Government of the United States ... Fortunately, John lived to see many of his dreams transferred into law. The comparability bill and the wage board bill are two outstanding examples of the many measures passed by Congress largely due to the effective hard work of John Griner."—Carl Albert.

"Some of my earliest recollection of work on Federal employee legislation in the U.S. Senate include deep conversations with John. His counsel in formal hearings and in private discussions was always incisive, knowledgeable and sincere. His understanding of the problems of Federal employees everywhere and his ability to articulate those problems to me and other members of the Senate POCS Committee were always appreciated."—Hiram L. Fong.

"It was with great sadness that I learned of the death of John Griner, who will long be remembered for his landmark accomplishments as the dedicated leader of the AFGE. His strength and dedication, his service and loyalty were admired by all who knew him. We on Capitol Hill will miss his wise counsel and vigorous leadership."—Hubert H. Humphrey.

"Few labor leaders have achieved the preeminence associated with John Griner's career. During his tenure as President, AFGE tripled its membership . . . His death is not only a profound loss to his friends, but an immense loss to hundreds of thousands of Civil Service employees who benefitted from his leadership."—Charles H. Wilson.

"His passing is a great loss to those of us who were fortunate to be counted as his close friends. His death is also a tremendous loss to the American labor movement. John was truly a pioneer. The strides made by the Federal employees in recent years can be attributed mainly to the AFGE, which has been almost synonymous with the name John Griner."—Frank E. Moss.

"John and I did not always agree, but he was a man I always liked, a man I felt I could always trust, and a man who knew how to work out realistic compromises without wavering in the cause he represented. He typified the best of what Federal employee organizations had to offer. Both the AFGE and the Civil Service in general are the better for his service."—David N. Henderson.

POSSIBLE SHORTAGE OF NATURAL GAS

HON. PHILIP E. RUPPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 24, 1974

Mr. RUPPE. Mr. Speaker, many of us heard Federal Energy Administrator, John C. Sawhill, remark on national television this past weekend that the United States faces a possible shortage of natural gas in the not-too-distant future. In that light, I would think it only logical that we do all we can to facilitate the delivery of this natural commodity, rather than impede it. The action of the Appropriations Committee in reducing the Department of the Interior's requested budget for environmental impact studies of natural gas pipelines from the Arctic Circle by $1 million—from $4.5 million to $3.5 million—will unfortunately have that effect.

It has been estimated by the personnel within the Interior Department responsible for these studies that this cutback in funds could mean about a 3-month delay in the issuance of their reports. Now, to some this may not sound like an unreasonable amount of time—3 months—but this will have the resultant effect of postponing action by the Federal Power Commission which, after receiving these statements, must then decide who will build the pipeline network from Prudhoe Bay in Alaska to the lower 48, as many call the continental United States, and by what route this network will then travel

As many of you may know, the Arctic gas consortium has already filed with the Federal Power Commission for permission to build a pipeline from Prudhoe Bay, under which lie an estimated 26 trillion cubic feet of natural gas, to the Canadian-American border. This could link up with a proposed pipeline from the Mackenzie Delta in Canada which has approximately 7 trillion cubic feet of gas reserves. It is expected that the El Paso Co. will soon apply for a permit for the route from Prudhoe Bay but their plan involves gas liquefication and transportation from Alaska through the Pacific Ocean to the west coast.

Well over 50 petitions to intervene in the FPC proceedings have been filed and accepted by that Agency. I personally joined with the gentleman from Illinois (Mr. ANDERSON), the gentleman from Wisconsin (Mr. ASPIN), the gentleman from Minnesota (Mr. BERGLAND), the gentleman from Minnesota (Mr. FRENZEL), the gentleman from Wisconsin (Mr. FROEHLICH), and the gentleman from Illinois (Mr. ROSTENKOWSKI) in a petition to intervene. While I do not pretend to speak for the six others, I favor a route directly to the Midwest so that the citizens of those States are not shut off from needed gas supplies as may well be the case with the Alaskan oil which will go directly to the west coast.

But I would stress that a vote for this amendment to the Interior Department's appropriation would not have been construed as support for one route over the other. Rather, it would have been construed as a vote for an increased supply of natural gas when we may face severe shortages in the future. Speed is of the utmost importance. Any delay should be avoided in clearing the way for the delivery of this important gas. The $1 million extra not appropriated this afternoon could have proved to be a valuable investment in our Nation's energy supplies. I am indeed sorry that the House of Representatives failed to so act. It was a serious mistake.

SENATE—*Thursday, July 25, 1974*

The Senate met at 10 a.m., and was called to order by Hon. LAWTON CHILES, a Senator from the State of Florida.

PRAYER

The Reverend B. Cortez Tipton, ACSW, executive director, Council of Churches of Greater Washington, offered the following prayer:

Dear Lord and Father of mankind, enable us to know Thy mighty works. Help us to truly understand this great venture—our United States of America—as Your crucible of every national origin and faith. This honorable lawmaking body, the U.S. Senate, which is ever watchful of peace, freedom, and justice for this melting pot of human anticipation, is another example of Thy mighty works. Keep the Members thereof ever mindful of the rewards of their burdens.

Most Merciful Father, we are aware that the world awaits the finished product of our united efforts, the results of which will reveal the real worth and workings of freedom and progress. May we, as the constituency of Members of this Senate, be willing to undergird their efforts, and demonstrate the responsibility that goes with this freedom we seek so diligently. For, indeed, we are thankful that this is in essence Your message to us who are privileged to work together for the improvement of the quality of man. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The second assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., July 25, 1974.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. LAWTON CHILES, a Senator from the State of Florida, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. CHILES thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Wednesday, July 24, 1974, be dispensed with.

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

COMMITTEE MEETINGS DURING SENATE SESSION

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

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

SENATE RESOLUTION 367—NAMING DEMOCRATIC MEMBERS OF THE COMMITTEE ON THE BUDGET, AND ITS CHAIRMAN

Mr. MANSFIELD. Mr. President, with the permission of the distinguished acting Republican leader, I would like at this time to send a resolution to the desk

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

relative to the designation of the Democratic Senators who have been named by the steering committee, approved by the Democratic conference, for consideration at this time.

The ACTING PRESIDENT pro tempore. The resolution will be stated.

The second assistant legislative clerk read as follows:

S. RES. 367

Resolution naming the majority party's membership on the Committee on the Budget

Resolved, That the following shall constitute the majority party's membership on the Committee on the Budget of the Senate for the remainder of the 93d Congress.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the membership of the committee be read, but not the chairman.

The second assistant legislative clerk read as follows:

Mr. MAGNUSON, Mr. MOSS, Mr. MONDALE, Mr. HOLLINGS, Mr. CRANSTON, Mr. CHILES, Mr. ABOUREZK, Mr. BIDEN.

Mr. MANSFIELD. Mr. President, was Mr. MUSKIE's name called?

The second assistant legislative clerk read as follows:

Mr. MUSKIE.

The ACTING PRESIDENT pro tempore. Does the majority leader wish the resolution divided, so that there will be a separate vote on the chairman?

Mr. MANSFIELD. Yes; that was my intention. But I wanted Mr. MUSKIE's name on there as a member of the committee.

The ACTING PRESIDENT pro tempore. His name has been read as a member of the committee.

The question is on agreeing to the resolution as to the members of the committee.

The resolution, as to the members of the committee, was agreed to.

The question is on the naming of the Senator from Maine (Mr. MUSKIE) as chairman.

The ACTING PRESIDENT pro tempore. Without objection, the Senator from Maine (Mr. MUSKIE) is designated as chairman of the committee.

QUORUM CALL

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

U.S. THAI-FLIGHT BAN SEEN AS POLITICAL PLOY

Mr. MANSFIELD. Mr. President, in this morning's Los Angeles Times is an interesting story by Mr. George McArthur. The title of the story is "U.S. Thai-Flight Ban Seen as Political Ploy." I would like to read to the Senate an excerpt from the story. It is from Bangkok:

The U.S. Air Force in Thailand has been having its troubles lately, so there was little surprise last week when the Bangkok authorities asked the Americans to stop reconnaissance flights over the Indian Ocean.

The question now arises as to who actually asked whom.

The government of Thailand had never before made a point of placing restrictions on American planes, which were, to say the least, fighting a major air war in Vietnam and Laos from Thai bases. Some American pilots from Thai bases are still getting combat pay for supply flights into Cambodia.

Authoritative informants now say the initiative to stop the Indian Ocean reconnaissance flights came from the Americans themselves.

The Thai announcement was a smoke screen worked out by U.S. Ambassador William Kintner, the West Point general turned scholar-diplomat, and Thai Foreign Minister Charunthan Issarangkun.

The evident design was to increase pressure on the U.S. Congress to approve almost $30 million for the improvement of base facilities on the Indian Ocean island of Diego Garcia. The idea was that if any necessary reconnaissance flights could no longer be flown from Thailand, the base at Diego Garcia would become even more vital.

This is a most interesting observation.

I ask unanimous consent that the entire newsstory be printed at this point in the RECORD.

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

[From the Los Angeles Times, July 25, 1974]

SMOKE SCREEN WORKED OUT BY AMBASSADOR—U.S. THAI-FLIGHT BAN SEEN AS POLITICAL PLOY

(By George McArthur)

BANGKOK.—The U.S. Air Force in Thailand has been having its troubles lately, so there was little surprise last week when the Bangkok authorities asked the Americans to stop reconnaissance flights over the Indian Ocean.

The question now arises as to who actually asked whom.

The government of Thailand had never before made a point of placing restrictions on American planes, which were, to say the least, fighting a major air war in Vietnam and Laos from Thai bases. Some American pilots from Thai bases are still getting combat pay for supply flights into Cambodia.

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The Thai announcement was a smoke screen worked out by U.S. Ambassador William Kintner, the West Point general turned scholar-diplomat, and Thai Foreign Minister Charunthan Issarangkun.

The evident design was to increase pressure on the U.S. Congress to approve almost $30 million for the improvement of base facilities on the Indian Ocean island of Diego Garcia. The idea was that if any necessary reconnaissance flights could no longer be flown from Thailand, the base at Diego Garcia would become even more vital.

At any rate, after American prompting the Thais dutifully made their announcement, stating that American missions from Thailand were to be confined to those designed to enforce the Paris peace agreement of 1972 concerning Vietnam, Laos and Cambodia. The Thai government proceeded to get a little more mileage from the American-inspired announcement by implying—for restive domestic consumption—that Thai authorities intended to take a firmer look at the whole base situation from now on.

In fact, the government of Thailand has never given the Americans any real trouble over the bases and is unlikely to do so now, even though civilian Premier Sanya Thammusat, a former university reactor, is more vulnerable to popular pressures than the previous military regime.

The present rate of withdrawal, which will see the U.S. presence down to about 350 planes and 27,000 men by the end of this year, is delicately balanced to meet Thai domestic requirements and leave the United States with ample military punch in Southeast Asia.

Thailand's hawkish generals are temporarily out of power, but not without political clout. They find the American presence reassuring. Furthermore, the withdrawals under way are causing economic dislocations that the government can ill afford, despite the continuing pleas of some students.

The question is not so much whether the bases, built at an initial cost of $650 million (U.S.), should remain. It revolves around what possible use they might be to both Thailand and the United States.

The interplay involving Indian Ocean reconnaissance flights indicates the bases can be used for political purposes or for purposes somewhat remote from Thailand's security, or American power in South Vietnam.

In fact, the bases are now being used for reconnaissance flights over Laos, probably by unmanned drone aircraft. The U.S. Embassy in Bangkok, asked about reconnaissance flights over the Indian Ocean, replied: "The U.S. is not currently flying surveillance flights over the Indian Ocean."

Asked about flights over Laos, the reply was: "We do not discuss the specifics of reconnaissance flights."

Given the nature of the Indochina war and the uncertain peace agreements so far concluded, it is almost unthinkable that the United States would soon forego intelligence-gathering flights of one sort or another.

However, the big question now is whether the Thai bases will ever again be used for major attacks on North Vietnam—or elsewhere.

The United States has privately told the South Vietnamese government of President Nguyen Van Thieu that such air support in the future is virtually ruled out, even in the event of a large-scale and open North Vietnamese offensive. Although this was done to impress upon Thieu that South Vietnam must be prepared to do all the fighting nowadays. The United States was careful not to close the door absolutely.

The rationale for the Thai bases is based on three premises:

President Nixon has demonstrated in the past that he is willing to unilaterally order air strikes if he feels it necessary and Mr. Nixon remains the U.S. Commander in Chief.

In the event of an enormous North Vietnamese offensive, the United States would present its case to Congress, which might change its mind and remove present restrictions on northern air strikes.

In any event, U.S. air power in Thailand is a restraining influence on North Vietnam since Hanoi cannot rule out bombing raids and must plan accordingly. Furthermore, supply missions to Cambodia indicate the continued willingness of the United States to use its air power advantage in Indochina.

