes 101.

So the amendment to the amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. PEYSER).

The amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

DAIRY AND BEEKEEPER INDEMNITY PROGRAMS

For necessary expenses involved in making indemnity payments to dairy farmers for milk or cows producing such milk and manufacturers of dairy products who have been directed to remove their milk or milk products from commercial markets because it contained residues of chemicals registered and approved for use by the Federal Government, and to beekeepers who through no fault of their own have suffered losses as a result of the use of economic poisons which had been registered and approved for use by the Federal Government, $1,850,000, to remain available until expended: *Provided*, That none of the funds contained in this Act shall be used to make indemnity payments to any farmer whose milk was removed from commercial markets as a result of his willful failure to follow procedures prescribed by the Federal Government.

AMENDMENT OFFERED BY MR. CONTE

Mr. CONTE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CONTE: On page 21, line 11, strike "$1,850,000" and insert in lieu thereof "$350,000"; on line 16, strike the period and insert in lieu thereof "*Provided further*, That none of the funds contained in this Act shall be available for payments to indemnify beekeepers for losses as authorized by the Agriculture Act of 1970 as amended."

Mr. CONTE. Mr. Chairman, to bee, or not to bee, that is the question. I for one am about to break out in hives, suffering from the stings and arrows of outrageous fortunes being made by beekeepers at the expense of the American taxpayers.

Mr. Chairman, I rise to offer an amendment to strike funds for the beekeeper program. I shall keep my remarks short and sweet.

The beekeeper indemnity program was supposed to indemnify beekeepers who "through no fault of their own" suffered losses of honey bees due to spraying of Government-approved pesticides near their lands. In the past few years, $12.6 million has been paid to beekeepers for their dead bees. That kind of money makes this the sweetest Federal subsidy program of all.

The priorities of this program put bees in my bonnet. I know my colleagues will raise a buzz when they see the priorities of this program. Under the guise of protesting bees, which are essential for the pollination of many crops, the beekeeper indemnity actually puts a bounty on their poor, little fuzzy heads. The monetary incentive is to let the tiny creatures die, rather than keep them alive.

Mr. Chairman, honey bees are delicate creatures. According to a beekeeper in Washington State, they will die at the drop of a hat. Or, in this case, at the drop of a Federal subsidy. Bees are, in fact, dying from pesticides. But they are also dying of old age, arthritis, too much high living, bent stingers, and the too-frequent ingestion of the sweet nectar of fermented clover blossoms.

But no matter the cause of death, the taxpayer is getting stung.

When that was announced, it was followed by a chorus of beekeepers who sang:

Honey, honey, honey be my little honey
Be my little hon and I will gather honey
If you'll be my little baby bumble bee
Then I'll save my hon, honey for you
Honey won't you be my little baby bumble
Be my little bee and gee I'll never grumble honey
If you'll be my little baby bumble bee
Then I'll save my hon, honey for you
You clipped my wings when you flew by
You started things honey, honey, honey let me buzz around you honey
And I'll never sting, sting my little honey
Please don't ever fly, fly away my honey, hon
And I'll save my hon, honey for you.

Why should they grumble? They have got their little bees, and they are worth money dead or alive.

Mr. Chairman, as if the history of this program were not enough to set this Chamber off buzzing with waspish dismay, I regret to report that the Department of Agriculture has increased the bounty level this year, from $15 to $22.50 per hive.

It is time to clip the wings of this high-flying scheme. Bees should be kept alive. And the dead bees should be paid for by the people who sprayed them with the pesticides. After a few law suits in this area, I am sure we will see a lot more live bees.

Last year, beekeepers were caught with their hands in the Federal honey jar ladling out $1.1 million. This year, they are hoping to wax the taxpayers for another million and a half dollars. Just like honey from a jar, the flow of beekeeper money does not seem like much, but it is steady and will go on forever.

Now is the time for Congress to chase the beekeepers' sticky paws out of the taxpayers' pockets. I urge my colleagues to support this amendment to end this sweetest subsidy program of them all.

Mr. WHITTEN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, prior to discussing the amendment, I wonder if we can have some agreement on the time. I ask unanimous consent that the remainder of the bill be considered as read, printed in the RECORD, and open to amendment at any point, and that all discussion on the bill and all amendments thereto end by 5:30.

Mr. ECKHARDT. Mr. Chairman, reserving the right to object, I have a point of parliamentary inquiry of the Chair. If such a motion be made, would it be necessary for any point of order against any part of the bill to be made immediately?

The CHAIRMAN. A point of order to any part of the remainder of the bill would have to be made after the request were agreed to and before amendments were offered.

Mr. ECKHARDT. It would not be precluded?

The CHAIRMAN. It would not be precluded but the gentleman would have

to make it immediately after the unanimous-consent request to consider the bill as read.

Mr. ECKHARDT. Mr. Chairman, I withdraw my reservation.

Mr. CONTE. Mr. Chairman, reserving the right to object to the request that discussion end at 5:30, I requested the Chairman if he would set a time limit on each amendment rather than on the entire bill because we have some important amendments, on the Federal Trade Commission for instance, and other matters I would not object. We spent over an hour on the peanut amendment. I think it is terribly unfair to short change any other amendment. I must say this bill is for $13 billion, and we sat in this House in January and February and March and twiddled our fingers and did nothing, and it is really a shame if we cannot stay here and debate this important bill and these important points. I withdraw my reservation of objection.

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

Mr. DICKINSON. Mr. Chairman, reserving the right to object, I would like to inquire of the Chair, did I understand this would be a limitation on debate also?

The CHAIRMAN. The Chair understood that.

Mr. WHITTEN. The unanimous-consent request did carry that.

Mr. DICKINSON. Mr. Chairman, I withdraw my reservation of objection.

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

Mr. GIAIMO. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. WHITTEN. Mr. Chairman, I had risen in opposition to the amendment.

The CHAIRMAN. Will the gentleman from Mississippi repeat his request?

Mr. WHITTEN. Mr. Chairman, I earlier asked that the bill be considered as read, printed in the RECORD, and open to amendment at any point, and that all debate on the bill and all amendments thereto end at 5:30.

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

Mr. GIAIMO. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. WHITTEN. Mr. Chairman, I had risen in opposition to the amendment.

The CHAIRMAN. The gentleman from Mississippi is recognized for 5 minutes.

Mr. WHITTEN. Mr. Chairman, with respect to the amendment offered by the gentleman from Massachusetts, he has had a great deal of fun but some of his colleagues would like to get moving on, I am sure. I thought perhaps a copyright would be pending on the speech the gentleman made.

He does recognize, that bees are important for the feeding of the American people.

Mr. Chairman, I am proud of our subcommittee. This program was started some years ago and it was our committee which insisted that we have adequate proof, and that they go through stringent procedures of proving their claim that they sustained such losses, and that the loss was through no fault of theirs, such as negligence or other things. We now have a sound program, I believe. The Department has assured me of this. The program is badly needed. That is recognized by the gentleman. He has had a great deal of fun, but neither did he want to eliminate this program. The law provides for payment, and if we do not have it in this item at this point restitution for losses will undoubtedly be made in some other way.

I hope we vote down the amendment.

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

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

Mr. YATES. Mr. Chairman, I notice that under the Federal Crop Insurance Corporation we have this language:

> Crop insurance offered to agricultural producers by the Corporation provides protection from losses caused by unavoidable natural hazards, such as insect and wildlife damage, plant diseases, fire drought, flood, wind, and other weather conditions. It does not indemnify producers for losses resulting from negligence or failure to observe good farming practices.

Does not the gentleman believe that a logical amendment to the Federal crop insurance program would provide indemnities of the kind that are provided in this bill for beekeepers and the dairymen? Such an amendment would eliminate subsidies and provide for payment as insurable risks.

Mr. WHITTEN. The gentleman could be correct as far as the gentlemen in the Department of Agriculture recommending legislation; but the crop insurance program as enacted, and it operates under a legislative act, does not cover bee losses.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts (Mr. CONTE).

The amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk proceeded to read.

Mr. WHITTEN (during the reading). Mr. Chairman, I ask unanimous consent that the bill be considered as read, printed in the record, and open to amendment at any point, from this point forward.

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

Mr. GROSS. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

The Clerk will read.

The Clerk read as follows:

TITLE III—ENVIRONMENTAL PROGRAMS

INDEPENDENT AGENCIES

COUNCIL ON ENVIRONMENTAL QUALITY AND OFFICE OF ENVIRONMENTAL QUALITY

For expenses necessary for the Council on Environmental Quality and the Office of Environmental Quality, in carrying out their functions under the National Environmental Policy Act of 1969 (Public Law 91–190) and the National Environmental Improvement Act of 1970 (Public Law 91–224), including official reception and representation expenses (not to exceed $1,000), hire of passenger vehicles, and support of the Citizens' Advisory Committee on Environmental Quality, $2,500,000.

Mr. YATES. Mr. Chairman, I move to strike the last word.

Mr. Chairman, once again the committee's frustration with and hostility to the Delaney clause is made ringingly clear in its report, and I feel the committee must be answered. As Members know, the Delaney clause requires that substances which cause cancer in animals be prohibited from us in products consumed by humans.

Last year the committee expressed its—

> Concern that many decisions such as the banning of DDT and DES may have been made without adequate scientific fact.

This year, the committee says that:

> No evidence has appeared that DES in the 20-odd-years it has been used in cattle has caused any adverse effects on man.

Last year the same statement was made respecting DDT.

That may be true, but let us pray the day will not come when it can be shown clearly and specifically that DDT and DES cause cancers in man, in the same way as a causal relationship was shown between cancer of the liver in vinyl chloride workers. It was a rare cancer in that case and the causal relationship was able to be established.

But today the human body is subjected to so many carcinogenic influences that it is difficult to isolate any one of these as the cause of cancer—or whether any combination of them cause cancer. The question is: Do we want to risk it by removing the Delaney clause?

Science has not been able to provide exact answers to the question of whether substances that are carcinogenic in animals will be carcinogenic in man. Nevertheless, science tells us that possibility exists, and there are few scientists, if any, who advocate the elimination of the so-called Delaney clause. If it is not known absolutely that a chemical which produces cancer in mice will produce cancer in humans as well, should that chemical be approved for human consumption? The scientists say no. We say no. If there is any question, surely economic interests should be sacrificed to human interests. I would urge regulatory agencies having responsibility for protecting the American people from dangerous food additives to be very conscious of their trust.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

ENERGY RESEARCH AND DEVELOPMENT

For energy research and development activities, including hire of passenger motor vehicles; hire, maintenance, and operation of aircraft; uniforms, or allowances therefor, as authorized by section 5901–5902, United States Code, title 5; services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the rate of GS–18; purchase of reprints; library memberships in societies or associations which issue publications to members only or at a price to members lower than to subscribers who are not members; $103,000,000, to remain available until expended: *Provided*, That the Environmental Protection Agency may transfer so much of the funds appropriated herein as it deems appropriate to other federal agencies for energy research and development activities that they may be in a

position to supply, or to render: *Provided further,* That the amount appropriated for "Energy Research and Development" in the Special Energy Research and Development Appropriation Act, 1975, shall be merged, without limitation, with this appropriation: *Provided further,* That none of the funds contained in this Act shall be used to fund the development of automotive power systems: *Provided further,* That this appropriation shall be available only within the limits of amounts authorized by law for fiscal year 1975.

POINT OF ORDER

Mr. DINGELL. Mr. Chairman, I rise to a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. DINGELL. Mr. Chairman, I make a point of order against the language at page 33, commencing with the word "provided" at line 17 down through the end of page 33, line 21.

The point of order, Mr. Chairman, is that the language complained of constitutes legislation in an appropriation bill and is, as such, violative of rule XXI, clause 2.

Mr. Chairman, I am prepared, at the convenience of the Chair, to be heard on this point of order.

The CHAIRMAN. Does the gentleman from Mississippi desire to be heard on the point of order?

Mr. WHITTEN. I do, Mr. Chairman.

Mr. Chairman, the basic authority for interagency agreements is the Economy Act of 1932, which, subject to the limitation noted below, permits the requisitioning of goods and services between Federal agencies. Additionally, there are other statutes applicable to EPA which authorize cooperation and coordination with other Federal agencies, these include section 104(a), (b), (c), (i), (h), (p), and (t) of the Federal Water Pollution Control Act; section 204 of the Solid Waste Disposal Act; section 102(b) and 103 of the Clean Air Act; section 14(1) of the Noise Control Act of 1972; and sections 20(a), 22(b); and 23(b) of the Federal Pesticide Control Act of 1972.

So, the language to which the gentleman objects, while it might be repetitious, is clearly authorized in numerous instances and is not legislation on an appropriation bill, but a repetition of the law as it now exists.

The CHAIRMAN. Does the gentleman from Michigan desire to be heard further on his point of order?

Mr. DINGELL. I do, Mr. Chairman.

Mr. Chairman, the point of order lies, not to the authority to transfer, but the authority of the receiving agency. As the Chair will note, the Environmental Protection Agency may transfer funds as it deems appropriate to other Federal agencies for energy research and development activities.

First of all, I am not aware of EPA having any development responsibilities in any of the statutes cited. Second, I am not aware of any statutory authority for EPA to transfer as it deems appropriate. This constitutes excessive authority far beyond that existing in present law.

In addition to this, the agencies to whom EPA might transfer funds are not identified, and it is not clear who will be the recipient agencies or what energy research and development activities they shall go into. This is far beyond the authorities under existing law, and I believe that the burden under the Rules of the House is upon the proponents of the legislation to establish the authority under which: First, the funds shall be transferred; and second, under which the activities referred to in the session will be carried out.

One of the principal questions around which the point of order revolves, Mr. Chairman, is the question of, First, who shall conduct the activity; second, what shall be the activity conducted; and third, under what authority will the agency's recipient of the funds spent receive the funds and carry out the development and research projects.

I believe there has been no legislation cited by my good friend from Mississippi which would indicate the authority for other agencies to receive the funds or to engage in development and research activities.

The CHAIRMAN (Mr. GIBBONS). The Chair is prepared to rule on the point of order.

The Chair has listened to the arguments of the gentleman from Michigan (Mr. DINGELL) and the gentleman from Mississippi (Mr. WHITTEN), and believes that the arguments are fully covered by Cannon's precedents, House of Representatives, volume 7, page 468, section 1470, which states:

> A proposition to transfer funds from one department of government to another for the purposes authorized by law was held not to involve legislation and to be in order in an appropriation bill.

Such reimbursement authority, where shown to be authorized by law, is therefore in order.

The Chair overrules the point of order.

AMENDMENT OFFERED BY MR. CASEY OF TEXAS

Mr. CASEY of Texas. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. CASEY of Texas: Page 33, line 26, strike out the word "none" and insert "not more than $7,200,000".

Mr. CASEY of Texas. Mr. Chairman, the purpose of this amendment is actually to save time because there are some who object to the prohibition, as now written, on the EPA to engage in the development of automotive power systems. I do not think EPA should be engaged in the development of automotive power systems. I think we have the private sector well engaged in this field.

Prior to this, it was called to my attention that approximately $27 million had been spent by EPA in developing two new automotive power systems. Since the taxpayers have that much investment in two automotive power systems, under three contracts, I think the $7.2 million should apply to their completion. I am told that there will be a report on them within 18 months.

Mr. Chairman, I am content to compromise with those who think that EPA ought to engage in developing power systems and to release the $7.2 million from this restriction so that they can go ahead with the project in which there has already been invested $27 million of our money.

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

Mr. CASEY of Texas. I yield to the gentleman from Florida.

Mr. ROGERS. I commend the gentleman for this because I think it is logical and reasonable, and I think the gentleman has explained it very carefully. I certainly commend the gentleman for it.

Mr. CASEY of Texas. I certainly want it understood that this is in no way, on my part, condonation for going into the automobile motor development business because I do not think that EPA has any business to do that. I think they are supposed to be testing systems to see how they react, not to start from scratch.

Mr. Chairman, my intent in offering this amendment is to suggest a compromise with those who feel differently than I do. However, as I say, it is only to complete something that is ongoing, and I certainly would be quite disturbed, to say the least, if they started to engage in any new endeavors in that respect.

Mr. WHITTEN. Mr. Chairman, I rise in support of the amendment. I am not privileged to accept the amendment, on behalf of the subcommittee, offered by the distinguished member of the subcommittee, the gentleman from Texas (Mr. CASEY), but personally I feel it should be adopted. I hope the committee will support it.

The CHAIRMAN. The question is on the amendmet offered by the gentleman from Texas (Mr. CASEY).

The amendment was agreed to.

Mr. HOLIFIELD. Mr. Chairman, I move to strike the last word.

I especially ask for the attention of the chairman of the subcommittee, Mr. WHITTEN.

I have been studying the whole section here in regard to the Environmental Protection Agency. I notice that there are considerable research and development projects in this section.

The previous point of order, it seemed to me, was justified. However, I would like to bring the attention of the subcommittee chairman and the Members to the fact that this House recently, by a vote of some 3 or 4 to 1, passed the Energy Research and Development Agency bill.

The mission of this Energy Research and Development Agency simply was to use the Government agency which has more facilities, more investment in laboratories, some $9 billion worth, which are either being used in working on account of the Government or are under contract. There are some 24,000 experts in every field and every discipline of science, engineers, physicists, chemists, and any other scientific discipline you can name, now working in the AEC agency.

The mission of this new agency ERDA would constitute a central agency for research and development. It is in the language that set up that agency that this mission was clearly brought out.

There were a number of existing ongoing research and development projects, such as those in Interior, coal research, and others, that were transferred over into this agency.

Now, I am going to ask the gentleman a question, but first I shall state that provided in the language of the Energy Research and Development Agency bill was a provision that they had the right to render service to any agency of Government if they have the facilities and the manpower to do it and if these agencies of Government asked them to do it and used the funds which are in their hands to get them to do it.

They also have the right to contract with outside interests, private enterprise interests, if they do not have the facilities or the manpower to do it.

If we are going to have every agency of Government build a set of laboratories and start competing with one another for scientists and engineers, and so forth, we are not going to have our research and development in the energy field, in a place where it can be supervised by the Congress as to the programs involved. This does not mean some other committee; it means this committee, the one which has jurisdiction over any phase of energy R. & D. We will then at least have it where we can look at it and see where it is and have it where the Committee on Appropriations can look at the overall energy and research programs and compute the amount of money that is involved. We would have some place to concentrate our efforts, as we have been trying to do this year in our centralized energy appropriation bill, which the House has already passed.

Mr. Chairman, the question I wish to ask the gentleman from Mississippi is this:

Is it the general sense of the gentleman's committee that if the Energy Research and Development Administration bill comes out of conference between the House and the Senate in substantially the words that it contains now, as between that committee and this committee of the House, and is it the gentleman's thinking that research and development should, as far as possible, be directed toward this huge agency, the one that has the most facilities and the greatest number of skilled people? Or is it the position of the subcommittee that each one of other Federal agencies, including the Environmental Protection Agency, should develop their own set of laboratories, coming here first for construction money for laboratories, and that we should handle it in piecemeal fashion, as far as research and development is concerned, throughout the whole spectrum?

The CHAIRMAN. The time of the gentleman from California (Mr. HOLIFIELD) has expired.

(By unanimous consent, Mr. HOLIFIELD was allowed to proceed for 3 additional minutes.)

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

Mr. HOLIFIELD. I yield to the gentleman from Mississippi.

Mr. WHITTEN. Mr. Chairman, may I say to the gentleman from California that our subcommittee asked about a year ago for a study to be made of all Federal laboratories throughout the United States. Such information did not exist anywhere in the Government.

The gentleman will find the report of our investigative staff on page 17 of the report. The report shows that we have approximately 834 laboratories. Those are primarily research laboratories.

The gentleman will find further in the report that we called on the Environmental Protection Agency not only to give attention to existing facilities throughout the United States, but we called their special attention to the Taft Laboratory in Cincinnati, to the Kerr Laboratory in Ada, Okla., and to the Mississippi test facility which was constructed for this kind of work. That laboratory is located in the lower part of my State, far from my district, may I say.

Not only that, but the language to which the gentleman from Michigan made the point of order which was overruled was put in this bill to point up once again that this is what this committee expects them to do.

There are facilities available, and there are agencies and departments of Government available that can do this work now. If the EPA were to do it, they not only would have to find the personnel and to train the personnel, but they might have to build the facilities. So, as I say, this is a repetition of the existing law. This is the language to which the gentleman from Michigan objected a while ago.

So I think all the way through our hearings and the report on the bill we emphasize what the gentleman from California said. We have not pinpointed the particular facilities he mentioned here as being ahead of any others. However, I would say that I doubt that anywhere in the United States or in the world would you find better facilities or more highly skilled scientists than we have in the agencies that the gentleman mentioned. So we are 100 percent on the side that the gentleman is espousing.

Mr. HOLIFIELD. I thank the gentleman.

The heads of these laboratories at Oak Ridge and Hanford and Iowa and throughout the United States and all of these big laboratories are anxious to get at the business of doing anything that needs to be done in the field of research and development to help solve the energy crisis. I believe that is a correct statement. I believe if they are given the opportunity they will solve the energy problems which are so vital to this Nation.

Mr. GROSS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I should like to ask the gentleman from Mississippi (Mr. WHITTEN) a question or two about the Environmental Protection Agency.

Do I understand that it has grown in 3 years to 9,000 employees?

Mr. WHITTEN. About 8,700 permanent employees at the present time.

Mr. GROSS. And 2,700 of those employees are in Washington, D.C.?

Mr. WHITTEN. That is correct. And as the gentleman can see from the report, we called on them to consolidate their forces here in Washington and to let those 600 temporary employees in Washington go, where they were not needed, and reduce the remainder of the staff. Since the primary work of the agency is done in the 10 regional offices, we feel that many of the people in Washington should be transferred to the regions away from the main headquarters.

May I say that my own information from the hearings is that since this agency is a consolidation of six agencies and departments which were brought together they have quite a surplus of high-level employees. In addition, I have also been told that those who do not subscribe to the general viewpoint frequently do not have much to do.

Mr. GROSS. I appreciate the gentleman's response; however, is there mandatory language in the bill to cut their funds or to compel them to cut down on this army of payrollers?

Mr. WHITTEN. We directed that action be taken, and we plan to have a study made as to whether the number of personnel are in line with what we think they should be. We will follow it up, but at this point we have just taken the action that I mentioned.

Mr. GROSS. I notice you are allowing the EPA $1.3 million for long-distance telephone service. How in the name of all that is holy could it spend $1.3 million in 1 year on long distance telephone calls?

Mr. WHITTEN. I will say from my own experience part of it is trying to explain to people why they have not done something before now.

Mr. GROSS. And they are going to get $140.2 million for research and development as compared with $85.7 million last year. I wonder if we are not turning at least part of the Treasury over to the Environmental Protection Agency.

Mr. WHITTEN. The increase that the gentleman mentioned is in connection with the energy crisis. Every time we have a crisis it seems everybody is getting in on the act. This increase is to enable them to do research in the field of energy and to do something about meeting the energy crisis.

I will say that some of their earlier decisions have delayed the building of powerplants and various other items which have contributed to the energy shortage. However, like we have to do frequently, because they are the cause, we have to turn to them to help solve the situation.

That is the explanation for the increase that the gentleman from Iowa has mentioned.

Mr. GROSS. I do not want to pursue this, and take further time of the House. I will not be around here next year, but I do hope that this committee or some other committee of the House of Representatives, will wield a figurative club over the Environmental Protection Agency because I believe from reading the hearings and the report, that this outfit is getting out of hand.

I thank the gentleman from Mississippi for his responses.

Mr. WHITTEN. Mr. Chairman, may I say that we are going to miss the gentleman from Iowa next year, if we are here

ourselves. The gentleman has made a great contribution here.

I feel that since the gentleman has noticed this in our hearings, the gentleman can see we are working toward that end.

Mr. DU PONT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am taking this time now for fear that when we get down to the end of the bill there will be a limitation of time, and I will not have the opportunity to explain the amendment that I intend to offer on the last page of the bill.

Mr. Chairman, I intend to offer an amendment to set a maximum limit on the appropriations under this bill to $12.7 billion.

This is just another way of requiring the Committee on Appropriations to cut $700 million, or approximately 5 percent, from the total in the bill.

I am fully aware of the fine work that the Committee on Appropriations has done, and I do not for a moment mean to disparage those efforts, but the fact is that we have a bill here that is an increase of 27 percent from last year. The appropriation is up from $10.6 billion to $13.4 billion.

It seems to me, considering the inflationary problem we have in the economy, that this is very simply too much.

We are all aware that inflation has been running at the rate of in excess of 9 percent. We are also aware that everyone, from Arthur Burns, the Chief of the Federal Reserve, to some 54 Senators, who sent a letter to the President today asking for a balanced budget, to innumerable Members of the Congress who have spoken on this floor, is concerned about the need to control spending.

We are all aware that something is going to have to be done about the budget, or we are not going to get inflation under control. Bringing inflation under control requires a substantial reduction in Federal spending. A reduction in Federal spending in turn means that we cannot add 27 percent to last year's appropriations in any area. Now I do not mean to single out the agriculture bill. There are many good programs in this bill—programs within EPA, within the agriculture section, in the consumer protection section—that I would not want to see eliminated. But almost every program could be reduced somewhat. This is true of every area of Federal concern. As a matter of fact, when the Defense Appropriation bill was before us, I supported amendments totaling $2.3 billion in cuts from that bill. I believe we are going to have to make some cuts in this one.

In this case I will ask only for about a 5-percent cut, or $700 million.

I would point out to my colleagues that if my amendment is successful we will still have an increase of 22 percent in the appropriation in this bill over the similar appropriation last year. That in itself seems to me very large, but I frankly doubt I can persuade my colleagues to reduce the appropriation by much more than $700 million.

I hope to be able to expound on this further when the amendment comes up, but I did want to take this time now, so that I would not be foreclosed.

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

Mr. DU PONT. I yield to the gentleman from Pennsylvania.

Mr. HEINZ. Mr. Chairman, I would ask the gentleman from Delaware if the amendment he proposes will not have the effect of reducing funds of the law enforcement activities in this bill?

Mr. DU PONT. My amendment does not specify any particular program because, quite candidly, not being a member of the committee, I do not have the expertise to make that kind of a decision. My amendment requires an overall reduction of $700 million.

Mr. HEINZ. Mr. Chairman, I would suggest to the gentleman that he should be cognizant of the effect of his amendment on the law enforcement titles in the appropriations. Your amendment might have the effect of substantially reducing the staff and experts for consumer protection, law enforcement and other vital activities by such agencies as the Federal Trade Commission, the Food and Drug Administration and the Consumer Product Safety Commission.

POINT OF ORDER

Mr. MOSS. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state his point of order.

Mr. MOSS. Mr. Chairman, my point of order is that I must insist upon the regular order, and the regular order is not being observed. There has been no unanimous-consent request to proceed out of order, and the House is now proceeding out of order. So I call for the regular order.

The CHAIRMAN (Mr. GIBBONS). The gentleman will proceed in the regular order.

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

Mr. DU PONT. I will be glad to yield to the gentleman from Pennsylvania.

Mr. HEINZ. I thank the gentleman for yielding.

I am afraid the intent——

Mr. MOSS. Mr. Chairman, I insist on the regular order, and the regular order is the point of the bill where we are now reading. It is not a point to be reached at a later time. I insist upon the regular order.

The CHAIRMAN (Mr. GIBBONS). The gentleman is correct. The gentleman in the well received permission to strike out the last word and then proceeded to discuss an amendment to be offered to the last section of the bill. The gentleman from Pennsylvania is not discussing a part of the bill that is pending.

The point of order is sustained.

Mr. DU PONT. Mr. Chairman, the discussion was directed at a later point of order to protect my time from a foreclosure of debate.

The CHAIRMAN. The Chair understands what the gentleman is trying to do.

Mr. MOSS. Mr. Chairman, I insist upon the point of order.

The CHAIRMAN (Mr. GIBBONS). The point of order is sustained.

PARLIAMENTARY INQUIRY

Mr. BAUMAN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BAUMAN. Mr. Chairman, the gentleman from Delaware's amendment as discussed would cut the funds in the section of the bill that is now pending before the House and all other sections, and that is germane to the discussion and within the regular order. He has a right to discuss the amendment. This is foolishness, making a point of order demanding regular order.

Mr. MOSS. Mr. Chairman, that does not impress me.

Mr. BAUMAN. Mr. Chairman, I object to being interrupted. Do I not have a right to be heard?

Mr. MOSS. Mr. Chairman, regular order is a matter of the highest priority in this House, and I demand regular order.

Mr. BAUMAN. Mr. Chairman, I address my question to the Chair, not the gentleman from California.

Mr. MOSS. The gentleman from Maryland has not addressed a question.

Mr. DU PONT. Mr. Chairman, having made my point, I will be glad to yield the balance of my time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

TITLE IV—CONSUMER PROGRAMS

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

OFFICE OF CONSUMER AFFAIRS

For necessary expenses of the Office of Consumer Affairs, including services authorized by 5 U.S.C. 3109, $1,365,000.

POINT OF ORDER

Mr. BAUMAN. Mr. Chairman, I have a point of order pertaining to title IV on page 45, lines 9 through 14, under the title "Consumer Programs, Department of Health, Education, and Welfare, Office of Consumer Affairs" on the ground that it violates rule XXI, clause 2, in that there is no existing statutory authority for this office, and I cite as authority the fact that last year this same point of order was made and the Chair ruled that there was no existing authority.

The Subcommittee on Agricultural Appropriations raised this question during their hearing, and a memorandum was submitted from the Department of Health, Education, and Welfare which in effect cited several different statutes, none of which pertained to an Office of Consumer Affairs. I, therefore, insist upon this point of order and ask that this language be stricken.

The CHAIRMAN. Does the gentleman from Mississippi wish to be heard?

Mr. WHITTEN. Mr. Chairman, I do wish to be heard. It is pointed out on page 967 of the hearings that we had submitted the report from the Department of HEW, dated March 21, 1974, in which they cite:

Reorganization Plan No. 1 of 1953 provides in pertinent part: "In the interest of economy and efficiency the Secretary may from

time to time establish central * * * services and activities common to the several agencies of the Department * * * " [section 7].

Later this report says:

The Office of Consumer Affairs, they include policy guidance responsibility respecting the relationship of all of the statutes of the Department to the consumer interest.

So this agency is in line with the Reorganization Plan No. 1 of 1953 which was approved and authorized by the Congress, and for that reason it is within the authorization of the law.

The CHAIRMAN. Could the gentleman from Mississippi give us the statutory citation for this office?

Mr. WHITTEN. It is Reorganization Plan No. 1 of 1953.

Mr. DINGELL. Mr. Chairman, may I be heard in connection with the point of order?

The CHAIRMAN. The gentleman will proceed.

Mr. DINGELL. Mr. Chairman, I would point out that the Appropriations Committee only has authority, and I would say my good friend, the gentleman from Mississippi, is one of the most wise and able Members of this body and he is well aware of the fact that the reorganization plans are not statutory in effect and do not confer the authority on the executive branch to procure and expend appropriated funds. They do not constitute an authorization and, therefore, even though there is a reorganization plan in being it does not constitute the basis upon which the committee may predicate appropriations.

The CHAIRMAN. Last year when this same point was raised, the authority that was cited was an Executive order. The Chair will state that a reorganization plan—which was not cited as authority on June 15, 1973—once it has become effective, has the effect of law and of statute and, therefore, the point of order would have to be overruled.

Mr. DINGELL. Mr. Chairman, if the Chair will permit me further, the gentleman does not cite the Reorganization Act. He recites a reorganization plan which is very different from a Reorganization Act.

The CHAIRMAN. The Chair understands that if the reorganization plan has become effective, if it was not rejected by the Congress within the time provided, it has the effect of a statute.

Mr. DINGELL. It does not constitute statutory authority.

The CHAIRMAN. The Chair overrules the point of order. The Chair has examined the law and is citing from title V, United States Code, section 906, which prescribes the procedure by which a reorganization plan does become effective. It is clear to the Chair that Reorganization Plan No. 1 of 1953 has the effect of law, and therefore, the point of order is overruled.

PARLIAMENTARY INQUIRY

Mr. BAUMAN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. BAUMAN. The legal position of the Office of Consumer Affairs has not been the subject, as I understand it, of any change in status so far as an Executive order issued in the interim since the last ruling of the Chair in June 1973, and no statutory authority has occurred to authorize its existence; so how can this office now be authorized?

The CHAIRMAN. The point is that last year the burden was on the Committee on Appropriations. No statutory provision was cited. This year they have cited authority other than an Executive order.

The Chair has examined the pertinent statutes and the Chair overrules the point of order.

The Chair recognizes the gentleman from California.

Mr. HOLIFIELD. Mr. Chairman, let me say that I handled the Reorganization Act on the floor that puts the different agencies that were related to environmental duties together into the Environmental Protection Agency. We did not change the statutes that created the different programs, nor did we change committee jurisdictions over the different programs. We left them exactly like they were and are and, therefore, the Chair in my opinion has ruled rightly that the statutes that pertain to the different programs from the Government committees, still exist. Therefore, they have the right to continue to authorize those programs and, of course, the Committee on Appropriations can group their work on appropriations in any way they wish, as was proved by their concentration of authorized energy programs into their centralized consideration. So I think the Chair has ruled rightly.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

FEDERAL TRADE COMMISSION

For necessary expenses of the Federal Trade Commission, other than line-of-business report provided for in the following paragraphs; including uniforms or allowances therefor, as authorized by 5 U.S.C. 5901-5902; services as authorized by 5 U.S.C. 3109; hire of passenger motor vehicles; and not to exceed $1,500 for official reception and representation expenses; $36,729,000.

AMENDMENT OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WHITTEN: On page 47, line 5, strike "$36,729,000" and insert in lieu thereof the following: "$37,743,000, of which $650,000 shall be available for development of a computerized evidentiary indexing and retrieval capability, and $1,364,000 shall be available for the congressionally-mandated study of the energy industry."

PARLIAMENTARY INQUIRY

Mr. ECKHARDT. Mr. Chairman, I reserve a point of order pending my parliamentary inquiry at this time.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. ECKHARDT. My parliamentary inquiry is that the chairman of the committee said that his amendment was at the end of this section.

I assume he means at the end of the paragraph and a point of order to a preceding section will not be made out of order by not making the point of order at this time.

The CHAIRMAN. A point of order to the next paragraph, not yet read by the clerk, will be in order when that paragraph is read.

The gentleman from Mississippi is recognized for 5 minutes.

Mr. WHITTEN. Mr. Chairman, I shall be brief in regard to the Committee amendment and why it is being offered.

As I pointed out in the opening remarks, in our hearings and in our report at the time the committee took action on this bill, we recognized the need for the $650,000 for a computerized legal retrieval system for the Exxon case.

We also recognized the need for additional funds, if necessary, to carry on the Congressionally mandated study on energy industries.

We were told that the Office of Management and Budget would set up a budget recommendation to match the need for these funds, at least for the computer system.

Now, I say that I conferred with the Chairman of the Federal Trade Commission, on two or three occasions asking for a budget request. I also conferred with the Director of the Office of Management and Budget. Both indicated a budget request was being considered.

I thought until noon today that there was a likelihood that at least a part of the amount would be covered in a supplemental budget request.

However, I have not received such a budget request, but I have been assured that there is a need for this work to be done.

The committee, therefore, has authorized me on behalf of the committee to offer this amendment to make certain that the work is carried on through, regardless whether the budget amendment comes up or not. I feel again that the Congress as a joint branch or as an equal branch of Government should have had this supplemental request by the Office of Management of the Budget, and in the future I will expect the Federal Trade Commission to do a better job of getting its budget requests processed in time.

It is fundamentally unfair to blame the Congress for going over the budget by $1 million—as we are being forced to do in this instance—when the executive branch has failed to submit a request in a timely fashion. While the committee has added these funds, it will expect the FTC to take every possible step to assure that a budget estimate is submitted to the Senate, so that when the bill clears conference, it will not be over the budget.

The FTC should also be forewarned that this is an unusual action, and they should not expect to be bailed out in the future if they are again negligent in processing budget requests in a timely fashion.

Mr. ANDREWS of North Dakota. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. Mr. Chairman, I yield to the gentleman from North Dakota.

Mr. ANDREWS of North Dakota. Mr. Chairman, the chairman of our subcommittee stated the facts exactly as they are. He has presented these changes to all the members of the subcommittee. All the members are in favor of it, and we urge adoption of this amendment. I also concur with the statement that the FTC

must do a more timely job in making its budget requests to the Congress.

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

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

Mr. MOSS. Mr. Chairman, I rise to commend the gentleman for adding $1,014,000 to the appropriation for the Federal Trade Commission. I would like to emphasize the importance of these funds.

This money will be directed to two major programs. The first portion—$650,000—will be in preparing for trial and in the acquisition of a computer based data retrieval system for use in the antimonopoly litigation now pending against the eight major oil companies.

The FTC lawyers handling this litigation estimate that they will receive some 3 million documents or approximately 25 million pages of material. The Commission assures me that if they do not have this system, they will function with a severe and potentially decisive disadvantage.

This request for $650,000 is not one for an experimental system. It has been carefully planned and researched by the FTC for several months. This litigation against Exxon, Texaco, Gulf Standard of Indiana, Standard of California, Mobil, Shell, and Arco will involve millions.

It is probably the most important antitrust litigation since that which broke up the Standard Oil "trust" in 1911—(*U.S.* v. *Standard Oil*, 211 U.S. 1. By comparison, Control Data in its recent case against IBM spent an estimated $15 million on such a system. That litigation did not involve the economic interests which the oil litigation presents.

I am informed that the defendants in this case will have such a system. Not to give the consumer's representative adequate tools to effectively present the Government's case is indefensible.

Further, this failure of the appropriations committee to approve this request affects a particular litigation effort. This is a dangerous precedent. It is policy making of the highest order, a power that is not in the Appropriations Committee.

The second program is the energy study mandated by Congress last year; $364,000 is needed to complete this study. This is a study of the gas, coal, and nuclear energy industries. We are asked daily to enact legislation which would affect these alternatives to oil. To do so without hard data is to my mind irresponsible.

The Congress voted for this program last year—H.R. 8616, Public Law 93-135. It is as important now as it was then.

I urge the Members' support for this amendment.

Mr. GUNTER. Mr. Chairman, I wish to express my strongest possible support for the efforts of my distinguished colleague from California (Mr. Moss) to guarantee that the Federal Trade Commission has the financial and other means necessary to pursue the critical areas of inquiry this series of proposed amendments is designed to enable it to do. Congressman Moss has been a vigilant and effective protector of the interests of American consumers, and I want to commend his early sensitivity to the problem of FTC funding with respect to these areas of inquiry and express my view that he has performed a genuine service in calling the problem to the attention of the House and the country.

When I also became aware of danger to continuation in an effective way of these FTC inquiries because of inadequate funding some weeks ago, I sought to bring the matter before the House Democratic Caucus for discussion. I regret that the chairman of the caucus, exercising his discretion under the rules of the caucus, cancelled the meeting at which I had placed the FTC matter on the agenda. I believe it would have been useful to bring this matter up before it reached the floor. However, the chairman has every right to exercise the discretion he did in this instance, and given a variety of circumstances and time pressures surrounding the current legislative schedule in general, I cannot fault him.

The matter is, nevertheless, now before the House, and it seems to me imperative that we act to provide the Federal Trade Commission with the adequate means to pursue the antitrust action against the eight oil companies, the energy study, and other matters directly affected by the action we take.

The two areas that principally concern me, Mr. Chairman, are areas in which I have had a continuing interest.

One relates to the need for $650,000 to vigorously and effectively pursue the FTC's case in court relating to alleged monopolistic practices by the eight largest oil companies. One of these companies, Exxon, has just recently announced still another price increase of 39 cents a barrel on oil supplied to its customers, including the electric utilities companies in my home State of Florida. One of these utilities, Florida Power Corp., is fighting that increase on the basis that this latest hike bears no relationship to the higher prices charged by the foreign oil producing nations, but results from an exercise of Exxon corporate policy, at a time when that company reports staggering profit increases over last year.

Similarly, the announcement in the last few days by Mobil that it intends to acquire Marcor, rather than put some of Mobil's earnings back into ventures which hopefully might yield an additional energy supply or offer a chance of returning oil prices to a sane and responsible level, make the House's consideration of adequate funding for the various FTC inquiries timely indeed.

In the case of the major antitrust action in which the FTC is already engaged, Mr. Chairman, the simple and only question is whether the U.S. Government in that action shall have at least some modest resources with which to represent consumers against a vast army of lawyers and modernized computer resources and techniques at the command of the major oil conglomerates.

The requested appropriation of $650,000 for this purpose will provide the Government with the basic tools it needs and ought to have, including the kind of information retrieval system similar to that provided the Senate Watergate Committee. As in that case, there are literally thousands, perhaps tens of thousands, of documents and pieces of information which literally require the availability of a sophisticated information retrieval system if they are to be used meaningfully in court in pursuing this antitrust action brought on behalf of American consumers.

But beyond that, I deeply believe the credibility of the House is at issue with the American people who have been so completely victimized by the actions of the major oil companies, including the recent so-called energy crisis. It took the Congress more than half a year to pass an "emergency" energy bill. We have yet to resolve the question of the oil depletion allowance, though the House Democratic caucus spoke clearly and unmistakably on that question some weeks ago. Their message has been ignored. I do not believe the American people are prepared to understand action by the House that would deny the FTC the most basic tools required to vigorously pursue its investigation and antitrust action involving the eight major oil producers.

Mr. Chairman, of no lesser concern are the funds requested by the FTC for continuation effectively of its ongoing energy study with respect to competition in that field. I am told that, without the additional $364,000 requested, there will be insufficient funds to continue the personnel required for vigorous pursuit of that highly relevant and timely inquiry through the second half of the coming fiscal year.

This is a badly needed study, Mr. Chairman, which was commissioned by the Congress itself last year. It includes an area of inquiry of particular interest to me, which is a study of the pattern of interlocking directorships in the energy field which suggest anticompetitive practices of a most insidious kind. Certainly continuation of this study is worthy of the House's continued support.

With respect to the line of business study proposed by the FTC, I can only remark, Mr. Chairman, that the committee bill, as I read and understand it, in effect directs the random harassment of 250 businesses, mostly small, to be chosen at random from around the country, with no purpose either in mind or capable of accomplishment. Surely at a time when businessmen are already subjected to every conceivable kind of bureaucratic form and Federal paperwork imaginable, the committee's action in directing random reporting by what will primarily turn out to be small businesses having nothing to do with the kinds of business activity the FTC proposes to study makes absolutely no sense. This unnecessary and useless provision in the committee bill which directs 250 small businesses should be chosen at random for examination by the FTC ought to be stricken from the bill.

I recognize that it is primarily the Office of Management and Budget which

appears to be at fault in failing to observe the normal budgetary process in the case of the request for $650,000 for the needed information retrieval system, and I can appreciate that in the absence of a clear administrative response on the part of the OMB, the committee acted to defer this item.

However, with a full-scale, major antitrust action already in progress, I suggest that this House need not be bound by the failure of the OMB to perform its responsibility in a timely fashion. The interests of the litigation and of American consumers not only permits but requires us, in my view, to make certain the FTC has the minimum tools it needs.

Again, I wish to strongly commend the gentleman from California (Mr. Moss) as well as the other Members who have indicated their deep concern about these matters, for acting to provide those minimum tools, and I join them in urging the House to provide the Federal Trade Commission with the funds necessary to do its job on behalf of American consumers.

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

Mr. WHITTEN. I yield to the gentleman from Michigan.

Mr. DINGELL. Mr. Chairman, I would like to commend my good friend and colleague from Mississippi for offering this amendment, and I do support it.

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

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

Mr. CONTE. Mr. Chairman, I rise to support this amendment to provide an additional $1,014,000 in this bill for the Federal Trade Commission so it can carry on its "energy study" and acquire a computerized data retrieval system to assist its antitrust case against the eight largest oil companies.

This amendment is vital to the maintenance of competition and free enterprise in our energy industry.

This amendment has two parts and I will deal with them separately.

It is absolutely vital that the FTC be provided the funds to allow it to complete its "energy study" this fiscal year. An additional $364,000 must be appropriated for this purpose.

This "energy study," which Congress authorized to begin in January, seeks to investigate our coal, natural gas, and uranium production industries. There is a need for this study. Two years ago, the House Select Committee on Small Business, on which I am the ranking minority member, investigated these industries. We found a very disturbing trend toward concentration of ownership in these industries. Specifically, the committee found that the major oil companies were grabbing controlling interest over the competing forms of energy. Let me quote from the committee report:

Presently, the major oil companies account for approximately 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.

The committee report made this conclusion, and I again quote:

This trend toward concentration by the oil companies in acquiring competing fuel resources clearly presents a very dangerous monopolistic fuel supply situation.

This committee recommendation by the Small Business Committee demonstrates very clearly the need for this FTC investigation to continue.

This appropriation item would have been included in the committee bill, except for a minor procedural objection. A request for these funds was forwarded to the committee, but it lacked the proper degree of formality and was put aside. Because of the importance of this FTC study, I would ask my colleagues to waive the objection and insert this funding in the bill.

Mr. Chairman, this amendment also includes funds to enable the FTC to acquire a computer-based data retrieval system for use in its antitrust case against the eight largest oil companies. This is the so-called Exxon case, and the documentation expected in the discovery stage of this investigation is expected to exceed anything encountered before in the antitrust field. I have seen one projection of 25 million pages of documentation to be received.

It would not be practical or efficient to try organizing this data without a computer. The cost in manpower and time would be prohibitive, and the investigation would be severely delayed.

The additional appropriation for this item is $650,000.

If the FTC does not develop this system, it will be crippled in its effort to conduct pretrial discovery procedures in the Exxon case at the level of competence required for effective antitrust enforcement. The major oil companies are already developing their own computerized data retrieval system. To be an effective advocate of the public interest, it is essential that the FTC have the same courtroom capabilities as the other side.

Mr. Chairman, I would hate for the FTC to be forced to admit defeat on this important case because it could not get money from Congress. If this amendment is not passed, it will be a signal to the oil barons that the FTC is no threat; that anticompetitive practices will go unchecked, and that the Federal Government must slink home with its tail between its legs, because it lacks the will and strength to do battle with the petroleum giants.

This amendment is more than a simple appropriation line item. It is a signal that the United States is ready to stand up to defend the public interest; that it will not stand by idly while the major oil companies grow bigger and bigger and report excessive profits in a time of national emergency. Let the oil companies be put on notice: The party is over; Congress is putting some teeth into the FTC.

I urge my colleagues to support this amendment.

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

Mr. WHITTEN. I yield to the gentleman from Pennsylvania.

Mr. HEINZ. Mr. Chairman, I would like to commend the distinguished chairman of the subcommittee on his amendment. Mr. Chairman, I thank the distinguished chairman of the committee for yielding. I rise to commend him for offering, on behalf of the committee, an amendment identical to an amendment I was intending to offer. My amendment, like that of the gentleman from Mississippi, is to increase the appropriation of funds to the Federal Trade Commission by the sum of $1,014,000 for two specific purposes: To provide $650,000 for a document storage and retrieval system; and to provide $364,000 for the salaries of the staff of the energy study for a period of 6 months. I would like to point out that if this amendment is adopted the FTC appropriation will still be less than the administration's total budget request for the Commission.

Mr. Chairman, I would like to commend the members of the Committee on Appropriations for the excellent job they have done. They have worked hard and long and made many needed reductions in the budget estimates submitted to them. In this instance, however, circumstances unforeseen by the people who submitted the budget estimate have resulted in a situation which, if not now corrected, will cripple the Federal Trade Commission in the important energy field. The committee had previously suggested that the FTC seek a supplemental appropriation, but that is not the answer. I am extremely pleased that the committee has seen the light at the 11th hour and offered an amendment to insure that the Commission will be able to now consummate its plans during the fiscal year. A supplemental appropriation would mean months of delay and probably the extinction of important programs.

As I said this past Tuesday, during debate on my amendment to increase the budget for the Antitrust Division, my constituents and, I am sure, the constituents of many Members of the House, have been complaining about high prices and the lack of Government action to stem the tide of inflation. I said then—and I say again—vast Government price control mechanisms are not the answer. Government intervention and regulation of industry is not the answer. Government ownership of industry is not the answer. And may I add that—with respect to the oil industry—MOBILization or STANDARDization is not the answer either.

A free, open, and competitive marketplace is a fundamental Republican principle. It is also an American principle. For it is only the free, open, and competitive market which makes it necessary for businessmen to improve their products or lower their prices to succeed. This, along with a fiscally responsible Federal budget, is, I believe, one of the best and most basic answers to inflation. We must not allow either government control of industry, or the control by a few of the industrial and economic might of America.

A first step in this direction was taken Tuesday when the House agreed, by a vote of 216 to 185, to my amendment to increase the staff of the Antitrust Division. I am proud that this amendment was supported by a majority of the Republican Members of the House. And I am proud of the decision by the entire House for another reason. This historic vote marked the first time since 1971 that the Antitrust Division had received additional staff. And it also achieved, for the first time in 24 years, a level of total division manpower superior to that which existed in 1950.

Today, I am confident that the House will not deny the funds needed for the FTC's action against eight major oil companies and its energy study. To deny funds needed by the FTC to continue these actions is to permit a special exemption for the oil industry alone from the Sherman Act: The very law which the Supreme Court has called the Magna Carta of our free enterprise system.

With regular gasoline selling at nearly 60 cents a gallon and oil companies earning hugh profits, it would be totally irresponsible for this body to tie the hands of those charged with enforcing the Sherman Act. The FTC must be allowed to continue its case against the oil companies so that the courts may decide whether or not they violated the law. The FTC must be allowed to complete the energy study so that we will know what, if any, future action must be taken to ensure a competitive, efficient energy industry with ample supplies. We must avoid taking a step backward from the progress made on Tuesday; instead we must proceed forward today to insure a healthy competitive marketplace so that every large and small businessman has an equal opportunity to compete, and to insure that all our laws—including the Sherman Act—apply equally and fairly to all.

I strongly support the amendment and urge its adoption by the House.

Mr. SMITH of Iowa. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. Mr. Chairman, I yield to the gentleman from Iowa, a very outstanding member of the subcommittee.

Mr. SMITH of Iowa. Mr. Chairman, I want to point out first of all that the Exxon case resulted in a request that was made by the subcommittee I am privileged to chair. The FTC made a study, and in response to that study they found a need for the Exxon case.

A lot of misinformation has been put out concerning this particular appropriation. I want to make it clear that when they asked for the $350,000, our chairman of the subcommittee cooperated 100 percent and the subcommittee recommended every dime of it. He has not been uncooperative. He has been in support of it, of giving whatever is needed to the FTC for this bill.

There has been a lot of misinformation circulated, talking about restoring funds. No budget request had been made and the chairman has been cooperative from the beginning on this appropriation. I strongly support the provision of funds for this purpose.

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

Mr. WHITTEN. Mr. Chairman, I yield to the gentleman from Ohio.

Mr. LUKEN. Mr. Chairman, I would like to join in the commendation of the gentleman from Mississippi and of the subcommittee in bring this amendment to the floor and endorsing it with its approval of this amendment.

Mr. Chairman, I congratulate the chairman for offering this amendment. I have the same amendment at the desk and I endorse the gentleman's effort.

The special energy appropriations bill of 1974 appropriated funds for an energy industry study to be conducted in fiscal years 1974 and 1975. The fiscal year 1974 funding level provided for personnel to conduct the study during the 6-month period of January through June of 1974. During the Office of Management and Budget's review of the FTC's 1975 budgetary requests for continuation of this study and its conclusion by the end of fiscal year 1975, OMB did not annualize the personnel budget approved in fiscal year 1974.

Thus, the budgetary request forwarded to the Congress from OMB did not provide personnel funding for a full year.

Therefore $363,000 was not appropriated to continue the energy industry study.

I support this amendment, Mr. Chairman, because I firmly believe that $363,600 is a piddling price to pay for a study that will help us comprehend the scope of one of the most crucial issues of our age—how, and how much it is going to cost us to fuel our society.

That this issue is so vital to the well-being of American society as we know it today, has been made dramatically self-evident by the staggering impact of what we call the energy crisis.

Today we are in the middle rounds of a fight with the worst inflation in the past 25 years, as well as a slack in production that threatens to become a recession by anyone's definition. These twin economic ills are the courtesy of the energy crisis.

The action we will have to take should not be judged in the light of whether we will have a few kilowatts less energy in the immediate future, but whether in 5 or 10 years from now our Nation will have the fuel she needs for her factories, for her transportation needs, and for her families.

The energy study, a study mandated by the Congress only last October, will help give us those answers.

It will give us invaluable insight into the whole spectrum of the energy industry before we start attempting to formulate a rational national policy.

In particular, according to the Federal Trade Commission itself:

The study will focus primarily upon the four basic fuel types; coal, petroleum, nuclear fuel and natural gas. Attention will also be given to the more exotic fuels such as tar sends, oil shale, solar, heat, etc. Essentially, the same process will be followed with respect to each fuel. There will be an introductory section describing each fuel and tracing the history of its use. An effort will be made to trace the relative importance of each fuel over time.

Of particular relevance is the structure and behavior of the industries which exact, proccess, transport and distribute each of the fuels. Considerable effort will be expended to ascertain what the reserve of each type of fuel is, and the percentage of such reserves owned and controlled by the leading companies. An important part of the analysis will involve the impact of state and federal law and policy upon industry structure and performance at each level of activity for each of the different fuels.

Specifically what this study means to the Congress is that we will have a better idea of just how large our natural gas reserves are before we decide whether or not to deregulate the price at the wellhead. It will tell us the effect interlocking relationships among energy corporations have on the discovery and production of alternate energy sources.

It will help us discover whether leasing our nationally owned natural resources to private corporations yields the best results for the free enterprise system and the American consumer.

It will do all this and much more.

Again, in the words of the Commission itself:

It is necessary to develop timely and reliable data on the structure, performance and conduct in each sector of the energy industry so that an evaluation of the impact which various government policies may have on such issues can be made.

All this for the price of $364,000. And what happens if we fail to add these funds to this appropriations bill? The Commission has answered this question in a very straightforward way by stating "If the $364,000 is not granted, the energy study mandated by Congress will lapse without completion in midfiscal 1975 because of the inability to pay personal expenses connected with the energy study for all fiscal 1975."

I am sure Congress does not want this to happen. Certainly voices are already being heard throughout the country calling upon the Congress to continue this study. Two days ago I received a letter from the chairman of the Antitrust Committee of the National Association of Attorney's General, Mr. Andrew P. Miller, Attorney General of the Commonwealth of Virginia. His letter said in part:

I wish to express the association's strong support for certain floor amendments to be introduced on Friday, June 21st, to the FTC portion of the fiscal year 1975 Agriculture, Environmental and Consumer Protection Appropriations Bill. These amendments would add $650,000 to the FTC budget for computer support service in the Exxon case and $364,000 in staff support for the on-going FTC energy study. The FTC merits the full support of the House of Representatives . . . in the energy study.

Today I received a telegram from William J. Brown, the attorney general of my State of Ohio, and author of a report on the FTC action, and the importance to the States of its continued action. The report was adopted by the National Association of Attorney Generals at the same time that 29 States offered their assistance to the FTC. Mr. Brown's telegram to me states in part that:

The action of the House Appropriations Committee on June 18 which cut $650,000 for computer support of the FTC's Exxon case and $364,000 for the FTC energy study gravely jeopardizes a vital national interest.

I have also had communications with the Independent Gasoline Dealers of Cincinnati asking me if the Congress does not believe we need to fully investigate all these areas.

Mr. Chairman, I certainly hope I will be able to answer this question in the affirmative. I cannot believe that Congress will allow $364,000 to stand between itself and the keys to understanding this entire area.

For the well-being of the free enterprise system, for the relief of the American consumer, I urge my fellow Members to grant the FTC the funds it needs to enable us to formulate a national energy policy. It is a small price to pay.

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

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

Mr. BINGHAM. Mr. Chairman, I also would like to rise in support of the amendment, and commend the gentleman on it.

The additional funds are required for two very important undertakings.

First, it will enable the FTC to complete the study of the country's energy industries as previously directed by the Congress. We have been debating the need for accurate energy data for many months so that we could fashion a responsive energy policy. Is all that to be forgotten? I think not. One of the ways for the Congress to be sufficiently informed to resolve the energy problem is to see to it that this energy study is completed.

The second undertaking which would be preserved, and indeed, enhanced is the FTC's historic antitrust suit against the eight largest oil companies for their anticompetitive pricing and marketing practices, which if not responsible for the energy shortage have certainly contributed to the extraordinary profits the industry is experiencing. I am informed that there will be in excess of 25 million pages involved in this litigation in the discovery stage alone. The FTC has detailed less than two dozen attorneys to prosecute this case, and unless the Congress restores the $650,000 needed to install a computerized data retrieval system to collate all the evidence, these lawyers will have to face the oil industry, represented by more than 140 attorneys, without the necessary tools to properly argue the public's case.

Part of the problem here, as I understand it, stems from the delay in submitting data to the Appropriations Committee. The committee, with some justification, acted in the public interest by cutting moneys for unsubstantiated programs. But the real culprit here is the OMB. The FTC submitted its budget to OMB in early April, so it would be reviewed and forwarded to Congress on schedule. OMB simply refused to favorably recommend the budget to the committee. As so often happens when the bureaucracy fights—the public gets a bloody nose.

I urge my colleagues to support the chairman's amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi.

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

$305,000, the amount of the budget request, is hereby appropriated for the purpose of collecting line-of-business data, as approved by General Accounting Office Opinion B–180229, issued May 13, 1974, from not to exceed 250 firms, including data presently made available to the Bureau of the Census, the Securities and Exchange Commission and other government agencies where authorized by law.

POINT OF ORDER

Mr. MELCHER. Mr. Chairman, I make a point of order against this paragraph.

The CHAIRMAN. The gentleman will state his point of order.

Mr. MELCHER. Rule XXI, clause 2, beginning on line 8 after the word "data" and the rest of the lines 9, 10, 11, and 12.

PARLIAMENTARY INQUIRY

Mr. WHITTEN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman from Montana has the floor. A point of order against the paragraph takes precedence over amendments to the paragraph.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield to me for a parliamentary inquiry?

Mr. MELCHER. I will yield for a parliamentary inquiry of the chairman but not for the purpose of offering an amendment at this time until we solve the rule.

PARLIAMENTARY INQUIRY

Mr. WHITTEN. Mr. Chairman, a further parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. WHITTEN. The parliamentary inquiry is this: The amendment is one that strikes this section and substitutes another therefor. Under parliamentary procedures, that should take precedence to a point of order, after the paragraph is written, since the amendment will strike the paragraph.

The CHAIRMAN. The Chair rules that points of order concerning the paragraph must be disposed of before any further proceeding can be had, so the Chair will hear the gentleman from Montana.

Mr. WHITTEN. Mr. Chairman, I concede the point of order and offer an amendment.

The CHAIRMAN. The Chair would like to hear the point of order of the gentleman from Montana.

Mr. MELCHER. Mr. Chairman, rule 21, clause 2, clearly provides that no appropriation bill shall contain any provision changing existing law. The language on page 47, beginning at the word "data," on lines 8 through 12, clearly violates this rule in that it significantly alters the effective provisions of section 409(a) of Public Law 93–153—an act dealing with the trans-Alaska oil pipeline.

The purpose of section 409(a) of Public Law 93–153 is to preserve the independence of the regulatory agencies to carry out the quasi-judicial functions which have been entrusted to them by the Congress. We did not intend a broad proliferation of detailed questionnaires to industry and businesses which would result in unnecessary and unreasonable expense, but the provisions of H.R. 15472, which are the subject of my point of order, make substantive changes and place arbitrary limitations on the procedures prescribed by Public Law 93–153.

Mr. Chairman, as you know, in construing the provisions of an appropriation bill, if the intent is to restrict executive discretion to a degree that may be fairly termed a change in policy rather than a matter of administrative detail, then the point of order should be sustained. This provision of H.R. 15472 not only restricts executive discretion by its specific terms, but it has the effect of changing existing law in violation of rule 21, clause 2.

Mr. WHITTEN. Mr. Chairman, may I now concede the point of order and offer my amendment?

The CHAIRMAN. The gentleman concedes the point of order.

The point of order is sustained.

The gentleman may offer his amendment.

PARLIAMENTARY INQUIRY

Mr. HOLIFIELD. A parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman will state it.

Mr. HOLIFIELD. What portion is stricken?

Mr. WHITTEN. The whole paragraph.

Mr. DINGELL. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. DINGELL. As I recall it, the gentleman's point of order did not cover the whole paragraph.

The CHAIRMAN. The gentleman is right. From line 8, after the word "data" through line 12.

Mr. DINGELL. Mr. Chairman, line 8 down to the end of line 12, as I understand it.

The CHAIRMAN. Does the gentleman from Montana state that that is correct?

Mr. MELCHER. That is right.

PARLIAMENTARY INQUIRY

Mr. MELCHER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MELCHER. Does this strike the whole paragraph?

The CHAIRMAN. Did the gentleman make the point of order against the whole paragraph?

Mr. MELCHER. No. I made the point of order against the paragraph starting on line 8, after the word "data" and the balance of the paragraph.

The CHAIRMAN. That part is stricken.

Mr. MELCHER. Mr. Chairman, does the remainder stay in?

The CHAIRMAN. The remainder stays in.

The Chair now recognizes the gentleman from Mississippi.

Mr. ECKHARDT. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. May the gentleman's amendment be offered first?

PARLIMENTARY INQUIRY

Mr. DINGELL. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. DINGELL. I rise to make a parliamentary inquiry about the confusion about the language stricken by the point of order.

The CHAIRMAN. The Chair has ruled that the language on page 47 following the word "data," on line 8 through line 12, is stricken.

Mr. DINGELL. Mr. Chairman, a parliamentary inquiry.

Mr. WAGGONNER. Mr. Chairman, regular order. The Chair has recognized the gentleman from Mississippi.

The CHAIRMAN. The Chair did not realize the gentleman from Mississippi was still seeking recognition. The Chair was going to recognize the gentleman from Michigan for a parliamentary inquiry.

Mr. WAGGONNER. Mr. Chairman, regular order. The Chair has recognized the gentleman from Mississippi to offer his amendment. The previous ruling by the Chair follows directly this point of order at this time.

Mr. DINGELL. Mr. Chairman, for the information of my good friend, the gentleman from Louisiana, I made a parliamentary inquiry.

Mr. Chairman, I direct the attention of my good friend, the gentleman from Louisiana, to the fact that I was on my feet in order to make a parliamentary inquiry, a further parliamentary inquiry.

Mr. WAGGONNER. Mr. Chairman, regular order. The only way the gentleman can make a parliamentary inquiry is to get permission from the gentleman from Mississippi (Mr. WHITTEN). He must ask the gentleman from Mississippi to yield for that purpose.

Mr. DINGELL. Mr. Chairman, a further parliamentary inquiry——

Mr. WHITTEN. Mr. Chairman, I have not yielded for any such purpose. I have had enough difficulty getting recognition.

The CHAIRMAN. The Chair recognizes the gentleman from Mississippi (Mr. WHITTEN) to offer his amendment.

Mr. DINGELL. Then, Mr. Chairman, I rise to make a point of order against the language which appears at page 47——

Mr. WHITTEN. Mr. Chairman, I have the floor, and I do not yield to the gentleman for a point of order.

The CHAIRMAN. The Chair will inform the gentleman from Michigan (Mr. DINGELL) that we have not reached that point yet.

When we reach that point, the Chair will be glad to recognize the gentleman from Michigan.

Right now, the Chair recognizes the gentleman from Mississippi (Mr. WHITTEN).

AMENDMENT OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WHITTEN: Page 47, line 6, after the word "data" add the following: "*Provided*, That none of these funds shall be used for collecting line-of-business data from not more than 250 firms, including data presently made available to the Bureau of the Census, the Securities and Exchange Commission and other government agencies where authorized by law."

POINT OF ORDER

Mr. ECKHARDT. Mr. Chairman, I make a point of order against the amendment.

The CHAIRMAN. The Chair will hear the gentleman from Texas on his point of order against the amendment.

Mr. ECKHARDT. Mr. Chairman, I do not have a copy of the amendment. None has been furnished.

Mr. Chairman, I may say this: that the amendment sounds very much like the original language in the bill, so I rise to make a point of order without having had a chance to see the amendment. However, I would like to see it.

The CHAIRMAN. Does the gentleman from Texas wish to reserve his point of order?

Mr. ECKHARDT. Mr. Chairman, I think I must make one at this time, if I am not mistaken.

Mr. Chairman, am I allowed to reserve my point of order?

The CHAIRMAN. The gentleman from Texas (Mr. ECKHARDT) may reserve his point of order while the gentleman from Mississippi is explaining the amendment.

Does the gentleman from Texas desire to follow that procedure?

Mr. ECKHARDT. Mr. Chairman, I would like to do that, if I do not waive my rights by doing so.

The CHAIRMAN. The Chair recognizes the gentleman from Mississippi (Mr. WHITTEN) in support of his amendment.

Mr. WHITTEN. Mr. Chairman, referring to the language which I have offered, I was in error; I thought the point of order which was sustained to a part of the paragraph carried with it the entire paragraph. The Chair ruled on the earlier point of order that the first two lines would be retained.

In view of that, I had not changed the amendment before it went to the desk, and the amendment as it now would read, referring to the part remaining in the bill, reads as follows:

$305,000, the amount of the budget request, is hereby appropriated for the purpose of collecting line-of-business data.

To which we have added the following:

for the purpose of collecting line-of-business data, providing that none of these funds shall be used for collecting line-of-business data from not more than 250 firms.

Mr. YATES. Mr. Chairman, will the gentleman yield for a question?

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

Mr. YATES. Mr. Chairman, will the gentleman explain to the Members how this language differs from the preceding language, the language contained in the bill?

Mr. WHITTEN. Mr. Chairman, in the preceding language we have eliminated the statement, "as approved by General Accounting Office Opinion B–180229 issued May 13, 1974."

Mr. YATES. Except for that, the language is the same?

Mr. WHITTEN. The language is the same.

Mr. YATES. Mr. Chairman, I thank the gentleman.

Mr. WHITTEN. In addition, we do say, "Not more than 250 firms, including data presently made available" et cetera.

Mr. GONZALEZ. Mr. Chairman, I wish to press my point of order.

Mr. MELCHER. Mr. Chairman, I reserve a point of order against the amendment.

The CHAIRMAN. The gentleman from Montana (Mr. MELCHER) reserves a point of order.

The Chair will state that points of order have been reserved against the amendment.

Mr. WHITTEN. Mr. Chairman, may I be heard again in order that we may understand the situation?

The CHAIRMAN. The Chair will hear the gentleman.

Mr. WHITTEN. Mr. Chairman, in view of the ruling made by the Chair, I thought the two lines referred to would remain, even though they did not have a period or an ending and the part of the paragraph being subject to the point of order, that is, the full paragraph, did not go out. That left the words in the bill, as I understand the ruling and as I have stated: "$305,000, the amount of the budget request, is hereby appropriated for the purpose of collecting line-of-business data," to which I add by my amendment the following language:

Provided that none of these funds shall be used for collecting line of business data from not more than 250 firms, including data presently made available to the Bureau of the Census, the Securities and Exchange Commission, and other Government agencies where authorized by law.

The CHAIRMAN. Does the gentleman from Texas insist on his point of order?

Mr. ECKHARDT. I do insist on my point of order, Mr. Chairman.

The CHAIRMAN. The Chair will hear the gentleman from Texas on his point of order against the amendment offered by the gentleman from Mississippi.

Mr. ECKHARDT. Mr. Chairman, the point of order is under House Rule XXI, Clause 2, second sentence:

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 expenditures by the reduction of the number and salary of the officers of the United States, by the reduction of the compensation of any person paid out of the Treasury of the United States, or by the reduction of amounts of money covered by the bill:

Now, under existing law and without the limitations reported to be added in this bill the Federal Trade Commission could and had intended—and, of course, what it actually intended is not material here, because the question is what it could have done—it could have used the funds as appropriated here for either 250 firms or 500 firms or any other number of firms. So what is done by this amendment is to restrict the Federal Trade Commission with respect to powers and duties and authorities which it would have but for this limitation.

The authorities on this point appear in volume VII of Cannon's Precedents, section 1675, which reads:

A proper limitation does not interfere with executive discretion or require affirmative action on the part of the Government officials.

This would, of course, interfere with executive discretion in that it would limit the number of firms of which the examination would be made.

It would also require liaison with the Bureau of Census, the Securities and Exchange Commission, and other Government agencies which are not here designated but which would cover the whole gamut of such agencies.

So it both provides a limitation on executive discretion and affirmative acts on the part of Government officials.

I also cite in this connection, Mr. Chairman, volume VII of Cannon's Precedents, section 1678, providing that a limitation to be in order must be on the appropriation and not an affirmative limitation of official functions.

The following amendment that was offered in that case provided no money should be expended out of the appropriations in this bill for supplies for the Army except under contracts which specified delivery either at the place where supplies are to be used or some convenient point of the land-grant railroad which shipment took place at the option of the contractor.

In that case the point of order was held good even though the amendment was offered in the nature of a limitation.

I cite also volume VII of Cannon's precedents, section 1691, to the effect that the purpose rather than the form of a proposed limitation is the proper criterion by which its admissibility should be judged and, if its purpose appears to be the restriction of Executive discretion to a degree that may be fairly termed a change in policy rather than a matter of administrative detail, it is not in order.

I submit here that the change in policy from permitting the Federal Trade Commission to examine the information with respect to an unlimited number of firms—as I understand it, they desire to examine 500 in the order of size—to a limitation of 250 constitutes a substantive policy change.

I would further submit, Mr. Chairman, that to accentuate the importance of the policy change the gentleman from Mississippi has assured us in colloquy that the language of the report was the real intent of the amendment, and that was to make a spot check of 250 firms instead of an examination of 500 firms in order of their size.

It appears here that clearly the intent of the Committee on Appropriations is to strictly and diametrically alter the present plans in the Federal Trade Commission. Of course, we do not have to look to what those plans are and show they are changed, all we have to point out is that the purport of the language does in fact limit what the Federal Trade Commission could have done otherwise. As has been stated before, heavy duties are imposed on the Federal Trade Commission to cooperate with all other agencies carrying out this function, duties which did not exist before and which embrace even a diligent search of those agencies that might be concerned with the same general subject matter, and with which then they are required, as a specific requirement of this amendment, to coordinate their activities with those agencies.

The CHAIRMAN. Does the gentleman from Mississippi (Mr. WHITTEN) desire to be heard on the point of order?

Mr. WHITTEN. I do, Mr. Chairman.

The policy that the gentleman from Texas refers to does not appear in the law. The policy has been quoted in the press and elsewhere, and it was reported as a part of the testimony of one of the commissioners as to their plans and their desires.

As to the $305,000 which appears here quite patently, as we pointed out, this is the full amount requested by the Office of Management and Budget. The policy which the gentleman referred to was for 500 firms, which, as I say, the gentleman from Texas has referred to. We keep the $305,000 which the Federal Trade Commission estimated to be the cost of a search of 500 firms. By cutting the number back from 500 to 250, but giving them the same amount of money, quite definitely this on its face would have to be a savings of money which is clearly within the rules of the House, and clearly within the power of the Committee on Appropriations.

The CHAIRMAN. Does the gentleman from Montana desire to be heard on the point of order?

Mr. MELCHER. I do, Mr. Chairman.

Public Law 93–153 authorizes line-of-business data to be collected by independent regulatory agencies subject to certain procedures. It did not limit or restrict the collection of this data to any specific number of firms, as the gentleman's amendment would; he would change this policy by arbitrarily limiting the collection of the data specifically to 250 firms.

In addition, Mr. Chairman, Public Law 93–153 does not authorize the collection of line-of-business data from the Bureau of the Census or the Security and Exchange Commission. This authority was placed in an "independent regulatory agency."

I insist on my point of order.

The CHAIRMAN (Mr. GIBBONS). The Chair is ready to rule.

First, let the Chair state that this subject contains a very vexing point, and it is one that has required a lot of attention of the Chair, even prior to the arguments here.

The words in contest on this point of order are the following words added by the amendment:

. . . provided that none of the funds shall be used for collecting line-of-business data from not more than 200 firms, including data presently made available by the Bureau of the Census, the Securities and Exchange Commission, and other government agencies where authorized by law.

It is clear to the Chair that the words "provided that none of these funds shall be used for collecting line of busines data of not more than 250 firms" may clearly be added as an amendment to a general appropriation bill, and it is in order. The Committee on Appropriations could have refused to bring in any appropriation at all for this agency, and the committee seeks by this amendment to put a limitation upon the use of funds available to the FTC. The limitation is drafted as a restriction on the use of funds, and not as an affirmative restriction on the scope of the FTC investigation, as was the case in the language stricken from the bill on the preceding point of order.

The remainder of the amendment raises some question, but in the opinion of the Chair, these words are clearly limited by "where authorized by law," and do not permit the Census Bureau or the SEC to initiate line of business investigations, so the Chair is going to rule that the amendment is in order and that the points of order are overruled.

Mr. WHITTEN. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

The CHAIRMAN. The gentleman has already had 5 minutes.

Mr. WHITTEN. Mr. Chairman, the gentleman from Mississippi had directed himself to the arguments about whether the amendment was in order.

The CHAIRMAN. The amendment is in order.

Mr. WHITTEN. There has been no debate in favor of the amendment which has just now been held in order.

The CHAIRMAN. Yes. The gentleman had 5 minutes.

Mr. WHITTEN. At that time the pending amendment was not the one that is now held in order.

Mr. DINGELL. Mr. Chairman, reserving the right to object, has the gentleman from Nebraska (Mr. MCCOLLISTER) been recognized?

The CHAIRMAN. He has not been recognized yet.

Mr. DINGELL. Then I believe, Mr. Chairman, the regular order would require the gentleman from Nebraska to be recognized.

POINT OF ORDER

Mr. Chairman, I make the point of order that the House is not in order. I demand the regular order. I insist that the gentleman from Nebraska be recognized, according to the Rules.

The CHAIRMAN. The Chair has a request by the gentleman from Mississippi that the gentleman from Mississippi be heard for 5 additional minutes.