American officials decline to comment on further reductions in air power after the present schedule is completed by the end of the year.

By the end of the year, officials note, the U.S. Air Force in Thailand will remain a highly effective weapon. Of the 350 aircraft in the country, more than half will be combat jets.

Mr. MANSFIELD. I would hope, Mr. President, that the Armed Services Committee, as the Appropriations Committee will, will look into this matter most, most carefully.

TRANSACTION OF ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of routine morning business, not to exceed beyond 10:30 a.m., with statements therein limited to 5 minutes.

THE HIGH COURT'S DECISION IN THE TAPES CASE

Mr. ROBERT C. BYRD. Mr. President, our system of government is founded upon the diverse branches of government properly fulfilling their constitutional functions. The Supreme Court's unanimous decision yesterday in the tapes case is an example of the proper functioning of our Government at its best.

The President's failure to comply with the subpena duces tecum, issued by the U.S. District Court for the District of Columbia, for the production of 64 White House tapes necessary for the Watergate conspiracy trial, squarely presented the Supreme Court with the issue of whether all Presidential conversations are immune from the legal process under a doctrine of absolute executive privilege.

The Court acted promptly, thoroughly, decisively, hearing arguments on July 8 and issuing its unanimous decision on July 24. In rejecting the President's assertion of an absolute privilege to withhold Presidential conversations from the courts, the Supreme Court upheld one of this Nation's finest legal traditions—that no man is beyond the reach of our judicial process. Indeed, a court which is supposed to be a pro-prosecution, "law and order" Court could hardly reach any other decision. The Court's well-reasoned opinion recognized that there could be times, especially in the area of military, diplomatic, and sensitive national secret areas, in which Executive privilege might prevail and material might be validly withheld from the courts. But the Court rejected the claim in the present case, saying the demands of the judicial system outweighed any need for the President to keep these conversations secret.

I am compelled to say that it is a sad commentary upon the state of public confidence in our system that we all breathed a sigh of relief last evening when the President announced through his lawyer, Mr. St. Claire, that he would fully comply with the Court's decision.

Under our system of government, there is no citizen—whatever his rank or station—who should not comply or who would have any constitutional or legal reason not to comply with a decision of the highest court of our land. No man is above the law in our land, and the public has a right to the evidence of every man under our system of government.

But the praise for the Court's role in this drama should not deter us from praising two other separate entities of our Government for their roles in this proceeding.

The Special Prosecutor continues to earn the esteem of all of us for his tenacious pursuit of justice in this case, often being confronted by obstacles that would have deterred men of lesser courage.

And, with pride of membership, I must point to the role in this case of an aggressive and unyielding senatorial committee—the Senate Judiciary Committee, without whose efforts to secure the pledges of independence for the Special Prosecutor, there would have been no decision on the merits yesterday in this landmark case in the Supreme Court. If the members of the Judiciary Committee had not pounded out the guidelines for the Special Prosecutor which became law in the Federal Register, and if those members had not extracted pledges of support for the Special Prosecutor's independence from the Acting Attorney General and the Attorney General designates, the Special Prosecutor would not have had what the Supreme Court called the "unique authority and tenure" which gave him the standing to make this a justifiable case in the Supreme Court and which allowed the Court to reach its historic decision on the merits of the case.

Mr. President, an executive branch Special Prosecutor relentlessly pursuing evidence sought to be withheld by the President of the United States; protected in his position by law hammered out through the persistence of a wary Senate Committee on the Judiciary; and a decision by the highest Court of the land reached quickly and, yet, with insight and care to preserve the separation of powers of our constitutional system, show the proper functioning of the diverse branches of our Government in which all of our citizens and history can rightly take pride.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I yield briefly to the distinguished Senator from Missouri; I do not want to keep him waiting, he has an important report.

The ACTING PRESIDENT pro tempore. The Senator from Missouri.

Mr. EAGLETON. I thank the distinguished Senator from West Virginia.

DISTRICT OF COLUMBIA CAMPAIGN FINANCE REFORM AND CONFLICT OF INTEREST ACT—CONFERENCE REPORT

Mr. EAGLETON. Mr. President, I submit a report of the committee of conference on H.R. 15074, and ask for its immediate consideration.

The ACTING PRESIDENT pro tempore. The report will be stated by title.

The legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 15074) to regulate certain political campaign finance practices in the District of Columbia, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommned to their respective Houses this report, signed by all the conferees.

The ACTING PRESIDENT pro tempore. Is there objection to the consideration of the conference report?

There being no objection, the Senate proceeded to consider the report, which reads as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 15074) to regulate certain political campaign finance practices in the District of Columbia, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

TITLE I—SHORT TITLE, DEFINITIONS

Sec. 101. Short title.
Sec. 102. Definitions.

TITLE II—FINANCIAL DISCLOSURES

Sec. 201. Organization of political committees.
Sec. 202. Principal campaign committee.
Sec. 203. Designation of campaign depository.
Sec. 204. Registration of political committees; statements.
Sec. 205. Registration of candidates.
Sec. 206. Reports by political committees and candidates.
Sec. 207. Reports by others than political committees.
Sec. 208. Formal requirements respecting reports and statements.
Sec. 209. Exemption for candidates who anticipate spending less than $250.
Sec. 210. Identification of campaign literature.
Sec. 211. Effect on liability.

TITLE III—DIRECTOR OF CAMPAIGN FINANCE

Sec. 301. Establishment of the Office of Director.
Sec. 302. Powers of the Director.
Sec. 303. Duties of the Director.
Sec. 304. General Accounting Office to assist Board and Director.
Sec. 305. Nominating committee.
Sec. 306. District of Columbia Board of Elections and Ethics.

TITLE IV—FINANCE LIMITATIONS

Sec. 401. General limitations.
Sec. 402. Limitation on expenditures.

TITLE V—LOBBYING

Sec. 501. Definitions.
Sec. 502. Detailed accounts of contributions; retention of receipted bills of expenditures.
Sec. 503. Receipts for contributions.
Sec. 504. Statements of accounts filed with Director.
Sec. 505. Preservation of statements.
Sec. 506. Persons to whom title is applicable.
Sec. 507. Registration of lobbyists with Director; compilation of information.
Sec. 508. Reports and statements under oath.
Sec. 509. Penalties and prohibitions.
Sec. 510. Exemptions.

TITLE VI—CONFLICT OF INTEREST AND DISCLOSURE

Sec. 601. Conflict of interest.
Sec. 602. Disclosure of financial interest.

TITLE VII—PENALTIES AND ENFORCEMENT TAX CREDITS, USE OF SURPLUS CAMPAIGN FUNDS, VOTERS' INFORMATION PAMPHLETS, STUDY OF 1974 AND REPORT BY COUNCIL, EFFECTIVE DATES, AMENDMENTS TO DISTRICT OF COLUMBIA ELECTION ACT, AND AUTHORIZATION

Sec. 701. Penalties and enforcement.
Sec. 702. Tax credit for campaign contributions.
Sec. 703. Use of surplus campaign funds.
Sec. 704. A study of 1974 election and report by Council.
Sec. 705. Effective dates.
Sec. 706. Amendments to District of Columbia Election Act.

Sec. 707. Authority of Council.
Sec. 708. Authorization of appropriation.

TITLE I—SHORT TITLE, DEFINITIONS

SHORT TITLE

SEC. 101. This Act may be cited as the "District of Columbia Campaign Finance Reform and Conflict of Interest Act."

DEFINITIONS

SEC. 102. When used in this Act, unless otherwise provided—

(a) The term "election" means a primary, runoff, general, or special election held in the District of Columbia for the purpose of nominating an individual to be a candidate for election to office or for the purpose of electing a candidate to office, and includes a convention or caucus of a political party held for the purpose of nominating such a candidate.

(b) The term "candidate" means an individual who seeks nomination for election, or election, to office, whether or not such individual is nominated or elected, and, for purposes of this paragraph, an individual shall be deemed to seek nomination for election, or election, if he has (1) obtained or authorized any other person to obtain nominating petitions to qualify himself for nomination for election, or election, to office, (2) received contributions or made expenditures, or has given his consent for any other person to receive contributions or make expenditures, with a view to bringing about his nomination for election, or election, to office, or (3) reason to know, or knows, that any other person has received contributions or made expenditures for that purpose, and has not notified that person in writing to cease receiving contributions or making expenditures for that purpose. A person who is deemed to be a candidate for the purposes of this Act shall not be deemed, solely by reason of that status, to be a candidate for the purposes of any other Federal Law.

(c) The term "office" means the office of Mayor of the District of Columbia, Chairman or member of the Council of the District of Columbia, member of the Board of Education of the District of Columbia, or an official of a political party.

(d) The term "official of a political party" means—

(1) national committeemen and national committeewomen;

(2) delegates to conventions of political parties nominating candidates for the Presidency and Vice Presidency of the United States;

(3) alternates to the officials referred to in clauses (1) and (2) above, where permitted by political party rules; and

(4) such members and officials of local committees of political parties as may be designated by the duly authorized local committees of such parties for election, by public ballot, at large or by ward in the District of Columbia.

(e) The term "political committee" means any committee (including a principal campaign committee), club, association, organization, or other group of individuals organized for the purpose of, or engaged in, promoting or opposing a political party or the nomination or election of an individual to office.

(f) The term "contribution" means—

(1) a gift, subscription (including any assessment, fee, or membership dues), loan, advance, or deposit of money or anything of value, made for the purpose of financing, directly or indirectly, the election campaign of a candidate or any operations of a political committee;

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

(3) a transfer of funds between political committees; or

(4) the payment, by any person other than a candidate or political committee, of compensation for the personal services of another person which are rendered to such candidate or committee without charge, or for less than reasonable value, for any such purpose or the furnishing of goods, advertising, or services to a candidate's campaign without charge, or at a rate which is less than the rate normally charged for such services.

Notwithstanding the foregoing, such term shall not be construed to include (A) services provided without compensation, by individuals volunteering a portion or all of their time on behalf of a candidate or political committee, (B) personal services provided without compensation by individuals volunteering a portion or all of their time to a candidate or political committee, (C) communications by an organization, other than a political party, solely to its members and their families on any subject, (D) communications (including advertisements) to any person on any subject by any oragnization which is organized solely as an issue-oriented organization, which communications neither endorse nor oppose any candidate for office, or (E) normal billing credit for a period not exceeding thirty days.

(g) The term "expenditure" means—

(1) a purchase, payment, distribution, loan, advance, deposit, or gift of money or anything of value, made for the purpose of financing, directly or indirectly, the election campaign of a candidate or any operations of a political committee;

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

(3) a transfer of funds between political committees; and

(4) notwithstanding the foregoing provisions of this paragraph, such term shall not be construed to include the incidental expenses (as defined by the Board) made by or on behalf of individuals in the course of volunteering their time on behalf of a candidate or political committee.

(h) The term "person" means an individual, partnership, committee, association, corporation, labor organization, and any other organization or group of persons.

(i) The term "Director" means the Director of Campaign Finance of the District of Columbia Board of Elections and Ethics created by title III.

(j) The term "political party" means an association, committee, or organization which nominates a candidate for election to any office and qualifies under the District of Columbia Election Act (D.C. Code, sec. 1–1101 et seq.), to have the names of its nominees appear on the election ballot as the candidate of that association, committee, or organization.

(k) The term "Board" means the District of Columbia Board of Elections and Ethics established under the District of Columbia Election Act (D.C. Code, sec. 1–1101 et seq.) and redesignated by section 306.

TITLE II—FINANCIAL DISCLOSURES

ORGANIZATION OF POLITICAL COMMITTEES

SEC. 201. (a) Every political committee shall have a chairman and a treasurer. No contribution and no expenditure shall be accepted or made by or on behalf of a political committee at a time when there is a vacancy in the office of treasurer thereof and no other person has been designated and has agreed to perform the functions of treasurer. No expenditure shall be made for or on behalf of a political committee without the authorization of its chairman or treasurer, or their designated agents.

(b) Every person who receives a contribution of $10 or more for or on behalf of a political committee shall, on demand of the treasurer, and in any event within five days after receipt of such contribution, submit to the treasurer of such committee a detailed account thereof, including the amount, the name and address (including the occupation and the principal place of business, if any) of the person making such contribution, and the date on which such contribution was received. All funds of a political committee shall be segregated from, and may not be commingled with, any personal funds of officers, members, or associates of such committee.

(c) Except for accounts of expenditures made out of the petty cash fund provided for under section 201(b), the treasurer of a political committee, and each candidate, shall keep a detailed and exact account of—

(1) all contributions made to or for such political committee or candidate;

(2) the full name and mailing address (including the occupation and the principal place of business, if any) of every person making a contribution of $10 or more, and the date and amount thereof;

(3) all expenditures made by or on behalf of such committee or candidate; and

(4) the full name and mailing address (including the occupation and the principal place of business, if any) of every person to whom any expenditure is made, the date and amount thereof and the name and address of, and office sought by, each candidate on whose behalf such expenditure was made.