Is there objection to the request of the gentleman from Mississippi?

Mr. DINGELL. Mr. Chairman, again reserving the right to object, does this foreclose the gentleman from Nebraska from offering an amendment or me from offering an amendment which I hold in my hand?

The CHAIRMAN. No; it does not foreclose the offering of amendments.

Mr. DINGELL. Mr. Chairman, I withdraw my reservation of objection.

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

There was no objection.

Mr. WHITTEN. Mr. Chairman, the amendment speaks for itself. The purpose of all of the effort has been to collect line-of-business data. This section which has been held in order would pro-

vide the full dollar amount in the budget and it speaks for itself. I shall not take further time except to hope that the committee will support the amendment which is essential to sensible beginning of the line-of-business program.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. I thank the gentleman for yielding.

Is it the presumption of the gentleman that the Federal Trade Commission would be limited in any way in its selection of the 250 business firms which would be examined for line of business data? In other words, are those firms to be selected at random, or are those firms to be the top 250 firms, or is it up to the Federal Trade Commission to make that determination?

Mr. WHITTEN. May I say that the Federal Trade Commission in its testimony before the committee suggested that it be the largest firms. At that time they talked about 500. The bill itself does not describe which firms they shall be. The report, that expresses the views of the subcommittee, suggests they should be selected at random, and has the full force and effect of a report by the committee. It is not in the bill, and it only has such force and effect as the committee report carries with it. It has that, but the bill itself has no reference to how they are selected.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield further?

Mr. WHITTEN. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. I would ask the gentleman, then, if that leaves the Federal Trade Commission with the discretion of whether it follows the advice of the committee or whether the Federal Trade Commission may make its own determination of what the most effective use of this would be?

Mr. WHITTEN. In my experience I have seen many departments do it both ways many times. The law does not require it. The committee opinion contemplates it and I have seen it go by the committee opinion and on other times I have seen them fail to follow the report, but if it were to be absolutely binding it would have to be in the bill. However, the committee continues to place great weight on its reports, and expects them to be followed to the maximum extent possible.

Mr. BROWN of Ohio. Mr. Chairman, I am concerned that the Federal Trade Commission appropriations legislation that we are considering today would seriously undercut the utility of the Commission's line-of-business program and hurt small businesses and the American consumer unless it is amended as proposed by the gentleman from Illinois.

As designed by the FTC, the line-of-business program would collect economic data from the Nation's 500 largest manufacturing firms, which account for approximately 70 percent of our manufacturing assets, by product line. This would reveal for the first time—in the aggregate—such information as profits, sales, production volume, total cost of goods including advertising, and research and development costs by major product line for the largest corporations and help stimulate new competitors in those endeavors which yield the greatest profit.

However, the Appropriations Committee chose to abandon the FTC approach and to design its own line-of-business program, which would require the FTC to give up its targeting on the largest firms and instead collect information from 250 manufacturing firms, chosen at random.

Small businesses are already required to supply the kind of information that the FTC is seeking both for the Commission's quarterly financial reports and the annual reports required by the Securities and Exchange Commission. The appropriations bill we are considering today would not significantly add to the information we already have because it would, in large part, duplicate the present efforts of the FTC and the SEC. And, this actually violates the Federal Reports Act which requires the Comptroller General to "review the collection of information required by independent Federal regulatory agencies . . . to assure that information required by such agencies is obtained with a minimum burden upon business enterprises, especially small business enterprises," and to avoid "unnecessary duplication of efforts in obtaining information already filed with other Federal agencies."

The line-of-business program is not a complex matter. Its need arises because the conglomerate movement has very nearly made inaccessible a great deal of essential data about our economy. When two firms merge, two annual reports are no longer issued, only one is available. And if one firm is an oil company and the other is a coal company, just that much less is known about both industries. In recent years, key pieces of information have disappeared in industry after industry. For example, the largest baking company in this country is now classified as a communications equipment manufacturer.

This affects the reliability of the data on both industries and is detrimental to smaller competitors who are not able to obtain public information on the products handled by the large corporation. For example, General Motors is able to learn or infer much competitively sensitive information about its competitor, Maytag's washing machine business by reviewing Maytag's annual report. On the other hand, Maytag can learn nothing at all about GM's washing machine business by reading GM's annual report because the SEC allows the companies to define line of business themselves and GM does not separately report on its washing machine business. Line-of-business reporting would remedy this simply by requiring firms to disclose to the FTC specific and limited data about their activities in each "line of business." Under the program, the FTC would keep the company data secret and publish only aggregated industry data.

In the past I have been critical of Federal overregulation of our economy. However, I do feel that by allowing the FTC to collect data on our largest corporations, we may be able to avoid what happened in this country last year when virtually no data was available within the Government on which to make crucial decisions relating to the energy problems. The FTC simply did not have data on the energy industries which the Federal Energy Office could use in making its fundamental policy decisions. The Federal Government was not able to respond as quickly as it might—or should have—nor has Congress been able to respond rationally to the energy problems, because necessary data on which to make judgments was not accessible.

Therefore, I urge my colleagues to provide funds for the type of approach which will assure that data will be available to the FTC on our largest corporations.

In answer to your questions to Peter Kinsler of the FTC:

First, why limit the line of business report to manufacturing? More public information is available on manufacturing at this time, so FTC wanted to continue gathering information on this segment of our economy. Also, FTC is aware of "how bad it is not to have line of business reports from this segment of our economy." Also, FTC had to start somewhere and felt manufacturing was best place to start. They hope to expand into other economic segments later.

Second, define manufacturing. Line of business reports will be required from companies who engage in substantial amount of manufacturing activities, based on a dollar figure. For example, with the merger of Montgomery Ward and Container Corp. of America, became Marcor Corp., it is now classified as a retailer; however, Container Corp. is one of the largest manufacturers of cardboard boxes, so Marcor will be sent a line of business report. Marcor would be asked for detailed information on its manufacturing parts and less detailed information on nonmanufacturing parts of company.

Third, what are penalties for noncompliance? Under the Federal Trade Act, for company—$100 for each day of failure to comply. For FTC employee, a criminal penalty for any FTC employee who disclose secret or confidential information, $5,000 and up to 1 year in jail.

Mr. ECKHARDT. Mr. Chairman, will the gentleman yield on that same point?

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

Mr. ECKHARDT. Mr. Chairman, on the general debate the gentleman and I had some discussion on this suggestion in the report, and as I understand the gentleman's statement it is that if the report language purported to alter the language of the bill itself it would make it subject to a point of order.

Mr. WHITTEN. No, I do not recall it that way. What I think I said was if the report language had been in the bill it is my opinion that then it would have been subject to a point of order.

Mr. ECKHARDT. I think the gentleman has properly characterized his statement and I perhaps strained it, but there is only one way I know that report language can affect the law and that is by interpreting it.

But the gentleman would agree with me I assume that this law could not be interpreted as requiring that the 250 firms be selected at random nor on the other hand as requiring that they be chosen as the 250 largest. This is an open question under the bill as written.

Mr. WHITTEN. It is open insofar as there being any controlling law. May I say the Federal Trade Commission is not bound to continue to feel that it will take the 500 biggest or the 250 biggest. It has the authority to change its mind.

The report of the committee is just what it says it is: It is the report of the committee. And since we wrote the report and one of the reasons for having it in the report is that we have come to the conclusion that in the random selection, if they follow our advice which is rather strong, it would be better to have 250 from the 2,000 than from the limitless number.

So may I say the report is not a law and the law is not a report. The report will be just as strong as the Commission pays attention to it, but the law itself does not require it to. However, as I mentioned earlier, the Committee does pay considerable attention in future years as to how well the Commission heeds its reports.

Mr. ECKHARDT. I thank the gentleman.

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

Mr. WHITTEN. I yield to the gentleman from Pennsylvania.

Mr. HEINZ. Mr. Chairman, I would like to ask the chairman a couple of questions about the amendment.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

AMENDMENT OFFERED BY MR. M'COLLISTER AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. WHITTEN

Mr. McCOLLISTER. Mr. Chairman, I offer an amendment as a substitute for the amendment offered by the gentleman from Mississippi (Mr. WHITTEN).

The Clerk read as follows:

Amendment offered by Mr. McCOLLISTER as a substitute for the amendment offered by Mr. WHITTEN: Page 47, line 8, after the word "data" add the following: "from not to exceed 500 firms; as determined by the Federal Trade Commission".

The CHAIRMAN. The gentleman from Nebraska is recognized for 5 minutes in support of his amendment.

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

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

Mr. ROSENTHAL. Mr. Chairman, I rise in opposition to the provision in the appropriations bill which would weaken the line of business authority of the FTC. By limiting the number of firms from which financial data could be collected to only 250 and requiring that they be chosen at random, we stifle the very investigatory powers of the Commission which are intended to protect American consumers.

This random selection method would result in the inevitable exclusion of many of the large diversified firms which deserve close FTC scrutiny. I am especially concerned about the effect this provision would have on the FTC's ability to look into anticompetitive and anticonsumer practices of food manufacturers. It is interesting to note that the Members of Congress who represent both urban and agricultural constituencies are deeply concerned about food prices. On the one hand, consumers are paying exorbitant prices for food at the supermarket. On the other hand, many cattlemen and farmers are experiencing difficult times. A substantial part of the problem lies with the failure of large food chains to pass along to consumers food price reductions as they occur at the farm level and with the increasing amount of economic concentration in the food manufacturing industry.

The point is that by weakening the FTC's line of business authority, we are preventing the Commission—the Government's leading consumer protection agency—from getting to the bottom of this economic problem. We recognize that the 50 largest food manufacturers in the United States, which control 60 percent of the market for processed food, are mainly diversified firms. Without the ability to get line of business financial information, the FTC will be stymied in determining whether antitrust consumer laws are being violated. Without FTC investigation, this unjust situation would persist. We must permit the FTC to have access to the information of these firms. A random selection would prohibit the FTC from fulfilling its responsibility to the consumer because most of these firms would be beyond the scope of its powers.

The present state of our economy makes it imperative that we utilize all of our available resources to fight further trends toward rising prices and inflation. The FTC represents one of the most important resources at our command, and we must not weaken its authority. We must not allow the consumer to lose one of his only weapons against the unjust high profits of these diversified food firms. This provision on random selection must be deleted.

Mr. McCOLLISTER. Mr. Chairman, in the colloquy and the debate that has gone on here for the last few minutes, I think we find the reason for my amendment, which is the doubt and concern as to how these 250 firms will be selected.

My amendment says that the Federal Trade Commission will select the firms to be compared in their Line of Business Report rather than random selection of firms to which the report refers on page 89. The Federal Trade Commission has indicated that it will concentrate its attention on those firms where the need is greatest, which is the largest firms. I think it explains very simply what it is I want to do and the purpose of my amendment.

The concern I have is that the random selection will lead to excursions into smaller businesses where I think the intrusion is unwarranted and will confine the information to that from the larger firms.

Mr. BROWN of Ohio. I gather that the issue is drawn between the gentleman in the well, the gentleman from Nebraska, that if we would prefer to have the Federal Trade Commission make its study of the 500 largest firms and make the final selection of the businesses whose data would be studied, that we should support the amendment of the gentleman in the well.

On the other hand, if he prefers to have the business data gathered from 250 firms at random as recommended in the report by the Committee on Appropriations, one should support the language of the gentleman from Mississippi, the chairman of the committee (Mr. WHITTEN) and oppose the amendment of the gentleman in the well.

Mr. McCOLLISTER. The difficulty, of course, is in knowing what the random means. That is the concern that the gentleman from Nebraska has of the amendment of the gentleman from Mississippi.

Mr. BROWN of Ohio. But I renew my inquiry. If we prefer to select from the 500 largest corporations to study, we should support the amendment of the gentleman in the well.

Mr. McCOLLISTER. That is right.

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

Mr. McCOLLISTER. I yield to the gentleman from Michigan.

Mr. DINGELL. We ought to see the difference between the two amendments. If we are interested in getting a good return on information, the percentage of production covered is 70 percent using the method of the gentleman from Nebraska.

Under the amendment of the gentleman from Mississippi, it is only 11 percent of the manufacturing assets. If we are interested in the probability of being able to publish any given category information under the laws now constituted, under the amendment offered by the gentleman from Nebraska the probability of being able to publish usable information, not identifying the firms concerned, the probability is 0.99 or out of 0.93; but under the amendment offered by my good friend, the gentleman from Mississippi, its is only 0.69 or 0.49 out of 1 depending which way it is construed.

If we go to randomly selected firms, as the gentleman from Mississippi would have us go and the report would indicate, we only have a chance of receiving and publishing on 0.12 of the firms. We can understand that this is a magnitude of nine times difference in getting usable reportable reliable data to be made public without answering to anybody. That is why the amendment offered by the gentleman from Nebraska is nine times better than that offered by my dear friend, the gentlman from Mississippi.

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

Mr. McCOLLISTER. I yield to the gentleman from Mississippi.

Mr. WHITTEN. May I say, I am not an expert in this field of randomly selected information. I do know, however, that in the area where we are trying to find a pattern which prevails, it is done by

spot checking. If we check throughout the Government we find that to be true.

In order not to speak as an authority, as did my good friend, the gentleman from Michigan, I used the Library of Congress Congressional Research Service in this situation. I am advised by the Library of Congress:

With respect to the particular FTC study under consideration the major question to be answered is what population is to be studied. If the target group is the top 2000 firms, a sample of 500 of the top 500 would be statistically biased. Inferences drawn from this sample would certainly apply to the top 500, but could not be generalized to the population. A randomly selected sample of 250 of the 2000, however, would be more than sufficient—on statistical grounds—to draw inferences applicable to the entire target group.

The CHAIRMAN. The time of the gentleman has expired.

(At the request of Mr. McCOLLISTER and by unanimous consent, Mr. WHITTEN was allowed to proceed for an additional 5 minutes.)

Mr. WHITTEN. Mr. Chairman, the reference continues as follows:

For purposes of completeness it should be noted that the number of variables used in the analysis also play a part in determining the accuracy. With a sample of 250, however, it is highly unlikely that the number of variables used would have any significant impact on the reliability of the study.

So if we take the first 500, all we have is the first 500. If we take 250 from the 2,000, we have a valid sample of the 2,000.

I recognize that the gentleman's amendment leaves the determination up to the Federal Trade Commission; but I wanted to point out the basis for the committee taking the view that the random sampling of 250 firms taken from the the 2,000 largest would be the better way.

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

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

Mr. CONTE. I want to commend the gentleman from Nebraska and strongly support his amendment.

Mr. ANDREWS of North Dakota. Mr. Chairman, will the gentleman yield?

Mr. McCOLLISTER. I yield to the gentleman from North Dakota.

Mr. ANDREWS of North Dakota. I think we ought to establish the base line first. The amendment of the gentleman from Nebraska, as I read it, will not be, as my good friend, the gentleman from Michigan, interprets it.

Is it not correct that the gentleman's amendment takes these 250 firms from the top 500 firms in the country?

Mr. McCOLLISTER. It takes 500 firms as determined by the Federal Trade Commission. The Federal Trade Commission will make that determination. I think the amount of money involved will probably limit it to something less than 500 firms.

Mr. ANDREWS of North Dakota. Does the gentleman take 250 firms, as the early part of the amendment says, out of the 500, or is he trying to do 500?

Mr. McCOLLISTER. There is no reference to that 250.

Mr. ANDREWS of North Dakota. If the gentleman is trying to do 500 firms, did he read the committee report where we pointed out that there were not funds enough, nor staff enough in the Federal Trade Commission to do a good job on more than 250 firms?

Mr. McCOLLISTER. I told the gentleman that the Federal Trade Commission, under the provisions of the amendment, limits its investigation to a group of 500 firms. I am informed that this would be from the 500 largest. The amount of money involved, $305,000, will, of course, confine the information to something less than the number of firms.

Mr. ANDREWS of North Dakota. Mr. Chairman, I want to make one other point about the intention of the committee. The committee did not intend to take 250 firms from all of the firms in this country. The committee's intent was to take 250 random samples from the top 2,000 firms, because this, as the chairman pointed out, was the cross section that would give us, according to the Library of Congress study, the most accurate cost figure.

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

Mr. McCOLLISTER. I yield to the gentleman from Pennsylvania.

Mr. HEINZ. Mr. Chairman, I think the colloquy between the gentleman from Nebraska (Mr. McCOLLISTER) and the gentleman from North Dakota (Mr. ANDREWS) established what the gentleman's amendment does. It is still unclear as to what the amendment of the gentleman from Mississippi might do. That ought to be clear also so that we can make an intelligent judgment.

Mr. YATES. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, if the Members will look at the report, they will find separate views which were filed by 12 members of the Appropriations Committee. We took issue with the majority of the committee on the question of the at-random sampling. We did not take issue with them on the question of 500 firms, but it is my personal opinion that the gentleman is correct in trying to have the study of the 500 firms, because that is what the Federal Trade Commission wanted. An at-random sampling would be absurd.

This amendment will provide the kind of information to the Commission that is necessary for the Commission to have to do its job. Why must the study be crippled even before it is begun? That is what an at-random requirement would do.

This information is necessary. The Commission wanted to study 500 firms. The committee said "No," study only 250 firms. The Commission wanted to study the largest firms in the country. The committee said "No," take only a random sampling of the firms.

Well, what would an at-random sampling do? It would gut the study. If the committee wanted to study the conglomerate such as Litton, for example, that conglomerate would have to be picked out of the hat; on an at-random basis. If the Commission wanted to study General Motors, it would have to be selected on an at-random basis. If it wanted to study General Electric, it would have to be selected on an at-random basis. In effect, this would be a bingo game. If the Commission wanted to study any large corporation, it would have to hit the right number.

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

Mr. YATES. I yield to the gentleman from Pennsylvania.

Mr. SHUSTER. Mr. Chairman, is it not true that if the gentleman wanted to study competitive firms in an industry, he would need to study several of the companies within a particular industry?

Mr. YATES. The gentleman is exactly correct.

Mr. SHUSTER. If that is true, then it is ridiculous to suggest that we at-random select these companies. We have to select those companies within a particular industry.

Mr. YATES. The gentleman is exactly correct.

Mr. Chairman, if I might turn my attention to what my good friend from Mississippi (Mr. WHITTEN) says about the study of the Library of Congress; the Library of Congress talked about the random sampling, but the fact remains that the at-random sampling would not cover the bulk of the assets of the corporations in this country.

The Federal Trade Commission data, of which the gentleman has a copy, would show that 250 randomly selected firms from the 2,000 largest manufacturing firms would provide for a study of only 11 percent of the assets of all the firms in the country.

The amendment of the gentleman from Nebraska would provide for a study of 70 percent of the assets of the firms of the country. It would be a comprehensive study. It would be an effective study. It would be the kind of study that the commission needs and wants.

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

Mr. YATES. I yield to the gentleman from Mississippi.

Mr. WHITTEN. There is a question of how long a time is needed to get the brains together and get the job finished, so I think with the goals that we have, there is a potential problem.

Mr. YATES. May I say to the gentleman that this is what the study contemplated by the gentleman's amendment does. Perhaps the Committee on Appropriations has its own idea as to what should be done rather than to permit the Federal Trade Commision to carry on the study.

Mr. MOSS. Mr. Chairman, I rise in support of the amendment.

I support the amendment offered by the gentleman from Nebraska (Mr. McCOLLISTER). I think it makes very good sense to have a sampling plan of a 500-firm size.

I recognize the excellence of the work that the Library of Congress has done recently, but I have not found that the Library of Congress was of equal excel-

lence in the role of acting as a business consultant or adviser.

I have found, however, as the chairman of the subcommittee having legislative jurisdiction over the Federal Trade Commission, that the Federal Trade Commission does a reasonably good job. I believe that the current Chairman of the Commission has done his best to give us a good product.

There are times, as a matter of fact, right at this moment, when we have a need to know the concentration of asset growth in business lines in this country. For instance, one of the largest conglomerates in this Nation engaged in unbelievable diversity of activity is also the Nation's largest baker. I believe it is the largest parking lot operator.

It is not going to cost any more to go to the 500 than it is to the 250. The $305,000 is quite adequate. The main expense is in the development of the format of the forms of inquiry that will be needed.

This is not going to thrust any burden on these 500 largest firms.

I have here Fortune's survey of the 500 largest corporations in the United States. I was interested in noting that No. 500 on that list, the 500th firm, has $204 million in sales each year.

Therefore, I think that the amendment makes good sense. I think it wise to leave it to the judgment of the Federal Trade Commission and I think that the amendment offered by the gentleman from Nebraska is surely deserving of support.

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

Mr. MOSS. I yield to the gentleman from Michigan.

Mr. DINGELL. Mr. Chairman, the question before us is whether we are going to get identifiable, publishable data from these FTC studies. That is the real question.

Now, the reason for that question is—by statute one may not publish data from a study of this sort which involves less than three firms. The probability of getting three firms or more under the amendment offered by the gentleman from Mississippi is measurably smaller. The problem we have is that the gentleman from Mississippi (Mr. WHITTEN) has offered an amendment which limits so drastically the number of firms involved in the study that the probabilities of geting three firms reporting so that the statutes are complied with so that data which can be published under law without identifying firms is vastly smaller. The possibility of getting data which may then be published and which may enter the stream of commerce and which may assist the Congress and assist the Federal Trade Commission and the Department of Justice and the business community is much smaller.

Mr. MOSS. But we do get a better spread of information, and more of it can be published without identifying sources.

Mr. DINGELL. As required by law.

Mr. MOSS. As required by law, that is correct.

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

Mr. MOSS. I yield to the gentleman from New Jersey.

Mr. PATTEN. Mr. Chairman, I wish to raise a vital fact in our consideration.

What about the work that has already been done? Is it not true that they may have done something last week or last month before actually coming to the floor and asking for this?

Mr. MOSS. Mr. Chairman, I believe that they can ask for this money and undertake the study, but I do not believe that they can commence the study prior to receiving the funds.

AMENDMENT OFFERED BY MR. MICHEL TO THE AMENDMENT OFFERED BY MR. M'COLLISTER AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. WHITTEN

Mr. MICHEL. Mr. Chairman, I offer an amendment to the amendment offered by Mr. MCCOLLISTER as a substitute for the amendment offered by Mr. WHITTEN.

The Clerk read as follows:

Amendment offered by Mr. MICHEL to the amendment offered by Mr. MCCOLLISTER as a substitute for the amendment offered by Mr. WHITTEN. Change "500" to "250".

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

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

Mr. ARENDS. Mr. Chairman, I thank the gentleman for yielding.

I would like to ask the gentleman from Mississippi, the chairman of the committee this: Inasmuch as it is now after 6 o'clock, does the gentleman have any plans for finishing this bill tonight, or what does the gentleman have in mind? This just cannot go on.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield so that I may ask how many amendments are pending at the desk?

Mr. MICHEL. I yield to the gentleman from Mississippi.

The CHAIRMAN. The Chair will inform the gentleman from Mississippi there are seven amendments pending at the desk right now.

Mr. WHITTEN. Mr. Chairman, if the gentleman from Illinois will yield further, I will state that I would like to get through with the bill. I have tried everything from making a motion to jumping up and down.

Mr. Chairman, I ask unanimous consent that all debate on the bill and amendments thereto end at 7 o'clock.

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

Mr. BAUMAN. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

POINT OF ORDER

Mr. DINGELL. Mr. Chairman, I make a point of order.

The CHAIRMAN. The gentleman will state his point of order.

Mr. DINGELL. Mr. Chairman, there is an amendment pending. I do not believe we can discuss a limitation of debate except by unanimous consent at this time.

The CHAIRMAN. The Chair will inform the gentleman that the request for limitation of debate was a unanimous-consent request. The request was made, an objection was made, and the objection has been heard.

Mr. DINGELL. Mr. Chairman, I withdraw my point of order and suggest that the gentleman proceed.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois (Mr. MICHEL).

Mr. MICHEL. Mr. Chairman, perhaps I can help expedite matters here.

It is quite obvious that there is considerable objection to the way the committee has reported this particular item. There would seem to be some support for the McCollister approach, and what I have simply done here is offer an amendment to the McCollister substitute that would narrow the investigations by the Federal Trade Commission from the 500 largest companies, down to the 250 largest. By the Federal Trade Commission's own statistics, this would provide a 60-percent manufacturing asset sample instead of 70 percent. Instead of an average expected reports per industry of 14.6, we would have 8, and I think this is more than an adequate compromise for those who have raised so much objection to the manner in which we have brought this paragraph to you.

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

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

Mr. YATES. Mr. Chairman, as I understand the gentleman's amendment, it does away with the at-random sampling proposed by the Commission and permits the sampling to be made by the Federal Trade Commission as it wished to do; is that correct?

Mr. MICHEL. The gentleman is correct.

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

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

Mr. ECKHARDT. Mr. Chairman, I think the gentleman has offered a good compromise; he has taken the middle-ground approach. I will support the gentleman's amendment.

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

Mr. MICHEL. I yield to the gentleman from Nebraska.

Mr. MCCOLLISTER. Mr. Chairman, I agree that the gentleman's amendment is a good compromise and I would accept the figure of "250."

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. Mr. Chairman, I wish to inquire again whether the gentleman's amendment limits it to the top 250 companies only from which the Federal Trade Commission can select, or is it the 250 at random out of the top 500?

Mr. MICHEL. It would be at the discretion of the Federal Trade Commission. It is their baby, and they will do the selecting as they were going to do all along.

Mr. WHITTEN. Will the gentleman yield?

Mr. MICHEL. I am happy to yield to my chairman.

Mr. WHITTEN. May I say to my colleague from Illinois I would be perfectly glad to accept his amendment. By my analysis of the bill, the Federal Trade Commission has the power to determine it, anyway. We gave them the benefit of it by title. If they want to elect the 250 from the top 2,000, they can do so. If they want to select the 250 from some other group they can do that also. Again, in using this discretion, I hope they will at least give the committee's report due consideration.

Mr. MOORHEAD of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman.

(Mr. MOORHEAD of Pennsylvania asked and was given permission to revise and extend his remarks.)

Mr. MOORHEAD of Pennsylvania. Mr. Chairman, I support the gentleman's amendment. During the last year the American public has suffered considerable economic hardship due to inflation, energy, food, and other pressures. Many Americans have turned to the Congress and the Executive with the hope that some relief from their hardship will be forthcoming. What is most frustrating and disconcerting to these citizens who faithfully turn to the Federal Government is that very often our economic information is insufficient to make a definitive decision. In no case is the need for comprehensive and accurate information more pressing than the need for significant financial data from the large multiproduct manufacturing corporations.

At present, corporate financial data is reported in the FTC's quarterly financial report. However, all the activities of a multi-product corporation are assigned to only one of the 31 industry groupings—whether they belong there or not. Thus, Continental Baking, the largest baking concern in the country, is classified as electrical communications equipment because it is a subsidiary of ITT. A recent FTC study indicated that approximately one-third of the total gross receipts covered by the survey were assigned to the wrong industry grouping. The study also found that in three of the groupings over 60 percent of total sales were misassigned. In seven other groupings, 30–60 percent of the assigned activities did not belong. The line-of-business reporting program would eliminate these problems by requiring conglomerates to report their activities by major product lines.

In addition, the line-of-business program would increase the number, and thus the meaning, of the industry groupings. For instance, the "electrical machinery" grouping which, absurd as it may seem, now includes everything from cigarette lighters to missile systems would be divided into 45 more specific product groupings. Through the implementation of the line-of-business program, it would become possible to distinguish between sales of satellites and sales of electric toothbrushes.

Line-of-business reporting would increase the effectiveness of several economic policy options. First, it has become increasingly clear that classical monetary and fiscal restraint cannot win the battle against inflation alone. Dr. John Dunlop, among others, has testified that it is essential that Government economic policy begin to rely more on specific industry or product-line policies to deal on a microeconomic level with inflationary pressures. Industry by industry anti-inflation policies of this sort cannot be implemented without accurate line-of-business information.

Second, line-of-business information will improve the effectiveness of antitrust actions. The FTC has stated:

> The availability of good market performance data would prevent the commission from making false starts in investigating competitively performing industries. Federal trade commission false starts cause disruption, unfavorable publicity to companies and high legal costs to business.

It is certainly in everyone's interest to prevent these inefficiencies in the future.

Finally, line-of-business reporting would enable the Government to contract more intelligently for Government purchases. Product line information would help the Government and the public decide whether profits from Government purchases are in line with profits from other lines of production.

I think it is important to point out that the issue before the House of Representatives is not whether Congress should enact a line-of-business reporting program, for no one has urged that that the program not be enacted. The SEC, the FTC, and the GAO have all agreed that there is a need for such a system. The Appropriations Committee, in the report that accompanies this billl, has recommended full funding for the line-of-business program. Finally, the Joint Economic Committee, of which I am a member, stated in its 1974 annual report that nothing "is more crucial at the present time than the prompt institution of a program to provide data on sales, costs and profits by major lines of corporate business." Clearly, the question is not should we have a line-of-business reporting program but how can we have an effective line-of-business reporting system?

It is this important goal which causes me to speak out today. The original FTC proposal, approved by the GAO, was to obtain line-of-business information from the 500 largest manufacturing companies in the county. This data alone would have provided accurate information from companies representing 73 percent of the manufacturing assets of this country. The replacement of this comprehensive program with a random sample of 250 companies is an unacceptable deception of the American people. An estimate I have obtained from the FTC indicates that the random sample will yield information from companies representing ⅛ of 1 percent of the total manufacturing assets in the country. In other words, the American public is being asked to pay the same price for 600 times less information. I, for one, cannot ask American taxpayers to contribute their hard-earned dollars to support a program which has been rendered virtually meaningless.

For this reason, I strongly support the amendment which would specify that the 250 firms surveyed by the FTC be the 250 largest firms in the country. This proposal would include 60 percent of total manufacturing assets and would also respond to GAO's suggestion that a smaller survey size would allow greater communication between the FTC and the business community, insuring sufficient and reliable information. Without these assurances, the line-of-business reports would have little value.

Finally, I think it should be pointed out that this program is not the threat to confidentiality that some people might lead the Congress to believe. Single product manufacturers have been disclosing this information for years, allowing the multi-product firms to receive any competitive advantage that does exist. Line-of-business reporting would only return the smaller manufacturer to a position of equity, restoring more effective competition. Few could argue that this would not be in the best interests of the American people.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois (Mr. MICHEL) to the amendment offered by the gentleman from Nebraska (Mr. MCCOLLISTER) as a substitute for the amendment offered by the gentleman from Mississippi (Mr. WHITTEN).

The amendment to the substitute for the amendment was agreed to.

The CHAIRMAN. The question is on the substitute amendment offered by the gentleman from Nebraska (Mr. MCCOLLISTER) as amended, for the amendment offered by the gentleman from Mississippi, (Mr. WHITTEN).

The substitute amendment, as amended, to the amendment was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi (Mr. WHITTEN) as amended.

The amendment as amended was agreed to.

Mr. WHITTEN. Mr. Chairman, I ask unanimous consent that the bill may be considered as read and open to amendment at any point.

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

Mr. BAUMAN. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

The Clerk will read.

The Clerk read as follows:

> No part of these funds may be used to pay the salary of any employee, including Commissioners, of the Federal Trade Commission who—
>
> (1) uses the information provided in the line-of-business program for any purpose other than the statistical purposes for which it is supplied; or
>
> (2) makes any publication whereby the line-of-business data furnished by a particular establishment or individual can be identified; or
>
> (3) permits anyone other than sworn officers and employees of the Federal Trade Commission to examine the line-of-business reports from individual firms.

POINT OF ORDER

Mr. ECKHARDT. Mr. Chairman, I make a point of order.

Mr. DINGELL. Mr. Chairman, I make the same point of order.

The CHAIRMAN. The gentleman from Texas will be heard on his point of order.

Mr. ECKHARDT. Mr. Chairman, my point of order is that this provision violates the provisions of rule XXI, clause 2, second sentence, in that it imposes additional duties upon the Federal Trade Commission and in that it provides specific legislation in an appropriation bill.

In the discussion concerning this particular provision the language of the bill was very well accentuated by the discussion of the distinguished gentleman from Mississippi (Mr. WHITTEN). He said:

In view of the two instances which I pointed out, it happens in my opinion we are faced with finding out how we could at this stage come up with something that was reasonably tried and true to recommend to our colleagues in the Government, so I did not know any better way to go than to see how we did under the law with regard to the Census.

He stated further:

We forget the Government first authorizes and then Congress either implements it with an appropriation or does not. Congress has the right and the obligation and the power to say what it appropriates for and on what terms and what conditions.

Now, of course, the Congress has the right to determine what it appropriates for, but not on what terms and what conditions.

But not all of the terms and all of the conditions, particularly when those terms and conditions alter existing law and place heavy duties upon an agency of Government that had not been placed on that agency of Government by existing law or by an action other than the appropriation bill.

I specifically point to volume 7 of Cannon's precedents, page 684, paragraph 1692, where on January 31, 1925, the Independent Office Appropriation bill was before Congress. It contained, or the amendment contained, the following language:

No part of this appropriation shall be used to pay the salary of any member of the U.S. Tariff Commission who shall hereafter participate in any proceedings under said section 315, 316, 317, and 318 of said act—

Then leaving out a few words:

Wherein he or any member of his family has any special, direct, and pecuniary interest—

Ruling on that point of order, the Chairman stated:

It seems to the Chair that instead of being a limitation of the appropriation it in effect limits the participation of a commissioner in the lawful proceedings of the commission, under the penalty of losing his salary.

Mr. Chairman, that is exactly what is intended to be done here. Unless the Federal Trade Commission establishes rather extensive procedures and the persons working for the Federal Trade Commission follow those procedures, those persons, those employees of the Federal Trade Commission, or the Commissioner, would lose their salaries.

I have had occasion to look up what the Census Bureau actually has to do under the particular provisions that the gentleman from Mississippi stated he framed this bill on. Of course those provisions are contained in title XIII, section 9 of the United States Code.

First, the Commission had to establish a special oath, not merely the oath to support the Government, but an oath of nondisclosure which all new employees signed as a Federal standard oath of office.

That would be necessary here because the provisions will require that the persons doing these activities must take an oath. That oath says:

I will not disclose any information contained in the schedules, lists or statements contained or prepared by the Bureau of the Census.

A similar oath would be involved on the Federal Trade Commission.

Second, I have been told that the Census Bureau must put into effect and extend the program of training and education to preserve confidentiality of information.

Third, the general day-to-day operations of the Census Bureau procedures have been implemented to preserve confidentiality and to protect individual rights. These procedures might involve extensive review of documents. In this case it would be particularly onerous because the second clause of the paragraph that is sought to be stricken not only requires that confidential information not be disclosed with respect to anything but that some device be established whereby the establishment or the individual cannot be identified, and that calls for a review.

Fourth, the Census Bureau also follows specific procedures if a violation of section 9 occurs. It would be necessary to alter the ordinary procedures contained in the Civil Service Act because under that act persons are entitled to a hearing, and a neutral person determines whether the person may be fired. On this occasion veterans and preference are provided in other statutes, but under this provision their salaries would be cut off if a single act occurs, and without exception.

Therefore I urge that this is clearly additional duties and very onerous duties on the Federal Trade Commission.

The CHAIRMAN. Does the gentleman from Mississippi wish to be heard on the point of order?

Mr. WHITTEN. I do, Mr. Chairman.

The gentleman makes two lines of argument. On the one hand he says that this is separate from the requirements under the Bureau of Census. Then he says that whatever Census has to do, the FTC has to do, and there is nothing in this act or in this paragraph that requires that.

I would respectfully say that on the face of this it is directed toward not paying out Federal money. I have lost many an argument here on the floor before the Chair on the basis that anything on the face of it that is directed toward holding back or saving money is in order under the general rules that we follow.

Insofar as all of these other things that the gentleman from Texas says that the Bureau of the Census has done to implement the law or implement its own experiences, insofar as those are concerned, we say nothing about them here. But I do say on the front part that no part of this money shall be paid out, which are the very words that have caused me to lose many an argument before many a chairman.

The CHAIRMAN. Does the gentleman from Michigan (Mr. DINGELL) desire to be heard on the point of order?

Mr. DINGELL. Mr. Chairman, I do. I refer again to section 1692 of volume 7 of Cannon's precedents.

I should like to quote first of all the precedent:

While the House may by limitation deny an appropriation to recipients lacking certain qualifications, a professed limitation which by interdiction of certain qualifications restricts lawful executive action is not in order.

Mr. WHITTEN. Does the gentleman take the view that these people are authorized to do any of these things that we have prohibited?

Mr. DINGELL. I do not yield to my good friend, the gentleman from Mississippi, at this time for that, but I will be glad to respond to it in just a second.

The point is that the Chair further ruled and said as follows:

That no part of this appropriation shall be used to pay the salary of any member of the U.S. Tariff Commission who shall hereafter participate in any proceedings under said sections. . . .

Then the Chair said:

There is this additional point that appeals to the Chair, namely the additional duties that are imposed upon an executive officer, the Comptroller General.

Then the Chair went on and said:

As was pointed out in the discussion, the Comptroller General, before he can safely pay the salary of any one of these commissioners, must find out and satisfy himself that such member has no interest and that no member of his family has any special, direct, and pecuniary interest in, or that he has acted as attorney or special representative for any of the corporations investigated. The imposition of additional duties upon an executive is in effect legislation.

The Chair went on to say:

The Chair expresses no opinion as to the legislation itself. The legislative committees of this House are open at all times for the consideration of proper legislation in regard to these matters. It seems to the Chair that it would be a dangerous precedent, and one that would tend to involve us in the mazes of rider legislation on appropriation bills, to admit over a point of order language of this kind on an appropriation bill. Therefore, the Chair sustains the point of order.

The CHAIRMAN (Mr. GIBBONS). The Chair is ready to rule.

The Chair has had the benefit of all of the distinguished arguments from the distinguished gentlemen, and has spent a considerable amount of time studying the questions raised by the point of order.

The gentleman from Texas makes the point of order against the paragraph on page 47, lines 13 through 24, on the ground that those provisions contain legislation on a general appropriation bill in violation of clause 2, rule XXI.

The Chair has examined existing law which authorizes the Federal Trade Commission to conduct investigations within its jurisdiction, the report of the

Committee on Appropriations, and the precedents of the House which limit the payment of funds for salaries and expenses.

On March 2, 1928, Chairman Treadway held in order an amendment to a general appropriation bill which prohibited the use of funds in that bill for payment of salaries of employees of the Department of Agriculture who forecast the price of agricultural products, Cannon's VII, 1663. The Chair has also examined those precedents which stand for the proposition that it is not in order on a general appropriation bill under the guise of limitation to affirmatively interfere with executive discretion. In each of those cases examined by the Chair, the negative restriction placed upon the payment of funds for salaries was coupled with an affirmative direction to the executive official to perform certain duties as a condition for the receipt of payment of such salaries. (See for example Cannon's VII, 1677).

Section 1692 of 7 Hind's Precedents, an earlier precedent, has been cited by the gentleman and it was cited in specific support of this point of order. The Chair held in that instance, on January 31, 1925, that while the House may by limitation deny an appropriation to recipients lacking certain qualifications, a professed limitation which by interdiction of certain qualifications restricts lawful executive action is not in order. At issue was language denying salary to members of the U.S. Tariff Commission who participated in proceedings and investigations required by law, where said members of their families had any interest therein. The Chair ruled that the limitation did not go to qualifications, but limited the participation of a commissioner in the lawful proceedings of the Commission, and the proceedings in issue were investigations and findings which the commissioners had an absolute and specific duty to conduct under an act of September 21, 1922. In the opinion of the Chair, the precedent cited is inapplicable to the present case, since the language ruled out in that instance involved a positive interference with the performance by an executive official of a function required of him by law.

Another case in point is cited at section 1689 of 7 Hinds' Precedents. On January 12, 1923, the Chair held in order an amendment forbidding the use of an appropriation in the preparation or dissemination of propaganda by an executive agency, where the amendment did not affirmatively limit an official function.

In the instant case the Chair feels that the language in the paragraph is merely descriptive of certain activities in the line of employment, not specifically required by law to be undertaken, in which Federal Trade Commission officers and employees may not engage if they are to receive compensation from funds contained in the bill. For this reason, the Chair holds that the paragraph is a proper restriction on the payment of funds in the bill and overrules the point of order.

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 47 strike line 13 and all that follows through line 24.

POINT OF ORDER

Mr. ANDREWS of North Dakota. Mr. Chairman, I make a point of order against the amendment on the ground that copies have not been delivered to the minority in accordance with clause 5 of rule XXIII.

Mr. ECKHARDT. Mr. Chairman, how many copies does the gentleman want?

Mr. ANDREWS of North Dakota. None.

The CHAIRMAN (Mr. GIBBONS). The rules provide that copies shall be provided the Clerk of the House. The point of order is not in order.

The gentleman from Texas is recognized for 5 minutes in support of his amendment.

Mr. ECKHARDT. Mr. Chairman, this Member will never be so indecorous as to disagree with the Chair, so I desire to make the same point on the basis of sound reason, that this provision should not be enacted here without having been submitted to a committee of major jurisdiction. I am not here merely as a volunteer on the floor without concern for this matter. The gentleman from Nebraska (Mr. MCCOLLISTER), my colleague who offered the last amendment, and I, both serve on the subcommittee that deals with the Federal Trade Commission, and I think all of my colleagues understand that the procedures involving a commission of that nature are very serious concerns. This should not be added by an appropriations bill.

In connection with the debate on this bill, I understood the subcommittee chairman to say quite plainly that the purpose of this provision was to alter an existing situation with respect to confidentiality.

Mr. WHITTEN. Mr. Chairman, may I say to the gentleman that either I did not realize what I said, or else he did not hear what I said.

Mr. ECKHARDT. Either the gentleman in the well is wrong or the gentleman at the microphone is wrong and the RECORD will disclose it.

At any rate, what is attempted to be done is to set up a regulation on confidentiality on the basis of punishment by depriving an employee of his pay. If we do that I defy anybody here to tell me what happens when that employee says, "I did not violate the confidentiality provisions. Somebody might have found out that it was Exxon that was talked about in the report, but they found it out because the figures were so large. I did not intend it." I submit this can be a reasonable mistake. Yet the penalty under the provision provided in the appropriations bill is that the person not receive his salary because he violated a provision in the bill.

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

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

Mr. YATES. Mr. Chairman, does the gentleman construe the language to be that there may be a prohibition against the turning over of this information to the Justice Department in case there may be an antitrust suit?

Mr. ECKHARDT. Of course, of course, it does that. It prevents the turning over of the information to anybody. It may only be used for statistical purposes and for no other and this is enforced by withholding appropriations and pay no matter how innocent or well-motivated the act may be.

For instance, the turning over of information to a chairman of a committee of Congress would be a violation and the person who did so would, thereby, lose his salary.

Now, I do not want to argue this in detail and at length, but only want to say this is a serious matter and it is exactly the kind of matter that the distinguished chairman of the Committee on Agriculture, whom I see in front of me, would resent if a matter of that close concern to his committee were lifted from his committee and taken over by the Committee on Appropriations. I am sure that is true. Every other person here who serves on a committee of major jurisdiction, and that is all of us, should be concerned by this usurpation of authority under the guise of a limitation upon an appropriation.

I want to point out again, as I pointed out in the point of order, that if we were to enact this provision hastily and without providing some procedure by which it may be implemented, it would first negate all those rules, established for the civil service, concerning employees' rights to be heard and to be reinstated if their case was meritorious, assuming their case fell in this narrow bracket. It would require that the Federal Trade Commission establish special procedures with respect to the persons accused of these things. It would require the administration of an additional oath. It would require the most exquisite machinery to provide a means of putting these measures into effect.

Now I know that some Members might say, well, if we do not do this, the Federal Trade Commission will disclose this information improperly. I say that the Federal Trade Commission has not been accused of any wrongdoing in this matter. Its own rules established for this purpose clearly limit the information to only statistical purposes. The information under their own announced restrictions is not even to be turned over to their other arm, the enforcement arm, but is to be kept absolutely confidential.

It is perfectly proper for a committee of primary jurisdiction to come in and place restrictions on the Commission if the Commission has acted wrongly; but that has not occurred here. The Appropriations Committee has prematurely assumed authority in a substantive field by adding the language attacked in the point of order and in this amendment which, I respectfully submit, should be adopted.

Mr. MOSS. Mr. Chairman, I rise in support of the amendment offered by the gentleman.

Mr. Chairman, first, it is inartfully drafted and confusing. For example, it prohibits the use of the information for any purpose "other than the statistical

purposes for which it is supplied." This prohibition could mean that the FTC would be precluded from performing special analyses of the data and publishing those analyses even though the published reports themselves did not reveal confidential information. It could prohibit other analyses to be performed internally and confidentially designed to improve the entire program. And, by its terms, it would make the supplier's motives in producing the data controlling over the FTC's purposes in collecting it.

Second, the confidentiality provisions are wholly unnecessary. The Commission itself follows published regulations guarding against the disclosure of individual firm data. The FTC's regulations, most recently published in the Federal Register on July 13, 1973, and September 18, 1973, are detailed, well thought out, carefully drafted, and backed up by criminal penalties. The bill's provisions have none of these advantages. See also 18 U.S.C. 1905.

Third, the bill would prohibit the FTC from sharing the information on a confidential basis with other Government agencies that are also engaged in data collection for statistical programs. This prohibition flies in the face of a long-standing congressional policy to prevent duplication of data-gathering efforts and the burdens on business that result from such duplication. The FTC confidentiality regulations, in contrast, address this problem carefully. They note that:

The Commission "prepares preliminary estimates and such other tabulations relating to the QFR (and eventually, Line of Business) as requested by the Department of Commerce and the Federal Reserve Board, or as may be directed by the Office of Management and Budget.

The committee's approach directly conflicts with the policies of the Federal Reports Act of 1942. That act authorizes the Office of Management and Budget to require a Federal agency to make available to another Federal agency information obtained from any person. Moreover, both that statute and section 409 of the recently passed Trans-Alaska Pipeline Act contain similar admonitions against duplication of effort in order to minimize reporting burdens on businesses.

For these reasons, the awkward and imprecise confidentiality provisions in the bill should be deleted.

Mr. ANDREWS of North Dakota. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, testimony we had before the committee brought forth the concern in the business community of protecting the confidentiality of any information brought out. I think this concern is well founded. The committee turned to the other agencies that have been engaged in assembling business information such as this, and used as closely as we could the language the Census Bureau operates under.

It is interesting to note on the floor of the House this deep concern about loosening up the rules concerning the turning over material, and how it should be handled, from the very same people who joined with me—and I appreciated that support—in objecting to the IRS turning over information that comes from their files from the agricultural section of our economy because we wanted to preserve the confidentiality of that information.

This committee, in this language, does just exactly that. I rise to protect confidentiality. As far as the Federal Trade Commission is concerned, a newspaper article some time ago, a week or two ago, pointed out that one of the Commissioners in testifying before the other body of this Congress, in assuring one of the Members of the other body, said:

Senator, if there is any detailed information you want about this, you just let me know.

Mr. Chairman, I am not impugning the motives of any Member of the other body, but I certainly think they have a leaky ship and have a lot of caulking to do on their ship. I do not think we want to expose American business to this type of leaky situation. I think line of business reporting is extremely important. I think it is extremely important that the confidentiality of it be protected.

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

Mr. ANDREWS of North Dakota. I yield to the gentleman from California.

Mr. MOSS. Mr. Chairman, I have been chairing the Finance Subcommittee for a number of years. Can the gentleman give me any examples of the abuses of the Federal Trade Commission's authority over information of this kind when they have collected it? Does he know of any instances where it has been leaked by them or by my committee or others using it?

Mr. ANDREWS of North Dakota. Let me tell my colleague from California of an incident that happened while we were considering this bill and marking it up. The chairman of our committee sent a confidential letter to the Commission. The next day, we read it in the newspaper.

Mr. MOSS. Did it come out of the gentleman's committee staff? I have not had that problem with my staff.

Mr. ANDREWS of North Dakota. The point is that while we do not know where the leak occurred, we feel that necessary safeguards should be taken. If it was thought to be necessary in the case of the census information, we felt it could be transposed into this bill.

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

Mr. ANDREWS of North Dakota. I yield to the gentleman from Illinois.

Mr. YATES. Does the gentleman interpret the language in this section to prohibit turning over of any data collected by the Federal Trade Commission to the Department of Justice?

Mr. ANDREWS of North Dakota. I would imagine that under the proper court orders, this information could be made available.

Mr. YATES. Suppose the Department of Justice was engaged in an investigation of a special antitrust suit and needed information of this kind. Does the gentleman believe that this information would not be subject to being turned over to the Department of Justice?

Mr. ANDREWS of North Dakota. They would have to get it under the normal procedures by which they get it. This really is a random sampling technique. It is not specific to an individual investigation.

Mr. YATES. I thought the House determined that it was not to be a random sampling technique. That was stricken by the action of the House.

Mr. ANDREWS of North Dakota. It simply is a technique to find out what is going on in American business, not within specific companies, and that is all we are looking for, and as to that we would hope to protect confidentiality.

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

Mr. ANDREWS of North Dakota. I yield to the gentleman from Illinois.

Mr. MICHEL. Mr. Chairman, the gentleman from California (Mr. Moss) inquired as to whether there had been any leaks from the FTC which the gentleman could cite.

During the course of our hearings, with Mr. Dixon present, he responded to several of my questions by saying:

I think the best word is hope. I will say this to you, since 1944 it has not leaked, but I know why. It was not worth a damn.

Meaning the information they received. He goes on:

Now it is going to be a little bit more reliable. Let us hope that it is going to be more reliable than even I hope for it.

In a prior exchange with Commissioner Thompson we find the following on page 795 of volume 6 of our hearings.

Mr. THOMPSON. Mr. Michel, I share your fear. I have never seen anything like this town in my life. It is the doggonedest thing I ever saw. You could almost commit an offense against the public decency on the sidewalk and get by with it, and something you do behind closed doors is known to the public almost at the time you do it.

I am not going to get into the underwriting business, not having collected a premium for it. I do not believe that we can say to you, as an absolute fact, that somebody is not going to find this out.

All I can do is join with the chairman and my brethren and say to you that we will guard it as carefully as we can, as trustees and guardians of the information, that is, but gee, it has got an excellent chance of being known, I would think.

This subject of confidentiality is one which I feel very strongly about. We discussed it at length in our hearings. We have to make absolutely sure that the same thing taking place in our own Judiciary Committee and in some of our grand jury proceedings in this town do not take place down at the Federal Trade Commission when they get into this line of business reporting. The Federal Government has no business divulging legitimate competitive advantages of one company over another competing in the same line of business.

Mr. WHITTEN. Mr. Chairman, I rise in opposition to the amendment. Anybody who can read this must realize that the things we say, "Don't do" should not be done.

Now we get down to what we can count on here, and this is not personalities. So far as I know, my relations are excellent with each of the Commissioners. But we

have had some bad experiences at the hearings this year, where money had been appropriated by the Congress for one purpose and spent for an entirely different purpose by the Commission.

When this line-of-business matter came in with a whole lot of beating of drums, and after we had our hearings with the Chairman of the Commission, I wrote a letter to the Chairman calling attention to the fact that while we were in the process of passing the legislation, the Commission should not see fit to implement the line-of-business program. I suggested that they wait until Congress had acted to implement the legislation, since changes might be required which would be expensive to make if they proceeded now.

That was a confidential letter from me as chairman of the subcommittee to the Chairman of the Commission. The Chairman then took my letter, a copy of it, and sent it to a Member of the other body. The very next day, the newspapers called it an attempt at blocking this new law. I had no idea of ever blocking it. The fact we included $305,000 in the bill proves my good faith. If anybody called me, I would have told him that I would be a party to implement it. If they called on me further, I would say I was an ex-district attorney, and I always said the Justice Department did not move fast enough and the FTC needed more power. It was this committee that added 130 positions above the budget 2 years ago for the FTC. But they did not ask me. I read my confidential letter in the newspapers, in spite of all I have done to help the FTC.

I am talking about leaks. The Chairman of the Commission apparently sent my letter to the Member of the other body because he was the most outspoken advocate at the time against placing any restrictions on the line-of-business report. That was one example of the inability of the FTC to keep something confidential.

Then I picked up another newspaper and I saw that another Commissioner on the Senate side had testified or told a Senator "Any information we get, you know you will get." So again the FTC, by its own words, seems to be saying it cannot keep information confidential.

I trust my colleagues on this side. I do not know of a better group of men in the world, but if I had a supersecret, I would not tell all the folks around here, and I would not expect them to tell me, because somehow it gets out.

We believe this confidentiality provision should be in the bill because of all these experiences I have cited, and if our colleagues who are advocates of striking this out, were aware of these problems I do not think they would say they should do any of these things either.

I think the gentleman was objecting to his saying they should not do it, and I say that circumstances up to this point certainly show they should and they have, and will probably continue to do so without restrictions of this type.

Everybody in the executive branch, from the President at the White House down, has had some experience with this lack of confidentiality. He has had a good deal of experience in government. He is a lawyer.

But then one reads in the papers about where the Chairman of the FTC went before a consumer group urging them to lobby with Congress in favor of the line-of-business programs. This is a clear violation of the Anti-Lobbying Act.

Certainly, with all these facts, we need to give them a little prohibition, against the disclosure of data. I do not believe anybody wants these leaks, which could ruin the competitive enterprise system, which has made us the best and strongest country in the world.

I do not believe anybody who advocates this amendment will advocate that it does the things they say it will do. I think when they fully analyze it, it only does what is clearly required.

Mr. BURLISON of Missouri. Mr. Chairman, will the gentleman yield?

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

Mr. BURLISON of Missouri. Mr. Chairman, I thank my friend for yielding.

Mr. Chairman, I want to emphasize the several points the gentlemen from Mississippi made which pretty well describe the feeling of many members of the subcommittee. There have been a number of instances where the Commission failed to use necessary care in carrying out certain of their responsibilities.

First, in addition to those mentioned by the chairman of the subcommittee, I would include failure to respond to the requests of Members of the Congress, and particularly members of this subcommittee. Second, the Commission has neglected to adequately respond to suggestions of this subcommittee on matters coming within our jurisdiction and purview.

Another specific instance that comes to my mind, Mr. Chairman, is the request that has been made of the Commission to make a study of the inordinate slice that the middleman takes from our food distribution program as that food moves from the producer to the consumer.

We were after the Commission for 2 years to get the job done. In short, it is felt the Commission has been careless and neglectful in carrying out certain of its duties. We should insure maximum care of the Commission and its staff in protecting the information it gathers in the "line of business" function.

Mr. WOLFF. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I have been listening to the debate on the floor. I am just wondering what types of leaks we are trying to stop here.

Is it the ITT leak, is it leaks on the milk deals, or is it on the wheat deals or the oil deals? What are the leaks that we are trying to stop here?

Mr. WHITTEN. Those that might occur.

Mr. WOLFF. In any of those situations?

Mr. WHITTEN. No. If the gentleman will read the language here, it says:

No part of these funds may be used to pay the salary of any employee, including Commissioners, of the Federal Trade Commission who—

(1) uses the information provided in the line-of-business program for any purpose other than the statistical purposes for which it is supplied; or

(2) makes any publication whereby the line-of-business data furnished by a particular establishment or individual can be identified; or

(3) permits anyone other than sworn officers and employees of the Federal Trade Commission to examine the line-of-business reports from individual firms.

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

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

Mr. MOSS. Mr. Chairman, I think that the discussion so far shows quite conclusively that the intent of this limitation, notwithstanding the ruling of the Chair on the advice of the Parliamentarian, is not in any way a limitation on an appropriation, but is in fact a substantial, substantive change in law and should not be coming from the Committee on Appropriations.

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.

RECORDED VOTE

Mr. ECKHARDT. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 127, noes 201, not voting 105, as follows:

[Roll No. 315]

AYES—127

Abzug	Gibbons	Price, Ill.
Adams	Grasso	Randall
Annunzio	Haley	Rangel
Aspin	Harrington	Reuss
Badillo	Hechler, W. Va.	Riegle
Barrett	Heckler, Mass.	Rodino
Bennett	Helstoski	Rogers
Biaggi	Hicks	Roncalio, Wyo.
Bingham	Holifield	Rooney, Pa.
Blatnik	Holtzman	Rostenkowski
Bolling	Hungate	Roush
Brademas	Johnson, Calif.	Roy
Breckinridge	Jordan	Roybal
Burke, Calif.	Karth	Sarbanes
Burke, Mass.	Kastenmeier	Schroeder
Burton	Kluczynski	Seiberling
Carney, Ohio	Koch	Smith, Iowa
Clark	Lehman	Staggers
Clay	Litton	Stanton, James V.
Collins, Ill.	Long, La.	Stark
Conte	Long, Md.	Stokes
Conyers	Luken	Stratton
Corman	Madden	Studds
Cronin	Meeds	Sullivan
Culver	Melcher	Symington
Delaney	Metcalfe	Tiernan
Dellums	Mezvinsky	Traxler
Denholm	Minish	Van Deerlin
Diggs	Mink	Vander Veen
Dingell	Mitchell, Md.	Vanik
Drinan	Moakley	Vigorito
Dulski	Moorhead, Pa.	Waldie
Eckhardt	Morgan	Wilson, Charles H., Calif.
Edwards, Calif.	Moss	Wilson, Charles, Tex.
Eilberg	Murphy, Ill.	Wolff
Evans, Colo.	Nedzi	Wright
Evins, Tenn.	Nix	Yates
Fascell	Obey	Yatron
Flood	O'Hara	Zablocki
Foley	O'Neill	
Ford	Owens	
Fraser	Patten	
Fulton	Pepper	
Giaimo	Perkins	

NOES—201

Abdnor	Grover	Powell, Ohio
Addabbo	Gubser	Preyer
Alexander	Gude	Pritchard
Anderson, Ill.	Guyer	Railsback
Andrews, N. Dak.	Hammer-schmidt	Regula
Archer	Hanrahan	Roberts
Armstrong	Harsha	Robinson, Va.
Ashbrook	Hastings	Robison, N.Y.
Baker	Heinz	Rose
Bauman	Hinshaw	Rousselot
Biester	Hogan	Runnels
Blackburn	Holt	Ruth
Bowen	Horton	Sandman
Bray	Hosmer	Sarasin
Breaux	Huber	Satterfield
Brinkley	Hudnut	Scherle
Brooks	Hunt	Schneebeli
Brown, Mich.	Hutchinson	Sebelius
Brown, Ohio	Jarman	Shipley
Broyhill, N.C.	Johnson, Colo.	Shoup
Broyhill, Va.	Johnson, Pa.	Shriver
Buchanan	Jones, Ala.	Shuster
Burke, Fla.	Jones, N.C.	Sisk
Burleson, Tex.	Jones, Okla.	Skubitz
Burlison, Mo.	Jones, Tenn.	Slack
Butler	Kazen	Smith, N.Y.
Byron	King	Snyder
Camp	Kuykendall	Spence
Carter	Lagomarsino	Stanton, J. William
Casey, Tex.	Latta	Steed
Cederberg	Lent	Steele
Chamberlain	Lujan	Steelman
Clancy	McClory	Steiger, Ariz.
Clausen, Don H.	McCloskey	Steiger, Wis.
Cleveland	McCollister	Stephens
Cohen	McDade	Stubblefield
Collier	McFall	Stuckey
Conlan	McKinney	Talcott
Coughlin	Madigan	Taylor, Mo.
Daniel, Dan	Mahon	Taylor, N.C.
Davis, S.C.	Mallary	Teague
Davis, Wis.	Mann	Thomson, Wis.
de la Garza	Maraziti	Thone
Dellenback	Martin, N.C.	Thornton
Dennis	Mathis, Ga.	Treen
Devine	Mayne	Ullman
Dickinson	Mazzoli	Vander Jagt
Downing	Michel	Veysey
Duncan	Miller	Waggonner
du Pont	Mills	Walsh
Erlenborn	Mitchell, N.Y.	Wampler
Eshleman	Mizell	Ware
Findley	Montgomery	Whalen
Fish	Moorhead, Calif.	White
Fisher	Murphy, N.Y.	Whitehurst
Flowers	Murtha	Whitten
Flynt	Myers	Widnall
Fountain	Natcher	Wiggins
Frey	O'Brien	Wilson, Bob
Gaydos	Parris	Winn
Gettys	Passman	Wyatt
Gilman	Patman	Wydler
Ginn	Pettis	Young, Fla.
Goldwater	Peyser	Young, Ill.
Goodling	Pickle	Young, S.C.
Green, Oreg.	Pike	Young, Tex.
Gross	Poage	Zion

NOT VOTING—105

Anderson, Calif.	Dent	Landrum
Andrews, N.C.	Derwinski	Leggett
Arends	Donohue	Lott
Ashley	Dorn	McCormack
Bafalis	Edwards, Ala.	McEwen
Beard	Esch	McKay
Bell	Forsythe	McSpadden
Bergland	Frelinghuysen	Macdonald
Bevill	Frenzel	Martin, Nebr.
Boggs	Froehlich	Mathias, Calif.
Boland	Fuqua	Matsunaga
Brasco	Gonzalez	Milford
Broomfield	Gray	Minshall, Ohio
Brotzman	Green, Pa.	Mollohan
Brown, Calif.	Griffiths	Mosher
Burgener	Gunter	Nelsen
Carey, N.Y.	Hamilton	Nichols
Chappell	Hanley	Podell
Chisholm	Hanna	Price, Tex.
Clawson, Del	Hansen, Idaho	Quie
Cochran	Hansen, Wash.	Quillen
Collins, Tex.	Hawkins	Rarick
Conable	Hays	Rees
Cotter	Hébert	Reid
Crane	Henderson	Rhodes
Daniel, Robert W., Jr.	Hillis	Rinaldo
Daniels, Dominick V.	Howard	Roe
Danielson	Ichord	Roncallo, N.Y.
Davis, Ga.	Kemp	Rooney, N.Y.
	Ketchum	Rosenthal
	Kyros	Ruppe
	Landgrebe	Ryan
St Germain	Towell, Nev.	Wyman
Sikes	Udall	Young, Alaska
Symms	Williams	Young, Ga.
Thompson, N.J.	Wylie	Zwach

So the amendment was rejected.

The result of the vote was announced as above recorded.

Mr. WHITTEN. Mr. Chairman, I ask unanimous consent that the remainder of the bill be considered as read, printed in the RECORD, and open to amendment at any point.

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

There was no objection.

POINT OF ORDER

Mr. MOSS. Mr. Chairman, I make a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. MOSS. Mr. Chairman, I make a point of order that section 511 of the bill would impose additional duties on every agency subject to the bill and is legislation on an appropriation. The language of the section is as follows:

Except as provided in existing law, funds provided in this Act shall be available only for the purposes for which they are appropriated.

The section imposes affirmative duty on Federal agencies. It requires them to determine the "purposes" for which sums have been appropriated in this bill. The bill includes no statement of purposes nor does section 511 limit the "purposes" to those which might be specified in the bill.

Therefore, each Federal agency will be forced to examine all communications with the Appropriations Committees and its budget justification submitted to those committees and will be bound to adhere to each specific detailed purpose in those communications and budget submissions at its peril. This is an additional duty not imposed by any existing law.

It is well established that a proposition to establish affirmative directions for an executive officer constitutes legislation and is not in order on an appropriation bill—4 Hinds' 3854.

Thus where an appropriation bill directed the Secretary of the Navy to make an inquiry as to the cost of armor plate and to report to the Congress, a point of order was sustained—4 Hinds' 3856.

Similarly, where an appropriation bill directed the Government Printing Office to follow the rules of orthography established by Webster's or other generally accepted dictionaries, the Chair held "a provision authorizing or directing an officer of the Government to do things involves legislation" and sustained a point of order—4 Hinds' 3854.

Similarly, on April 30, 1974, p. 12419 CONGRESSIONAL RECORD, an amendment was offered to the Atomic Energy Commission appropriation bill that funds appropriated might not be expended for certain purposes until the AEC submitted to the Appropriations Committees a breakdown of costs for such expenditures. The gentleman from Tennessee (Mr. EVINS) made a point of order that the amendment imposed additional duties and the Chair held as follows:

The gentleman from Pennsylvania (Mr. COUGHLIN) makes the statement against the point of order raised by the gentleman from Tennessee (Mr. EVINS) that the committee report requests the Atomic Energy Commission to submit a breakdown of the total planned costs but the Chair is not aware of such a specific requirement under existing law. Under Cannon's Precedents, volume 7, section 1442, a proposition to establish new affirmative directions for an executive officer constitutes legislation, and is not in order on a general appropriation bill.

The amendment offered by the gentleman from Pennsylvania (Mr. COUGHLIN) does require submission to Congress by the AEC of an entire breakdown of the total planned cost for the liquid metal fast breeder reactor. The amendment is thus in violation of clause 2, rule XXI, and the Chair therefore sustains the point of order.

Additionally, Mr. Chairman, today in a colloquy with Mr. WHITTEN, the chairman of the committee, I stated that I had been attempting to determine where the purposes mentioned in section 511 were contained.

Mr. WHITTEN stated:

The purposes are set forth in the hearings. Under the usual procedure we consider a budget request made to the committee in normal conditions, though sometimes there is an additional request. The justifications are the basis on which the funds are obtained.

I then asked:

The justifications would not be in the formal and informal agreements arrived at in respect of the appropriation?

Mr. WHITTEN then stated:

The hearings would be the justification to which the Congress would look as to what the purpose was in making the appropriation.

I then asked:

And it would not be only in the formal submission made to the committee at the time of the initiation of the hearings?

Mr. WHITTEN stated:

I would think the hearings would speak for themselves. I would not think any side or oral discussion would be sufficient to change it.

I then made this statement:

Any discussion appearing on the hearing record would be the basis for determining the purposes?

To which Mr. WHITTEN replied:

That is right, insofar as it was then supported by action of the Congress.

I submit, Mr. Chairman, it would be necessary for the agencies enumerated in this bill to search out with great diligence the hearings, all the submissions, all of the documentation referred to in the colloquy with Mr. WHITTEN. It would, indeed, impose additional duties and that this does constitute legislation in an appropriation bill.

The CHAIRMAN. Does the gentleman from Mississippi wish to be heard on the point of order?

Mr. WHITTEN. Yes, Mr. Chairman. I am rather flattered that my friend from California would read what I said as being the last word on such matters.

As a matter of fact, it is my opinion

that this is a restatement of the law as it is. The Committee on Appropriations under its general authority appropriates for specific purposes, for general purposes, for limited purposes, and has from the day that I first came here and did long before I got here; so to say that money shall not be used for the purposes other than for which they are appropriated, except as provided in existing law, is clearly in line with day-to-day practice.

This matter was before us in language that I wrote 2 or 3 years ago in connection with the defense appropriations, section 45:

No part of the funds in this act shall be available to prepare or present a request to the Committees on Appropriations for the reprograming of funds, unless for higher priority items, based on unforeseen military requirements, than those for which originally appropriated and in no case where the item for which reprograming is requested has been denied by the Congress.

I respectfully submit that all actions of the Congress in appropriating money is appropriated for specific purposes and the purpose for which it is appropriated is the only purpose for which it is available.

It is a comon practice and I had anticipated and had been advised that a motion would be made to strike this provision from the bill. I was prepared to accept it, because I do not think it is even necessary to have it in the bill; but I did want to point out that this agency in several instances has spent money appropriated for one purpose for an entirely different purpose. I do not think they will do it anymore in view of the commitment of the chairman.

Mr. ECKHARDT. Mr. Chairman, may I be heard on the point of order?

The CHAIRMAN. The gentleman is recognized.

Mr. ECKHARDT. I would like to say just briefly to this last response that I hope the Chair will take into account and clarify what is his ruling with respect to the Whitten statement.

As I understood the statement of the gentleman from Mississippi (Mr. WHITTEN), he said that the purpose of this section was to provide that any appropriations in this bill should be available only for the purposes for which they were appropriated as reflected in the whole hearings and justification.

I understand him now to be saying that this language only does what constitutes normal, reasonable, legal construction; that it only means that they are available only for the purposes spelled out in this bill. I am not altogether sure of what his position is now, but it seems to me that if the latter is what the language means, section 511 is absolutely useless and meaningless, and under the ordinary construction of statutory language, a court will determine the language was put in for a purpose.

The very purpose the gentleman from Mississippi said it was put in for was the purpose of limiting the availability of funds, not to the language of the bill, but to the specific, detailed justifications and contentions in the hearings of his committee. If that is true, of course, that is an enormous addition of substantive limitations on our agencies created by this very short piece of language.

Mr. WHITTEN. Mr. Chairman, may I repeat, the language speaks for itself. It is very plain and is the basis upon which the Appropriations Committee has acted.

The CHAIRMAN. The Chair is prepared to rule on the point of order.

If the language means what the gentleman from Mississippi now says it does, then the language is a nullity, because it just repeats existing law.

The Chair is of the opinion, though, that there is a possibility as earlier indicated during general debate and as suggested by the gentleman from California, that the amendment imposes an additional burden, and the Chair, therefore, sustains the point of order.

Mr. WHITTEN. Mr. Chairman, I ask unanimous consent that all debate on the bill and all amendments thereto close at 7:45 p.m.

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

There was no objection.

The CHAIRMAN. Members standing at the time the motion was made will be recognized for one-half minute each.

The Chair recognizes the gentleman from Alabama (Mr. DICKINSON).

(By unanimous consent, Messrs. BAUMAN, MONTGOMERY, SCHERLE, and DENNIS yielded their time to Mr. DICKINSON.)

AMENDMENT OFFERED BY MR. DICKINSON

Mr. DICKINSON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DICKINSON: On page 49, line 14, after the word *"Provided,"* insert the following: "That no part of the funds appropriated by this Act shall be used during the fiscal year ending June 30, 1975 to make food stamps available for the duration of a strike to a household while its principal wage-earner is, on account of a labor dispute to which he is a party or to which a labor organization of which he is a member is a party, on strike: *Provided further,* That such ineligibility shall not apply to any household that was eligible for and participating in the food stamp program immediately prior to the start of such strike, dispute, or other similar action in which any member of such household engages: *Provided further,* That such ineligibility shall not apply to any household if any of its members is subject to an employer's lockout: *Provided further,"*

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

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

Mr. O'HARA. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. DICKINSON. Mr. Chairman, I appreciate the opportunity to offer an amendment to the fiscal year 1975 Agriculture Appropriations bill to place a moratorium on funds for food stamps for strikers.

As my coilleagues are aware, an ever-increasing portion of our growing budget goes to the food stamp program. According to the Department of Agriculture, 13.5 million persons are now receiving food stamps and as many as 26 million participate some time during the year. A special study conducted this year by Congresswoman MARTHA GRIFFITHS, said that 37 million persons are currently eligible for food stamps and that some time during this year as many as 50 million would be eligible. And, the study contended that as many as 60 million persons might be eligible for food stamps in fiscal year 1977, and if all eligibles received food stamps the program cost could soar to $10 billion a year.

Sixty million persons eligible for food stamps by 1977. Do you realize that is the total combined population of our 117 largest cities and over one-fourth of the total population of the United States? That is, one person in four will be eligible to receive food stamps in the near future.

One year ago when I launched my efforts to have food stamps denied to strikers, the estimated cost of the program was in the neighborhood of $1.7 billion. This cost today is $2.8 billion. Now, we are talking in terms of $3.9 billion under the proposed budget. Certainly, we must recognize that this program, along with so many others in our budget, must be contained, and the place to start is with strikers.

It is impossible to determine exactly how much money will be spent, or has been spent, for food stamps for strikers, since the Agriculture Department does not keep figures according to whether or not a recipient is a striker. However, reliable estimates have reached into the hundreds of millions based on the number and length of strikes and on estimates of how many striking workers got or will get food stamps.

This year will probably be one of the worst years for strikes in decades. It is most evident that the end of wage and price controls has created labor unrest. According to the June 15, 1974 issue of Business Week, there were 480 work stoppages in March of this year, the largest number in any March since 1937. And, there were 24 strikes in the Pittsburgh area alone in the first week in June. The Federal Mediation and Conciliation Service has more labor disputes before it than at any time during the last 15 years. On June 6, the FMCS was trying to resolve 523 strikes involving 308,600 workers.

More than 5 million workers are covered by major collective bargaining agreements expiring or reopening in 1974. If only half of those chose to strike for 30 days, it could cost the taxpayers $375 million in food stamps alone.

It has been said that no matter how many dollars worth of food stamps go to strikers, no food stamps will be denied the truly needy—the unemployed, the unemployable, families on welfare, mothers with dependent children, the aged, the blind, and the disabled—who are in need through no fault of their own. If this is the case, we cannot ignore the fact that the cost of the program is already out of sight, and it must be contained before it gets completely away from us. Denying food stamps to strikers is one way of containing it.

Striking workers are different from those destitute people I have already

named for whom the Food Stamp Act of 1964 was enacted. Striking workers are out of work voluntarily—either through their own vote or the vote of their fellow union members—and they have ample warning before a strike to make preparations for their needs during the strike. Even the unions expect their members to take care of themselves during the first week or two of the strike, as evidenced by the fact that unions which do offer strike benefits do not do so the first week or two of the strike. The Federal Government, on the other hand, makes food stamps available to strikers immediately after the strike begins in some cases.

There are people who believe that by providing food stamps to strikers they are helping those innocent victims who have been put out of work because of a strike. These victims could be union workers who were unsympathetic to the strike or nonunion members of the same company or a related industry who were put out of work because of the primary strike.

It is laudable to be concerned about the welfare of those persons whose best interest is not represented by union bossism. But, it is absurd to believe that by relieving the pressure to negotiate that we are helping these people. To the contrary, but for such placatory items as food stamps these people would rise up and demand an open shop or, at the very least, the start of meaningful negotiations.

It has been argued that if we deny food stamps to strikers, their families—including helpless babies—will starve. To the contrary, strikes were occurring long before the food stamp program was ever conceived, and there is no evidence that anyone starved because of them. The unions were responsible for their members during strikes then, and they should be responsible for them now. If we would refuse Government welfare aid to strikers, the union strike funds could be utilized as they were meant to be rather than as political action funds.