(d) the treasurer or candidate shall obtain and preserve such receipted bills and records as may be required by the Board.

(e) Each political committee and candidate shall include on the face or front page of all literature and advertisements soliciting funds the following notice: "A copy of our report is filed with the Director of Campaign Finance of the District of Columbia Board of Elections and Ethics.".

PRINCIPAL CAMPAIGN COMMITTEE

SEC. 202. (a) Each candidate for office shall designate in writing one political committee as his principal campaign committee. The principal campaign committee shall receive all reports made by any other political committee accepting contributions or making expenditures for the purpose of influencing the nomination for election, or election, of the candidate who designated it as his principal campaign committee. The principal committee may require additional reports to be made to it by any such political committee and may designate the time and number of all reports. No political committee may be designated as the principal campaign committee of more than one candidate, except a principal campaign committee supporting the nomination or election of a candidate as an official of a political party may support the nomination or election of more than one such candidate, but may not support the nomination or election of a candidate for any public office.

(b) Each statement (including the statement of organization required under section 204) or report that a political committee is required to file with or furnish to the Director under the provisions of this Act shall also be furnished, if that political committee is not a principal campaign committee, to the campaign committee for the candidate on whose behalf that political committee is accepting or making, or intends to accept or make, contributions or expenditures.

(c) The treasurer of each political committee which is a principal campaign committee, and each candidate, shall receive all reports and statements filed with or furnished to it or him by other political committees, consolidate, and furnish the reports and statements to the Director, together with the reports and statements of the principal campaign committee of which he is treasurer or which was designated by him, in accordance with the provisions of this title and regulations prescribed by the Board.

DESIGNATION OF CAMPAIGN DEPOSITORY

SEC. 203. (a) Each political committee, and each candidate accepting contributions or making expenditures, shall designate, in the registration statement required under section 204 or 205, one national bank located in

the District of Columbia as the campaign depository of that political committee or candidate. Each such committee or candidate shall maintain a checking account at such depository and shall deposit any contributions received by the committee or candidate into that account. No expenditures may be made by such committee or candidate except by check drawn payable to the person to whom the expenditure is being made on that account, other than petty cash expenditures as provided in subsection (b).

(b) A political committee or candidate may maintain a petty cash fund out of which may be made expenditures not in excess of $50 to any person in connection with a single purchase or transaction. A record of petty cash receipts and disbursements shall be kept in accordance with requirements established by the Board and such statements and reports thereof shall be furnished to the Director as it may require. Payments may be made into the petty cash fund only by check drawn on the checking account maintained at the campaign depository of such political committee or candidate.

REGISTRATION OF POLITICAL COMMITTEES; STATEMENTS

SEC. 204. (a) Each political committee shall file with the Director a statement of organization within ten days after its organization. Each such committee in existence at the date of enactment of this Act shall file a statement of organization with the Director at such time as the Director may prescribe—

(b) The statement of organization shall include—

(1) the name and address of the political committee;

(2) the names, addresses, and relationships of affiliated or connected organizations;

(3) the area, scope, or jurisdiction of the political committee;

(4) the name, address, and position of the custodian of books and accounts;

(5) the name, address, and position of other principal officers, including officers and members of the finance committee, if any;

(6) the name, address, office sought, and party affiliation of (A) each candidate whom the committee is supporting, and (B) any other individual, if any, whom the committee is supporting for nomination for election or election, to any public office whatever; or, if the committee is supporting the entire ticket of any party, the name of the party;

(7) a statement whether the political committee is a continuing one;

(8) the disposition of residual funds which will be made in the event of dissolution;

(9) the name and address of the bank designated by the committee as the campaign depository, together with the title and number of each account and safety deposit box used by that committee at the depository, and the identification of each individual authorized to make withdrawals or payments out of each such account or box; and

(10) such other information as shall be required by the Director.

(c) Any change in information previously submitted in a statement of organization shall be reported to the Director within the ten-day period following the change.

(d) Any political committee which, after having filed one or more statements of organization, disbands or determines it will no longer receive contributions or make expenditures during the calendar year shall so notify the Director.

REGISTRATION OF CANDIDATES

SEC. 205. (a) Each individual shall, within five days of becoming a candidate, or within five days of the day on which he, or any person authorized by him (pursuant to section 401(d)) to do so, has received a contribution or made an expenditure in connection with his campaign or for the purposes of preparing to undertake his campaign, file with the Director a registration statement in such form as the Director may prescribe.

(b) In addition, candidates shall provide the Director the name and address of the campaign depository designated by that candidate, together with the title and number of each account and safety deposit box used by that candidate at the depository, and the identification of each individual authorized to make withdrawals or payments out of such account or box, and such other information as shall be required by the Director.

REPORTS BY POLITICAL COMMITTEES AND CANDIDATES

SEC. 206. (a) The treasurer of each political committee supporting a candidate, and each candidate, required to register under this Act, shall file with the Director, and with the applicable principal campaign committee, reports of receipts and expenditures on forms to be prescribed or approved by the Director. Except for the first such report which shall be filed on the twenty-first day after the date of enactment of this Act, such reports shall be filed on the 10th day of March, June, August, October, and December in each year during which there is held an election for the office such candidate is seeking, and on the fifteenth and fifth days next preceding the date on which such election is held, and also by the 31st day of January of each year. In addition such reports shall be filed on the 31st day of July of each year in which there is no such election. Such reports shall be complete as of such date as the Director may prescribe, which shall not be more than five days before the date of filing, except that any contribution of $200 or more received after the closing date prescribed by the Director for the last report required to be filed prior to the election shall be reported within twenty-four hours after its receipt.

(b) Each report under this section shall disclose—

(1) the amount of cash on hand at the beginning of the reporting period;

(2) the full name and mailing address (including the occupation and the principal place of business, if any) of each person who has made one or more contributions to or for such committee or candidate (including the purchase of tickets for events such as dinners, luncheons, rallies, and similar fundraising events) within the calendar year in an aggregate amount or value in excess of $50 or more, together with the amount and date of such contributions;

(3) the total sum of dividual contributions made to or for such committee or candidate during the reporting period and not reported under paragraph (2);

(4) the name and address of each political committee or candidate from which the reporting committee or the candidate received, or to which that committee or candidate made, any transfer of funds, together with the amounts and dates of all transfers;

(5) each loan to or from any person within the calendar year in an aggregate amount or values of $50 or more, together with the full names and mailing addresses (including the occupation and the principal place of business, if any) of the lender and endorsers, if any, and the date and amount of such loans;

(6) the net amount of proceeds from (A) the sale of tickets to each dinner, luncheon, rally, and other fundraising events organized by such committee; (B) mass collections made at such events; and (C) sales by such committee of items such as political campaign pins, buttons, badges, flags, emblems, hats, banners, literature, and similar materials;

(7) each contribution, rebate, refund, or other receipt of $50 or more not otherwise listed under paragraphs (2) through (6);

(8) the total sum of all receipts by or for such committee or candidate during the reporting period;

(9) the full name and mailing address (including the occupation and the principal place of business, if any) of each person to whom expenditures have been made by such committee or on behalf of such committee or candidate within the calendar year in an aggregate amount or value of $10 or more, the amount, date, and purpose of each such expenditure and the name and address of, and office sought by, each candidate on whose behalf such expenditure was made;

(10) the total sum of expenditures made by such committee or candidate during the calendar year;

(11) the amount and nature of debts and obligations owed by or to the committee, in such form as the Director may prescribe and a continuous reporting of its debts and obligations after the election at such periods as the Director may require until such debts and obligations are extinguished; and

(12) such other information as may be required by the Director.

(c) The reports to be filed under subsection (a) shall be cumulative during the calendar year to which they relate, but where there has been no change in an item reported in a previous report during such year, only the unchanged amount need be carried forward. If no contributions or expenditures have been accepted or expended during a calendar year, the treasurer of the political committee or candidate shall file a statement to that effect.

(d) Each treasurer of a political committee, each candidate for election to office, and each treasurer appointed by a candidate, shall file with the Director weekly reports of cash contributions on forms to be prescribed or approved by the Director.

REPORTS BY OTHER THAN POLITICAL COMMITTEES

SEC. 207. Every person (other than a political committee or candidate) who makes contributions or expenditures, other than by contribution to a political committee or candidate, in an aggregate amount of $50 or more within a calendar year shall file with the Director a statement containing the information required by section 206. Statements required by this section shall be filed on the dates on which reports by political committees are filed, but need not be cumulative.

FORMAL REQUIREMENTS RESPECTING REPORTS AND STATEMENTS

SEC. 208. (a) A report or statement required by this title to be filed by a treasurer of a political committee, a candidate, or by any other person, shall be verified by the oath or affirmation of the person filing such report or statement, taken before any officer authorized to administer oaths.

(b) A copy of a report or statement shall be preserved by the person filing it for a period to be designated by the Board in a published regulation.

(c) The Board shall, by published regulations of general applicability, prescribe the manner in which contributions and expenditures in the nature of debts and other contracts, agreements, and promises to make contributions or expenditures shall be reported. Such regulations shall provide that they be reported in separate schedules. In determining aggregate amounts of contributions and expenditures, amounts reported as provided in such regulations shall not be considered until actual payment is made.

EXEMPTION FOR CANDIDATES WHO ANTICIPATE SPENDING LESS THAN $250

SEC. 209. Except for the provisions of subsections (c) and (d) of section 201, and subsection (a) of section 205, the provisions of this title shall not apply to any candidate who anticipates spending or spends less than $250 in any one election and who has not designated a principal campaign committee.

On the fifteenth day prior to the date of the election in which such candidate is entered, and on the thirtieth day after the date of such election, such candidate shall certify to the Director that he has not spent more than $250 in such election.

IDENTIFICATION OF CAMPAIGN LITERATURE

SEC. 210. All newspaper or magazine advertising, posters, circulars, billboard, handbills, bumper stickers, sample ballots, and other printed matter with reference to or intended for the support or defeat of a candidate or group of candidates for nomination or election to any public office shall be identified by the words "paid for by" followed by the name and address of the payer or the committee or other person and its treasurer on whose behalf the material appears.

EFFECT ON LIABILITY

SEC. 211. Nothing in this title shall be construed as creating or limiting in any way the liability of any person under existing law for any financial obligation incurred by a political committee or candidate.

TITLE III—DIRECTOR OF CAMPAIGN FINANCE

ESTABLISHMENT OF THE OFFICE OF DIRECTOR

SEC. 301. (a) There is established within the District of Columbia Board of Elections and Ethics the office of Director of Campaign Finance (hereinafter in this Act referred to as the "Director"). The Commissioner of the District of Columbia shall appoint, by and with the advice and consent of the Senate, the Director, except that on and after January 2, 1975, any vacancy in the office of Director shall be filled by appointment by the Mayor, with the advice and consent of the Council. Such appointments shall be made without regard to the provisions of title 5 of the United States Code, governing appointments in the competitive service. The Director shall be entitled to receive compensation at the maximum rate as may be established from time to time for grade 16 of the General Schedule in section 5332 of title 5 of the United States Code, and shall be responsible for the administrative operations of the Board pertaining to this Act and shall perform such other duties as may be delegated or assigned to him from time to time by regulations or orders of the Board. However, the Board shall not delegate to the Director the making of regulations regarding elections.

(b) The Board may appoint a General Counsel without regard to the provisions of title 5 of the United States Code, governing appointments in the competitive service, to serve at the pleasure of the Board. The General Counsel shall be entitled to receive compensation at the same rate as the Director of the Board and shall be responsible solely to the Board. The General Counsel shall perform such duties as may be delegated or assigned to him from time to time by regulation or order of the Board.

(c) In any appropriate case where the Board upon its own motion or upon recommendation of the Director makes a finding of an apparent violation of this Act, it shall refer such case to the United States Attorney for the District of Columbia for prosecution, and shall make public the fact of such referral and the basis for such finding. In addition, the Board, through its General Counsel, shall initiate, maintain, defend, or appeal any civil action (in the name of the Board) relating to the enforcement of the provisions of this Act. The Board may, through its General Counsel, petition the courts of the District of Columbia for declaratory or injunctive relief concerning any action covered by the provisions of this Act.

POWERS OF THE DIRECTOR

SEC. 302. (a) The Director, under regulations of general applicability approved by the Board, shall have the power—

(1) to require any person to submit in writing such reports and answers to questions as the Director may prescribe relating to the administration and enforcement of this Act; and such submission shall be made within such reasonable period and under oath or otherwise as the Director may determine;

(2) to administer oaths;

(3) to require by subpena the attendance and testimony of witnesses and the production of all documentary evidence relating to the execution of its duties;

(4) in any proceeding or investigation to order testimony to be taken by deposition before any person who is designated by the Director and has the power to administer oaths and, in such instances, to compel testimony and the production of evidence in the same manner as authorized under paragraph (3) of this subsection;

(5) to pay witnesses the same fees and mileage as are paid in like circumstances in the Superior Court of the District of Columbia; and

(6) to accept gifts and voluntary and uncompensated services. Subpenas issued under this section shall be issued by the Director upon the approval of the Board.