I am pleased that the Agriculture Department is tightening up on regulations for the food stamp program, and it will be more difficult for strikers to get food stamps. People will still be eligible for food stamps if their liquid assets do not exceed $1,500. Any property above a home, one car and the household goods and furnishings will be counted in this figure. At least we can be hopeful that there will be no more instances of strikers with two cars, a debt-free $50,000 house and a boat getting food stamps. Of course, the great influx of new applicants during strikes will make it hard for caseworkers in welfare offices to ascertain the true net worth of each applicant, and the additional cost of adding workers to the payroll to process these applicants is a further baleful note.

I also understand that new work requirements are being added to the regulations. A striker will have to register for work and actively try to get a new job. After 30 days—a rather long strike—the striker will have to take any job to remain eligible for food stamps. In a way this is good, but in another way we are putting people who already have jobs, but refuse to work at them, in competition for jobs with those who have been unable to get jobs in the first place. We seem to be doubly punishing those who are truly in need, and we could avoid this by denying food stamps to strikers altogether.

Some would say that I advocate taking benefits away from the families of workers which are freely given to the families of felons. I could agree that the striker's family should be prepared for the strike and, therefore, make appropriate plans to contend with their hardship. The felon's family, on the other hand, is not prepared for the head of their household being taken from them and are not able to prepare for their hardship. I feel these two situations are in no way comparable.

Above and beyond all reasons heretofore mentioned, the most important reason for denying food stamps to strikers is the maintenance of the collective bargaining system. How can there be true collective bargaining if we take the taxpayer's dollar and use it to prefer one side over another—to give one side an advantage over another—in a matter directly affecting the public and consumer? The essence of collective bargaining is to bring labor and management together to negotiate. There is pressure on management because the business is losing profits and going into debt while closed down. There is pressure on labor because the people are not drawing their wages and have to depend on the union to provide for their needs. When government gives strikers food stamps, keeping them from needing to return to work, the balance needed to maintain true collective bargaining is destroyed.

This point was emphasized in a recent Supreme Court ruling on a case brought by Super Tire Engineering Co. against New Jersey officials concerning welfare benefits for strikers. Although the Court did not decide the original issue of the legality of such benefits, it did rule that lower courts have jurisdiction in the case even though the strike in question is over. Justice Blackmun, writing for the 6-to-3 majority, said the lawsuit was still alive since the State law providing welfare benefits to strikers could easily influence contract bargaining and union strength in the future. Certainly, this ruling offers credence to the statement that food stamps for strikers destroys the balance needed for collective bargaining.

While some try to argue that the government is also subsidizing management during strikes by allowing tax deductions for strike losses, I find this a rather bad argument. If we believe in the free enterprise system, we should accept the fact that if we earn money, we are entitled to it, and if we get a deduction, it is not a subsidy from the Federal Government.

The company, in any event, certainly does not begin to recoup its losses through such deductions, and there is great pressure on the company to negotiate in good faith to get back to work. Strikers themselves have been quoted as saying that food stamps from the Government allow them to stay out on strike as long as it takes to get what they want in the way of a contract. In the recent West Virginia coal miners strike, ABC reporter Steven Geer talked to a striking miner, Cledith White, in Madison, W. Va., and Mr. White said in answer to a question about how long the strikers would stay out:

> As long as they put out food stamps and we can get them, we'll stay right out.

Incidentally, United Mine Workers leaders in the official UMW publication have suggested that their 120,000 members in the soft coal pits prepare for a walkout ranging anywhere up to 16 weeks. If such a coal strike occurs, it could cost the taxpayer $72 million in food stamps alone, not to mention a cold and dark winter and decreased industrial production.

It is the responsibility of the unions to care for members and their families who suffer injury through union activities supported by a majority of the bargaining unit. The burden should not be borne by the general public. Union members strike to receive additional benefits which they evidently think are worth the sacrifice they are making. Why should nonstriking taxpayers pay their grocery bill to subsidize a strike which will have no benefit to them? As a matter of fact, the additional benefits the strikers receive will cause prices to go up increasing the already heavy burden on all taxpayers.

Mr. Chairman, I believe that giving food stamps to strikers is fundamentally wrong. The present policy of allowing food stamps to strikers is contrary to good business and common sense and should be abolished. In the interest of good Government, fair play and lower consumer costs, as well as providing food stamps to the truly poor, I strongly urge the Congress to ban the use of funds for food stamps to strikers.

(By unanimous consent, Messrs. DINGELL, VANDER VEEN, and NATCHER yielded their time to Mr. O'HARA).

The CHAIRMAN. The Chair recognizes the gentleman from Michigan (Mr. O'HARA).

Mr. O'HARA. Mr. Chairman, the gentleman from Alabama (Mr. DICKINSON) speaks of drawing the line on a program which he says is getting so big that it cannot be sustained. But his amendment only draws the line against one small group of people.

Mr. Chairman, the purpose of the food stamp program is to feed the hungry. Since we have had this program we have never asked a hungry child why he was hungry. It might be because his father has quit his job, but that is all right. It might be because his father has been sentenced to prison, but that is all right. It might be because his father is an alcoholic, but that is all right.

But, under this amendment, if his father exercised his constitutional right to engage in a concerted work stoppage, the family would be denied food stamps.

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

Mr. O'HARA. I yield to the distinguished Speaker.

Mr. ALBERT. Mr. Chairman, the gentleman speaks of a constitutional right, and I might add it is a constitutional right which this House has recognized over and over again. The words the gentleman from Michigan is uttering are profound, and they are right. I compliment him for his statement.

Mr. Chairman, I believe this is the wrong time and the wrong place for the consideration of such an amendment as this.

Mr. O'HARA. Mr. Chairman, I thank the Speaker.

In short, Mr. Chairman, the amendment seeks to discriminate against one small group of people exercising a constitutional right.

I believe we ought to defeat the amendment and sustain the principle that food stamps are to feed the hungry, and if a family meets the very stringent requirements of the program with respect to assets and income, we are not going to ask any questions about why they need help; we are going to see to it that they do not go hungry.

That is a sound policy. It is a policy which has served us well. It is a policy we ought to continue.

AMENDMENT OFFERED BY MR. WHITE TO THE AMENDMENT OFFERED BY MR. DICKINSON

Mr. WHITE. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. WHITE to the amendment offered by Mr. DICKINSON: In the amendment offered by Mr. DICKINSON addressed to page 49, line 14, change the word, "and" immediately preceding the word "participating", to "or".

Mr. DICKINSON. Mr. Chairman, if the gentleman will yield, I will be glad to accept the gentleman's amendment to my amendment.

Mr. WHITE. Mr. Chairman, I thank the gentleman.

Mr. Chairman, the amendment offered by the gentleman from Alabama (Mr. DICKINSON) says one has to be eligible for and participating in the food stamp program. My amendment merely says, "or participating".

So if my amendment is accepted, if one is eligible but too proud to get food stamps before the strike, and if he gets in a bind after the strike begins, he can receive food stamps.

Mr. Chairman, I urge the adoption of my amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas (Mr. WHITE) to the amendment offered by the gentleman from Alabama (Mr. DICKINSON).

The question was taken; and the Chairman being in doubt, the Committee divided, and there were—ayes 62, noes 61.

So the amendment to the amendment was agreed to.

Mr. CONLAN. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Alabama (Mr. DICKINSON).

Mr. Chairman, as we debate the issue of food stamps, particularly food stamps for striking workers and college students, I believe we ought not to ignore the peculiar variations on the food stamp theme being funded by other Federal agencies in addition to the Agriculture Department.

For instance, the General Accounting Office has just verified for me that the Office of Economic Opportunity started a condom stamp program for teenage boys in Philadelphia and Cleveland, giving an initial $47,000 grant to the project.

OEO signed a contract to mail out thousands of coupons worth $1 on the purchase of a dozen condoms at participating drugstores.

Almost 32,000 letters were sent out with the coupon offer, beguiling teenagers with free sex training and counseling on how to select the best contraceptives—at a supposedly reduced cost at their local drugstore or privately through the mail.

I do not know why only 183 young men bothered to reply to this Government-funded entreaty. Perhaps some could not read the letter. Hopefully many believed that teenage premarital sex is not the best way to find true love and happiness.

These 183 teenagers are estimated to have bought 2,640 condoms, which arithmetically comes out to a cost of $17.06 for each condom. This is 136 times more costly than the price through commercial retail outlets. What appalls me, and I hope you, is that our Government agency, OEO, is not only encouraging promiscuity among teenagers, but also does it at an outrageous cost to taxpayers. Is it any wonder that working men and women are fed up with the bureaucracy and its disgusting waste of the decent person's tax dollars through one stamp and coupon program after another?

The CHAIRMAN. The question is on the amendment offered by the gentleman from Alabama (Mr. DICKINSON) as amended.

The question was taken; and the Chairman announced that he was in doubt.

RECORDED VOTE

Mr. DICKINSON. Mr. Chairman, on that I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 147, noes 169, not voting 117, as follows:

[Roll No. 316]

AYES—147

Abdnor	Broyhill, N.C.	Collier
Alexander	Broyhill, Va.	Conlan
Anderson, Ill.	Buchanan	Conte
Archer	Burke, Fla.	Daniel, Dan
Armstrong	Burleson, Tex.	Davis, S.C.
Ashbrook	Butler	Davis, Wis.
Baker	Byron	de la Garza
Bauman	Camp	Dennis
Bennett	Carter	Devine
Blackburn	Cederberg	Dickinson
Bowen	Chamberlain	Downing
Bray	Clancy	Duncan
Breckinridge	Clausen, Don H.	du Pont
Brinkley	Cohen	Erlenborn
Brown, Ohio	Collins, Tex.	Eshleman
Evins, Tenn.	King	Sandman
Findley	Kuykendall	Satterfield
Fisher	Lagomarsino	Scherle
Flynt	Latta	Schneebeli
Fountain	Lent	Shriver
Frey	Lujan	Shuster
Gettys	McClory	Skubitz
Gibbons	McCollister	Snyder
Ginn	Mallary	Spence
Goldwater	Mann	Steelman
Goodling	Martin, Nebr.	Steiger, Ariz.
Green, Oreg.	Martin, N.C.	Steiger, Wis.
Gross	Mayne	Stephens
Grover	Michel	Stubblefield
Gubser	Miller	Talcott
Gude	Mitchell, N.Y.	Taylor, Mo.
Guyer	Mizell	Taylor, N.C.
Haley	Montgomery	Teague
Hammer-schmidt	Moorhead, Calif.	Thomson, Wis.
Hanrahan	Myers	Thone
Harsha	O'Brien	Vander Jagt
Hastings	Parris	Veysey
Hinshaw	Pettis	Waggonner
Hogan	Pickle	Wampler
Holt	Powell, Ohio	Ware
Huber	Preyer	White
Hudnut	Pritchard	Whitehurst
Hunt	Regula	Widnall
Hutchinson	Roberts	Wiggins
Jarman	Robinson, Va.	Wilson, Bob
Johnson, Colo.	Robison, N.Y.	Winn
Johnson, Pa.	Rogers	Wydler
Jones, N.C.	Rousselot	Young, Fla.
Jones, Tenn.	Ruth	Young, Ill.
		Young, S.C.

NOES—169

Abzug	Heinz	Rangel
Adams	Helstoski	Reuss
Addabbo	Hicks	Riegle
Andrews, N. Dak.	Holifield	Rodino
Annunzio	Holtzman	Roncalio, Wyo.
Aspin	Hungate	Rooney, Pa.
Badillo	Johnson, Calif.	Rostenkowski
Barrett	Jones, Ala.	Roush
Biaggi	Jones, Okla.	Roy
Biester	Jordan	Roybal
Bingham	Karth	Runnels
Blatnik	Kastenmeier	Sarasin
Bolling	Kazen	Sarbanes
Brademas	Kluczynski	Schroeder
Breaux	Koch	Seiberling
Brown, Mich.	Lehman	Shipley
Burke, Calif.	Litton	Shoup
Burke, Mass.	Long, Md.	Sisk
Burlison, Mo.	Luken	Slack
Burton	McCloskey	Smith, Iowa
Carney, Ohio	McDade	Smith, N.Y.
Casey, Tex.	McFall	Staggers
Clark	McKinney	Stanton, J. William
Clay	Madden	Stanton, James V.
Cleveland	Madigan	Stark
Collins, Ill.	Maraziti	Steed
Conyers	Mazzoli	Stokes
Corman	Meeds	Stratton
Cronin	Melcher	Studds
Culver	Metcalfe	Sullivan
Delaney	Mezvinsky	Symington
Dellenback	Milis	Thornton
Dellums	Minish	Tiernan
Denholm	Mink	Traxler
Diggs	Mitchell, Md.	Ullman
Dingell	Moakley	Van Deerlin
Drinan	Moorhead, Pa.	Vander Veen
Dulski	Morgan	Vanik
Eckhardt	Moss	Vigorito
Edwards, Calif.	Murphy, Ill.	Waldie
Eilberg	Murphy, N.Y.	Walsh
Evans, Colo.	Murtha	Whalen
Fascell	Natcher	Whitten
Fish	Nedzi	Wilson, Charles H., Calif.
Flood	Nix	Wilson, Charles, Tex.
Flowers	Obey	Wolff
Foley	O'Hara	Wright
Ford	O'Neill	Wyatt
Fraser	Owens	Yates
Gaydos	Passman	Yatron
Giaimo	Patman	Young, Tex.
Gilman	Patten	Zablocki
Grasso	Pepper	
Gray	Perkins	
Hansen, Wash.	Peyser	
Harrington	Pike	
Hechler, W. Va.	Price, Ill.	
Heckler, Mass.	Railsback	
	Randall	

NOT VOTING—117

Anderson, Calif.	Ashley	Bergland
Andrews, N.C.	Bafalis	Bevill
Arends	Beard	Boggs
	Bell	Boland

Brasco	Griffiths	Nelsen
Brooks	Gunter	Nichols
Broomfield	Hamilton	Poage
Brotzman	Hanley	Podell
Brown, Calif.	Hanna	Price, Tex.
Burgener	Hansen, Idaho	Quie
Carey, N.Y.	Hawkins	Quillen
Chappell	Hays	Rarick
Chisholm	Hébert	Rees
Clawson, Del	Henderson	Reid
Cochran	Hillis	Rhodes
Collins, Tex.	Horton	Rinaldo
Conable	Hosmer	Roe
Cotter	Howard	Roncallo, N.Y.
Coughlin	Ichord	Rooney, N.Y.
Crane	Kemp	Rose
Daniel, Robert W., Jr.	Ketchum	Rosenthal
	Kyros	Ruppe
Daniels, Dominick V.	Landgrebe	Ryan
	Landrum	St Germain
Danielson	Leggett	Sebelius
Davis, Ga.	Long, La.	Sikes
Dent	Lott	Steele
Derwinski	McCormack	Stuckey
Donohue	McEwen	Symms
Dorn	McKay	Thompson, N.J.
Edwards, Ala.	McSpadden	Towell, Nev.
Esch	Macdonald	Treen
Forsythe	Mahon	Udall
Frelinghuysen	Mathias, Calif.	Williams
Frenzel	Mathis, Ga.	Wylie
Froehlich	Matsunaga	Wyman
Fulton	Milford	Young, Alaska
Fuqua	Minshall, Ohio	Young, Ga.
Gonzalez	Mollohan	Zion
Green, Pa.	Mosher	Zwach

So the amendment, as amended, was rejected.

The vote was announced as above recorded.

The CHAIRMAN. The Chair will state the parliamentary situation as it is now. Under a unanimous-consent agreement entered into earlier, all time for debate on amendments and on this bill has expired. The Chair will recognize no one to debate on an amendment or the bill unless that Member has had his amendment published in the RECORD in advance.

Is there anyone who falls into that category?

Mr. VAN DEERLIN. Mr. Chairman, there is at least one Member.

The CHAIRMAN. Does the gentleman seek recognition?

Mr. VAN DEERLIN. Yes, Mr. Chairman.

The CHAIRMAN. And the gentleman's amendment has been printed in the RECORD?

Mr. VAN DEERLIN. Yes, at page 20364.

AMENDMENT OFFERED BY MR. VAN DEERLIN

Mr. VAN DEERLIN. Mr. Chairman, I offer an amendment.

The portion of the bill to which the amendment relates is as follows:

SEC. 511. Except as provided in existing law, funds provided in this Act shall be available only for the purposes for which they are appropriated.

The Clerk read as follows:

Amendment offered by Mr. VAN DEERLIN: On page 52, after line 11, insert a new Section 513:

"No funds contained in this appropriation act shall be available for the promotion or advertising of tobacco or any tobacco products in foreign nations."

Mr. VAN DEERLIN. Mr. Chairman, I very much appreciate the indulgence of the House, and inasmuch as the rules provide 5 minutes for and 5 minutes against an amendment offered under these circumstances, I think it would be only fair to ask unanimous consent that all tobacco State Members have the opportunity to extend their remarks in opposition to my amendment.

Mr. Chairman, we have been dealing earlier in the day with some rather substantial sums of money. The gentleman from Massachusetts (Mr. CONTE) was unsuccessful in paring back $3 million for Cotton, Inc., and nearly $2 million for honey bees. The peanut program withstood a multimillion-dollar assault. I am going to give Members a chance to get their hooks into a much lesser sum, something they can eliminate from this bill without rocking the boat too much. I am going to talk about $140,000 only.

Obviously, I do not claim the attention of Members at this hour of the evening to talk about it because of the vast sums of money involved. Rather it is a matter of principle, which I first brought before the Members during debate on this same appropriation bill 1 year ago. On that occasion I discovered that the Chamber was still "Marlboro country" by a margin of about 30 votes on a division.

Although it is spelled out in either the bill or the report, this bill provides $75,000 to be expended in Thailand to help promote the sale of cigarettes made with American tobaccos. These are not the kind of cigarettes that we buy at the counter or at the machines here in the United States. Instead they bear such exotic names as Falling Rain in Thailand.

In Austria, where $55,000 of American taxpayers' money is to be expended for cigarette advertising, the product bears names like Smart.

In addition to the $75,000 to be spent in Thailand and the $55,000 in Austria, there is a $10,000 amount which is for the arrangement of junkets by visiting foreign dignitaries, to survey the American tobacco industry in action.

My amendment does not go to the matter of research money in tobacco, it does not go to the matter of price support. It challenges only the propriety of spending taxpayers' money to promote sales of a strictly commercial product overseas.

I used the words hypocrisy in discussing the subject last year. This aroused some resentment on the part of my colleagues from tobacco States. Obviously, this program was not one of hypocrisy when it began 18 years ago, but in the meantime the Surgeon General of the United States has been validated by Congress in asserting that cigarette smoking is harmful to health.

It seems to me quite improper, at the same time we are spending about $7 million to discourage young Americans from taking up the smoking habit, that we should be spending even $140,000 to play the role of pusher to young Thais and young Austrians.

In place of hypocrisy, let me substitute the word outrageous.

This program formerly was operative in West Germany, in Iceland, and in Japan, as well as Thailand and Austria. It has since been abandoned in those countries. Thailand asked that the program be discontinued. It then was urged to permit it to continue if the money was used for indirect advertising, rather than direct advertising.

Direct or indirect, outrage or mere hypocrisy, let us put a stop to this program tonight.

Mr. NATCHER. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, tobacco is produced in 25 States and has been a major agricultural commodity throughout the years. It is the fifth largest income producing crop to farmers. Tobacco is grown on 420,000 farms. This commodity provides $5,597,396,000 in direct taxes to the Federal, State, and local governments.

Tobacco is a $10 billion industry and there several hundred thousand men and women who have jobs in factories and plants that turn out products manufactured from this commodity.

Only corn, soy beans, wheat and cotton produce more money to those who cultivate these crops than tobacco. The tobacco crop is sold each year by the farmers for nearly $2 billion. Beginning with West Virginia, that produces nearly $3 million worth of tobacco, we go up the list to North Carolina that produces nearly $800 million worth of tobacco. My home State of Kentucky produces tobacco that sells for about $300 million annually. We are the second largest tobacco producing State in the country. North Carolina, Kentucky, Virginia, South Carolina, Tennessee, Georgia, Florida, Connecticut, Maryland, Ohio, Pennsylvania, Wisconsin, Indiana, Massachusetts, Missouri, and West Virginia are the major producing tobacco States in this country.

The tobacco program is administered by the Department of Agriculture. Most tobacco farmers through periodic referendums have continuously favored marketing quotas. Because of production controls, less tobacco is produced at higher prices than would likely be the case without them.

Last year, the total cost of Federal price support and other related programs came to $66 million. This includes a $28 million export payment program which has recently been terminated and certain research expenditures. In comparison, similar programs for corn, soy beans, wheat, and cotton cost more than $4.6 billion.

In this country, we have over 900 warehouses located in the major tobacco producing States. All of these warehouses employ people. In the tobacco factories throughout the country, we have thousands of people employed. There are about 179 tobacco products factories, large and small in 24 States; 66,100 men and women are employed in tobacco manufacturing plants. A recent study shows that tobacco industry sales generate more than 125,000 jobs not including those involved in tobacco retailing and wholesaling.

The United States is the leading tobacco exporter and the third largest tobacco importer. In recent years, about one-third of the U.S. tobacco crop has been exported. In 1973, U.S. exports of leaf tobacco and manufactured products totaled some $970 million. Imports totaled approximately $212 million.

Tobacco has played an important part insofar as our balance-of-payments program is concerned. We all know the important position that Agriculture occupies as far as exports are concerned.

If amendments should be adopted that take the tobacco program completely out from under the Department of Agriculture, then tobacco would continue to be produced throughout the tobacco producing States in unlimited quantities. Thousands upon thousands of acres of tobacco would be produced that now are not permissible under the controlled program that we have in operation.

Mr. Chairman, I appeared before the Tobacco Subcommittee of the House Committee on Agriculture on January 29, 1964, when Dr. Luther E. Terry, Surgeon General of the Public Health Service of the Department of Health, Education, and Welfare stated in part as follows:

The Third research category is how to make smoking safer. There are a number of approaches which are feasible and definitely need increased support. We need to know how much more about the substance in tobacco smoke which produced the health hazards. Until we know more in this area, we will be handicapped in our efforts to remove the hazard. It is difficult to design a method of removing something if you don't know what it is. For example, you know substances in tobacco smoke can account for only a small portion of its cancer-producing power. We have no real clues as to what it is in tobacco smoke that influences coronary artery disease; if indeed it does. This would seem to be a fertile field for research, such as that proposed in the resolution now before this committee. In this specific context, I am sure the committee will realize that I must speak with some caution and reservations, since I am not an agricultural or horticultural expert. I still feel, nevertheless, that I can wholeheartedly support additional research of the types which the resolution would authorize and direct.

Dr. Terry also stated:

It is well known that strains of tobacco differ quite widely in various constituents. It is well known the levels of some of these constituents influence the amount of hazard dose or potentiality hazard dose substance in tobacco smoke. I would give a great deal to know whether the types of tobacco used for pipes and cigars have anything to do with the lesser hazards associated with these modes of tobacco use. If tobacco behaves as other vegetables, I am sure that the amount of some of its constituents will vary with the conditions of the culture, soil, climate, fertilizer, and other agricultural practices. This suggests, however, another area of research. Any vegetable material, when burned under the conditions prevailing when tobacco is smoked, will produce hazardous substances. Coal, oil, paper, even spinach, all produce benzopyrene, a potent cancer-producing substance when burned.

The efficiency of the combustion process makes a marked difference in the amount of this chemical in the smoke. As a matter of fact, most of the cancer-producing compounds identified in cigarette smoke are not present in the native tobacco leaf, but are formed during the burning process. These facts suggest that it will not be enough simply to develop better strains of tobacco and better methods of cultivation; we must also develop better methods of preventing the formation of these substances during the burning of tobacco, as well as of removing by filtration or other means the hazard dose substances that are formed. Both of these areas are promising after news for further development and have the potential of making smoking safer. It is quite well known that cigarettes can now be produced which yield quite low amounts of tars and nicotine, either by selection of the types of tobacco, by filters, or other means. It is relatively easy to measure this quantitatively. What isn't so well known or so easy to measure is the biological significance to man of the substances which do come through. Tobacco smoke is an exceedingly complex mixture of many different substances. It is not the amount of tars and nicotine produced that counts, it is the type and amount of hazard dose substances that get into a man that is important.

In summary, gentlemen, the action which I have outlined has the common purpose of avoiding or minimizing the intake of hazard dose substances by the American people. Action on many fronts is urgently needed. The Public Health Service intends to do what it can. This important and complex problem also calls for appropriate action by other Federal agencies, by State and local agencies, by non-governmental organizations, and by the tobacco industry.

Mr. Chairman, shortly after Dr. Terry released his report on smoking and health, I talked to the Governor of Kentucky urging that a building be constructed to be used for tobacco research. Kentucky had a $4.5 million building constructed and this building, along with other facilities, is now in use for tobacco research. In addition, Kentucky is appropriating from tax money nearly $3 million a year to be used for tobacco research at this facility. If tobacco is harmful to the health of our people, my people in Kentucky want to do something about it and they have clearly demonstrated the fact that they intend to do something about it. At my request the research facility was set up and the research funds placed in our appropriation bill.

Mr. Chairman, I know that tobacco is not produced in California. On our subcommittee we make every effort to see that all 50 States are protected.

Mr. Chairman, the tobacco program is a successful program and must be properly funded. In addition, research must continue as provided for under this bill.

Mr. Chairman, the amendment offered by the gentleman from California should be defeated.

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

Mr. NATCHER. Mr. Chairman, I yield to the gentleman from Florida.

Mr. HALEY. Mr. Chairman, would this amendment restrict my use of cigars?

Mr. NATCHER. It will not restrict the gentleman's use of cigars.

Mr. TAYLOR of North Carolina. Mr. Chairman, will be the gentleman yield?

Mr. NATCHER. Mr. Chairman, I yield to the gentleman from North Carolina.

Mr. TAYLOR of North Carolina. Mr. Chairman, I think that it should be pointed out during this debate that the tobacco program more than pays its own way.

Although tobacco uses only .3 percent of the Nation's cropland it is usually the fourth or fifth most valuable crop and accounts for about 6 percent of cash receipts from all U.S. crops. U.S. farmers receive annually about $1.4 billion from tobacco sales. On many farms more than one family depends on the income from the tobacco sales. So about 600,000 farm families share in the proceeds from the sale of tobacco. Tobacco is one of the few crops that can still utilize family labor and provide a reasonable income on a small farm.

During the 1973 fiscal year U.S. consumers spent about $13.8 billion on tobacco products of which about $5.4 billion were received by Federal, State and local governments as tax revenue. Thus, taxes represent about 40 percent of consumer expenditures for tobacco and are about four times the amount of money received by the farmers for their sales.

The tobacco control program including the export program has been one of the least expensive. The cost of this program from 1933 to date has been only about .14 percent of the cost of all farm commodity price support operations.

The United States leads the world in tobacco production and exports. During the 1973 fiscal year U.S. exports of unmanufactured tobacco were valued at $614 million. In addition, exports of manufactured tobacco products were valued at $258 million. Our tobacco exports in this fiscal year totaled $872 million and made a sizable contribution to our balance-of-payments program.

Promoting overseas sales of tobacco is in the national interest. Commerce Secretary Luther Hodges said that he would sell the Communists for cash anything they can eat, drink, or smoke.

I say again the present tobacco program, including the small export subsidy, more than pays its own way and I hope that this amendment will be defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. VAN DEERLIN).

The amendment was rejected.

AMENDMENT OFFERED BY MR. ROYBAL

Mr. ROYBAL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ROYBAL: Page 52, immediately after line 11, insert the following new section:

SEC. 513. None of the funds appropriated or made available pursuant to this Act, and no local currencies generated as a result of assistance furnished under this act, may be used for the support of police, or prison construction and administration within South Vietnam, for training, including computer training, of South Vietnamese with respect to police, criminal, or prison matters, or for computers or computer parts for use for South Vietnam with respect to police, criminal, or prison matters.

The CHAIRMAN. All time has expired for debate.

The question is on the amendment offered by the gentleman from California (Mr. ROYBAL).

The amendment was rejected.

AMENDMENT OFFERED BY MR. ANDERSON OF ILLINOIS

Mr. ANDERSON of Illinois. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ANDERSON of Illinois: Page 49, line 21, strike the period and add the following: *"Provided further,* That no part of the funds appropriated by this Act shall be used during the fiscal year ending June 30, 1975 to make food stamps available to any household, to the extent that the entitlement otherwise available to such household is attributable to an individual who: (i) has reached his eighteenth birthday; (ii) is enrolled in an institution of higher education; and (iii) is properly claimed as a dependent child for Federal income tax purposes by a tax payer who is not a member of an eligible household."

Mr. ANDERSON of Illinois. Mr. Chairman, the amendment I am offering is intended to curb what I believe to be a serious abuse of the food stamp program: Participation by literally thousands of students on campuses all across the Nation—many of whom are from middle- and upper-middle-class families and could readily obtain alternative means of support from their parents.

The food stamp program has been the single most successful Federal effort to meet the needs of America's 25 million impoverished citizens. Since 1969 participation has increased more than fourfold and annual expenditures have risen from $250 million to an estimated $4 billion. According to the report submitted to the Senate Nutrition Committee this week, however, even more remains to be done and even greater levels of participation and expenditure will be required in the years ahead.

Mr. Chairman, I would not oppose for a moment the expenditure of $6, $8 or even $10 billion annually for this program—if such sums are necessary to insure that no American citizen goes without adequate food and nutrition. But let me caution that unless the abuses of the program—such as the one that my amendment is addressed to—are curbed and hopefully eliminated, the American taxpayer is not going to tolerate a continuation, much less an increase, in current expenditure levels.

Some of you may have seen the major story carried by the Chicago Sun Times on May 27 which showed that nearly 2,000 students at the University of Illinois—some 70 percent of total recipients in Champion County—are enrolled in the food stamp program. Since that story was sufficient to provoke even the Nation's most well known champion of the Federal food and nurition programs—Senator MCGOVERN—to call for a USDA investigation of possible abuses, you can just imagine what impact it had on the average citizen.

If the growing use of the program by students continues—and there is no reason to believe that it will not—and this practice results in even more of the kind of adverse publicity contained in the Sun Times story, the program is going to be seriously jeopardized. So let us today show just a modicum of commonsense and foresight and put an end to this misuse of the program so that the legitimate needs of millions of truly impoverished Americans can continue to be met in the future.

Mr. Chairman, if any of my colleagues doubt that student use of food stamps is a major problem, I will present some statistics—based on a survey of welfare offices in more than three dozen counties containing major universities—that are both startling and a conclusive indication that we are not merely swatting at gnats. Before I do that, however, I want to say a few words about the Supreme Court decision of June 1973 that has led many of you to fear that an amendment such as the one I am offering would be again nullified by the courts.

As many of my colleagues will recall, the 1970 Food Stamp Act amendments contained a clause denying eligibility to households in which there resided a person claimed as a tax dependent by his parents. In Murray against USDA, the Supreme Court ruled in a 5 to 4 decision that the 1970 amendment constituted a denial of due process and equal protection of the laws, and was therefore unconstitutional.

The majority opinion, written by Mr. Justice Douglas, turned on basically two considerations. First, the language of the 1970 provision was held to be overly broad and discriminatory because it barred a whole household of otherwise eligible persons from the program, merely because a single member was claimed as a tax dependent by his parents. Indeed, the five plaintiffs in the case were all truly poverty stricken households, but the presence of just one tax dependent made every member of these households ineligible. In a sense, many innocent individuals would have been penalized by the 1970 language merely because the household was "contaminated" by the presence of a tax dependent.

Second, the Court argued that there was no necessary connection between a mere claim of tax dependence and the actual income situation and needs of the individual involved. Since tax dependency was made a prima facie test of eligibility, affected individuals had no opportunity to contest a denial of eligibility or show that despite the claimed tax dependency, they still met the income qualification tests of the program.

Mr. Chairman, I believe that my amendment has been very carefully drafted to avoid these objections. First, and most importantly, it does not disqualify the entire household involved, just the individual who is claimed as a tax dependent. In actual practice, this would involve the simple matter of merely excluding the income and resources of a tax dependent when making an eligibility determination for a household that otherwise appeared to qualify for the program.

Second, my amendment uses the term "properly claimed" tax dependency. According to paragraph 151 of chapter 5 of the Internal Revenue Code, a child cannot be properly claimed as a tax dependent unless the parent provides more than half of his support. In practice, this would allow any truly impoverished student who is denied eligibility under the amendment an opportunity to show that he was not properly claimed as a tax dependent and is therefore eligible for participation. In short, the intent of this amendment—to exclude nonneedy middle and upper middle-class students—will be fulfilled by the tax dependency test without creating the irrebuttable presumption that the student is not impoverished to which the Court objected. I might mention that in his dissenting opinion, Mr. Justice Blackmun urged just such a statutory construction.

Finally, the amendment is limited to tax dependents enrolled in institutions of higher education—the obvious intent of the 1970 language. By including such an explicit limitation those unique situations in some poverty households where two or three generations reside together and where the 1970 language might have worked a considerable hardship will not be affected. Indeed, had this kind of language been used in the 1970 amendment, the Murray case never would have even been considered by the courts, because none of the households involved contained students.

Mr. Chairman, let me now turn to the results of a telephone survey conducted by my staff that I mentioned a moment ago. Officials of Santa Clara County, Calif., which includes Stanford and numerous other colleges, estimate that 21 percent of their 71,000 food stamp recipients are students. In round numbers that is 15,000 students.

Similarly, officials of Alemeda County, which contains the University of California at Berkeley and a number of other schools reported that nearly 11,000 students were receiving food stamps during the past school year. The Lane County, Oreg., office estimates that 6,100 students at the University of Oregon and other institutions in the area are participating in the food stamp program.

The Hennepin County office indicated that 4,700 students from the University of Minnesota and other institutions in the Minneapolis/St. Paul area are receiving food stamps. In the case of the University of Texas, Travis County officials estimated the number of participating students to be between 3,800 and 4,700. For the University of Florida at Gainsville, the estimate was 2,500 to 3,000; in the case of the University of Michigan, Washtenaw County officials indicated that the number of enrolled students was nearly 2,100; and the Benton County, Oreg., office placed the number of Oregon State student participants at between 1,900 and 2,000.

Without innundating you with too many statistics let me just briefly cap-out the result of this survey. Officials in counties containing the following universities estimated student food stamp participation to be 1,000 or more: the University of Arkansas, the University of Iowa, Michigan State University, the University of Miami, Southern Illinois University, and Oregon State.

In addition, county officials indicated that there were between 400 and 1,000 student food stamp participants at the following schools: University of Colorado, Cornell, Rutgers, University of Indiana, Kansas University, University of Miami, New York University at Albany, Northern Illinois, Ohio State, Penn State, Western Michigan University, Iowa State, and the University of Oklahoma.

In short, Mr. Chairman, we found that

among the three dozen major university counties surveyed that an average of more than 1,000 students were enrolled in the food stamp program in each area. In more than one-half of the counties 20 percent or more of the total number of food stamp participants were believed to be students.

In my view, that is pretty conclusive evidence that there is a serious problem, and one that must be curbed before the taxpayers of this Nation revolt against what is a truly inequitable and unjustifiable abuse of the program. I believe that the careful wording of the amendment I have drafted will serve to accomplish this objective in a constitutional manner and urge that my colleagues strongly support it when it comes to a vote.

NUMBER OF STUDENT FOOD STAMP PARTICIPANTS IN COUNTIES CONTAINING MAJOR UNIVERSITIES

University,[1] County and State, Number of Students Receiving Food Stamps [2]

Standford U., Santa Clara, California, 15,000.
U. California, Berkeley, Alameda, California, 10,875.
U. of Oregon, Lane, Oregon, 6,150.
U. of Texas, Travis, Texas, 4,775.
U. of Minn., Hennepin, Minn., 4,700.
U. of Florida, Alachua, Florida, 2,970.
U. of Michigan, Washtenaw, Michigan, 2,060.
Oregon State U., Benton, Oregon, 2,030.
U. of Arkansas, Washington, Arkansas, 1,440.
Michigan State U., Ingham, Michigan, 1,310.
Iowa U., Johnson, Iowa, 1,200.
Southern Illinois U., Jackson, Illinois, 1,100.
Penn State, Centre, Pennsylvania, 900.
NYU-Albany, Albany, New York, 550.
U. of Oklahoma, Cleveland, Oklahoma, 540.
Northern Illinois U., DeKalb, Illinois, 500.
Rutgers U., Middlesex, New Jersey, 500.
Iowa State, Story, Iowa, 500.
Cornell U., Tompkins, New York, 459.
Indiana U., Monroe, Indiana, 440.
U. of Wisc., Madison, Wisconsin, 425.
Ohio State, Franklin, Ohio, 400.
Kansas U., Douglas, Kansas, 400.
U. of Colorado, Boulder, Colo., 400.
U. of Miami, Dade, Florida, 400.

[From the Chicago Sun-Times, May 27, 1974]

WELL-OFF STUDENTS GO FOR U.S. FOOD STAMPS

(By Michael Rosenbaum)

URBANA.—Food stamps intended to aid the poor are helping feed many sons and daughters of well-heeled parents at the University of Illinois.

Anyone earning less than $183 a month is eligible to receive federal food stamps, worth an average of $320 over the last school year to a group of students interviewed.

The test of eligibility is the student's income, not his parents'. Some students fill out the required parental income statement and have friends forge a parental name on the form. It does not require notarization.

Craig and Richard (not their real names) are roommates in an off-campus apartment. When they applied for food stamps—which they both admitted to a reporter they did not need—they used each other as references.

Another student—call him Steve—successfully applied for food stamps, even though he told a reported that his father earns $30,000 a year back home in the Chicago suburbs.

Steve said his parents were upset when they found out, but they quietly acquiesced.

"Now, they think it's a neat idea," Steve declared. "They figure that with everything going on in government these days, it (food stamps) is something the government owes us."

Of 15 students interviewed, 11 admitted they had abused the food stamp program. They told of many other students they knew who had done the same. The spreading practice is shown in figures supplied by the Champaign County office of the state Department of Public Aid, which administers the program locally.

Four years ago, the office was handling about 350 recipients of free food stamps. The number grew to nearly 2,000 during the last school year, about 70 per cent of whom were university students, according to an estimate by a caseworker.

"I think just about anybody can walk in there and get food stamps," said Cheryl, another student. "And I figure if they (the government) have the money and everybody is getting food stamps, why shouldn't I?"

Cheryl said she applied for the stamps last November when her parents complained that she was spending too much money. She said she had to lie on the application by failing to report the savings account she shared with her father.

Some students sought to justify their claims to this unintended form of government aid by saying that their middle-income parents were too rich to qualify for scholarships to the needy and too poor to meet mounting college costs.

Jorie's parents own a home in Niles and a condominium in Florida. She admitted that her father, now retired, could afford to pay her food expenses. But she said it would be unfair not to try to take some of the expense off his shoulders by applying for food stamps.

The monthly ration of $42 worth of stamps is not totally free to all those with incomes under $183. Only those with incomes under $20 pay nothing. Required partial payments for the stamps range from $1 if a person earns less than $30 a month to $32 for those just below the $183 income cut-off.

Mark's parents pay his rent, tuition and buy gasoline for his 1972 Pontiac LeMans. They also send him $40 a month to spend as he wishes. But Mark told a public aid interviewer that he paid his own tuition and his parents paid only his rent. He never mentioned his monthly allowance.

Mark could legally receive food stamps, technically, but he should pay $27 a month for them. Instead, he pays nothing.

This reporter, a U. of I. student until graduating this month, applied for food stamps as a test and obtained them without difficulty. The stamps were not used, however.

Margaret Elder, one of eight food stamp caseworkers in the Champaign County office, said most students who received the stamps had paid between $18 and $24 for them.

But she said few verification checks were made on students. Public aid interviewers usually accept on faith alone that the applicant's statements are true, she said.

Stephanie Releford, acting director of the food stamp program in the Springfield headquarters of the Public Aid Department, said no law prevented students with well-fixed parents from receiving the stamps.

Asked about the possibility that students who were taking advantage of superficial verification procedures by omitting information and lying on their applications, Ms. Releford conceded that was possible.

She mentioned no planned corrective steps, even though statistics indicate that U. of I. students have swelled the food stamp rolls in Champaign County out of proportion.

For instance, Rock Island County with no large university has a comparable population—about 160,000. And, like Champaign County, it has approximately 50 persons per 1,000 receiving some kind of public aid. But the number of food stamp recipients in Champaign County is nearly three times the number in Rock Island County—3,364 to 1,240.

"There's no requirement of which I am aware that says an applicant must take advantage of the available resources, which is the parents as far as the students are concerned," Ms. Releford said.

"This is a moral question and concerns each individual student, not me," said the acting food stamp director.

[From the Chicago Sun-Times, June 3, 1974]

DIALOG: FOOD STAMP CHEATERS

A recent story in The Sun-Times pointed out that food stamps intended to aid the poor are helping feed many sons and daughters of well-fixed parents at the University of Illinois. The story also reported that some students admitted they did not need the stamps and that they forged their parents' signatures on some forms. These abuses, which are not new, are highly offensive and must be corrected by the federal and state governments.

The food stamp program was set up by the federal government as a means to enable low-income households to buy more food with less money and thus adequately feed their families. The U.S. Department of Agriculture sets up the regulations and provides the money for the food stamps, and the program is locally administered by the Illinois Department of Public Aid. While we realize USDA regulations say it is legal for students on limited budgets to receive food stamps, we believe more stringent procedures must be established.

As pointed out in the adjoining letters column today, the financial situation of welfare recipients and applicants is carefully monitored before and while they are receiving food stamps. Welfare recipients who give incorrect financial information or fail to file required forms are quickly suspended from the rolls, even if only temporarily. A test of a student's eligibility is the student's income, not his parents', but the state must be equally strict in verifying whether a student is omitting information or providing false information on his application. Better procedures must be worked out to check a student's assets.

As in the accompanying letter, we take issue with the statement of Stephanie Releford, acting state food stamp director, that the problem does not concern her. She is a state employe, and one of her responsibilities is to make sure the program is not abused. We believe she is not doing her job if she is not concerned that students with family resources are permitted to fatten their budgets with taxpayers' money.

Mr. CHAMBERLAIN. Mr. Chairman, I commend the gentleman for offering his amendment. We have a similar problem in the district I am privileged to represent, at Michigan State University. There, too, there has been an increase in the volume of applications for food stamps from students. It certainly was not the intention of the Congress at the time this program was enacted that it be used as an aid to education program or to assist those who have elected to go to school rather than work.

I have made numerous inquiries as to how the abuse of the program could be corrected and have been told at every point that it is not possible without jeopardizing the eligibility of people truly in need. I do not know whether the gentleman's suggestion will be adequate to take care of this problem or not, but I am certainly going to support his effort,

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[1] May also include students enrolled at other colleges and universities within the county.

[2] Estimated participation during the school year.

for I feel we in the Congress who brought the program into being should not be impotent in making remedial changes that are needed.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois (Mr. ANDERSON).

The question was taken; and on a division (demanded by Mr. ANDERSON of Illinois) there were—ayes 111; noes 87.

RECORDED VOTE

Mr. JAMES V. STANTON. Mr. Chairman, on that I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 195, noes 123, answered "present" 1, not voting 114, as follows:

[Roll No. 317]

AYES—195

Abdnor	Green, Oreg.	Regula
Alexander	Gross	Riegle
Anderson, Ill.	Grover	Robinson, Va.
Annunzio	Gubser	Robison, N.Y.
Archer	Gude	Rogers
Armstrong	Guyer	Rose
Ashbrook	Haley	Rostenkowski
Aspin	Hammer-schmidt	Roush
Baker	Hanrahan	Rousselot
Bauman	Harsha	Roy
Bennett	Hastings	Runnels
Biaggi	Hechler, W. Va.	Ruth
Biester	Heinz	Sandman
Blackburn	Hicks	Sarasin
Bowen	Hinshaw	Satterfield
Bray	Hogan	Scherle
Breaux	Holt	Schneebeli
Breckinridge	Huber	Shipley
Brinkley	Hudnut	Shoup
Brown, Mich.	Hunt	Shriver
Brown, Ohio	Hutchinson	Shuster
Broyhill, N.C.	Jarman	Skubitz
Broyhill, Va.	Johnson, Colo.	Smith, N.Y.
Buchanan	Jones, N.C.	Snyder
Burke, Fla.	Jones, Okla.	Spence
Burleson, Tex.	Jones, Tenn.	Stanton, J. William
Butler	King	Steed
Byron	Kluczynski	Steele
Camp	Kuykendall	Steelman
Casey, Tex.	Lagomarsino	Steiger, Ariz.
Cederberg	Latta	Steiger, Wis.
Chamberlain	Lent	Stephens
Clausen, Don H.	Litton	Stratton
Cleveland	Long, Md.	Stubblefield
Cohen	Lujan	Stuckey
Collier	McClory	Sullivan
Conlan	McCloskey	Talcott
Coughlin	McCollister	Taylor, Mo.
Daniel, Dan	McDade	Taylor, N.C.
Davis, S.C.	McKinney	Teague
Davis, Wis.	Madigan	Thomson, Wis.
de la Garza	Mallary	Thone
Delaney	Mann	Thornton
Dellenback	Martin, Nebr.	Traxler
Dennis	Martin, N.C.	Ullman
Devine	Mathis, Ga.	Vander Jagt
Dickinson	Mayne	Vander Veen
Downing	Mazzoli	Veysey
Dulski	Michel	Waggonner
Duncan	Miller	Wampler
du Pont	Mitchell, N.Y.	Ware
Erlenborn	Mizell	Whalen
Eshleman	Montgomery	White
Evans, Colo.	Moorhead, Calif.	Whitehurst
Findley	Murphy, Ill.	Widnall
Fish	Myers	Wiggins
Fisher	O'Brien	Wilson, Charles, Tex.
Flowers	Parris	Winn
Flynt	Pettis	Wyatt
Fountain	Peyser	Wydler
Frey	Pike	Young, Fla.
Gettys	Powell, Ohio	Young, Ill.
Gilman	Preyer	Young, S.C.
Ginn	Pritchard	Zablocki
Goldwater	Railsback	
Goodling		

NOES—123

Abzug	Blatnik	Carter
Adams	Bolling	Clark
Addabbo	Brademas	Clay
Andrews, N. Dak.	Burke, Calif.	Collins, Ill.
Badillo	Burke, Mass.	Conte
Barrett	Burlison, Mo.	Conyers
Bingham	Burton	Corman
	Carney, Ohio	Cronin
Culver	Lehman	Reuss
Dellums	Luken	Roberts
Denholm	McFall	Rodino
Diggs	Madden	Roncalio, Wyo.
Dingell	Maraziti	Rooney, Pa.
Drinan	Meeds	Roybal
Eckhardt	Melcher	Sarbanes
Edwards, Calif.	Metcalfe	Schroeder
Eilberg	Mezvinsky	Seiberling
Evins, Tenn.	Mills	Sisk
Fascell	Minish	Slack
Flood	Mink	Smith, Iowa
Foley	Mitchell, Md.	Staggers
Ford	Moakley	Stanton, James V.
Fraser	Moorhead, Pa.	Stark
Gaydos	Morgan	Stokes
Giaimo	Moss	Studds
Gibbons	Murphy, N.Y.	Symington
Grasso	Murtha	Tiernan
Gray	Natcher	Van Deerlin
Hansen, Wash.	Nedzi	Vanik
Harrington	Nix	Vigorito
Heckler, Mass.	Obey	Whitten
Helstoski	O'Hara	Wilson, Bob
Holifield	O'Neill	Wilson, Charles H., Calif.
Holtzman	Owens	Wolff
Hungate	Passman	Wright
Johnson, Calif.	Patman	Yates
Johnson, Pa.	Patten	Yatron
Jones, Ala.	Pepper	Young, Tex.
Jordan	Perkins	
Karth	Pickle	
Kastenmeier	Price, Ill.	
Kazen	Randall	
Koch	Rangel	

ANSWERED "PRESENT"—1

Mahon

NOT VOTING—114

Anderson, Calif.	Esch	Milford
Andrews, N.C.	Forsythe	Minshall, Ohio
Arends	Frelinghuysen	Mollohan
Ashley	Frenzel	Mosher
Bafalis	Froehlich	Nelsen
Beard	Fulton	Nichols
Bell	Fuqua	Poage
Bergland	Gonzalez	Podell
Bevill	Green, Pa.	Price, Tex.
Boggs	Griffiths	Quie
Boland	Gunter	Quillen
Brasco	Hamilton	Rarick
Brooks	Hanley	Rees
Broomfield	Hanna	Reid
Brotzman	Hansen, Idaho	Rhodes
Brown, Calif.	Hawkins	Rinaldo
Burgener	Hays	Roe
Carey, N.Y.	Hébert	Roncallo, N.Y.
Chappell	Henderson	Rooney, N.Y.
Chisholm	Hillis	Rosenthal
Clancy	Horton	Ruppe
Clawson, Del	Hosmer	Ryan
Cochran	Howard	St Germain
Collins, Tex.	Ichord	Sebelius
Conable	Kemp	Sikes
Cotter	Ketchum	Symms
Crane	Kyros	Thompson, N.J.
Daniel, Robert W., Jr.	Landgrebe	Towell, Nev.
Daniels, Dominick V.	Landrum	Treen
Danielson	Leggett	Udall
Davis, Ga.	Long, La.	Waldie
Dent	Lott	Walsh
Derwinski	McCormack	Williams
Donohue	McEwen	Wylie
Dorn	McKay	Wyman
Edwards, Ala.	McSpadden	Young, Alaska
	Macdonald	Young, Ga.
	Mathias, Calif.	Zion
	Matsunaga	Zwach

So the amendment was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. DENHOLM

Mr. DENHOLM. Mr. Chairman, I offer an amendment.

PARLIAMENTARY INQUIRY

Mr. WHITTEN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. WHITTEN. Mr. Chairman, I would like to address a point of order against the amendment as the amendment has been presented to me.

Is it permissible that I may reserve that point of order until the Clerk has read the amendment?

The CHAIRMAN (Mr. GIBBONS). The Chair will state that the gentleman from Mississippi (Mr. WHITTEN) may reserve his point of order against the amendment.

The Clerk read as follows:

Amendment offered by Mr. DENHOLM: Page 49, line 5, after the period add the following: *"Provided further,* That in addition there is hereby appropriated the sum of $500 million for the immediate acquisition of domestic produced red meats and poultry for human consumption to be distributed consistent with the intent and for the same purposes provided in the Child Nutrition Act of 1966, as amended, the National School Lunch Act (42 U.S.C. 1751–1761) and the provisions of the Commodity Distribution Programs for the essential distribution of food consistent with established criteria of eligibility pursuant to existing public law."

The CHAIRMAN. Does the gentleman from Mississippi wish to be heard on the point of order?

Mr. WHITTEN. I do, Mr. Chairman.

Mr. Chairman, I make the point of order that this amendment is to the section on Food and Nutrition Service; that that service has no authority to purchase these meats; that that authority does exist under section 32 and is an entirely different section of the Department; but that authority for such a budget authorizing appropriation money through an agency for that particular service for that purpose is not in order, but is legislation on an appropriation bill.

The CHAIRMAN. Does the gentleman from South Dakota desire to be heard on the point of order?

Mr. DENHOLM. I think it is consistent, Mr. Chairman, with the other provisions of this part of the bill, and consistent with the other things we have done today, as far as legislation on appropriation is concerned.

The CHAIRMAN. Can the gentleman from South Dakota cite any authority for this appropriation?

Mr. DENHOLM. Mr. Chairman, I have a lot of advice here because we want to bring the consumer price of beef down.

The CHAIRMAN (Mr. GIBBONS). The Chair is ready to rule on the point of order.

A point of order has been raised against this amendment on the ground that there is no legislative authority for the appropriation. No authorization for the appropriation having been cited, the Chair sustains the point of order.

AMENDMENT OFFERED BY MR. DU PONT

Mr. DU PONT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DU PONT:

On page 52, after line 11, insert the following: "Section 513. The total appropriation provided for in this act shall not exceed $12,700,000,000."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Delaware (Mr. DU PONT).

The amendment was rejected.

The CHAIRMAN. Are there further amendments?

AMENDMENT OFFERED BY MR. MIZELL

Mr. MIZELL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MIZELL: Page 52, after line 11 add a new provision as follows:

SEC. 512. Rural community fire protection grants for grants pursuant to section 404 of the Consolidated Farm and Rural Development Act, as amended (7 U.S.C. 2654), $7,000,000, to fund 50 per centum of the cost of equipment for rural volunteer fire departments.

Mr. MIZELL. Mr. Chairman, when the Congress was considering the Rural Development Act of 1972 an important grant program was authorized for rural fire departments in an effort to help small communities obtain badly needed equipment, facilities, and training for their local volunteer fire departments.

In most cases these communities have insufficient fire protection which in turn brings about high insurance rates which more often than not makes it economically unfeasible for industrial firms to locate in rural areas which so desperately need industry and jobs.

Further, we find that the lack of adequate fire protection causes a high loss of property and even life in our rural areas that are not properly equipped when disaster strikes.

Mr. Chairman, I think I should point out that under the program we adopted in 1972 the rural fire departments must be without resources with which to purchase the equipment they need. Therefore, only the most deserving will be aided.

I will not take additional time today to address the many important reasons on why we should provide grant funds for this program which has been in existence since August 30, 1972 for our rural fire departments.

However, I am hopeful we will adopt this amendment to the bill before us so that we can begin to provide funds to eligible voluntary fire departments which qualify for this program.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina (Mr. MIZELL).

The question was taken; and on a division (demanded by Mr. MIZELL) there were—ayes 85, noes 99.

RECORDED VOTE

Mr. MIZELL. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 213, noes 103, not voting 117, as follows:

[Roll No. 318]

AYES—213

Abdnor	Brown, Ohio	Cohen
Alexander	Broyhill, N.C.	Conlan
Anderson, Ill.	Broyhill, Va.	Conte
Andrews, N. Dak.	Burke, Fla.	Coughlin
Ashbrook	Burke, Mass.	Cronin
Aspin	Burleson, Tex.	Culver
Bauman	Burton	Daniel, Dan
Bennett	Butler	Davis, S.C.
Biester	Byron	de la Garza
Blackburn	Camp	Dellenback
Blatnik	Carney, Ohio	Denholm
Bowen	Carter	Dickinson
Bray	Casey, Tex.	Downing
Breaux	Chamberlain	Duncan
Breckinridge	Clark	du Pont
Brinkley	Clausen, Don H.	Eshleman
		Evans, Colo.
Evins, Tenn.	McCloskey	Ruth
Findley	McCollister	Sandman
Fish	McDade	Satterfield
Fisher	Madigan	Scherle
Flood	Mallary	Schneebeli
Flowers	Mann	Shipley
Flynt	Maraziti	Shoup
Foley	Martin, Nebr.	Shriver
Fountain	Martin, N.C.	Shuster
Frey	Mathis, Ga.	Sisk
Gaydos	Mayne	Skubitz
Gettys	Mazzoli	Slack
Gilman	Melcher	Smith, Iowa
Ginn	Mezvinsky	Spence
Goldwater	Miller	Staggers
Goodling	Mink	Stanton, J. William
Grasso	Mitchell, N.Y.	Steele
Gray	Mizell	Steelman
Green, Oreg.	Moakley	Steiger, Ariz.
Grover	Montgomery	Steiger, Wis.
Gubser	Moorhead, Calif.	Stephens
Gude	Moorhead, Pa.	Stratton
Guyer	Morgan	Stubblefield
Haley	Murtha	Stuckey
Hammer-schmidt	Myers	Symington
Hansen, Wash.	Natcher	Talcott
Harsha	Obey	Taylor, Mo.
Hastings	O'Brien	Taylor, N.C.
Hechler, W. Va.	Owens	Teague
Heinz	Parris	Thomson, Wis.
Hinshaw	Passman	Thone
Hogan	Patten	Thornton
Holt	Perkins	Tiernan
Huber	Pettis	Traxler
Hudnut	Peyser	Ullman
Hungate	Pickle	Vander Jagt
Hunt	Pike	Vander Veen
Johnson, Calif.	Poage	Veysey
Johnson, Colo.	Powell, Ohio	Vigorito
Johnson, Pa.	Preyer	Waggonner
Jones, Ala.	Price, Ill.	Wampler
Jones, N.C.	Pritchard	Ware
Jones, Okla.	Railsback	White
Jones, Tenn.	Randall	Whitehurst
Karth	Regula	Whitten
Kazen	Roberts	Widnall
King	Robinson, Va.	Wilson, Bob
Kuykendall	Rogers	Wilson, Charles, Tex.
Lagomarsino	Roncalio, Wyo.	Winn
Latta	Rooney, Pa.	Wright
Lent	Rose	Yatron
Litton	Roush	Young, Fla.
Long, Md.	Rousselot	Young, S.C.
Lujan	Roy	Young, Tex.
Luken	Runnels	

NOES—103

Abzug	Ford	O'Neill
Adams	Fraser	Patman
Addabbo	Giaimo	Pepper
Annunzio	Gibbons	Rangel
Archer	Gross	Reuss
Armstrong	Hanrahan	Riegle
Badillo	Harrington	Robison, N.Y.
Barrett	Heckler, Mass.	Rostenkowski
Biaggi	Helstoski	Roybal
Bingham	Hicks	Sarasin
Bolling	Holifield	Sarbanes
Brademas	Holtzman	Schroeder
Brown, Mich.	Hutchinson	Seiberling
Buchanan	Jarman	Smith, N.Y.
Burke, Calif.	Jordan	Stanton, James V.
Burlison, Mo.	Kastenmeier	Stark
Cederberg	Kluczynski	Steed
Clay	Koch	Stokes
Collier	Lehman	Studds
Collins, Ill.	McClory	Sullivan
Conyers	McFall	Van Deerlin
Corman	McKinney	Vanik
Davis, Wis.	Madden	Whalen
Delaney	Mahon	Wiggins
Dellums	Meeds	Wilson, Charles H., Calif.
Dennis	Metcalfe	Wolff
Devine	Michel	Wyatt
Diggs	Mills	Wydler
Dingell	Minish	Yates
Drinan	Mitchell, Md.	Young, Ill.
Dulski	Moss	Zablocki
Eckhardt	Murphy, Ill.	
Edwards, Calif.	Murphy, N.Y.	
Eilberg	Nedzi	
Erlenborn	Nix	
Fascell	O'Hara	

NOT VOTING—117

Anderson, Calif.	Bergland	Burgener
Andrews, N.C.	Bevill	Carey, N.Y.
Arends	Boggs	Chappell
Ashley	Boland	Chisholm
Bafalis	Brasco	Clancy
Baker	Brooks	Clawson, Del
Beard	Broomfield	Cleveland
Bell	Brotzman	Cochran
	Brown, Calif.	Collins, Tex.
Conable	Hébert	Quillen
Cotter	Henderson	Rarick
Crane	Hillis	Rees
Daniel, Robert W., Jr.	Horton	Reid
	Hosmer	Rhodes
Daniels, Dominick V.	Howard	Rinaldo
	Ichord	Rodino
Danielson	Kemp	Roe
Davis, Ga.	Ketchum	Roncallo, N.Y.
Dent	Kyros	Rooney, N.Y.
Derwinski	Landgrebe	Rosenthal
Donohue	Landrum	Ruppe
Dorn	Leggett	Ryan
Edwards, Ala.	Long, La.	St Germain
Esch	Lott	Sebelius
Forsythe	McCormack	Sikes
Frelinghuysen	McEwen	Snyder
Frenzel	McKay	Symms
Froehlich	McSpadden	Thompson, N.J.
Fulton	Macdonald	Towell, Nev.
Fuqua	Mathias, Calif.	Treen
Gonzalez	Matsunaga	Udall
Green, Pa.	Milford	Waldie
Griffiths	Minshall, Ohio	Walsh
Gunter	Mollohan	Williams
Hamilton	Mosher	Wylie
Hanley	Nelsen	Wyman
Hanna	Nichols	Young, Alaska
Hansen, Idaho	Podell	Young, Ga.
Hawkins	Price, Tex.	Zion
Hays	Quie	Zwach

So the amendment was agreed to.

The result of the vote was announced as above recorded.

Mr. WHITTEN. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments 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. GIBBONS, 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. 15472), making appropriations for agriculture-environmental and consumer protection programs for the fiscal year ending June 30, 1975, and for other purposes, had directed him to report the bill back to the House with sundry amendments, with the recommendation that the amendments 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. Is a separate vote demanded on any amendment? If not the Chair will put them en gros.

The amendments were agreed to.

MOTION TO RECOMMIT OFFERED BY MR. CONTE

Mr. CONTE. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. CONTE. I am, Mr. Speaker, in its present form.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. CONTE moves to recommit the bill H.R. 15472 to the Committee on Appropriations, with instructions to report the bill back forthwith with the following amendments: On page 3, line 16, strike the comma and insert in lieu thereof a period; strike lines 17, 18, and 19.

The SPEAKER. Does the gentleman desire to be heard on his motion to recommit?

Mr. CONTE. Yes, Mr. Speaker.

Mr. Speaker, I have 5 minutes, but I will take only 30 seconds. I recognize that the hour is late.

This is the amendment that we voted on and which lost by seven votes. I was told by many in the House that they were not quite aware of what the amendment was. It removes $3 million for Cotton, Inc., which is strictly a boondoggle. I hope the motion to recommit prevails.

The SPEAKER. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER. The question is on the motion to recommit.

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

Mr. CONTE. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were refused.

So the motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

Mr. SCHERLE. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 278, nays 16, not voting 139, as follows:

[Roll No. 319]

YEAS—278

Abdnor	Drinan	King
Abzug	Dulski	Kuykendall
Alexander	Duncan	Lagomarsino
Anderson, Ill.	Eckhardt	Latta
Andrews, N. Dak.	Eilberg	Lehman
Annunzio	Erlenborn	Litton
Armstrong	Eshleman	Long, Md.
Aspin	Evans, Colo.	Lujan
Badillo	Evins, Tenn.	Luken
Barrett	Fascell	McClory
Bauman	Findley	McCloskey
Bennett	Fisher	McCollister
Biester	Flood	McDade
Bingham	Flowers	McFall
Blackburn	Flynt	McKinney
Blatnik	Foley	Madden
Bolling	Fountain	Madigan
Bowen	Fraser	Mahon
Brademas	Frey	Mallary
Bray	Gaydos	Mann
Breaux	Gettys	Maraziti
Breckinridge	Giaimo	Martin, Nebr.
Brinkley	Gibbons	Martin, N.C.
Brown, Mich.	Ginn	Mathis, Ga.
Brown, Ohio	Goldwater	Mayne
Broyhill, N.C.	Grasso	Mazzoli
Broyhill, Va.	Gray	Meeds
Buchanan	Green, Oreg.	Melcher
Burke, Calif.	Gubser	Metcalfe
Burke, Mass.	Gude	Mezvinsky
Burleson, Tex.	Guyer	Michel
Burlison, Mo.	Haley	Miller
Burton	Hammer-schmidt	Mills
Butler	Hanrahan	Minish
Byron	Hansen, Wash.	Mink
Camp	Harrington	Mitchell, Md.
Carney, Ohio	Harsha	Mitchell, N.Y.
Carter	Hastings	Mizell
Casey, Tex.	Hechler, W. Va.	Moakley
Cederberg	Heckler, Mass.	Montgomery
Chamberlain	Heinz	Moorhead, Calif.
Clark	Helstoski	Moorhead, Pa.
Clausen, Don H.	Hicks	Morgan
Clay	Hinshaw	Moss
Cohen	Hogan	Murphy, N.Y.
Collier	Holifield	Murtha
Collins, Ill.	Holt	Myers
Conyers	Holtzman	Natcher
Corman	Hungate	Nedzi
Coughlin	Hunt	Nix
Cronin	Hutchinson	Obey
Culver	Jarman	O'Brien
Daniel, Dan	Johnson, Calif.	O'Hara
Davis, S.C.	Johnson, Colo.	O'Neill
de la Garza	Johnson, Pa.	Parris
Delaney	Jones, Ala.	Passman
Dellums	Jones, N.C.	Patman
Denholm	Jones, Okla.	Patten
Dennis	Jones, Tenn.	Pepper
Diggs	Jordan	Perkins
Dingell	Karth	Pettis
Downing	Kastenmeier	Pickle
	Kazen	Pike
Poage	Smith, Iowa	Ullman
Powell, Ohio	Smith, N.Y.	Van Deerlin
Preyer	Snyder	Vander Jagt
Price, Ill.	Spence	Vander Veen
Railsback	Staggers	Vanik
Randall	Stanton, J. William	Veysey
Rangel	Stanton, James V.	Vigorito
Regula	Stark	Waggonner
Reuss	Steed	Wampler
Riegle	Steele	Ware
Roberts	Steelman	Whalen
Robinson, Va.	Steiger, Ariz.	White
Robison, N.Y.	Steiger, Wis.	Whitehurst
Roncalio, Wyo.	Stephens	Whitten
Rooney, Pa.	Stokes	Widnall
Rose	Stratton	Wiggins
Roybal	Stubblefield	Wilson, Bob
Runnels	Stuckey	Wilson, Charles H., Calif.
Ruth	Studds	Wilson, Charles, Tex.
Sandman	Sullivan	Winn
Sarasin	Symington	Wright
Sarbanes	Talcott	Wyatt
Satterfield	Taylor, Mo.	Yates
Scherle	Taylor, N.C.	Yatron
Schroeder	Teague	Young, Ill.
Seiberling	Thomson, Wis.	Young, S.C.
Shipley	Thone	Young, Tex.
Shoup	Thornton	Zablocki
Shriver	Tiernan	
Sisk	Traxler	
Skubitz		
Slack		

NAYS—16

Adams	Dellenback	Rousselot
Archer	du Pont	Schneebeli
Burke, Fla.	Goodling	Shuster
Conlan	Gross	Young, Fla.
Conte	Huber	
Davis, Wis.	Pritchard	

NOT VOTING—139

Addabbo	Fish	Mollohan
Anderson, Calif.	Ford	Mosher
Andrews, N.C.	Forsythe	Murphy, Ill.
Arends	Frelinghuysen	Nelsen
Ashbrook	Frenzel	Nichols
Ashley	Froehlich	Owens
Bafalis	Fulton	Peyser
Baker	Fuqua	Podell
Beard	Gilman	Price, Tex.
Bell	Gonzalez	Quie
Bergland	Green, Pa.	Quillen
Bevill	Griffiths	Rarick
Biaggi	Grover	Rees
Boggs	Gunter	Reid
Boland	Hamilton	Rhodes
Brasco	Hanley	Rinaldo
Brooks	Hanna	Rodino
Broomfield	Hansen, Idaho	Roe
Brotzman	Hawkins	Rogers
Brown, Calif.	Hays	Roncallo, N.Y.
Burgener	Hébert	Rooney, N.Y.
Carey, N.Y.	Henderson	Rosenthal
Chappell	Hillis	Rostenkowski
Chisholm	Horton	Roush
Clancy	Hosmer	Roy
Clawson, Del	Howard	Ruppe
Cleveland	Hudnut	Ryan
Cochran	Ichord	St Germain
Collins, Tex.	Kemp	Sebelius
Conable	Ketchum	Sikes
Cotter	Kluczynski	Symms
Crane	Koch	Thompson, N.J.
Daniel, Robert W., Jr.	Kyros	Towell, Nev.
Daniels, Dominick V.	Landgrebe	Treen
Danielson	Landrum	Udall
Davis, Ga.	Leggett	Waldie
Dent	Lent	Walsh
Derwinski	Long, La.	Williams
Devine	Lott	Wolff
Dickinson	McCormack	Wydler
Donohue	McEwen	Wylie
Dorn	McKay	Wyman
Edwards, Ala.	McSpadden	Young, Alaska
Edwards, Calif.	Macdonald	Young, Ga.
Esch	Mathias, Calif.	Zion
	Matsunaga	Zwach
	Milford	
	Minshall, Ohio	

So the bill was passed.

The Clerk announced the following pairs:

Mr. Thompson of New Jersey with Mr. Wolff.

Mr. Hébert with Mr. Anderson of California.

Mr. Hays with Mr. Dorn.

Mr. Dominick V. Daniels with Mr. Edwards of California.

Mr. Rooney of New York with Mrs. Griffiths.

Mr. Boland with Mr. Hamilton.

Mr. Addabbo with Mr. Hanna.

Mr. Matsunaga with Mr. Hansen of Idaho.

Mr. Sikes with Mr. Grover.

Mr. Howard with Mr. Gilman.

Mr. Bevill with Mr. Froehlich.

Mr. Chappell with Mr. Edwards of Alabama.

Mr. McCormack with Mr. Baker.

Mr. Rarick with Mr. Dickinson.

Mr. Ryan with Mr. Fish.

Mr. Bergland with Mr. Beard.

Mr. McKay with Mr. Devine.

Mr. Nichols with Mr. Forsythe.

Mr. Mollohan with Mr. Ashbrook.

Mr. Henderson with Mr. Clancy.

Mr. Podell with Mr. Derwinski.

Mr. Carey of New York with Mr. Arends.

Mr. Koch with Mr. Frelinghuysen.

Mr. Kyros with Mr. Del Clawson.

Mr. Davis of Georgia with Mr. Bafalis.

Mr. Rodino with Mr. Cleveland.

Mr. Hawkins with Mr. Landrum.

Mr. Gunter with Mr. Cochran.

Mr. Fuqua with Mr. Bell.

Mr. Reid with Mr. Collins of Texas.

Mr. St Germain with Mr. Broomfield.

Mr. Dent with Mr. Conable.

Mrs. Chisholm with Mr. Andrews of North Carolina.

Mr. Brooks with Mr. Brotzman.

Mr. Brasco with Mr. Crane.

Mrs. Boggs with Mr. Robert W. Daniel, Jr.

Mr. Ashley with Mr. Hillis.

Mr. Brown of California with Mr. Horton.

Mr. Cotter with Mr. Milford.

Mr. Donohue with Mr. Landgrebe.

Mr. Fulton with Mr. McEwen.

Mr. Hanley with Mr. Hosmer.

Mr. Leggett with Mr. Minshall of Ohio.

Mr. Biaggi with Mr. Mathias of California.

Mr. Danielson with Mr. Kemp.

Mr. Ford with Mr. Mosher.

Mr. Gonzalez with Mr. Hudnut.

Mr. Green of Pennsylvania with Mr. Nelsen.

Mr. Ichord with Mr. Owens.

Mr. Kluczynski with Mr. Lent.

Mr. Long of Louisiana with Mr. Price of Texas.

Mr. Macdonald with Mr. Peyser.

Mr. Young of Georgia with Mr. McSpadden.

Mr. Rostenkowski with Mr. Lott.

Mr. Rosenthal with Mr. Quie.

Mr. Esch with Mr. Frenzel.

Mr. Murphy of Illinois with Mr. Ruppe.

Mr. Rees with Mr. Quillen.

Mr. Rinaldo with Mr. Sebelius.

Mr. Rogers with Mr. Symms.

Mr. Roe with Mr. Towell of Nevada.

Mr. Roush with Mr. Treen.

Mr. Roy with Mr. Walsh.

Mr. Udall with Mr. Wydler.

Mr. Waldie with Mr. Wylie.

Mr. Wyman with Mr. Zwach.

Mr. Young of Alaska with Mr. Zion.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

AUTHORIZING CLERK TO CORRECT SECTION NUMBERS AND PUNCTUATION IN ENGROSSMENT OF H.R. 15472; AND GENERAL LEAVE

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that the Clerk be authorized to correct section numbers and punctuation in the engrossment of H.R. 15472, and further that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous matter on the bill H.R. 15472, just passed.

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

There was no objection.

LEGISLATIVE PROGRAM FOR THE WEEK OF JUNE 24, 1974

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

Mr. ANDERSON of Illinois. Mr. Speaker, I would inquire of the distinguished majority whip, the gentleman from California, if he could inform us as to the program for the coming week.

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

Mr. ANDERSON of Illinois. I am pleased to yield to the gentleman from California.

Mr. McFALL. There is no further legislative business for today. Upon the announcement of the program for next week, I will ask unanimous consent to go over until Monday.

The program for the House of Representatives for the week of June 24, 1974, is as follows: I should say parenthetically that I am glad to read from a copy which says: "Tentative 5," which now becomes final.

Monday is District day, with no bills.

We will consider the following legislation:

H.R. 14434, energy research and development appropriations, fiscal year 1975, conference report;

H.J. Res. 1061, urgent supplemental appropriations for Veterans' Administration;

H.J. Res. 1056, Defense Production Act 30-day extension, by unanimous consent;

H.J. Res. 1057, Export Administration Act 30-day extension, by unanimous consent;

H.J. Res. 1058, Export-Import Bank Act 30-day extension, by unanimous consent; and

H.R. 15223, Federal Railroad Safety Act authorization, under an open rule, with 1 hour of debate.

On Tuesday there will be:

H.R. 14715, White House Office authorization, under an open rule, with 1 hour of debate;

H.R. 15544, Treasury-Postal Service-General Government appropriations, fiscal year 1975.

On Wednesday there will be a bill, unnumbered, but containing the words HUD-Space Science-Veterans' appropriations, fiscal year 1975;

H.R. 14883, Public Works and Economic Development Act, subject to a rule being granted;

H.R. 15276, Juvenile Delinquency Prevention Act, subject to a rule being granted.

On Thursday there will be H.R., unnumbered as yet, containing the Labor-HEW appropriations for fiscal year 1975.

On Friday there will be also an unnumbered House bill containing the District of Columbia appropriations for fiscal year 1975.

Conference reports may be brought up at any time.

Any further program may be announced later.

ADJOURNMENT TO MONDAY, JUNE 24, 1974

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

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

Mr. GROSS. Mr. Speaker, reserving the right to object, I wonder if the distinguished acting majority leader could give us any information as to what is planned for July 1, 2, and 3?

Mr. McFALL. Mr. Speaker, if the gentleman will yield, for Monday, Tuesday, and Wednesday of that week it is contemplated the House would be in session, as the gentleman knows. We would adjourn on Wednesday night. I am informed that there is no set calendar. Monday will be suspension day. Tuesday is suspension day also. The schedule is very tentative. It is possible that on Tuesday we may take up IDA, but as of this point there is no firm information concerning the program for Monday and Tuesday and Wednesday. I would expect that the Wednesday program would be light.

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

I withdraw my reservation of objection.