(b) The Superior Court of the District of Columbia may, upon petition by the Board, in case of refusal to obey a subpena or order of the Board issued under subsection (a) of this section, issue an order requiring compliance therewith; and any failure to obey the order of the court may be punished by the court as a contempt thereof.

DUTIES OF THE DIRECTOR

SEC. 303. The Director shall—

(1) develop and furnish (upon request) prescribed forms for the making of the reports and statements required to be filed with him under this Act;

(2) develop a filing, coding, and cross-indexing system consonant with the purposes of this Act;

(3) make the reports and statements filed with him available for public inspection and copying, commencing as soon as practicable but not later than the end of the second day following the day during which it was received, and to permit and facilitate copying of any such report or statement by hand and by duplicating machine, as requested by any person, at reasonable cost to such person, except any information copied from such reports and statements shall not be sold or utilized by any person for the purpose of soliciting contributions or for any commercial purpose;

(4) preserve such reports and statements for a period of ten years from date of receipt;

(5) compile and maintain a current list of all statements or parts of statements on file pertaining to each candidate;

(6) prepare and publish such other reports as he may deem appropriate;

(7) assure dissemination of statistics, summaries, and reports prepared under this title;

(8) make from time to time audits and field investigations with respect to reports and statements filed under the provisions of this title, and with respect to alleged failures to file any report or statement required under the provisions of this title; and

(9) perform such other duties as the Board may require.

GENERAL ACCOUNTING OFFICE TO ASSIST BOARD AND DIRECTOR

SEC. 304. The Board and Director may, in the performance of its functions under this Act, request the assistance of the Comptroller General of the United States, including such investigations and audits as the Board and Director may determine necessary, and the Comptroller General shall provide such assistance with or without reimbursement, as the Board and Director and the Comptroller General shall agree.

NOMINATING COMMITTEE

SEC. 305. (a) Effective January 2, 1975, there is established within the Government of the District of Columbia a committee to be known as the "District of Columbia Board of Elections and Ethics Nominating Committee" (hereinafter in this Act referred to as the "Committee"). The Committee shall have the function of nominating individuals for appointment as members of the District of Columbia Board of Elections and Ethics for any and all vacancies occurring on such Board on or after the date on which a majority of the members first appointed pursuant to this section hold their first meeting as members of the Committee. Such nominations shall be made by the Committee in accordance with the provisions of this section. The Committee shall consist of five members. Within ten days following the date on which a majority of the members are first appointed pursuant to this section, such members so appointed shall hold their first meeting as members of the Committee.

(b)(1) Two members of the Committee shall be appointed by the Mayor, at least one of whom shall be a lawyer.

(2) Three members of the Committee shall be appointed by the Chairman of the Council of the District of Columbia, with the approval of the Council.

(c) Members of the Committee shall serve for terms of five years, except that of the members first appointed pursuant to subsection (b)(1), one shall serve for one year and one for five years, as designated at the time of appointment, and members appointed pursuant to subsection (b)(2), one shall serve for two years, one for three years, and one for four years, as designated at the time of appointment.

(d)(1) No individual may be appointed as a member of the Committee unless he or she—

(A) is a citizen of the United States, and

(B) is a resident of the District of Columbia and has maintained his or her domicile within the District for at least one year immediately preceding the date or his or her appointment, and

(C) is not a member of the Council of the District of Columbia or an officer or employee of the Government of the District of Columbia (including the judicial branch).

(2) Any vacancy in the membership of the Committee shall be filled in the same manner in which the original appointment was made. Any individual appointed to fill a vacancy, occurring other than upon the expiration of a term, shall serve only for the remainder of the term of such individual's predecessor.

(e) Members of the Committee shall be paid for each day spent performing their duties as members of the Committee at a rate which is equal to the daily equivalent of the rate provided by step 1 of grade 17 of the General Schedule under section 5332 of title 5, United States Code.

(f)(1) Except as otherwise provided in subsection (a) of this section, the Committee shall act only at meetings called by the Chairman or a majority of the members thereof and only after notice has been given of such meeting to all members of the Committee.

(2) The Committee shall choose annually from among its members a Chairman and such other officers as it deems necessary. The Committee may adopt such rules of procedure as may be necessary to govern the business of the Committee.

(3) Each agency of the government of the District of Columbia shall furnish to the Committee, upon request, such records, information, services, and such other assistance and facilities as may be necessary to enable the Committee to perform its function properly. Any information furnished to the Committee designated "confidential" by the person furnishing it to the Committee shall be treated by the Committee as privileged and confidential.

(g)(1) In the event of any such vacancy

in the District of Columbia Board of Elections and Ethics, the Committee shall, within thirty days after such vacancy occurs, submit a list of three persons as nominees for appointment by the Mayor to fill the vacancy. If more than one such vacancy exists at the same time, the Committee shall submit a separate list of nominees for appointment to fill each such vacancy, and no individual's name shall appear on more than one such list. In filling such vacancy, the Mayor may appoint more than one individual from any list currently before the Mayor. In any case in which, after the expiration of the thirty-day period following the date on which a majority of the members of the Committee first meet as provided in subsection (a), a vacancy is scheduled to occur, by reason of the expiration of a term of office, the Committee's list of nominees for appointment to fill that vacancy shall be submitted to the Mayor not less than thirty days prior to the expiration of that term.

(2) If the Mayor fails to submit for Council approval the name of one of the individuals on a list submitted to the Mayor under this section within thirty days after receiving such list, the Committee shall appoint, with the approval of the Council, an individual named on the list to fill the vacancy for which such list of nominees was prepared.

(3) Any individual whose name is submitted by the Committee as a nominee for the appointment to the District of Columbia Board of Elections and Ethics may request that the nomination of such individual be withdrawn. If any such individual requests that his or her nomination be withdrawn, dies, or becomes disqualified to serve as a member of the Board, the Committee shall promptly nominate an individual to replace the individual originally nominated on the list submitted to the Mayor.

(h) Members of the Committee shall be appointed as soon as practicable, but in no event later than June 30, 1975.

DISTRICT OF COLUMBIA BOARD OF ELECTIONS AND ETHICS

SEC. 306. (a) On and after the date of the enactment of this Act, the Board of Elections of the District of Columbia established under the District of Columbia Election Act (D.C. Code, sec. 1–1101 et seq.), shall be known as the "District of Columbia Board of Elections and Ethics" and shall have the powers, duties, and functions as provided in such Act, in any other law in effect on the date immediately preceding the date of the enactment of this Act, and in this Act. Any reference in any law or regulation to the Board of Elections for the District of Columbia or the District of Columbia Board of Elections shall, on and after the date of the enactment of this Act, be held and considered to refer to the District of Columbia Board of Elections and Ethics.

(b) (1) Any person who violates any provision of this Act or of the District of Columbia Election Act may be assessed a civil penalty by the District of Columbia Board of Elections and Ethics under paragraph (2) of this subsection of not more than $50 for each such violation. Each occurrence of a violation of this Act and each day of noncompliance with a disclosure requirement of this Act or an order of the Board shall constitute a separate offense.

(2) A civil penalty shall be assessed by the Board by order only after the person charged with a violation has been given an opportunity for a hearing, and the Board has determined, by decision incorporating its findings of facts therein, that a violation did occur, and the amount of the penalty. Any hearing under this section shall be of record and shall be held in accordance with chapter 5 of title 5, United States Code.

(3) If the person against whom a civil penalty is assessed fails to pay the penalty, the Board shall file a petition for enforcement of its order assessing the penalty in the Superior Court of the District of Columbia. The petition shall designate the person against whom the order is sought to be enforced as the respondent. A copy of the petition shall be forthwith sent by registered or certified mail to the respondent and his attorney of record, and if the respondent is a political committee, to the Chairman thereof, and thereupon the Board shall certify and file in such court the record upon which such order sought to be enforced was issued. The court shall have jurisdiction to enter a judgment enforcing, modifying, and enforcing as so modified, or setting aside in whole or in part the order and the decision of the Board or it may remand the proceedings to the Board for such further action as it may direct. The court may determine de novo all issues of law but the Board's fundings of fact, if supported by substantial evidence, shall be conclusive.

(c) Upon application made by any individual holding public office, any candidate, or any political committee, the Board, through its General Counsel, shall provide within a reasonable period of time an advisory opinion, with respect to any specific transaction or activity inquired of, as to whether such transaction or activity would constitute a violation of any provision of this Act or of any provision of the District of Columbia Election Act over which the Board has primary jurisdiction.

TITLE IV—FINANCE LIMITATIONS

GENERAL LIMITATIONS

SEC. 401. (a) No individual shall make any contribution which, and no person shall receive any contribution from any individual which when aggregated with all other contributions received from that individual, relating to a campaign for nomination as a candidate or election to public office, including both the primary and general or special elections, exceeds—

(1) in the case of a contribution in support of a candidate for Mayor, $1,000:

(2) in the case of a contribution in support of a candidate for Chairman of the Council, $750:

(3) in the case of a contribution in support of a candidate for member of the Council elected at large, $500:

(4) in the case of a contribution in support of a candidate for member of the Board of Education elected at large or for member of the Council elected from a ward, $200;

(5) in the case of a contribution in support of a candidate for member of the Board of Education elected from a ward or for official of a political party, $100, and in case of a runoff election, an additional $100; and

(6) in the case of a contribution in support of a candidate for a member of an Advisory Neighborhood Council, $25.

(b) No person (other than an individual with respect to whom subsection (a) applies) shall make any contribution which, and no person shall receive any contribution from any person (other than such an individual) which when aggregated with all other contributions received from that person, relating to a campaign for nomination as a candidate or election to public office, including both the primary and general or special elections, exceeds—

(1) in the case of a contribution in support of a candidate for Mayor, $2,000;

(2) in the case of a contribution in support of a candidate for Chairman of the Council, $1,500;

(3) in the case of a contribution in support of a candidate for member of the Council elected at large, $1,000;

(4) in the case of a contribution in support of a candidate for member of the Board of Education elected at large or for member of the Council elected from a ward $400, and in the case of a runoff election, an additional $400;

(5) in the case of a contribution in support of a candidate for member of the Board of Education elected from a ward or for official of a political party, $200, and in the case of a runoff election, an additional $200; and

(6) in the case of a contribution in support of a candidate for a member of an Advisory Neighborhood Council, $25.

For the purposes of this subsection, the term "person" shall include a candidate making contributions relating to his candidacy for nomination for election, or election, to office. Notwithstanding the preceding provisions of this subsection, a candidate for member of the Council elected from a ward may contribute $1,000 to his own campaign. The provisions of this subsection to the extent that such provisions are applicable to corporations and unions shall, to that extent, expire as of July 1, 1975, unless the Council of the District of Columbia on or before such date enacts legislation repealing or modifying such provisions or extending such provisions as to corporations and unions on and after that date. In the event that the Council fails to so repeal, modify, or extend such provisions as to corporations and labor unions, the Council shall report its reasons therefor to the Committees on the District of Columbia of the Senate and the House of Representatives prior to August 1, 1975.

(c) No individual shall make any contribution in any one election which when aggregated with all other contributions made by that individual in that election exceeds $2,000.

(d) (1) Any expenditure made by any person advocating the election or defeat of any candidate for office which is not made at the request or suggestion of the candidate, any agent of the candidate, or any political committee authorized by the candidate to make expenditures or to receive contirbutions for the candidate is not considered a contribution to or an expenditure by or on behalf of the candidate for the purposes of the limitations specified in this Act.

(2) No person may make any unauthorized expenditure advocating the election or defeat of a clearly identified candidate during a calendar year which, when added to all other authorized expenditures made by that person during the year advocating the election or defeat of that candidate, exceeds $1,000.

(3) For purposes of paragraph (2)—

(A) "clearly identified" means—

(i) the candidate's name appears,

(ii) a photograph or drawing of the candidate appears, or

(iii) the identity of the candidate is apparent by unambiquous reference,

(B) "person" does not include the central committee of a political party, and

(C) "expenditure" does not include any payment made or incurred by a corporation or labor organization which, under the provisions of section 610 of title 18 of the United States Code would not constitute an expenditure by that corporation or labor organization.

(4) Every candidate shall file a statement with the Board, in such manner and form and at such times as the Board may prescribe, authorizing any person or any political committee organized primarily to support the candidacy of such candidate to either directly or indirectly, receive contributions, or make expenditures in behalf of, such candidate. No person and no committee organized primarily to support a single candidate may, either directly or indirectly, receive contributions or make expenditures in behalf of such candidate without the written authorization of such candidate as required by this paragraph.

(e) In no case shall any person receive or

make any contribution in legal tender in an amount of $50 or more.

(f) No person shall make a contribution in the name of another person, and no person shall knowingly accept a contribution made by one person in the name of another person.

(g) For purposes of the limitations contained in this section all contributions made by any person directly or indirectly to or for the benefit of a particular candidate, including contributions which are in any way earmarked, encumbered, or otherwise directed through an intermediary or conduit to that candidate, shall be treated as contributions from that person to that candidate.

(h)(1) No candidate or member of the immediate family of a candidate may make a loan or advance from his personal funds for use in connection with a campaign of that candidate for nomination for election, or for election, to public office unless that loan or advance is evidenced by a written instrument fully disclosing the terms, conditions, and parts to the loan or advance. The amount of any such loan or advance shall be included in computing and applying the limitations contained in this section only to extent of the balance of the loan or advance which is unpaid at the time of determination.

(2) For purposes of this subection, the term "immediate family" means the candidate's spouse and any parent, brother, or sister, or child of the candidate, and the spouse of any such parent, brother, sister, or child.

LIMITATION OF EXPENDITURES

SEC. 402. (a)(1) No principal campaign committee shall expand any funds which when aggregated with funds expended by it, all other committees required to report to it, and by a candidate supported by such committee shall exceed (1) in the case of a candidate for Mayor, $200,000 in the aggregate for any primary and general election in connection therewith, but in no event in excess of $120,000 for one of such elections and $80,000 for the other of such elections; (2) in the case of a candidate for Chairman of the Council, $150,000 in the aggregate for any primary and general election in connection therewith, but in no event in excess of $90,000 for one of such elections and $60,000 for the other of such elections; (3) in the case of a candidate for member of the Council elected at large, $100,000 in the aggregate for any primary and general election in connection therewith, but in no event in excess of $60,000 for one of such elections and $40,000 for the other of such elections; (4) in the case of a candidate for member of the Board of Education elected at large or member of the Council elected from a ward, $20,000 in the aggregate for any primary and general election in connection therewith, but in no event in excess of $12,000 for one of such elections and $8,000 for the other of such elections; (5) in the case of a candidate for member of the Board of Education elected from a ward, or in support of any candidate for office of a political party, $10,000 in the aggregate for any primary and general election in connection therewith, but in no event in excess of $6,000 for one of such elections and $4,000 for the other of such elections; and (6) in the case of a candidate for member of an Advisory Neighborhood Council, $500.

(2) At the beginning of each calendar year (commencing in 1976), as there become available necessary data from the Bureau of Labor Statistics of the Department of Labor, the Secretary of Labor shall certify to the Board and the Board shall publish in the District of Columbia Register the per centum difference between the price index for the twelve months preceding the beginning of such calendar year and the price index for 1974. Each amount determined under paragraph (1) shall be changed by such per centum difference. Each amounts so changed shall be the amount in effect for such calendar year.

(b) No political committee or candidate shall knowingly expend any funds at a time when the principal campaign committee to which it shall report, or which has been designated by him, is precluded by subsection (a) from expending funds or which would cause such principal committee to be precluded from further expenditures. Any principal campaign committee of a candidate having reasonable knowledge to believe that further expenditures by a political committee registered in support of such candidate, or by the candidate it supports, will exceed the expenditure limitations specified in subsection (a) shall immediately notify, in writing, such political committee or candidate of that fact.

(c) Any expenditure made in connection with a campaign in a calendar year other than the calendar year in which the election is held to which that campaign relates is, for the purposes of this section, considered to be made during the calendar year in which that election is held.

TITLE V—LOBBYING

DEFINITIONS

SEC. 501. When used in this title—

(a) The term "contribution" includes a gift, subscription, loan, advance, or deposit of money or anything of value and includes a contract, promise, or agreement, whether or not legally enforceable, to make a contribution.

(b) The term "expenditure" includes a payment, distribution, loan, advance, deposit, or gift of money or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure.

(c) The term "legislation" means bills, resolutions, amendments, nominations, rules, and other matters pending or proposed in the Council of the District of Columbia, and includes any other matter which may be the subject of action by the Council of the District of Columbia.

DETAILED ACCOUNTS OF CONTRIBUTIONS: RETENTION OF RECEIPTED BILLS OF EXPENDITURES

SEC. 502. (a) It shall be the duty of every person who shall in any manner solicit or receive a contribution to any organization or fund for the purposes hereinafter designated to keep a detailed and exact account of—

(1) all contributions of any amount or of any value whatsoever;

(2) the name and address of every person making any such contribution of $200 or more and the date thereof;

(3) all expenditures made by or on behalf of such organization or fund; and

(4) the name and address of every person to whom any such expenditure is made and the date thereof.

(b) It shall be the duty of such person to obtain and keep a receipted bill, stating the particulars, for every expenditure of such funds exceeding $10 in amount, and to preserve all receipted bills and accounts required to be kept by this section for a period of at least two years from the date of the filing of the statement containing such items.

RECEIPTS FOR CONTRIBUTORS

SEC. 503. Every individual who receives a contribution of $200 or more for any of the purposes hereinafter designated shall within five days after receipt thereof render to the person or organization for which such contribution was received a detailed account thereof, including the name and address of the person making such contribution and the date on which received.

STATEMENTS OF ACCOUNTS FILED WITH DIRECTOR

SEC. 504. (a) Every person receiving any contributions or expending any money for the purposes designated in subparagraph (a) or (b) of section 506 of this title shall file with the Director between the first and tenth day of each calendar quarter, a statement containing complete as of the day next preceding the date of filing—

(1) the name and address of each person who has made a contribution of $200 or more not mentioned in the preceding report; except that the first report filed pursuant to this title shall contain the name and address of each person who has made any contribution of $200 or more to such person since January 2, 1975;

(2) the total sum of the contributions made to or for such person during the calendar year and not stated under paragraph (1) of this subsection;

(3) the total sum of all contributions made to or for such person during the calendar year;

(4) the name and address of each person to whom an expenditure in one or more items of the aggregate amount or value, within the calendar year, of $10 or more has been made by or on behalf of such person, and the amount, date, and purpose of such expenditure;

(5) the total sum of all expenditures made by or on behalf of such person during the calendar year and not stated under paragraph (4) of this subsection;

(6) the total sum of expenditures made by or on behalf of such person during the calendar year.

(b) The statements required to be filed by subsection (a) of this section shall be cumulative during the calendar year to which they relate, but where there has been no change in an item reported in a previous statement only the amount need be carried forward.

PRESERVATION OF STATEMENTS

SEC. 505. A statement required by this title to be filed with the Director—

(a) shall be deemed properly filed when deposited in an established post office within the prescribed time, duly stamped, registered, and directed to the Director, Washington, District of Columbia, but in the event it is not received, a duplicate of such statement shall be promptly filed upon notice by the Director of its nonreceipt;

(b) shall be preserved by the Director for a period of two years from the date of filing, shall constitute part of the public records of his office, and shall be open to public inspection.

PERSONS TO WHOM TITLE IS APPLICABLE

SEC. 506. The provisions of this title shall apply to any person (except a political committee) who, by himself, or through any agent or employee or other persons in any manner whatsoever, directly or indirectly, solicits, collects, or receives money or any other thing of value to be used principally to aid, or the principal purpose of which person is to aid, in the accomplishment of any of the following purposes:

(a) The passage or defeat of any legislation by the Council of the District of Columbia.

(b) To influence, directly or indirectly, the passage or defeat of any legislation by the Council of the District of Columbia.

REGISTRATION OF LOBBYISTS WITH DIRECTOR; COMPILATION OF INFORMATION

SEC. 507. (a) Any person who shall engage himself for pay or for any consideration for the purpose of attempting to influence the passage or defeat of any legislation by the Council of the District of Columbia shall, before doing anything in furtherance of such object, register with the Director and shall

give to him in writing and under oath, his name and business address, the name and address of the person by whom he is employed, and in whose interest he appears or works, the duration of such employment, how much he is paid and is to receive, by whom he is paid or is to be paid, how much he is to be paid for expenses, and what expenses are to be included. Each such person so registering shall, between the first and tenth day of each calendar quarter, so long as his activity continues, file with the Director a detailed report under oath of all money received and extended by him during the preceding calendar quarter in carrying on his work; to whom paid; for what purposes; and the names of any papers, periodicals, magazines, or other publications in which he has caused to be published any articles or editorials; and the proposed legislation he is employed to support or oppose. The provisions of this section shall not apply to any person who merely appears before the Council of the District of Columbia, or a committee thereof, in support of or opposition to legislation; nor to any public official acting in his official capacity; nor in the case of any newspaper or other regularly published periodical (including any individual who owns, publishes, or is employed by any such newspaper or periodical) which in the ordinary course of business publishes news items, editorials, or other comments, or paid advertisements, which directly or indirectly urge the passage or defeat of legislation, if such newspaper, periodical, or individual, engages in no further or other activities in connection with the passage or defeat of such legislation, other than to appear before a committee of the Council of the District of Columbia in support of or in opposition to such legislation.

(b) All information required to be filed under the provisions of this section with the Director shall be compiled by the Director as soon as practicable after the close of the calendar quarter with respect to which such information is filed and shall be printed in the District of Columbia Register.

REPORTS AND STATEMENTS UNDER OATH

SEC. 508. All reports and statements required under this title shall be made under oath, before an officer authorized by law to administer oaths.

PENALTIES AND PROHIBITIONS

SEC. 509. (a) Any person who violates any of the provisions of this title, shall be guilty of a misdemeanor, and shall be punished by a fine of not more than $5,000 or imprisonment for not more than twelve months, or both.

(b) In addition to the penalties provided for in subsection (a) of this section, any person convicted of the misdemeanor specified therein is prohibited, for a period of three years from the date of such conviction, from attempting to influence, directly or indirectly, the passage or defeat of any proposed legislation or from appearing before a committee of the Council of the District of Columbia in support of or opposition to proposed legislation; and any person who violates any provision of this subsection shall be guilty of a felony, and shall be punished by a fine of not more than $10,000, or imprisonment for not more than five years, or both.

EXEMPTION

SEC. 510. The provisions of this title shall not apply to—

(1) any Member of the United States House of Representatives or any Senator;

(2) any member of a staff of any person specified in paragraph (1) while operating within the scope of his employment;

(3) any member of an Advisory Neighborhood Council;

(4) any person who receives less than $500 during the calendar year as compensation for performing services relating to the influencing of legislation; or

(5) any entity specified in section 1(d) of title II of the District of Columbia Income and Franchise Tax Act of 1947 (D.C. Code, sec. 47–1554(d)), no substantial part of the activities of which is carrying on propaganda, or otherwise attempting to influence legislation.

TITLE VI—CONFLICT OF INTEREST AND DISCLOSURE

CONFLICT OF INTEREST

SEC. 601. (a) The Congress declares that elective and public office is a public trust, and any effort to realize personal gain through official conduct is a violation of that trust.

(b) No public official shall use his official position or office to obtain financial gain for himself, any member of his household, or any business with which he or a member of his household is associated, other than that compensation provided by law for said public official.

(c) No person shall offer or give to a public official or a member of a public official's household, and no public official shall solicit or receive anything of value, including a gift, favor, service, loan gratuity, discount, hospitality, political contribution, or promise of future employment, based on any understanding that such public official's official actions or judgment or vote would be influenced thereby, or where it could reasonably be inferred that the thing of value would influence the public official in the discharge of his duties, or as a reward, or which would cause the total value of such things received from the same person not a member of such public official's household to exceed $100 during any single calendar year.

(d) No person shall offer or pay to a public official, and no public official shall solicit or receive any money, in addition to that lawfully received by the public official in his official capacity, for advice or assistance given in the course of the public official's employment or relating to his employment.

(e) No public official shall use or disclose confidential information given in the course of or by reason of his official position or activities in any way that could result in financial gain for himself or for any other reason.

(f) No member or employee of the Council of the District of Columbia or Board of Education of the District of Columbia shall accept assignment to serve on a committee the jurisdiction of which consists of matters (other than of a de minimis nature) in which he or a member of his family or a business with which he is associated, has financial interest.

(g) Any public official who, in the discharge of his official duties, would be required to take an action or make a decision that would affect directly or indirectly his financial interests or those of a member of his household, or a business with which he is associated, or must take an official action on a matter as to which he has a conflict situation created by a personal, family, or client interest, shall—

(1) prepare a written statement describing the matter requiring action or decision, and the nature of his potential conflict of interest with respect to such action or decision;

(2) cause copies of such statement to be delivered to the District of Columbia Board of Elections and Ethics (referred to in this title as the "Board"), and to his immediate superior, if any;

(3) if he is a member of the Council of the District of Columbia or member of the Board of Education of the District of Columbia, or employee of either, deliver a copy of such statement to the Chairman thereof, who shall cause such statement to be printed in the record of proceedings, and, upon request of said member or employee, shall excuse the member from votes, deliberations, and other action on the matter on which a potential conflict exists;

(4) if he is not a member of the Council of the District of Columbia, his superior, if any, shall assign the matter to another employee who does not have a potential conflict of interest, or, if he has no immediate superior, he shall take such steps as the Board prescribes through rules and regulations to remove himself from influence over actions and decisions on the matter on which potential conflict exists; and

(5) during a period when a charge of conflict of interest is under investigation by the Board, if he is not a member of the Council of the District of Columbia or a member of the Board of Education, his superior, if any, shall have the arbitrary power to assign the matter to another employee who does not have a potential conflict of interest, or if he has no immediate superior, he shall take such steps as the Board shall prescribe through rules and regulations to remove himself from influence over actions and decisions on the matter on which there is a conflict of interest.