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

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. McFALL. Mr. Speaker, I ask ask unanimous consent that the business in order under the Calendar Wednesday rule be dispended with on Wednesday of next week.

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

There was no objection.

PORTRAIT OF CHET HOLIFIELD ACCEPTED BY GOVERNMENT OPERATIONS COMMITTEE

(Mr. BROOKS asked and was given permission to address the House for 1 minute.)

Mr. BROOKS. Mr. Speaker, on May 2, 1974, in a ceremony in the Government Operations Committee room, an exquisite portrait of the distinguished chairman of that committee was unveiled.

It was the desire of the donors of that portrait that it be presented as a gift to the U.S. Government for display in the Government Operations Committee meeting room. In accordance with the procedures of the House, the Government Operations Committee today adopted the following resolution:

Whereas the Honorable Chet Holifield of California, Chairman of the Committee on Government Operations, U.S. House of Representatives, has elected to retire from the House of Representatives at the end of the 93rd Congress after 32 years of continuous service;

Whereas he then will have completed 28 years of distinguished service on the committee, of which 24 were served as a subcommittee chairman;

Whereas for more than four years he will have served as Chairman of the full committee on Government Operations, presiding and administering with intelligence, skill, and bipartisan fairness;

Whereas his greatness combined many things:

A man of high purpose, integrity, and unstinting devotion to duty,

A gentleman of dignity, courtesy, and candor,

A pioneer with the vision to see great governmental goals and the knowledge and resolve to attain them,

A courageous fighter for his party and his principles,

An exemplar of legislative achievement through leadership and accommodation,

A statesman who understands the uses and limitations of politics and power, and

A man who loves his country and its people;

Whereas his service has inspired in all members of the Committee and its staff the highest respect and esteem;

Whereas they have chosen to evidence their regard by an original portrait painting of him to be dedicated to the House of Representatives for permanent public display;

Whereas on May 2, 1974, at a ceremony in the Main Hearing Room of the Committee, the Honorable Jack Brooks presided over the presentation of an outstanding portrait of Chet Holifield, painted by Mr. Lloyd Embry of Washington, D.C.: Now, therefore, be it

Resolved by the Committee on Government Operations of the United States House of Representatives,

1. That the Committee, on behalf of the House of Representatives, do now accept with appreciation the aforesaid portrait and direct that it be hung on the wall of the main hearing room of the committee, both as a tribute to and a reminder of Chet Holifield's lifetime of dedicated services to his committee, his Congress, and his country, and

2. That a copy of this resolution be transmitted to the Speaker of the House of Representatives.

CONGRESSMAN JARMAN'S 1974 QUESTIONNAIRE RESULTS

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

Mr. JARMAN. Mr. Speaker, I would like to bring to the attention of my colleagues the results of my recent questionnaire survey to my constituents in the Fifth District of Oklahoma. These questionnaires went to 200,000 homes and produced 24,000 responses, which indicates great concern about some of the controversial issues facing our Nation. I believe the results will be of interest to the Members of the House of Representatives and to the public.

I believe it is an important part of the job of a Congressman today to communicate with his constituents—and to insure that this communication is a two-way street. An alert, informed constituency which informs their Congressman of their opinions greatly increases the

effectiveness of their representation—and lest we forget, our title is U.S. Representative.

In view of this, I was pleased by the number of constituents who took the time to return my questionnaire and also by the number of added comments and opinions beyond the limited scope allowed on the questionnaire card.

Mr. Speaker, my questionnaire was mailed in May 1974, and the question-by-question results of the survey follow:

[In percent]

	Yes	No	Undecided
Do you favor:			
1. President Nixon remaining in office?	74.75	22.18	3.07
2. Tax dollars being used to finance all Federal election campaigns?	21.81	73.25	4.94
3. A tax-financed program of national health insurance?	34.31	56.43	9.26
4. Retention of daylight saving time on a year-round basis?	38.75	55.25	6
5. Congress adopting an annual spending ceiling which could not be exceeded by appropriations?	78.37	12.12	9.51
6. Relaxing the environmental requirements and standards temporarily as one means of solving the energy problem?	66.56	25.93	7.51
7. A tax cut at this time?	37.68	52.93	9.39
8. Wage and price controls?	33.68	57.51	8.81

Mr. Speaker, this year's poll did not raise the issue, yet many of my constituents volunteered their views on forced busing of students for racial balance. They were 100 percent against.

I have voted against forced busing every time the issue has come before the House of Representatives. I authored antibusing bills in 1969 and 1970. In 1971 I signed a discharge petition to try and get a constitutional amendment resolution to the floor of the House. In 1973, I coauthored a resolution to try and preserve the neighborhood school concept.

Mr. Speaker, the Congress has failed to produce any effective remedial legislation, and it is obvious that we cannot count on the Supreme Court for a solution to this problem. It is imperative that we take decisive, clear-cut action and a constitutional amendment would be the most definitive action possible. Today I am again introducing a constitutional amendment, the pertinent part of which reads as follows:

Resolved by the Senate and House of Representatives of the United Sates of America in Congress assembled (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States, to be valid only if ratified by the legislatures of three-fourths of the several States within seven years after the date of final passage of this joint resolution:

SECTION 1. No public school student shall because of his race, creed, or color, be assigned to or required to attend a particular school.

THE JUDICIARY COMMITTEE AND HOUSE RULES

The SPEAKER pro tempore (Mr. McFALL). Under a previous order of the House, the gentleman from Illinois (Mr. ERLENBORN) is recognized for 30 minutes.

(Mr. ERLENBORN asked and was given permission to revise and extend his remarks and include extraneous matter.)

Mr. ERLENBORN. Mr. Speaker, I have taken this time to report to my colleagues and to the American people that the House Committee on the Judiciary is openly flaunting the rules of the House of Representatives.

Members of the House are being denied their rightful access to impeachment information in the control of the Judiciary Committee. At the same time, however, information is being selectively leaked to the news media for public consumption in an attempt to damage the President, the Secretary of State and others.

The result, of course, is that the people and, most importantly, the Members of this House who soon must pass judgment are being given a distorted picture.

Mr. Speaker, clause 27(c), rule XI, of the Rules of the House of Representatives states quite clearly as follows:

All committee hearings, records, data, charts, and files shall be kept separate and distinct from the congressional office records of the Member serving as chairman of the committee; and such records shall be the property of the House and all Members of the House shall have access to such records.

In a letter dated April 3, 1974, I cited this rule to the chairman of the Judiciary Committee. I asked for access to impeachment evidence, which is the right of every Member.

In a letter dated April 10, Chairman RODINO denied me this access, citing the rules of the Committee on the Judiciary as his authority. In a subsequent letter, dated May 2, I reminded Chairman RODINO that the rules of the House take precedence over the rules of a committee.

In later correspondence, I requested access to certain material which had been the subject of leaks to the news media. It was my desire to learn the context in which these excerpts appear, so as to gage for myself whether the interpretations implicit in the leaked material are meant to serve the truth or the prejudices of the person initiating the leak.

This requested access also was denied.

Mr. Speaker, not only is rule XI clear beyond any chance for misinterpretation, but recent precedents support the rights of Members of this body. The so-called Pentagon Papers were classified documents which were illegally leaked to the press. When obtained by the House Armed Services Committee, they were made available to all Members of the House, in keeping with rule XI.

It is my judgment that Chairman RODINO is acting as he believes best. As long as the rules of the House are being flagrantly ignored and violated, however, and as long as anti-Nixon members of the Judiciary Committee are permitted to release bits and pieces of information to the press and the public, the result is a management of the facts and the evidence—and of the news—to the detriment of the people's right to the whole truth.

Mr. Speaker, I have notified Chairman RODINO of my intention to speak about this matter today. I have furnished him with a copy of my remarks in order that he may be prepared, if he sees fit, to correct any misstatement of fact or interpretation in my remarks, or to comment otherwise upon them.

THE REGIONAL RAIL REORGANIZATION ACT

The SPEAKER pro tempore (Mr. McFALL). Under a previous order of the House, the gentleman from Montana (Mr. SHOUP) is recognized for 5 minutes.

Mr. SHOUP. Mr. Speaker, recent court proceedings have raised the question of the intent of Congress when it adopted H.R. 9142, the Regional Rail Reorganization Act. As one of the authors of this bill, I would offer the following statement as my interest and personably that of those who voted in favor of the bill.

The Regional Rail Reorganization Act was a product of many months of hard work and extensive deliberations. This subcommittee, the full committee, the Senate, and the House-Senate conference worked very hard to formulate an act that would be most responsive to the economic disorder that was threatened by the railroad distress in the northeast region of the United States. I believe that all of us on the subcommittee were especially gratified at the very strong vote of approval given the bill by the House.

Throughout the course of its development this legislation, and those commenting on it, persistently presented the problem of compensation for the bankrupt estates against which the creditors were pressing their claims. Here at the outset of my remarks I would like to say that much of the pressure and much of the commentary to which we were subjected was, and quite understandably, creditor inspired. It was frequently my feeling that because the Government was acquiring nothing and was only using its regulatory power to enforce a reorganization of bankrupt railroads in response to the demands of public need that the creditor compensation arguments a disproportionate amount of our time and effort.

That there would be lawsuits testing the constitutionality of the act was at all times an accepted prospect. Therefore, the filing of actions by the creditor interests was in no way unexpected by those who had worked on the bill. The attack, as expected, was well presented and quite properly, very vigorous. In response, the Government's brief and argument in defense of the act on nearly all points is to be commended.

There is, however, a point in that brief which I feel represents an unfortunate misapprehension about the intent of Congress, and I feel that the record must be perfected on this score. I do not in any way intend to second-guess the attorneys for the Government, and certainly I would not presume to gratuitously offer directions on how they should or should not proceed. My sole purpose here is to explain my understanding of the intent of the Congress on this single point.

Basically, the congressional percep-

tion of the act was that rail property was to be transferred from the bankrupts to a private, for-profit corporation. Consideration for the transferred property was total ownership of the new corporation by the creditors who would acquire their ownership interests by way of an adjudication of their claims against the bankrupt estates. As this pattern evolved, Congress did not perceive that it was doing anything more than effecting a reorganization. Time and time again the point was made that the Government was not acquiring anything, but that because of the fact that there was a strong public interest involved and because the health, and welfare of millions of people was threatened, it was necessary to exercise its power of regulating and its plenary bankruptcy power to restructure these carriers.

Congress was certainly not unmindful that a remote possibility existed that this exercise of its commerce and bankruptcy powers could be judicially characterized as a taking. In the course of the litigation that has been developing over the past weeks, the trustees for the Penn Central have advanced the argument that the act is constitutional but that it does effect a taking and that if the consideration is not adequate, the creditors have a claim against the Federal Government based upon the Tucker Act. Given the hypothesis that the courts do declare that the act is a taking, the Government then concedes that there is a Tucker Act claim.

This is the point at which there has been an apparent misunderstanding of the intent of Congress. First, Congress always intended that the compensation be adequate to satisfy the requirements of the Constitution. Second, any and all compensation was to be paid, not by the Government, but by the entity which acquired the property and that entity would be liable for the taking. There never was at any time under any hypothesis or under any circumstance an intent that the liability should be directed at the Federal Government.

Absent the act, there would be liquidation or a continuation and possible workout under reorganization, or perhaps some form of further government emergency aid, but certainly no exposure to a multi-billion dollar liability. To concede that because of the regulation of the act a claim could be perfected against the Federal Government is to concede something that no member ever intended. This attempted deflection of liability from the corporation to the Federal Government is understandable on the part of the creditors, but my understanding of the adversary system tells me that the Government should resist it.

Should the courts declare that Congress either cannot direct a reorganization of these bankrupt railroads without effecting a taking or at least that in this case it has failed to do so would be a declaration that the commerce power and the bankruptcy power are not applicable or have been misapplied. In either eventuality the congressional intent would undoubtedly be to either redraft the legislation or simply let the established section 77 procedures take their course.

As I have said, it is not my purpose to second guess the tactics of the Government attorneys, but I can and I must state emphatically that at no time did I or any of the Members with whom I discussed the act intend that there should be any type of claim against the Government under any hypothetical or contingent situation. In whatever legal positions are defined, it would seem that fidelity to the intent to regulate should be vigorously preserved. Concessions to the contrary are in my opinion distortions of the intent of Congress.

THE PRIVACY CONGRESS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. GOLDWATER) is recognized for 5 minutes.

Mr. GOLDWATER. Mr. Speaker, I am pleased that 92 Members of the House have agreed to cosponsor a comprehensive new privacy bill with myself and my colleague from New York (Mr. KOCH).

This is a great milestone in our efforts to secure passage of legislation to guarantee right to privacy for all Americans. I firmly believe that the 93d Congress should go down in history as the "privacy Congress." More and more Members of Congress are taking an active role to achieve this noble goal, and I am heartened by this positive response.

Earlier this week I testified in behalf of privacy legislation before a joint meeting of the Senate Government Operations Committee and the Senate Judiciary Committee. I would like to include this testimony as a part of my remarks as follows:

TESTIMONY OF CONGRESSMAN BARRY M. GOLDWATER, JR.

Mr. Chairman and Members of the Committees on Government Operations and Judiciary, I am deeply honored and grateful for the opportunity to testify here today. These two committees have accepted a great challenge. You have agreed to undertake to make the 93rd Congress the Privacy Congress.

Certainly you have made great efforts in the past. There is no doubt that Chairman Ervin has fought long and hard in behalf of the personal privacy of Americans. The Senate can be proud of its record in the areas of fair credit reporting, freedom of information, and the protection of the rights of federal employees.

I am pleased that legislation before this committee is Senate Bill 3418. By advocating that legislation we are accepting a most difficult challenge to develop an intelligent, responsible marrying of a restoration of personal privacy with information practices that are beneficial to both the individual and the society. S. 3418 is an excellent vehicle for the accomplishment of that task.

The current condition of the right of personal privacy is a confused and beleaguered one. The founding fathers to my knowledge never used the term privacy. And yet, privacy is an essential and basic element of freedom and liberty. The common law addresses it in a very limited sense. And, with the exception of the Bill of Rights, there has been little specific Congressional action directed at securing that right. But, until the last twenty years there was not the pressing urgency that exists now for such action.

It has only been with the advent of the computer and modern, electronic communications systems that serious problems with personal information arose. Before that time, personal information was difficult to record in any detail and it was even more difficult to pass around. It rarely left the physical vicinity of the person it concerned. There is no need to tell you what the situation is like today.

But, there are several aspects of the current problem that disturb me greatly. First, President Roosevelt's Executive Order #9397, which authorized the use of the Social Security Number for identification and records filing, has never been rescinded or modified. It has encouraged the development of a numeric identifier—similar to the type of identifier that enabled the Nazi's to hunt down Dutch Jews in World War II.

Second, the individual about whom personal information is collected has no legal means to protect himself from the accidental or deliberate misuse of that information. He does not know some information systems exist. He cannot amend the contents. And, he has little legal remedy if damage occurs. It is common governmental and private practice to assume that once the individual gives over the information he severs any and all future control over it—even if its use destroys him or his reputation.

Third, the Federal Government shows little sign of waking up to the fact that its uses and misuses of personal information must cease. In the face of the President's State of the Union Message on privacy and the creation of the Vice President's Commission on Privacy, the Government Accounting Office, in the name of efficiency and utility proposed "FED-NET". It amounted to a national data bank, for the proposal sought the ability to enter and query all federal information systems. It took an incredible amount of Congressional and Executive opposition to get the request for proposal withdrawn. And, I am sad to report, the concept still lingers on.

Certainly, firm Executive action would be greatly helpful. But, it is only Congress that can definitely remedy the situation. Congress has the responsibility to augment by legislation the spirit of the Constitution.

Fourth, the courts do not have a firm statutory peg on which to hang a decision that reinforces the notion that along with the utilitarian and the pragmatic considerations there should be an equal amount of attention paid to the protection of personal privacy. The courts need help and the Congress is in a position to help them.

Gentlemen, I feel a great sense of urgency about this matter. Today, there are more than 150,000 computers in operation in the United States, and there are over 350,000 remote terminals in active use. By 1984 there will be twice the computers and seven times the terminals. We are legislating on what will be 50% of the industry that will exist in just ten years. The longer we delay acting the more difficult it will be to act.

Mr. Chairman, I believe in the rightness of each and every one of the proposals contained in this bill. I do recognize that each one of you may well have troubles with some of them. Some of my colleagues in the House are having the same difficulty. I want to assure you that I am not wedded to any one provision. Rather, I am dedicated to the principles contained in the bill. It is my sincere belief that any legislation attempting to deal with the problem of personal privacy and personal information must contain the following principles and policies:

1. There should be no personal information system or part thereof that contains personal information whose existence is secret.

2. Information should be collected only where clearly established need has been demonstrated, and it should be appropriate and relevant to the purpose for which it is collected.

3. There should be a prescribed procedure

for an individual to be notified that personal information is stored about him, the purpose for which it has been recorded, and the particulars about its use and dissemination.

4. There should be a clearly prescribed procedure for an individual to challenge information as to its timeliness, pertinence, accuracy, currency, and to be able to correct, amend or purge.

5. There should be a clearly prescribed procedure for an individual to prevent personal information legitimately collected for one purpose from being used for another purpose without his consent or in the case of the government specific statutory authority for the new use.

I might add that I also place great importance on the idea that the original responsibility and legal jurisdiction for protection should lie with the individual and not some government agency empowered to act in his behalf.

Finally, Mr. Chairman, I wish to address three specific provisions of the bill. First, the provision prohibiting the indiscriminate use of the Social Security number. Federal action has encouraged its abusive use. Today, it is used as identification and for indexing and filing. Its uses often bear no reasonable relation to the Social Security function the number was created to fill. Its use is so pervasive that many citizens can actually be traced from the cradle to the grave just by using that number. Earlier, I made reference to the disastrous situations that the use of this number can encourage. The technical state of the computer art cannot fully prohibit its misuse. Thus, I believe the use of the number must be severely limited. And, if ever technology makes a universal identifier less dehumanizing and more secure, then only should Congress authorize its development and implementation.

Another area of information abuse is the distribution of census information by Zip Code. This practice looks harmless. But, by combining the information with a phone book and by separating the information according to non-financial characteristics, individuals can be identified. The government is collecting this information on the basis of the statutory law. The citizen is required to give it. Because of that circumstance I do not believe it is just for the government to either sell such "statistical" information or to give it way. It defeats the very privacy that many have sought not to violate.

My third concern is mailing lists. It is my belief that bulk mail has served and will continue to serve many useful purposes for the citizens. And yet, I recognize that many Americans are angry at their inability to get their names removed from such lists. I therefore believe that a provision in the bill that specifically exempts a maintainer of a mailing list who complies with the written request of an individual to have his name, address or other identifying particular removed from a list from compliance with the Act is beneficial to all concerned. Such a provision would permit the others to protect their privacy as they see fit. Such a provision is in the present bill but I believe its language is a bit vague. I recommend that it be clarified during mark-up.

These are what I believe to be the essential elements of any legislation of personal privacy as it related to the collection, maintenance, use and dissemination of personal information. I believe these committees will not let the people down. The House of Representatives has major privacy legislation already in mark-up session. There is a broad coalition of support in the House that makes the chances for passage look extremely good. I look forward to similar action in the Senate. I would like nothing better than to be able to call this Congress the "Privacy Congress".

FEDERAL AID RAILROAD ACT OF 1974

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. ASPIN) is recognized for 10 minutes.

Mr. ASPIN. Mr. Speaker, yesterday I introduced the Federal Aid Railroad Act of 1974, which is designed to solve what I believe is the primary cause of the decline of our Nation's railroads—deterioration and decay of track and roadbed.

The international energy crisis has driven home the fact that modern rail service for both freight and passenger service is an essential element of a balanced transportation system. For freight, trains are far more energy-efficient than trucks or airplanes. For passengers, trains are clearly ahead of airplanes and automobiles. Yet the potential of railroads is not being fully exploited—largely on account of poorly maintained track and roadbed. Train speeds have been sharply reduced in many parts of the country, not just in the bankrupt northeast. Train derailments on account of defects in and improper maintenance of track and roadbed are rising at an alarming rate.

In a considerable effort to deal with these problems, Senators WEICKER, HATHAWAY, HARTKE, and RIBICOFF introduced S. 3343, the Interstate Railroad Act of 1974, last April 10. This legislation calls for designation of an interstate Railroad System of high density main lines which would be maintained to standards sufficient for 80-mile-per-hour passenger service and 60-mile-per-hour freight service. Other lines would have to be maintained at standards sufficient for dependable service at speeds operated prior to the track deterioration of recent years.

The bill provides for Federal financial assistance in the form of both grants and loan guarantees to carry out the required rehabilitation work. The bill would encourage rationalization of railroad plant by allowing railroads to apply to the Interstate Commerce Commission for authority to operate over tracks of other railroad companies, when such operation would save money and allow improved service.

The Senators who sponsored S. 3343 provided in their introductory statements a wealth of background information on the underlying causes of the track and roadbed problem and on the need and justification for this type of legislation. I heartily commend this material to the attention of my colleagues.

I believe that the fundamental facets of S. 3343—mandatory high standards of track maintenance, Federal aid to rehabilitate tracks to those standards, and freer access by railroads to rail lines of others—are sound principles on which to construct a solution. However, I have serious reservations about extending substantial financial assistance directly to the private railroad companies.

Furthermore, in view of the many other valid claims on general revenue funds, I believe it would be desirable to establish a separate funding mechanism to finance the required rehabilitation work.

The bill I introduced—the Federal Aid Railroad Act of 1974—provides first for designation of an interstate railroad system. For planning purposes, the initial system would consist of all rail lines which are subject to traffic usage of at least 10 million gross ton-miles per year per mile of rail line. I am told that this guideline would embrace about half of the approximately 200,000 route miles of railroad in the country. The final system, to be designated by the Secretary of Transportation after public hearings and review by Congress, would include such additions and deletions from the initial system as are warranted by the public testimony.

Rail lines included in the system would have to be maintained at standards sufficient for smooth and dependable operation of freight trains at speeds up to 60 miles an hour. Passenger trains could go up to 80 miles an hour on the same tracks.

Most, if not all, the interstate railroad system would become the responsibility of the Interstate Railroad Corporation, a new nonprofit corporation created by this bill. The board of the Corporation would be bipartisan, half the directors being appointed by the President and the rest appointed by the congressional leadership of the party opposite the President.

All railroad companies, including the new Consolidated Rail Corporation, could at their option convey their tracks to the IRR Corporation in return for being relieved of responsibility for track maintenance and property taxes.

Rail lines conveyed to the Corporation and not included in the interstate railroad system would be turned over by the Corporation to the States in which such lines are located. Responsibility for maintenance of these lines would henceforth be with the States.

Knowledgeable railroad sources estimate that upon conveyance of rail lines, a railroad would save about 85 percent of total maintenance of way and structures expense; 15 percent total payroll taxes; and about 60 percent of total State and local property taxes.

Freight and passenger rail carriers could operate over rail lines of the corporation and of the States upon payment of a user charge of $1 per 1,000 gross ton miles. At that level, it is obvious that most railroads would have an incentive to convey their rail lines. The only roads that would consider staying out would be those which are currently paying a dollar or less for the items they would be relieved of and which have little or no deferred maintenance to be made up. Norfolk & Western, Santa Fe, Rio Grande, Southern Pacific, Union Pacific, Western Pacific, Missouri Pacific, and Frisco appear to be the only lines that would have a genuine option.

The bill includes a direct appropriation for payment to State and local governments of property taxes of which railroads would be relieved by conveying rail lines. Highway, air, and water carriers operating over publicly owned facilities pay no tax to State and local gov-

ernments equivalent to the assessed valuation of the highways, airports, and waterways.

Hence it is fair that upon conveyance of their rail lines, the railroads not be required to pay the equivalent of such taxes as a part of their user charges. At the same time, however, taxes on railroad property are a vital source of revenue to many local governments.

Therefore it seems imperative that the Federal Government step in and replace this revenue. The net effect is analogous to revenue sharing. The Federal payment would be around $250 million per year were all railroads to convey their rail lines and thus obtain relief from property tax liability; around $150 million per year if the eight railroads I previously named would decide to retain their own rail lines.

In 1973, the class I railroads, Amtrak, and Auto-Train ran about 2.1 trillion gross ton miles of line haul locomotive and train operation. Hence 1973 operations at a dollar per thousand gross ton miles would have yielded $2.1 billion to the Corporation and States for track maintenance. As I have already pointed out, about 85 percent of total maintenance of way and structures expense and 15 percent of total payroll taxes would be taken over by the Corporation and States upon conveyance of rail lines. For 1973, the total of these items for all railroads was $1.86 billion. So a dollar per 1,000 GTM user charge would more than cover maintenance expenses, and leave over $200 million per year for rehabilitation and modernization.

Indications are that the cost of rehabilitation of our rail lines to the standards required by this bill will range between $2 and $3 billion. While the user charges provided for in the bill should cover the cost of ongoing maintenance, some outside financial assistance must be provided for rehabilitation.

Accordingly, I am introducing as a seperate companion bill, the Railroad Revenue Act of 1974, which would impose a 1-percent tax on the cost of transportation of all domestic freight shipments by surface freight carriers—rail, track, barge, and pipeline.

The tax would apply to shipments by private carriage as well as by public carriers. The Interstate Commerce Commission estimates that revenue, from this tax from public carrier shipments alone would be around $500 million per year. Applying the tax to private carriage would bring in at least another $100 million. The tax would end after 6 years.

This type of tax was first proposed by the Interstate Commerce Commission in early 1973. In justification, the Commission stated:

> We believe that (the) tax should apply to for-hire transportation generally, regardless of mode. This may at first sight appear to be an unfair imposition on the railroads' competitors. However, we think that further analysis will demonstrate that this is not the case. The tax which we propose would be levied, after all, on the user of transportation services, not on the carrier. Every user, we are convinced, will benefit from the improvement of rail service. Even if he does not use the railroads himself, better rail transportation will mean heightened competition, and the result should be higher quality service, at competitive rates, for all modes. As a practical matter, too, the imposition upon the railroads alone of a tax burden sufficient to fund the level of railroad aid that is needed could do no more than add to their present problems. Such a tax would have to be a rate of three or four percent on railroad billing, and the result could only be diversion of badly needed traffic to other modes.

I concur with the ICC's reasoning. Every shipper of freight, regardless of what mode he uses, is ultimately dependent upon the efficiency of the entire chain of distribution—from raw material to finished products—of which his shipment is a part.

Rail transportation is an essential element, to a greater or lesser extent, in virtually every chain of distribution. The quality of rail transportation in many parts of the country is steadily deteriorating; a major cause of such deterioration is deferred maintenance of track and roadbed. Hence, it does not seem unfair to ask shippers by all modes to make a very modest contribution toward rehabilitation of the railroads. Expiration of the tax after 6 years assures that it would not become a permanent subsidy.

The bill contains several provisions designed to promote rationalization of rail operations by encouraging rail carriers to operate over Corporation rail lines other than those they previously owned.

Railroads that retained their own lines would have to maintain their tracks to the required standards entirely from their own resources, and would have to allow others to use their tracks upon payment of just compensation fixed by the Interstate Commerce Commission.

The bill contains provisions for the protection of railroad employees who otherwise might be adversely affected by the various transactions the bill calls for.

I believe that the concept of public acquisition and maintenance of railroad tracks and roadbeds, which is embodied in this legislation, has significant advantages over the approach taken by S. 3343 of providing substantial financial assistance directly to the railroad companies:

First. A publicly owned and maintained rail network should enable us to have the best of both possible worlds—elimination of dupliacte and wasteful tracks and facilities inherent in the present ownership by numerous private companies, and at the same time, continuation and improvement of a competitive, privately financed and operated rail freight system.

Indeed, it seems quite possible that we could end up with more competition between rail freight carriers than we have today.

While S. 3343 provides for joint use, past experience with existing trackage rights arrangements indicates that the owner and dominant user of a given rail line is often contentious and uncooperative toward the carrier holding trackage rights.

Second. Neutral public control of rail lines would eliminate any possibility of sacrificing maintenance in favor of dividends and/or nontransportation investments. While deferred maintenance would be prohibited under S. 3343, the Secretary of Transportation would have to maintain constant vigilance in order to assure compliance.

Third. The uniform user charge prescribed by this bill will convert the economics of rural rail carrier operations to the same basis as rural trucking operations.

User charges paid by a trucker are exactly the same per mile of operation regardless of whether the truck is running on a rural highway or a high density urban expressway.

The heavy traffic in high density areas is in effect subsidizing the cost of construction and maintenance of roads in rural areas. Many rural roads would never have been built were it not for this cross-subsidy concept, for the traffic on them could not generate sufficient funds in user charges to pay for them.

Yet it is imperative that we do as much as is feasible to enable rural areas to compete economically on equal terms with urban areas.

Our highway financing policies serve that vital objective. It is time to apply the same principle to rail transportation.

Fourth. The public funding provided by this bill would flow exclusively to the nonprofit Federal corporation and to the States. No money would go to the private railroad companies.

This is rather complex legislation, and I welcome suggestions and comments from my colleagues. I am convinced that this bill provides the most effective method yet devised of providing our country with the modern, dynamic rail system that is so badly needed.

RIGHT TO PRIVACY ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. DRINAN) is recognized for 10 minutes.

Mr. DRINAN. Mr. Speaker, I join wholeheartedly as a sponsor of the "Comprehensive Right to Privacy Act" introduced by my distinguished colleagues from New York and California. It contains a number of improvements over its predecessors, which I also supported. Allow me to add a few words to what has already been said about the measure.

On February 6 of this year, I addressed the House on the subject of citizen solitude. Referring to the number of bills which were then pending, I noted that "none deals comprehensively with the problem of privacy." This bill seeks to remedy that deficiency by meeting head-on the intrusions into our private lives which result from the collection, storage, and dissemination of personal information.

This proposal, if enacted into law, would cover all data gathering systems: whether maintained by Federal, State, or local governmental agencies, or by private, commercial organizations. It would prohibit these institutions from keeping secret files on individuals. It has a very limited exception for news reporting, national defense, and law enforcement files.

One of the principal features of the

bill is that it controls data collection. Where past proposals have sought only to regulate storage and dissemination of information, this measure begins with the proposition that data not collected cannot be subject to abuse. The bill imposes a strict standard on all covered organizations respecting the kinds of personal information they may keep on individuals. This provision should put a stop to the indiscriminate and unnecessary acquisition of information unrelated to the purposes of the agency desiring it. No longer will these institutions be permitted to accumulate data of the nice-to-know but not essential variety.

Closely related to this restriction is the requirement of the bill that necessary information be acquired primarily from the individual who is the subject of the file. While not absolutely prohibiting it, the measure would greatly curtail fact-gathering from third party, anonymous sources. And when an individual is legitimately asked to furnish personal information, the proposal would direct the fact-gatherer to inform the subject whether the data must be given and what consequences may flow from a failure to do so.

Further the measure has provisions requiring notification to the individual that a file is kept, and allowing that person access to it for inspection, correction, or revision of the information contained in it. It restricts dissemination of such data and imposes civil and criminal penalties for those who violate its proscriptions.

Finally I should observe that the bill would establish a Federal Privacy Board to oversee compliance with the Act. One of its most important functions is to collect and publish annually a Data Base Directory of the United States which would list the "name and characteristics of each personal information system." This requirement would go a long way to monitor creation and operation of data banks. Senator ERVIN's Subcommittee on Constitutional Rights recently released its study showing that, in the Federal Government alone, 54 agencies reported that they kept 848 data banks containing over 1 billion records.

There are, to be sure, other important provisions in this comprehensive bill. One, for example, would forbid requiring the disclosure or furnishing of a person's social security number, an item of information which is fast becoming the universal identifier. The important point, though, is that this measure, if passed, would take us a giant step forward in protecting the right of privacy.

The proposal is being referred to the Judiciary Committee of which I am a member. I pledge to do everything in my power to see that this bill is considered with dispatch. I shall also seek to strengthen it wherever possible. I ask my colleagues in the House and on Judiciary to join me in this effort.

THE HIGHEST IDEAL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. ROSTENKOWSKI) is recognized for 5 minutes.

Mr. ROSTENKOWSKI. Mr. Speaker, it is not often that I take the floor to address this House on matters unrelated to the legislative issues of the day. But today I would like to inform my colleagues of an incident that, though tragic in its final outcome, is a fitting example of the inner strength of our country and its people.

The American National Red Cross has recently brought to my attention a noteworthy act of mercy undertaken by one of my constituents, Joseph L. Calomino, a corporal in the Illinois State Police.

On February 18, 1974 Corporal Calomino, trained in Red Cross first aid, left his police patrol car to investigate an automobile accident. He found the doors of one of the automobiles were locked from the inside, and the driver was slumped in the seat. Corporal Calomino removed a window with a metal bar and extricated the apparently lifeless victim. He then began immediately to administer mouth-to-mouth resuscitation and continued until the woman resumed breathing. She was taken by ambulance to a hospital. Although the victim succumbed 6 days later, without doubt Corporal Calomino's use of his skills and knowledge sustained her life until medical help could be reached.

For this valiant effort, Corporal Calomino received the Red Cross Certificate of Merit, the highest award given by the Red Cross to a person who saves or sustains a life with the use of his Red Cross skills. I heartily agree with the President of The American National Red Cross, George M. Elsey when he states that this action exemplifies the highest ideal of the concern of one human being for another who is in distress.

CONFLICT OF INTEREST AT FEO

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. VANIK) is recognized for 30 minutes.

Mr. VANIK. Mr. Speaker, yesterday in the RECORD, page H5490, I outlined the poor performance of the top officials at the Federal Energy Office in resolving an apparent case of conflict of interest within their agency. With the able assistance of the General Accounting Office, I have investigated in detail the case of Mr. Robert C. Bowen, an employee of the Phillips Petroleum Co. From June 1973 to May 1974, Mr. Bowen was employed as a petroleum engineer, first with the Office of the Energy Adviser in the Department of Treasury and then within the Federal Energy Office.

The specific allegation concerning Mr. Bowen involved his role in drafting propane gas regulations at the FEO. Phillips is one of the largest domestic producers of propane. One official at FEO, Mr. David Oliver, has indicated that Mr. Bowen worked long and hard with him in developing propane regulations.

The General Counsel of the FEO, Mr. William N. Walker, in a memorandum dated April 8, 1974, brought the potential for conflict in Mr. Bowen's case directly to the attention of William Simon, then Administrator of the FEO. Mr. Walker's memo stated in part:

> 18 USC 208 declares it to be a crime (not a civil offense) for an officer or an employee of the Executive Branch to "participate personally and substantially as a Government officer or employee through decision, approval, disapproval, *recommendation, the rendering of advice, investigation or otherwise,* in a judicial or other proceeding * * * or other particular matter in which, to his knowledge, he * * * has a financial interest." The fact that Mr. Bowen might only make recommendations, render advice, or make investigations at the direction of Mr. Johnson would not place him outside the reach of the statute. Quite the contrary, it would place him squarely within the language of the statute * * *.
>
> If, indeed, the nature of Mr. Bowen's duties has changed so that he participates in decisions or renders advice on matters which have a direct impact upon Phillips Petroleum, then Mr. Bowen's activities would be outside the guidelines established by Mr. Johnson in June and would violate 18 USC 208. Mr. Johnson, however, as Mr. Bowen's immediate superior, is in the best position to assess the degree to which Mr. Bowen's duties have been altered by virtue of the creation of FEO and the regulatory missions assigned it.

On April 24, 1974, Mr. Walker sent another memorandum to Dr. John Sawhill, concerning the Bowen case. In that memorandum, Mr. Walker stated:

> From the materials developed to date, I do not believe that the potential conflict problem has been resolved in this case. I therefore recommend that immediate consideration be given to such further action as may be necessary to resolve the matter.

Despite this additional warning it does not appear that Dr. Sawhill pursued the recommendations of his General Counsel. What is more disturbing is that there is little indication that Dr. Sawhill even acknowledged the potential for conflict in Mr. Bowen's employment.

The GAO report, which I have submitted to the RECORD, outlines the utterly unsatisfactory way in which the FEO handled the Bowen case. But now even this weak-kneed explanation by FEO of Mr. Bowen's activities must be called into question.

It has come to my attention that Mr. Bowen, while employed at the Office of the Energy Adviser in the Department of the Treasury, was the author of a nontechnical, policy-oriented memorandum entitled, "Distillate: Problems and Solutions." The clear intent of the memorandum, which was written by Mr. Bowen for William Simon—then chairman of the Oil Policy Committee, the predecessor of FEO—recommends policy direction in dealing with the shortage of distillate oil during the winter of 1973–74. Specifically, Mr. Bowen's memo focuses on the relaxation of air pollution sulfur standards and the allowance by the Cost of Living Council of passthrough on all imported distillate oil. Quoting from page 4 of this extraordinary document, Mr. Bowen recommends to Mr. Simon:

> Therefore, as a first action, we should recommend that the EPA relax distillate and residual sulfur standards this winter.
>
> Distillate from foreign sources costs more

than domestic distillate. Therefore, if foreign distillate is to be imported it is imperative than an economic climate be created such that oil companies who import distillate are able to do so without incurring a financial loss. Present COLC regulations purport to do this. However, they are very complex and whether they do this in fact remains to be seen.