(h) Neither the Mayor nor any member of the Council of the District of Columbia may represent another person before any regulatory agency or court of the District of Columbia while serving in such office. The preceding sentence does not apply to an appearance by such an official before any such agency or court in his official capacity.

(i) As used in this section, the term—

(1) "public official" means the office of the Mayor of the District of Columbia, Chairman of the Council of the District of Columbia, or member of the Council of the District of Columbia, or Chairman or member of the Board of Education of the District of Columbia, or each officer or employee of the District of Columbia government who performs duties of the type generally performed by an individual occupying grade GS–15 of the General Schedule or any higher grade or position (as determined by the Board regardless of the rate of compensation of such individual);

(2) "business" means any corporation, partnership, sole proprietorship, firm, enterprise, franchise, association, organization, self-employed individual, holding company, joint stock, trust, and any legal entity through which business is conducted for profit;

(3) "business with which he is associated" means any business of which the person or member of his household is a director, officer, owner, employee, or holder of stock worth $1,000 or more at fair market value, and any business which is a client of that person;

(4) "household" means the public official and his immediate family; and

(5) "immediate family" means the public official's spouse and any parent, brother, or sister, or child of the public official, and the spouse of any such parent, brother, sister, or child.

DISCLOSURE OF FINANCIAL INTEREST

SEC. 602. Any candidate for nomination for election, or election, to public office who at the time he becomes a candidate, does not occupy any such office, shall file within one month after he becomes a candidate for such office, and the Mayor, and the Chairman and each member of the Council of the District of Columbia holding office under the District of Columbia Self-Government and Government Reorganization Act, and the Chairman and each member of the Board of Education, shall file annually, with the Board a report containing a full and complete statement of—

(1) the amount and source of each item of

income, each item of reinbursement for any expenditure, and each gift or aggregate of gifts from one source (other than gifts received by him or by him and his spouse jointly during the preceding calendar year) which exceeds $100 in amount or value, including any fee or other honorarium received by him or in connection with the preparation or delivery of any speech or address, attendance at any convention or other assembly of individuals, or the preparation of any article or other composition for publication, and the monetary value of subsistence, entertainment, travel, and other facilities received by him in kind;

(2) the identity of each asset held by him, or by him and his spouse jointly, which has a value in excess of $1,000, and the identity and amount of each liability owned by him, or by him and his spouse jointly, which is in excess of $1,000 as of the close of the preceding calendar year;

(3) any transactions in securities of any business entity by him, or by him and his spouse jointly, or by any person acting on his behalf or pursuant to his direction during the preceding calendar year if the aggregate amount involved in transactions in the securities of such business entity exceeds $5,000 during such year;

(4) all transactions in commodities by him, or by him and his spouse jointly, or by any person acting on his behalf, or pursuant to his direction, during the preceding calendar year if the aggregate amount involved in such transactions exceeds $5,000;

(5) any purchase or sale, other than the purchase or sale of his personal residence, of real property or any interest therein by him, or by him and his spouse jointly, or by any person acting on his behalf or pursuant to his direction, during the preceding calendar year if the value of property involved in such purchase or sale exceeds $5,000; and

(6) the amount of each tax paid by the individual, or by the individual and the individual's spouse filing jointly, for the preceding calendar year, except in the case of candidates filing reports during calendar year 1974, who shall file reports for the preceding three calendar years.

(b) Any candidate for nomination for, or election to, office who at the time he becomes a candidate, does not occupy any such office, shall file within one month after he becomes a candidate for such office, and the Chairman and each member of the Council and the Mayor holidng office under the District of Columbia Self-Government and Governmental Reorganization Act, and the Chairman and each member of the Board of Education, and each officer and employee of the District of Columbia government who performs duties of the type generally performed by an individual occupying grade GS–15 of the General Schedule under section 5332 of title 5, United States Code, or any higher grade or position (as determined by the Board regardless of the rate of compensation of such individual), shall file with the Board in a sealed envelope marked "Confidential Personal Financial Disclosure of (name)", before the fifteenth day of May in each year, the following reports of his personal financial interests:

(1) a copy of the returns of taxes, declarations, statements, or other documents which he, or he and his spouse jointly, made for the preceding year in compliance with the income tax provisions of the Internal Revenue Code of 1954;

(2) the name and address of each business or professional corporation, firm, or enterprise in which he was an officer, director, partner, proprietor, or employee who received compensation during the preceding year and the amount of such compensation;

(3) the identity of each trust or other fiduciary relation in which he held a beneficial interest having a value of $10,000 or more, and the identity, if known, of each interest of the other fiduciary relation in real or personal property in which the candidate, officer, or employee held a beneficial interest having a value of $10,000 or more, at any time during the preceding year. If he cannot obtain the identity of the fiduciary interests, the candidate, officer, or employee shall request the fiduciary to report that information to the Board in the same manner that reports are filed under this rule.

(c) Except as otherwise provided by this section, all papers filed under this section shall be kept by the Board in the custody of the Director for not less than seven years, and while so kept shall remain sealed. Upon receipt of a request by any member of the Board adopted by a recorded majority vote of the full Board requesting the examination and audit of any of the reports filed by any individual under section (b) of this title, the Director shall transmit to the Board the envelopes containing such reports. Within a reasonable time after such recorded vote has been taken, the individual concerned shall be informed of the vote to examine and audit, and shall be advised of the nature and scope of such examination. When any sealed envelope containing any such report is received by the Director, such envelope may be opened and the contents thereof may be examined only by members of the Board in executive session. If, upon such examination, the Board determines that further consideration by the Board is warranted and within the jurisdiction of the Board, it may make the contents of any such envelope available for any use by any member of the Board, or the Director or General Counsel of the Board which is required for the discharge of his official duties. The Board may receive the papers as evidence, after giving to the individual concerned due notice and opportunity for hearing in a closed session. The Board shall publicly disclose not later than the first day of June each year the names of the candidates, officers, and employees who have filed a report. Any paper which has been filed with the Board for longer than seven years, in accordance with the provisions of this section, shall be returned to the individual concerned or his legal representative. In the event of the death or termination of the service of the Mayor or Chairman or member of the Council of the District of Columbia or Chairman or member of the Board of Education, or officer or employee of the District of Columbia, such papers shall be returned unopened to such individual, or to the surviving spouse or legal representative of such individual within one year of such date or termination of service.

(d) Reports required by this section (other than reports so required by candidates) shall be filed not later than sixty days following the enactment of this Act, and not later than May 15 of each succeeding year. In the case of any person who ceases, prior to such date in any year, to occupy the office or position the occupancy of which imposes upon him the reporting requirement contained in subsection (a) shall file such report on the last day he occupies such office or position, or on such later date, not more than three months after such last day, as the Board may prescribe.

(e) Reports required by this section shall be in such form and detail as the Board may prescribe. The Board may provide for the grouping of items of income, sources of income, assets, liabilities, dealings in securities or commodities, and purchases and sales of real property, when separate itemization is not feasible or is not necessary for an accurate disclosure of the income, net worth, dealing in securities annd commodities or purchases, and sales of rental property of any individual.

(f) All public reports filed under this section shall be maintained by the Board as public records which, under such reasonable regulations as it shall prescribe, shall be available for inspection by members of the public.

(g) For the purposes of any report required by this section, any individual shall be considered to have been Mayor, Chairman, or member of the Council of the District of Columbia, or Chairman or member of the Board of Education, or officer or employee of the District of Columbia during any calendar year if such individual served in any such position for more than six months during such calendar year.

(h) For purposes of this section, the term—

(1) "income" means gross income as defined in section 61 of the Internal Revenue Code of 1954;

(2) "security" means security as defined in section 2 of the Securities Act of 1933, as amended (15 U.S.C. 77b);

(3) "commodity" means commodity as defined in section 2 of the Commodities Exchange Act, as amended (7 U.S.C. 2);

(4) "transactions in securities or commodities" means any acquisition, holding, withholding, use, transfer, or other disposition involving any security or commodity;

(5) "immediate family" means the child, parent, grandparent, brother, or sister of an individual, and the spouse of such person; and

(6) "tax" means the taxes imposed under chapter 1 of the Internal Revenue Code of 1954, under the District of Columbia Revenue Act of 1947, and under the District of Columbia Public Works Act of 1954 and any other provision of law relating to the taxation of property within the District of Columbia.

TITLE VII—PENALTIES AND ENFORCEMENT, TAX CREDITS, USE OF SURPLUS CAMPAIGN FUNDS, VOTERS' INFORMATION PAMPHLETS, STUDY OF 1974 ELECTION AND REPORT BY COUNCIL, EFFECTIVE DATES, AMENDMENTS TO DISTRICT OF COLUMBIA ELECTION ACT, AND AUTHORIZATION

PENALTIES AND ENFORCEMENT

SEC. 701. (a) Except as provided in subsection (b), any person or political committee who violates any of the provisions of this Act shall be fined not more than $5,000, or shall be imprisoned for not longer than six months, or both.

(b) Any person who knowingly files any false or misleading statement, report, voucher, or other paper, or makes any false or misleading statement to the Board, shall be fined not more than $10,000, or shall be imprisoned for not longer than five years, or both.

(c) The penalties provided in this section shall not apply to any person or political committee who, before the date of enactment of this Act during calendar year 1974, makes political contributions or receives political contributions or makes any political campaign expenditures, in excess of any limitation placed on such contributions or expenditures by this Act, except such person or political committee shall not make any further such contributions or expenditures during the remainder of calendar year 1974.

(d) Prosecutions of violations of this Act shall be brought by the United States Attorney for the District of Columbia in the name of the United States.

TAX CREDIT FOR CAMPAIGN CONTRIBUTIONS

SEC. 702. (a) Title VI of article I of the District of Columbia Income and Franchise Tax Act of 1947 (D.C. Code, secs. 47–1567—47–1567e) is amended by adding at the end of that title the following:

"SEC. 7. (a) Credit for Campaign Contributions.—For the purpose of encouraging residents of the District to participate in the election process in the District, there shall be allowed to an individual a credit against the tax (if any) imposed by this article in

an amount equal to 50 per centum of any campaign contribution made to any candidate for election to any office referred to in the first section of the District of Columbia Election Act, but in no event shall such credit exceed the amount of $12.50, or $25 in the case of married persons filing a joint return.

"(b)(1) A husband and wife filing separate returns for a taxable year for which a joint return could have been made by them may claim between them only the total credit (or refund) to which they would have been entitled under this section had a joint return been filed.

"(2) No individual for whom a personal exemption was allowed on another individual's return shall be entitled to a credit (or refund) under this section.".

"Sec. 7. Credit for campaign contributions.".

USE OF SURPLUS CAMPAIGN FUNDS

SEC. 703. Within the limitations specified in this Act, any surplus, residual, or unexpended campaign funds received by or on behalf of an individual who seeks nomination for election, or election to office shall be contributed to a political party for political purposes, used to retire the proper debts of his political committee which received such funds, or returned to the donors as follows:

(1) in the case of an individual defeated in an election, within six months following such election;

(2) in the case of an individual elected to office, within six months following such election; and

(3) in the case of an individual ceasing to be a candidate, within six months thereafter.

A STUDY OF 1974 ELECTION AND REPORT BY COUNCIL

SEC. 704. (a) The Council of the District of Columbia shall, during calendar year 1975, conduct public hearings and other appropriate investigations on (1) the operation and effect of the District of Columbia Campaign Finance Reform Act and the District of Columbia Election Act on the elections held in the District of Columbia during 1974; and (2) the necessity and desirability of modifying either or both of those Acts so as to improve electoral machinery and to insure open, fair, and effective election campaigns in the District of Columbia.

(b) Upon the conclusion of its hearings and investigations the Council shall issue a public report on its findings and recommendations. Nothing in this section shall be construed as limiting the legislative authority over elections in the District of Columbia vested in the Council by the District of Columbia Self-Government and Governmental Reorganization Act.

EFFECTIVE DATES

SEC. 705. (a) Titles II and IV of this Act shall take effect on the date of enactment of this Act, except the first report or statement required to be filed by any individual or political committee under the provisions of such titles shall include that information required under section 13(e) of the District of Columbia Election Act (D.C. Code, sec. 1–1113(e)) with respect to contributions and expenditures made before the date of enactment of this Act, but after January 1, 1974.

(b) Titles I, III, VI and VII of this Act shall take effect on the date of enactment of this Act.

(c) Title V of this Act shall take effect January 2, 1975.

AMENDMENTS TO DISTRICT OF COLUMBIA ELECTION ACT

SEC. 706. (a) Section 13 of the District of Columbia Election Act (D.C. Code, sec. 1–1113) is amendedd to read as follows:

"AUTHORIZATION

SEC. 13. There are hereby authorized to be appropriated, out of any money in the Treasury to the credit of the District of Columbia not otherwise appropriated, such sums as are necessary to carry out the purposes of this Act.".

(b) The first sentence of subsection (b) of section 4 of such Act (D.C. Code, sec. 1–1104) is amended to read as follows:

"(b) Each member of the Board shall be paid compensation at the rate of $100 for each eight hour period with a limit of $12,500 per annum, while performing duties under this Act, except during 1974 such compensation shall be paid without regard to such annual limitation.".

(c) The amendment made by subsection (a) shall not affect the liability of any person arising out of any violation of section 13 of the District of Columbia Election Act committed before the date of enactment of this title, and any action commenced with respect to such a violation shall not abate.

AUTHORITY OF COUNCIL

SEC. 707. Notwithstanding any other provision of law, or any rule of law, nothing in this Act shall be construed as limiting the authority, after January 2, 1975, pursuant to the District of Columbia Self-Government and Governmental Reorganization Act with respect to any matter covered by this Act.

AUTHORIZATION OF APPROPRIATION

SEC. 708. Amounts authorized under section 722 of the District of Columbia Self-Government and Governmental Reorganization Act may be used to carry out the purposes of this Act.

And the Senate agrees to the same.

Mr. GRIFFIN. Will the Senator from Missouri yield?

Mr. EAGLETON. I am happy to yield to the Senator from Michigan.

Mr. GRIFFIN. Mr. President, I want to make it clear in the RECORD, although the distinguished Senator from Maryland (Mr. MATHIAS), who is the ranking member on this side on that committee, is unable to be present at this time, it is my understanding, and I will ask the distinguished chairman of the committee if it is not the case, that he and other Republican members on the conference have signed the conference report unanimously in terms of the conferees subscribing to this conference report?

Mr. EAGLETON. The Senator from Michigan is eminently correct and Senator MATHIAS did participate fully in the conference of yesterday and did sign the report and supports this measure.

I move the adoption of the conference report on H.R. 15074.

The conference report was agreed to.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, at this time I will seek recognition and yield my 5 minutes to the distinguished assistant majority leader.

Mr. ROBERT C. BYRD. Mr. President, I thank the distinguished majority leader.

THE COURT DECISION ON FORCED BUSING

Mr. ROBERT C. BYRD. Mr. President, a little earlier I complimented the Supreme Court of the United States on its unanimous 8-to-0 decision yesterday in the tapes case. Having heard the report earlier concerning the High Court's decision in the Detroit busing case, I wish also to compliment the Court on that momentous and historic decision, and again may I say that I cannot see how the Supreme Court could have held any other way.

The Supreme Court's reversal today of the Detroit school case will have a significant effect in settling a problem which has deeply concerned this country in recent years. The court-ordered busing of schoolchildren to schools distant from their homes has aroused a deep and bitter hostility in great numbers of our citizens, both black and white.

The decision stresses that the busing across school district lines would be acceptable if those school district lines were established with the purpose of fostering racial segregation.

The Court today moves us away from the fears of many people that large metropolitan areas would be joined together into one huge, court-joined school district solely for the purpose of achieving racial balance in the schools within that area. There is no question that State-enforced segregation in our schools is unconstitutional and must be eliminated wherever it be found. But it would have been equally wrong to have courts order children bused out of school districts to other districts merely to achieve an arbitrary racial balance.

I recognize this is a difficult field where there are no easy answers and few happy solutions, but I believe the Supreme Court's decision in Milliken against Bradley will ease the fears of many of our citizens, without ever losing sight of the necessity and legality of court action where constitutional rights are threatened.

GIVE EDUCATION AN EQUAL CHANCE

Mr. ROBERT C. BYRD. Mr. President, the United States is in the midst of another summer sports happening—the National Football League players' strike.

As an isolated event, the strike hardly would be worth noting, since it is extremely difficult to find sympathy for players earning an average of $32,000 a year when public schoolteachers in our country average only $10,673 annually.

But the strike does not stand by itself. It follows by about 1 month an American League baseball game, during which fans armed with bottles, lead pipes, and knives swarmed onto the field to attack a visiting team; and it comes on the heels of a college recruiting season which many observers believe was the most unethical ever.

Taken together, those three incidents illustrate what Ohio State University President Dr. Harold L. Enarson has called our "near obsession" with sport. It is time athletics were viewed with a more proper perspective. It is time we all realized that few things are less vital to our national survival than a fall without NFL football, the outcome of a single baseball game, or the location where high school athletes choose to continue their athletic training.

I enjoy sports as much as anyone. It is both relaxing and entertaining to watch skilled athletes compete. Yet, my enjoyment is blunted when I see ath-

letics given a greater importance than they deserve—and given it, in many cases, at the expense of education.

On the professional level, football salaries, as I mentioned, average $32,000 for a 6-month season; baseball salaries average $40,000 annually; and average basketball earnings are estimated at $85,000 per season. Salaries by themselves are relatively unimportant—players cannot be blamed for getting what the traffic will bear; and little sympathy can be found for multimillionaire team owners who give in to the demands.

The danger lies, instead, with the inevitable inclusion of tax dollars in the professional teams' future plans—especially now that the breaking point has been reached. The New York Nets, for instance, won the American Basketball Association championship last year, and are considered one of the most successful sports franchises in the country. Yet, by grossing $2.5 million, the Nets admit they just broke even.

Most other teams are not as well off, and the question arises: Where do they go from here? Not higher ticket prices. They are about as high as they can go. The logical step is to demand bigger and more modern stadiums—which always have been, are being, and will continue to be built largely with tax dollars. And if one city does not come up with a new facility, the team will simply relocate.

At the present time, at least two American cities are constructing elaborate stadiums even before they have teams to use the facilities. They are building them merely to be in the bidding when the next team gets restless.

The Houston Astrodome, when it was opened at a cost of $31.6 million about a decade ago, was called the eighth wonder of the world. In another few years, as cities rush to make sure their athletes play in as much comfort as the Astrodome offers, it may not even be the eighth wonder of the National League.

But Houston had the foresight to move early. Other municipalities are paying dearly for the privilege of matching the Astrodome. In one case, a bond issue was approved for a stadium expected to cost $35 million. The price tag is now estimated at between $90 million and $100 million—and officials have yet to get a definite commitment for a team to play there.

What all this means, simply, is that, in many cities across this Nation, citizens are placing their lives, their children's lives, and even their grandchildren's lives in hock so that they can sit on cushioned seats watching professional athletes who dress in carpeted locker rooms.

And when a team wins a championship, thousands—and sometimes even a million or more—fans celebrate in the streets. It is a mania that is more and more apparent in America. And the irony of the celebrations—the pity of them—is that, in many of these very same cities, public school systems, with underpaid teachers and inadequate facilities, are turning out high school graduates whose basic skills of reading and writing barely reach the literate level.

The National Education Association notes, with justifiable frustration, that bond issues for new sports facilities are seldom rejected by citizens who, in recent years, have been turning down with alarming regularity increased expenditures for education.

If sports on the professional level are getting out of hand, the situation at the so-called amateur level is downright appalling. The costs to colleges for recruiting athletes are skyrocketing, and part of the increased costs have come from under-the-table offers, and out-in-the-open attempts at bribery and payoffs.

Darrell Royal, the respected head coach of the University of Texas, was quoted in the Chronicle of Higher Education as saying:

> You're out there trying to sell yourself and your school and (the high school athlete) ain't hearing a word you're saying. All he's wondering about is when you're going to start talking money.

And it is no wonder the recruited athlete is thinking money. If he is what is generally called a blue chip prospect, he has probably been visited by over 100 coaches, between 20 and 25 of whom have made illegal offers—in some cases, a new car and monthly "expense money"; in other cases, offers to pay off the mortgage on his parents' house.

On numerous occasions, coaches will send an assistant to move into the athlete's town for several months, just so someone from the university will be available if the prospect needs assistance. The cost is staggering, and I cannot help but wonder—although I suspect it has never happened—whether one of these assistant coaches, since he represents a university, has ever taken a side trip from the gymnasium and the super athlete to the school's chemistry department in an effort to attract a quality student to return with him to the university. I wonder what would happen if a coach returned to campus and said: "I didn't sign the 7-foot center, but I did bring back a student who needs financial help, but who may become a great research scientist." Undoubtedly, he would be summarily fired.

Richard Starnes of Scripps-Howard Newspapers, wrote that:

> Many athletic departments spend $50,000 and up on recruiting every year, and an unknown additional sum is spent by fiercely loyal alumni.

It is a safe bet that schools would look unkindly on any coach who was sidetracked from recruiting an athlete, and who used any portion of that money for something as "foolish" as enticing a brilliant student to attend his university.

Keeping in mind that haunting figure of $10,673 annually for a school teacher, there are some other cost estimates worth noting. One Big Ten university spends $19,000 a year on the telephone and telegraph requirements for recruiting athletes, while a southern football power admits an annual phone bill of $28,000 and an expenditure of $15,000 in postage for recruiting efforts.

And that is all before the athletes arrive on campus. Once there, the costs go even higher.

According to NCAA survey results, the average tutoring bills for football players at major colleges is about $17,000, and one Atlantic Coast Conference school is said to spend more than $20,000 a year. Everyone knows that these tutors are not employed to bring the athletes up to academic excellence—just to raise them to passing. The dividends to society would be greater if the tutors were employed to advance science students from good to excellent, but at few—if any—schools is such the case.

The NCAA—more noted for its petty feud with the AAU than for any efforts it is making to put sports in proper perspective—has reacted by passing another lenient regulation. As of August 1, schools engaged in big-time competition will be "limited"—limited, mind you—to 105 football scholarships and 18 basketball scholarships. For most big-time schools, this will mean an outlay of $500,000 annually. One cannot help but feel that the schools will somehow manage to survive that restriction.

At one time, colleges and universities justified enormous expenditures for athletics by saying the revenue produced by the school's teams helped build classrooms and laboratories. The years have taught us the fallacy of that argument. Revenue produced by athletics has gone, in too many cases, back into the athletic department. One case in point is a university that belongs to the Southeastern Conference. A few years ago, the school itself was in such sad financial condition that its regents were lobbying desperately in the State Legislature for more funds to pay professors. At the same time, a $2.3 million surplus was tucked away in a separate bank account for the school's athletic department. The story had a happy ending, of sorts, when the athletic department loaned the university $400,000; and thus the teams had a school to represent.

Most schools, of course, do not have a surplus. Their expenditures have kept pace—or outpaced—their revenues. Money from a bowl appearance goes immediately into a down payment to expand the stadium, with the taxpayers of the State picking up the rest of the tab. And the athletic departments can only keep their heads above water by continuing to win, continuing to appear in bowl games and postseason basketball tournaments. A losing season would spell financial ruin for the athletic department, and could bring the university itself down with it.

The ACTING PRESIDENT pro tempore. The Senator's additional 5 minutes has expired.

Mr. MANSFIELD. Mr. President, on behalf of the distinguished acting Republican leader, I yield——

Mr. GRIFFIN. Mr. President, may I be recognized?

The ACTING PRESIDENT pro tempore. The Senator from Michigan.

Mr. GRIFFIN. I yield to the Senator from West Virginia.

Mr. ROBERT C. BYRD. I thank the distinguished acting Republican leader and I again thank my distinguished majority leader.

Thus, the coaches are under tremen-

dous pressure to recruit, at whatever cost, the kind of athletes who will assure continuous winning—which, in turn, means larger athletic budgets. If the whole thing seems like a vicious circle, that is exactly what it is. And, unfortunately, there is no end in sight.

Since major athletic powers can no longer contend that winning teams mean money for the schools, the new justification is that competition is good for young people.

I could not agree more wholeheartedly. I believe it is extremely important that youths be taught that winning is a worthwhile goal. However, competition is taught not only on the playing fields—and certainly not by underwriting an athletic program that involves so few of the students in a participatory capacity. The 1972–73 football season, for instance, consisted of 2,997 games played by 620 universities and colleges, and involved only about 50,000 players, coaches, and trainers—out of an estimated college and university enrollment of 8,370,000.

It is folly to believe that all those students relegated to the status of observers learn any great lessons about competition—or that the students eager to excel in the classroom are any less competitive than the athletes. And I believe the competition fostered in the classrooms and laboratories of our colleges and universities produces greater benefits for our society than that which involves so few students on the playing fields.