Therefore, as a second action, we should recommend that the COLC revise its regulations when and if necessary in the future to permit full recovery of additional costs by importers of petroleum products.

There are two disturbing facts about this memo. First, it is quite evident that Mr. Bowen's activity in the Treasury—and persumably at FEO—was definitely not limited to giving purely technical advice, as we have been repeatedly assured by Dr. Sawhill. Second—and this is the most alarming matter—apparently a wide range of officials at FEO were aware of Mr. Bowen's activity, yet failed to pursue the conflict question.

Mr. Bowen's memo was routed to Mr. Simon through his supervisor, Mr. William Johnson. The FEO, in defense against the allegations of conflict in the Bowen case, has repeatedly referred to the determination of Mr. Johnson as proof that the conflict question was handled adequately. It was Mr. Johnson who wrote Mr. Bowen's original job description and who was supposedly in charge to assure that no conflicts with Mr. Bowen arose. Now we see from this September 1973 memo that Mr. Johnson apparently was not a very active watchdog.

What is perhaps more surprising is the extraordinary circulation the Bowen memo received. No less than 19 top energy policymakers, aside from Mr. Simon and Mr. Johnson, received copies of the Bowen memorandum. Included in this list is Dr. Sawhill. Receipt of the Bowen memo by Dr. Sawhill calls into serious question just exactly what Dr. Sawhill meant when he told Senator ABOUREZK during the confirmation hearings:

I am not familiar with Mr. Bowen's technical advice because he never directly provided me technical advice. He provided it to people who were working for me, and they assured me he was not providing technical advice that would have been of particular benefit to his company and he disqualified himself.

At best, this is evidence of a lack of diligence on the part of the administrators of FEA in dealing with conflict questions. At worst, it is an indication of deliberate deception.

This exhaustive inquiry into the Bowen matter underlines the vital necessity of undertaking continuous, ongoing oversight of our energy policymaking to insure that this policy is not subverted to the narrow interests of the energy industry. Pious, self-serving rhetoric by executive officers is no substitute for congressional diligence. I am outraged by this memo. It appears to indicate that our Federal energy officials have been extremely negligent in resolving this grave matter. Ultimately, it is the faith of the American people which has been damaged. It is the integrity of a Federal agency that has been called into question.

Mr. Speaker, I wish to insert into the RECORD at this point the full text of Mr. Bowen's September 28, 1973 memorandum:

MEMORANDUM

To William E. Simon.
Thru William A. Johnson.
From Robert C. Bowen.

Subject. Distillate: Problems and Solutions.

Distillate imports must range between 650,000–1,000,000 barrels per day during the 4th Quarter of 1973 and the 1st Quarter of 1974 in order to avoid shortages of this product. Actions necessary to encourage this level of imports include the following:

1. Relax distillate and residual fuel sulfur standards this winter.

2. Insure that the Cost of Living Council allows full cost pass-through on all imported distillate.

3. Implement a strong advertising program to encourage distillate conservation.

Several studies have been done which form the background for this paper. These studies were Treasury's input to the Interior Department's distillate study. This backup data are available to interested persons. A more complete discussion of the study follows.

The United States is faced with a potential distillate shortage this winter. Demands for distilate have been accelerating due to (1) environmental emission standards forcing a shift from coal to residual fuel oil to distillate fuel oil, (2) shortages of natural gas forcing curtailments a portion of which must be replaced with distillate fuel oil, and (3) normal growth in demand for traditional distillate customers. Domestic disillate supply has not kept pace with demand. The supply is limited by refining capacity and until additional refinery capacity is constructed, the shortfall between domestic supply and demand will continue.

Forecasting is an imprecise art (or science ?). Several key factors which must be considered when preparing a supply/demand forecast for petroleum products are outside the control of the oil industry or the Federal Government.

Any single point forecast has the inherent risk of providing a false degree of security since the forecast is dependent upon assumptions about these uncontrolled variables. A more reasonable approach might be to estimate a reasonable upper and lower bound on these uncontrolled variables with the result that the forecast is expressed as a range instead of a single point estimate. The range approach has been used in preparation of these forecasts.

Optimistic and pessimistic forecasts have been prepared for District I–IV and District V to bracket the volume of imports needed to balance demand. The level of imports was calculated to be that quantity of imports required to insure that stocks do not fall below minimum levels.

The results of the forecasts are summarized below:

DISTILLATE IMPORTS

District I–IV

[*In thousands of barrels per day (optimistic-pessimistic)*]

Maximum distillate production in winter:	
4th quarter 1973 to 1st quarter 1974	670–783
4th quarter 1974 to 1st quarter 1975	898–1,042
Maximum gasoline production all year:	
4th quarter 1973 to 1st quarter 1974	968–1,135
4th quarter 1974 to 1st quarter 1975	1,194–1,407

Several key variables have a significant effect on these forecasts. The assumptions made for these variables are discussed below:

CRUDE RUNS

Crude runs were assumed to vary between 89 and 91% of capacity. During the early part of the year, crude runs have been considerably in excess of this level. However, mechanical equipment in refineries has been pushed to meet these higher levels and maintenance of the equipment has been postponed. This postponement of maintenance and pushing of equipment will result in excessive downtime during the next six months as equipment failures occur and maintenance operations can no longer be delayed. In addition the very tight supply of crude oil worldwide will result in lost crude runs due to crude unavailability.

DISTILLATE DEMANDS

Distillate demands will be strongly affected by the volume of gas curtailment and requirements to meet lower emission standards. Distillate demands this winter are forecast to increase over last winter by 6.8—11.6%. Given a fairly low growth in demand during the first half of 1973, the 6.8% growth rate appears more likely.

WEATHER

A 30 year normal weather has been assumed. Direct distillate demands are very sensitive to weather. For example, an independent research organization has estimated that a one degree day change from normal in District I is equivalent to 70,000 barrels of distillate and in District II 25,000 barrels of distillate. In addition, natural gas curtailment estimates are also based on a normal winter. Therefore if the winter is colder than normal, two factors will contribute to an increase in distillate demand: the need to supply direct customers and to replace additional curtailments of natural gas.

REFINERY YIELDS

Normally domestic refiners operate to yield maximum gasoline during the 2nd and 3rd quarters and maximum distillate during the 1st and 4th quarters of the year.

Two sets of forecasts have been prepared. One set assumes domestic refineries operating in the manner described above. The other set assumes domestic refineries operating to yield maximum gasoline year around. Under our current situation, there will be a domestic shortage of both gasoline and distillate, and it will be necessary to import both in order to balance demand. However, there are only limited quantities of U.S. quality gasoline available from European and Caribbean refineries. This is due to the fact that down stream process units which are necessary to manufacture U.S. specification gasoline are not normally constructed as part of these refineries. Distillate, on the other hand, is produced in almost all foreign refineries.

One possible solution, then, to meet both gasoline and distillate demands would be to maximize gasoline production all year and import greater quantities of distillate. The difference in U.S. refinery operations between max gasoline all year and max distillate during the winter is about 230,000 barrels per day on an annual basis.

Whether or not U.S. refineries operate on max gasoline or max distillate it will be necessary for the U.S. oil industry to import large volumes of gasoline and distillate to meet domestic demands in the short term. The Federal Government does not have control over all factors affecting imports of products, but certain actions by the Federal Government are necessary to encourage imports.

Most imported product must come from the Caribbean or Europe since these are the areas in proximity to the U.S. with significant amounts of refining capacity. Caribbean refineries are for the most part operating near

capacity while Europe does have some surplus refining capacity.

Distillate produced in Europe generally contains more sulfur than allowed for U.S. consumption. Therefore in order to be able to purchase large volumes of European distillate it will be necessary to relax distillate sulfur standards to the level of the distillate pool in Europe. A separate study has been completed which estimates the distillate pool sulfur level in Europe. This study indicates that the pool sulfur level is about .6% sulfur compared with U.S. standards ranging from .2% to .5% sulfur depending on location. If the sulfur standard in the U.S. is not relaxed, only very limited quantities of distillate will be available for purchase; certainly not sufficient to meet our import needs.

Low sulfur content levels required for residual fuel oil result in much distillate being blended into residual fuel oil to produce a material which meets sulfur standards. Relaxing sulfur standards on residual fuel oil would increase its availability and at the same time reduce the amount of distillate required for blending, thereby increasing distillate supplies.

Therefore, as a first action, we should recommend that the EPA relax distillate and residual sulfur standards this winter.

Distillate from foreign sources costs more than domestic distillate. Therefore, if foreign distillate is to be imported it is imperative that an economic climate be created such that oil companies who import distillate are able to do so without incurring a financial loss. Present COLC regulations purport to do this. However, they are very complex and whether they do this in fact remains to be seen.

Therefore, as a second action, we should recommend that the COLC revise its regulations when and if necessary in the future to permit full recovery of additional costs by importers of petroleum products.

The quickest way to make additional distillate available is to use less. A very strong conservation program is needed immediately. Unfortunately, conservation of energy requires changes in life styles and habits. A strong motivation is necessary to cause these habits to change. In the short term, perhaps anxiety is the most useful and effective motivation. A strong advertising campaign by prominent Government officials, perhaps in concert with the oil industry, is the most effective means of getting this message to the public.

Therefore, as a third action, we should recommend the immediate creation of a strong effective advertising campaign to promote energy conservation.

Long term actions to solve product shortages have already been started. These actions include finding additional domestic reserves of oil and gas and construction of additional domestic refinery capacity. We should insure that adequate incentives are established to encourage these actions and that any remaining disincentives are removed.

Even if all the above short term actions were taken, there is no assurance that adequate distillate supplies are available in Europe for importation this winter. A curtailment of international crude oil production would seriously reduce available European product supplies. European countries may restrict exports of products either because of a fear of product shortages in Europe or in retaliation for the U.S. restricting exports of certain agricultural commodities or fuel oil itself. In fact some European countries are already restricting exports.

A very brief study has been done which indicates that European distillate supplies are tight. This suggests we may have difficulty obtaining necessary imports from Europe.

The possibility of maintaining maximum gasoline production in U.S. refineries has already been discussed. If refiners did maintain maximum gasoline runs and if the additional quantities of distillate were available for import, the result would be only limited supply problems for distillate this winter and gasoline next summer. The risk, however, is that if domestic refiners continue maximum gasoline production this winter and if distillate imports are not available then the distillate situation this winter will worsen.

Because it seems more important for people to be warm than mobile, I do not recommend that refiners stay on maximum gasoline production this winter.

VICTORY FOR TENANTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. KOCH) is recognized for 5 minutes.

Mr. KOCH. Mr. Speaker, yesterday, on behalf of several colleagues of the Banking and Currency Committee, Messrs. FAUNTROY, HANLEY, MCKINNEY, PARREN MITCHELL, MOAKLEY, REES, STARK, and ANDREW YOUNG, I offered an amendment to the Housing and Urban Development Act to make the new Federal housing programs more equitable for moderate- and low-income families. I am delighted that the members of the Housing Subcommittee accepted our contention that the rents proposed in the bill were too high for those who can least afford them. I am pleased that my good friend and distinguished colleague from Ohio (Mr. ASHLEY) and I were able to develop a substitute amendment which allows lower and moderate income families to pay less rent.

The adoption of my amendment is a major victory for tenants.

The amendment will make the new section 23 leased housing program more consistent with existing public housing regulations by requiring that a family pay 15 to 25 percent of its gross income for rent, rather than the 20 to 25 originally in the bill. I first proposed making the range 15 to 20 percent. I accepted Mr. ASHLEY's substitute figures of 15 to 25 percent in the interest of compromise and insuring the amendment's acceptance.

I found the substitute acceptable because, in some cases, the 25 percent upper limit may be needed to prevent evictions where operating costs and fair market rents rise but subsidy funds are not immediately available. As the sponsor of the amendment, I want the legislative history to clearly state that the upper limit will only be used in extreme circumstances.

Under the traditional but phased out public housing programs, the bill allows a minimum rent of 10 percent of gross income and a maximum rent of 25 percent of adjusted income, allowing for deductions including medical expenses, children, and the like. Not only does the bill replace traditional public housing, as well as current income adjustments, but at the same time it unconscionably requires lower income families who will rely on the new section 23 program to pay disproportionately higher rents than they would under traditional public housing.

A family with four children, $50 in medical expenses, and an income of $3,000 now pays a maximum rent of $400 a year, or $33.33 a month, or 13 percent of their gross income in rent.

Under the bill as formerly written, this family will pay between $200 and $350 more rent a year, and between $17 and $27 more each month. Under my amendment, this family will pay between $4 and $27 more per month, not as low as public housing but at least closer.

Mr. Speaker, there are 231,000 persons in the Boston metropolitan area who live in substandard housing who need new section 23 assisted housing. In Los Angeles, there are 597,000; in Milwaukee, 98,000; in Des Moines, 17,000; in Atlanta, 91,000; and in the New York metropolitan area, over 1 million.

In fact, across the country, according to a recent joint M.I.T.-Harvard study, in urban and rural areas alike there are 13 million families who need subsidized housing.

Sad to note, the Banking and Currency Committee's report on this legislation says that the highest proportional rent will be paid by the elderly. This is hardly fair.

Lower income families obviously cannot afford the higher rents. If we had passed our only housing bill without this amendment, we would have placed unbearable burdens for living in federally assisted housing on those who can afford them least.

One member of the Banking and Currency Committee pointed out that his total yearly housing maintenance cost for his Washington home of $4,500—comparable to rent—amounted to 10 percent of his gross annual income. Twenty-five percent would have been over $11,000, and the Congressman emphasized he could not afford this. Yet this is the percentage of income we are asking the poor to pay.

I urged support of this amendment, on the grounds that it would have been grossly unfair to discriminate so decidedly against those in section 23 leased apartments as opposed to those fortunate enough to be accommodated in public housing, since the people involved in both are of the same economic class.

I want to acknowledge the assistance of the following people and organizations in the preparation of the amendment and the necessary background materials: Carol Bernstein, Clara Fox, and Nancy LeBlanc, New York Coalition to Save Housing; Mary Nenno and Tom Duval, National Association of Housing and Redevelopment Officials; Bessie Economou, National Housing Conference; Rev. Robert Johnson, Interreligious Housing Coalition; Rev. Joseph Merchant, United Church of Christ; Cushing Dolbeare, Ad Hoc Low Cost Housing Coalition and Americans for Democratic Action; and Dennis O'Toole, National Association of Home Builders.

In addition, for their fair, objective, and thorough preparation of language and other information, I want to thank three highly competent congressional staff members: George Gross, staff director of the Housing Subcommittee of the House Banking and Currency Com-

mittee; Larry Filson, legislative counsel; and Henry Schechter, senior specialist in housing for the Library of Congress.

I am enclosing for the RECORD an important background paper on Households Living in Deprivation, prepared by the Library of Congress, which clearly demonstrates the need across the country for low-cost housing.

HOUSEHOLDS LIVING IN DEPRIVATION

(By Henry B. Schechter)

In its recently published study of "America's Housing Needs: 1970 to 1980," [1] the Harvard-MIT Joint Center for Urban Studies compiled data on the number of households living under conditions of housing deprivation. Housing deprivation was defined to include one or more of the following three conditions:

(1) *occupancy of a physically inadequate unit* that lacks complete indoor plumbing facilities, or that has all plumbing, but the heating is inadequate for the local climate, or that has all plumbing and adequate heating but is in a dilapidated condition;

(2) *"overcrowded"*—a household consisting of at least 3 persons and having 1.5 persons per room;

(3) *"high rent burden"*—a household with an income of under $10,000 consisting of:

(i) a two-or-more-person household with head less than age 65, paying more than 25 percent of income for rent;

(ii) a single-person household paying more than 35 percent of income for rent;

(iii) a two-or-more-person household paying more than 35 percent of income for rent.

Based on the foregoing definitions and data from the 1970 Census of Housing, the following numbers of households living under conditions of housing deprivation, relative to the total number of households, were found, for the United States and for metropolitan areas:

United States or metropolitan area	Total number of households	Living in housing deprivation	
		Percent	Number [2]
United States	63,400,000	[1] 20.6	13,100,000
Selected areas:			
Akron, Ohio	206,344	18.9	38,999
Atlanta, Ga	429,369	21.2	91,026
Baltimore, Md	623,523	19.4	120,963
Boston, Mass	859,736	26.9	231,269
Buffalo, N.Y	418,255	26.6	111,256
Chicago, Ill	2,182,394	29.4	641,624
Cleveland, Ohio	650,138	20.6	133,928
Denver, Colo	392,101	23.8	93,320
Detroit, Mich	1,266,585	19.7	249,517
Fort Worth, Tex	240,730	17.1	41,165
Hartford, Conn	206,815	23.2	47,981
Los Angeles, Calif	2,430,822	24.6	597,982
Miami, Fla	428,026	33.9	145,101
Milwaukee, Wis	432,678	22.7	98,218
New Orleans, La	314,418	29.9	94,011
New York, N.Y	3,876,503	28.0	1,085,421
Philadelphia, Pa	1,480,191	20.0	296,038
Pittsburgh, Pa	759,174	21.4	162,463
San Francisco–Oakland, Calif	1,085,512	24.6	267,036
Washington, D.C	898,496	21.2	190,481
Des Moines, Iowa	93,415	18.7	17,469

[1] Derived from other data shown.
[2] All except for United States, derived from other data shown.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. BROTZMAN (at the request of Mr. ARENDS), after 3:30 p.m., today, on account of official business.

Mr. KETCHUM (at the request of Mr. JOHNSON of Colorado), for today, on account of official business.

Mr. KYROS (at the request of Mr. O'NEILL), after 5 p.m., today, on account of official business.

Mr. BAFALIS (at the request of Mr. ARENDS), from 6 p.m., 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) to revise and extend their remarks and include extraneous matter:)

Mr. TALCOTT, for 20 minutes, on Monday, June 24, 1974.

Mr. SHOUP, for 5 minutes, today.

Mr. GOLDWATER, for 5 minutes, today.

(The following Members (at the request of Mr. JONES of Oklahoma) to revise and extend their remarks and include extraneous matter:)

Mr. GONZALEZ, for 5 minutes, today.

Mr. ASPIN, for 10 minutes, today.

Mr. DRINAN, for 10 minutes, today.

Mr. ROSTENKOWSKI, for 5 minutes, today.

Mr. VANIK, for 30 minutes, today.

Mr. BIAGGI, for 10 minutes, today.

Mr. MINISH, for 20 minutes, today.

Mr. KOCH, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. GROSS in one instance, and to include extraneous matter.

Mr. ANDERSON of Illinois, to revise and extend his remarks and to include extraneous matter immediately following his amendment to H.R. 15472 on page 49 following the period on line 21.

Mr. CHAMBERLAIN to revise and extend his remarks at the conclusion of remarks of Mr. ANDERSON of Illinois on the Food Stamp amendment.

(The following Members (at the request of Mr. JOHNSON of Colorado) and to include extraneous material:)

Mr. ARCHER.

Mr. ZWACH in two instances.

Mr. VANDER JAGT.

Mr. HEINZ.

Mr. SHRIVER in two instances.

Mr. CRANE in five instances.

Mr. BELL.

Mr. MIZELL in five instances.

Mr. MCKINNEY.

Mr. MARTIN of Nebraska in two instances.

Mr. KEMP in six instances.

Mr. BROTZMAN.

Mr. ASHBROOK in three instances.

Mr. HANRAHAN in two instances.

Mr. ABDNOR in two instances.

Mr. PETTIS in four instances.

Mr. SARASIN in two instances.

Mr. GILMAN.

Mr. DU PONT.

(The following Members (at the request of Mr. JONES of Oklahoma) and to include extraneous material:)

Mr. GONZALEZ in three instances.

Mr. RARICK in three instances.

Mr. WON PAT.

Mr. PREYER.

Mr. YOUNG of Georgia.

Mr. DINGELL.

Mr. RODINO.

Mr. BEVILL.

Mr. ROY.

Mr. STUDDS in three instances.

Mr. TIERNAN.

Mr. ADAMS.

Mr. WHITE.

Mr. OWENS in five instances.

Mr. ROE in two instances.

Mrs. BURKE of California.

Mr. BURKE of Massachusetts.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 2581. An act to amend the Randolph-Sheppard Act for the blind to provide for a strenthening of the program authorized thereunder, and for other purposes; to the Committee on Education and Labor.

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. 1376. An act for the relief of J. B Riddle; and

H.R. 15124. An act to amend Public Law 93–233 to extend for an additional twelve months (until July 1, 1975) the eligibility of supplemental security income recipients for stamps.

ADJOURNMENT

Mr. JONES of Oklahoma. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 9 o'clock and 18 minutes p.m.), under its previous order, the House adjourned until Monday, June 24, 1974, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2477. A letter from the Secretary of the Treasury, transmitting a statement in support of the bill (H.R. 15231) to provide for increased participation by the United States in the International Development Association; to the Committee on Banking and Currency.

2478. A letter from the Secretary of the Air Force, transmitting notice of the transfer of funds between subdivisions of the appropriation for fiscal year 1974 for "Operation and maintenance, Air Force," pursuant to title III of Public Law 93–238; to the Committee on Appropriations.

2479. A letter from the President of the United States, transmitting notice of his intention to exercise his authority under section 614(a) of the Foreign Assistance Act of 1961, as amended, (1) to obligate International Narcotics Control Funds without re-

[1] Joint Center for Urban Studies of the Massachusetts Institute of Technology and Harvard University, "America's Housing Needs: 1970 to 1980." Cambridge, Massachusetts. December, 1973. Chapter 4.

gard to the provisions of section 102 of the Foreign Assistance and Related Programs Appropriation Act, 1974; and (2) to transfer a portion of the unobligated balance of funds available in fiscal year 1974 for security supporting assistance to Egypt for minesweeping and ordnance disposal in the Suez Canal to ship clearance activities in the canal, pursuant to section 652 of the Foreign Assistance Act of 1961, as amended [22 U.S.C. 2411]; to the Committee on Foreign Affairs.

RECEIVED FROM THE COMPTROLLER GENERAL

2480. A letter from the Comptroller General of the United States, transmitting a report on the Department of Defense's Project Reflex; to the Committee on Government Operations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 or rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BOLLING: Committee on Rules. House Resolution 1188. Resolution waiving certain points of order against H.R. 15544. A bill making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies, for the fiscal year ending June 30, 1975, and for other purposes (Rept. No. 93–1134). Referred to the House Calendar.

Mr. HAWKINS: Committee on Education and Labor. H.R. 15276. A bill to provide a comprehensive, coordinated approach to the problems of juvenile delinquency, and for other purposes; with amendment (Rept. No. 93–1135). Referred to the Committee of the Whole House on the State of the Union.

Mr. MAHON: Committee on Appropriations. House Joint Resolution 1061. Joint resolution making further urgent supplemental appropriations for the fiscal year ending June 30, 1974, for the Veterans' Administration, and for other purposes; with amendment (Rept. No. 93–1136). Referred to the Committee of the Whole House on the State of the Union.

Mr. FISHER: Committee on Armed Services. H.R. 11144. A bill to amend title 10, United States Code, to enable the Naval Sea Cadet Corps to obtain, to the same extent as the Boy Scouts of America, obsolete and surplus naval material; with amendment (Rept. No. 93–1137). Referred to the Committee of the Whole House on the State of the Union.

Mr. FISHER: Committee on Armed Services. H.R. 8591. A bill to authorize the President to appoint to the active list of the Navy and Marine Corps of certain Reserves and temporary officers; with amendment (Rept. No. 93–1138). Referred to the Committee of the Whole House on the State of the Union.

Mr. BOLAND: Committee on Appropriations. H.R. 15572. A bill making appropriations for the Department of Housing and Urban Development; for space, science, veterans, and certain other independent executive agencies, board, commissions, corporations, and offices for the fiscal year ending June 30, 1975, and for other purposes (Rept. No. 93–1139). 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 Mr. ANNUNZIO (for himself and Mr. BINGHAM):

H.R. 15545. A bill to amend title 38, United States Code, to provide hospital and medical care to certain members of the armed forces of nations allied or associated with the United States in World War I or World War II; to the Committee on Veterans' Affairs.

By Mr. ARCHER (for himself, Mr. BAUMAN, Mr. BROYHILL of North Carolina, Mr. DAN DANIEL, Mr. DAVIS of South Carolina, Mr. FISHER, Mr. GRAY, Mr. HELSTOSKI, Mr. MURTHA, Mr. RIEGLE, Mr. ROBINSON of Virginia, Mr. ROONEY of Pennsylvania, and Mr. STUCKEY):

H.R. 15546. A bill to amend the Internal Revenue Code of 1954 to provide a limited exclusion of capital gains realized by taxpayers other than corporations on securities; to the Committee on Ways and Means.

By Mr. BIESTER:

H.R. 15547. 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. ESCH:

H.R. 15548. A bill to discourage the use of painful devices in the trapping of animals and birds; to the Committee on Merchant Marine and Fisheries.

By Mr. FASCELL:

H.R. 15549. 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. FRENZEL:

H.R. 15550. A bill to amend part B of title XI of the Social Security Act to provide a more effective administration of professional standards review of health care services, to expand the Professional Standards Review Organization activity to include review of services performed by or in federally operated health care institutions, and to protect the confidentiality of medical records; to the Committee on Ways and Means.

By Mr. HOSMER (for himself and Mr. MOLLOHAN):

H.R. 15551. A bill to provide for the regulation of surface coal mining operations, to authorize the Secretary of the Interior to make grants to States to encourage the State regulation of surface coal mining, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. LATTA:

H.R. 15552. A bill to amend the Consolidated Farm and Rural Development Act to establish a loan insurance program for cattle, hog, and poultry producers and feeders; to the Committee on Agriculture.

H.R. 15553. A bill to amend title XVI of the Social Security Act to provide that inmates of county homes and similar institutions for the elderly who are contributing to their own support and maintenance may qualify for supplemental security income benefits; to the Committee on Ways and Means.

By Mr. PRICE of Texas:

H.R. 15554. A bill to enable cattle producers to establish, finance, and carry out a coordinated program of research, producer and consumer education, and promotion to improve, maintain, and develop markets for cattle, beef, and beef products; to the Committee on Agriculture.

By Mr. SATTERFIELD:

H.R. 15555. A bill to amend title XI of the Social Security Act to repeal the provision for the establishment of Professional Standards Review Organizations to review services covered under the medicare and medicaid programs; to the Committee on Ways and Means.

By Mr. SHOUP:

H.R. 15556. A bill to amend title XVI of the Social Security Act to provide that the 1974 increases in social security benefits shall be disregarded in determining an individual's eligibility for supplemental security income benefits, and to provide that support and maintenance furnished a mentally retarded individual living in another person's household shall not constitute income to him for supplemental security income benefit purposes; to the Committee on Ways and Means.

H.R. 15557. A bill to amend title II of the Social Security Act to increase to $4,800 the amount of outside earnings which (subject to further increases under the automatic adjustment provisions) is permitted each year without any deductions from benefits thereunder; to the Committee on Ways and Means.

By Mr. CHARLES H. WILSON of California (for himself and Mrs. SCHROEDER):

H.R. 15558. A bill to amend title 10 of the United States Code in order to prohibit the exclusion, solely on the basis of sex of women members of the Armed Forces from duty involving combat; to the Committee on Armed Services.

By Mr. ZWACH:

H.R. 15559. A bill to amend section 5051 of the Internal Revenue Code of 1954 (relating to the Federal excise tax on beer); to the Committee on Ways and Means.

By Mr. POAGE (for himself, Mr. ALEXANDER, Mr. BAKER, Mr. BERGLAND, Mr. BOWEN, Mr. DE LA GARZA, Mr. DENHOLM, Mr. FINDLEY, Mr. FOLEY, Mr. JOHNSON of Colorado, Mr. JONES of TENNESSEE, Mr. MADIGAN, Mr. MATHIS of Georgia, Mr. MAYNE, Mr. MELCHER, Mr. RARICK, Mr. ROSE, Mr. SISK, Mr. STUBBLEFIELD, Mr. THONE, Mr. VIGORITO, and Mr. WAMPLER):

H.R. 15560. A bill to provide temporary emergency financing through the establishment of a guaranteed loan program for livestock producers; to the Committee on Agriculture.

By Mr. ERLENBORN:

H.R. 15561. A bill to incorporate the U.S. submarine veterans of World War II; to the Committee on the Judiciary.

By Mr. FLYNT:

H.R. 15562. A bill to provide greater security for the U.S. passport; to the Committee on the Judiciary.

By Mr. GILMAN:

H.R. 15563. A bill to provide for a program of assisting State governments in reforming their real property tax laws to provide relief from real property taxes for individuals who have attained the age of 62; to the Committee on Ways and Means.

By Mr. JOHNSON of Pennsylvania:

H.R. 15564. A bill to establish a National Commission on Supplies and Shortages; to the Committee on Banking and Currency.

H.R. 15565. A bill to provide that Federal expenditures shall not exceed Federal revenues, except in time of war or grave national emergency declared by the Congress, and to provide for systematic reduction of the public debt; to the Committee on Ways and Means.

H.R. 15566. A bill to amend the Internal Revenue Code of 1954 to provide income tax relief for small businesses; to the Committee on Ways and Means.

By Mr. LONG of Maryland:

H.R. 15567. A bill to prohibit the transfer of atomic technology to foreign powers without the express approval of the Congress; to the Committee on Joint Committee on Atomic Energy.

By Mr. MARAZITI:

H.R. 15568. A bill to amend the Federal Reserve Act, the Federal Deposit Insurance Act, and the Federal Home Loan Bank Act, to require depository institutions to notify owners of time certificates of deposit which are automatically renewable of that fact, and for other purposes; to the Committee on Banking and Currency

By Mr. MOORHEAD of Pennsylvania:

H.R. 15569. A bill to establish a National Commission on Supplies and Shortages; to the Committee on Banking and Currency.

By Mr. STEIGER of Wisconsin:

H.R. 15570. A bill to grant a Federal charter to the American Political Items Collec-

tors, Inc.; to the Committee on the Judiciary.

By Mr. BOLAND:

H.R. 15572. A bill making appropriations for the Department of Housing and Urban Development; for space, science, veterans, and other independent executive agencies, boards, commissions, corporations, and offices for the fiscal year ending June 30, 1975, and for other purposes.

By Mr. JARMAN:

H.J. Res. 1076. Joint resolution proposing an amendment to the Constitution of the United States relative to neighborhood schools; to the Committee on the Judiciary.

By Mr. JOHNSON of Pennsylvania:

H.J. Res. 1077. Joint resolution proposing an amendment to the Constitution of the United States to provide that appropriations made by the United States shall not exceed its revenues, except in time of war or national emergency; and to provide for the systematic paying back of the national debt; to the Committee on the Judiciary.

By Mr. VIGORITO:

H.J. Res. 1078. Joint resolution granting the consent of Congress to an amendment to the compact between the State of Ohio and the Commonwealth of Pennsylvania relating to Pymatuning Lake; to the Committee on the Judiciary.

By Mr. HUBER (for himself and Mr. DERWINSKI):

H. Con. Res. 550. Concurrent resolution expressing the sense of the Congress with respect to a proposed request by the President of the United States that the Soviet Government release two imprisoned Ukrainian intellectuals; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII,

502. The SPEAKER presented a memorial of the Senate of the Commonwealth of Massachusetts, relative to the "Sail on Washington" of fishermen of the Atlantic Coast; to the Committee on Merchant Marine and Fisheries.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. GOLDWATER introduced a bill (H.R. 15571) for the relief of Mrs. Veronica Ojeda de Calvo, which was referred to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

INDEPENDENCE CELEBRATION

HON. HUGH L. CAREY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1974

Mr. CAREY of New York. Mr. Speaker, recently Dr. Kevin Cahill, an observant and compassionate physician, paid a visit to the small, and I fear somewhat neglected island nation of Mauritius in the Indian Ocean, an area of growing strategic concern to the United States.

It is the intention of the Defense Department to establish a naval base in the Indian Ocean, a plan objected to by some nations in the region including Mauritius.

Since this nation's independence in 1958, U.S. aid to Mauritius has totaled $9.7 million through the last fiscal year. Only $35,000 is earmarked for Mauritius in the current fiscal year, exclusive of food assistance.

Because Mauritius has been without the presence of an American ambassador for nearly a year, I wish to share with my colleagues the observations of Dr. Cahill on the occasion of that nation's independence celebration. Here is the letter I received from the doctor:

DEAR CONGRESSMAN CAREY: Mauritius lies in the Indian Ocean, some 1200 miles off the east coast of Africa and, of significance today, just north of Diego Garcia, a small island where a major naval base is currently under construction by the United States.

It is somewhat unusual for a private citizen to be invited as a Guest of Honor at the National Independence Day of a nation, but the newly independent lands of Africa are not bound by the protocol of older governments. I have had the pleasure of knowing the Prime Minister of Mauritius, Sir Seewosagar Ramgoolam, for a number of years. This remarkable man, a physician who directed the Mauritian Independence Movement in London in the 1940s and returned to lead his country to freedom in 1968, directs the nation's activities from a colorful tropical city, Port Louis.

President Nyere of Tanzania attended the National Independence Day ceremonies. England was represented by Baroness Jennie Lee, the widow of Aneurin Bevan, the Common Market by their Chief of Cabinet, and Russia by a large delegation including an admiral, a general, and there were two Russian naval vessels in the harbor. Regrettably—it seems to me—the United States' presence at the ceremony was so inconspicuous as to be barely noticeable.

The last United States Ambassador to Mauritius departed in June 1973, and a replacement was not made until March 19th of this year, and is not expected to arrive until June—a leadership absence of one year. It seems an unfortunate hiatus, particularly at this time, since there is currently great interest and obvious concern among the nations of the Indian Ocean regarding America's decision to build a large naval base in the area. There have been vociferous objections by India, from a number of the African nations bordering the Indian Ocean, and from Mauritius. As a physician it may not be my role—nor do I have the necessary "knowledge" now—to comment adequately on the wisdom of this decision. Certainly, however, it would have seemed judicious for the United States to at least have maintained a presence in the area. One lesson of Mr. Kissinger must surely be that nothing is gained by closing doors, and that all sides stand to profit from continuous exchange of ideas and information. Our absence from the Mauritian scene today should be corrected, and the reasons for this defect of almost a year should be investigated and remedied so that such a performance does not occur again.

In several lengthy conversations with the Prime Minister, and with various Ministers of his Government, the following major problems were noted over and over again:

(A) The necessity to diversify the economy from a single crop (sugar), and assistance to accomplish this is eagerly sought. For example, the Prime Minister specifically requested the possible expansion of "food for work" programs to assist in the establishment of small industries and buildings. The total population of Mauritius is about 800,000 and the island covers only some 750 square miles. The largest city, the Capital, has 130,000 population, and the major industry of Mauritius is sugar, accounting for at least 80 percent of foreign investment. Smaller industries include tea planting, light manufacturing plants.

(B) The inability of the present economic structure to provide employment of young intellectuals.

(C) There has been no medical research done in Mauritius in recent years. A Commonwealth Medical Conference in 1971 reviewed some of the basic health needs of Mauritius, but these conclusions were based on no solid data. There have been no health surveys. The major disease problems—as viewed by the local physicians—are parasitic anemia and malnutrition, but diabetes and asthma are also significant causes of death and disability. The need for a population control program was noted on a number of occasions by the Prime Minister. There are virtually no library facilities for the medical profession.

There are some 290 doctors in Mauritius of whom 90 have been trained in Ireland; the next largest number received their education in Russia, and others come from various Commonwealth countries, particularly India. The "brain drain" is a major problem at the professional level and there is hesitancy regarding encouragement of advanced training in nations such as the United States or England for, these students too frequently do not return home.

The Prime Minister also specifically asked for help in developing the local university. Specifically he noted the need for expansion of the agricultural and engineering faculties.

Even, to a new arrival, it is clear that the whole health care delivery scheme must eventually be re-structured, and the basis for this will have to be the determination of problems, the definition of available resources and the establishment of priorities. For example, there is a magnificant new national hospital, but dispensary care in the rural areas seems strikingly lacking. Prenatal and antenatal care is not a strong point. Adequate diagnostic and laboratory facilities, including radiology, are lacking.

The problem of malnutrition is very impressive in an island surrounded by some of the most fish-laden waters imaginable. Retraining of dietary habits rather than importation of high protein foods may be necessary. Even much of the available food, however, in the island appears destined only for the booming tourist facilities rather than to the open market. There seems to be general and wide-spread complaints regarding artificially high prices of fish and other staple, indigenous products. There might be a fruitful effort on the part of an Advisory Board to help the nation alter their crop cycle and thereby improve the nutritional status of the population.

In addition, I would suggest as feasible, initial steps towards assisting Mauritius develop a health program the authorization for the Tropical Medicine Section of the U. S. Public Health Service's Center for Disease Control, under Dr. Irving Kagan, to cooperate in a broad, but rapid, survey of the infectious diseases in Mauritius with a particular emphasis upon parasitic illnesses of man and animals. Such a program could be combined with a nutritional survey. That this might well provide a method for a better utilization of our American Embassy resources is suggested. Any moves, obviously, are predicated on the understanding that the very first thing is to have an Ambassador on the scene, and to make our great nation's presence at least known.

American charitable foundations with an interest in the developing world might well assist the budding university, particularly in the fields of medicine, agriculture, and engineering. Such help is required and requested. Finally, supporting the economic develop-