True, some schools maintain topflight varsity programs while preserving their status as great universities. But the prospect is very real that, within the next few years, they may have to downgrade one. Either the athletic department is going to have to settle for a smaller, albeit equitable, share of the budgetary pie, or the university itself is going to suffer. Unless we start now to view sports in a better perspective—to give athletics a priority no higher than they deserve—that choice might be more difficult than it should be.

The answer, of course, is deemphasis. Everyone agrees on that. But past experience tells us how difficult that is to achieve. As long ago as 1929, the Carnegie Foundation for the Advancement of Teaching warned that college athletics "have bred among athletes, coaches, directors, and even in some instances among college administrative officers, equivocation and dishonesty."

Thus, the solution may be found in taking the other direction. The overemphasis has come step by step, bit by bit, and will continue until it reaches some undetermined point in the future. It might prove the wiser course, then, for the NCAA to remove all sanctions on recruiting, scholarships, and "expense money," and require only that schools make public the total costs of their athletic programs—even the expenses now hidden because they go for unethical and improper activities.

The result would be that one, two, or at the most, a half dozen universities would have powerhouses, with which the rest of the schools would be unable to compete. Those latter institutions, therefore, would be relieved of a great deal of pressure and could rededicate themselves to higher education, and to developing athletic programs truly amateur, involving a greater percentage of their students.

The games themselves—even the so-called major sports of baseball, basketball, and football—would remain unchanged, and would serve the recreational purpose they were originally intended to serve. And all our serious intense efforts could go into making our cities better places in which to live, and our universities better places in which to learn.

I suggest, Mr. President, that we all take the respite provided by the NFL players strike to reexamine our attitudes toward sports as they relate to the more important things in our society.

Mr. MANSFIELD. Mr. President, following the speech just given by the distinguished assistant majority leader, the Senator from West Virginia (Mr. ROBERT C. BYRD), I ask unanimous consent that an article which appeared in the Boston Globe under date of July 24, 1974, entitled "At Large/Mike Barnicle," and under the subheading "What Price Touchdowns?" be incorporated in the RECORD immediately following the remarks of the Senator from West Virginia.

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

[From the Boston Globe, July 24, 1974]

(By Mike Barnicle)

WHAT PRICE TOUCHDOWNS?

One bright note in a summer that has been filled with the sights and sounds of a government unraveling like a spool of tape has been the National Football League Players Assn. strike. If our luck holds, the impasse might continue into the fall and we would then be spared the task of having to watch or read about the mediocre exploits of those people from Foxboro who spend their Sundays masquerading as professional football players.

However, there is a larger question involved in this labor dispute—who cares? Who really cares that some defensive tackle, making $50,000 for an 8-month year, wants more dough? Who really cares that some corporation executive who presides over a tax write-off called a professional football club, won't give out a raise? Who cares about athletes in T-shirts, parading around a serene, tree-lined campus, protesting their lack of rights? And what concern is due an owner who bothers us with double-talk about the costs of owning and operating a franchise?

Both groups—the players and the owners—are in the headlines today because professional football has ceased to be a game and has instead become a rather boring pastime run by people who are more familiar with board rooms than locker rooms. The people who dictate the future of this "game" have more at stake in Dow Jones averages than they do in some quarterback's passing average. It is a big business run, for the most part, by greedy combines who raise ticket prices, sell cold hot dogs and unsalted popcorn at exorbitant rates and don't really care about those whose rights have truly suffered—the fans.

The "plantation mentality" of professional athletics in the United States has so long been a part of the scene that the specter of an outspoken player used to be enough to send the owner into convulsions and the athlete to Alpine, Tex., where he would languish away in some Class B league, his talents and his tongue in a city where no one could be harmed.

Players were slaves to be bought, sold or traded whenever their market value would benefit the club owner. Championships were tied to profits and the talents of the gifted few were showcased in an effort to trip the turnstiles and build up the bank accounts of the money men who signed the leases and granted the pay raises.

Finally, the break came when expansion arrived and athletes discovered that an open market and a bidding war meant a chance to gut some millionaire out of a few hundred thousand dollars. Leagues proliferated and talent diluted at such a rate that now there are people who refer to the new World Football League as "major league."

But all of that is the American way. So now we have quotes from Federal mediators on top of our sports pages and reports of "progress in the negotiations" instead of box scores. Agents and lawyers and accountants compete for the attention of athletes while sports fans have to take out bank loans if they want season tickets. It's all money now.

The Player Assn. keeps using the smokescreen of "the freedom issues" while the owners insist on mentioning nonsense like, "the ruination of the concept and structure of the game." In fact, what is involved are basic issues like preseason games—who plays and who pays; contracts—how long and how much; player trades—who goes and what do you give him to agree to go. All negotiable over any bank counter.

But the players continue to talk about their "rights" at the same time they are trying to hustle themselves out of town at the first smell of gold. And the owners are mad because their athletes have taken a page from their book about how to cheat the public and make money at it.

We now have a situation where we are saturated with more and more football, in more and more cities, played by teams with less and less talent. All because some market research major told the greedy where the dollars were. Both sides deserve one another.

CONCURRENT RESOLUTION RELATING TO ADJOURNMENTS DURING THE REMAINDER OF THE 93D CONGRESS

Mr. ROBERT C. BYRD. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on House Concurrent Resolution 568.

The ACTING PRESIDENT pro tempore. The Chair lays before the Senate a message from the House, which the clerk will state.

The second assistant legislative clerk read as follows:

House Concurrent Resolution 568 relating to adjournment to a date certain during the remainder of the 93d Congress.

Mr. ROBERT C. BYRD. Mr. President, would the clerk read the entire resolution?

The ACTING PRESIDENT pro tempore. The resolution will be stated.

The second assistant legislative clerk read as follows:

Resolved by the House of Representatives (the Senate concurring), That notwithstanding the provisions of sec. 132(a) of the Legislative Reorganization Act of 1946 (2 U.S.C.

198), as amended by section 461 of the Legislative Reorganization Act of 1970 (Public Law 91–510; 84 Stat. 1193),

The ACTING PRESIDENT pro tempore. Is there objection to the immediate consideration of the concurrent resolution?

Mr. ROBERT C. BYRD. Mr. President, I ask that the clerk continue with the reading of the resolution so that the Senate will have an understanding of it.

The ACTING PRESIDENT pro tempore. The resolution will be stated.

The second assistant legislative clerk read as follows:

Resolved by the House of Representatives (the Senate concurring), That notwithstanding the provisions of sec. 132(a) of the Legislative Reorganization Act of 1946 (2 U.S.C. 198), as amended by section 461 of the Legislative Reorganization Act of 1970 (Public Law 91–510; 84 Stat. 1193) the House of Representatives and the Senate shall not adjourn for a period in excess of three days, or adjourn sine die, until both Houses of Congress have adopted a concurrent resolution providing either for an adjournment (in excess of three days) to a day certain, or for adjournment sine die.

Mr. ROBERT C. BYRD. Mr. President, in view of the fact that the resolution is self-explanatory, I ask unanimous consent that the Senate proceed with its immediate consideration.

The ACTING PRESIDENT pro tempore. Is there objection to the immediate consideration of the concurrent resolution?

There being no objection, the Senate proceeded to consider the concurrent resolution.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the concurrent resolution.

The concurrent resolution (H. Con. Res. 568) was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 16027. An act making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1975, and for other purposes.

The message also announced that the House has agreed to House Concurrent Resolution 568 relating to adjournment to a date certain during the remainder of the 93d Congress.

HOUSE BILL REFERRED

The bill (H.R. 16027) making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1975, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HUMPHREY, from the Committee on Foreign Relations, without amendment:

S. 2354. A bill to provide for the participation of the United States in the African Development Fund (Rept. No. 93–1029).

By Mr. JACKSON, from the Committee on Interior and Insular Affairs, with an amendment:

S. 3362. A bill to enable the Secretary of the Interior to provide for the operation, maintenance, and continued construction of the Federal transmission system in the Pacific Northwest by use of the revenues of the Federal Columbia River Power System and the proceeds of revenue bonds, and for other purposes (Rept. No. 93–1030).

By Mr. MAGNUSON, from the Committee on Commerce, with amendments:

H.R. 8193. A bill to require that a percentage of U.S. oil imports be carried on U.S.-flag vessels (together with minority views) (Rept. No. 93–1031).

AUTHORITY FOR COMMITTEE ON COMMERCE TO FILE FINAL REPORT ON H.R. 8193, ENERGY TRANSPORTATION SECURITY ACT OF 1974

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Committee on Commerce be permitted to file its final report until midnight tonight on H.R. 8193, the Energy Transportation Security Act of 1974.

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

AUTHORITY FOR COMMITTEE ON COMMERCE TO FILE REPORT ON S. 1361, GENERAL REVISION OF THE COPYRIGHT LAW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Committee on Commerce have until Monday next to file its report on S. 1361, general revision of the copyright law.

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

Mr. MANSFIELD. Mr. President, both of these requests have been cleared all around.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

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

By Mr. TUNNEY:

S. 3807. A bill to protect students receiving Federal financial assistance against losses resulting from the closing of certain private educational institutions. Referred to the Committee on Labor and Public Welfare.

By Mr. THURMOND (for himself and Mr. HARTKE):

S. 3808. A bill to amend Public Law 92–425, an act "To amend chapter 73 of title 10, United States Code, to establish a Survivor Benefit Plan, and for other purposes." Referred to the Committee on Armed Services.

By Mr. GRAVEL:

S. 3809. A bill relating to Barrow Utilities, Inc., Barrow, Alaska. Referred to the Committee on Interior and Insular Affairs.

S. 3810. A bill relating to Barrow Utilities, Inc., Barrow, Alaska. Referred to the Committee on Commerce.

By Mr. EAGLETON:

S. 3811. A bill to provide for the payment of reasonable attorneys' fees in certain cases of civil actions brought against State and local law enforcement officers. Referred to the Committee on the Judiciary.

By Mr. JACKSON (for himself and Mr. FANNIN) (by request):

S. 3812. A bill to authorize the appropriation of such sums as may be necessary to rehabilitate Eniwetok Atoll, Trust Territory of the Pacific Islands. Referred to the Committee on Interior and Insular Affairs.

By Mr. CRANSTON (for himself and Mr. TUNNEY):

S. 3813. A bill to authorize the Secretary of the Interior to acquire private lands in California for water quality control, recreation, and fish and wildlife enhancement, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

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

S. 3814. A bill to amend title 38 of the United States Code in order to extend medical benefits to the survivors of certain severely service-connected disabled deceased veterans. Referred to the Committee on Veterans Affairs.

By Mr. ROTH (for himself and Mr. BIDEN):

S. 3815. A bill to designate the Federal office building located in Dover, Del., as the "J. Allen Frear Building." Referred to the Committee on Public Works.

By Mr. HUDDLESTON (for himself, Mr. CHILES, Mr. BENTSEN, Mr. HELMS, and Mr. NUNN):

S. 3816. A bill to terminate the Emergency Daylight Saving Energy Conservation Act of 1973. Referred to the Committee on Commerce.

By Mr. BROCK (for himself, Mr. BAKER, Mr. FULBRIGHT, and Mr. MANSFIELD):

S. 3817. A bill to amend the National Bank Act, the Federal Deposit Insurance Act, the National Housing Act, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. BENNETT:

S. 3818. A bill to amend the Internal Revenue Code of 1954;

S. 3819. A bill to amend the Internal Revenue Code of 1954;

S. 3820. A bill to amend the Internal Revenue Code of 1954; and

S. 3821. A bill to amend the Internal Revenue Code of 1954. Referred to the Committee on Finance.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. TUNNEY:

S. 3807. A bill to protect students receiving Federal financial assistance against losses resulting from the closing of certain private educational institutions. Referred to the Committee on Labor and Public Welfare.

Mr. TUNNEY. Mr. President, I am introducing legislation today that would provide for the protection of students participating in federally insured student loan programs when the vocational or proprietary institution attended ceases operation. It would also protect students receiving veterans, education allowances.

Under present circumstances, when an institution closes its doors, the student is not only left with a loan to repay, but without the education for which he originally incurred the loan.

Four parties are involved when a student contracts for a federally insured student loan: The student, the loaning institution, the Federal Government, and the institution to be attended. Wherein lies the responsibility for repayment of

that loan should the institution cease operation?

Clearly the initial responsibility lies with the student. He or she is contracting for the purpose of obtaining an education, with the hope that upon completion of his education he or she will be able to become employed and repay the loan.

The loaning institution accepts a certain amount of the responsibility in that it is loaning a sum of money to be spent by another party, for a specified period, hopefully to be repaid in the future. Student loans are generally a good risk in that the student will receive his education, become employed, thus allowing him to repay the loan.

The Federal Government has undertaken the responsibility of opting to repay the loss to the loaning institution should the student fail to do so. The Government, interested in the development of productive citizens, insures these loans, thus supporting the educational process.

The educational institution has the responsibility of educating the student.

On occasion, however, whether by illegal practice or lack of funds, many of these postsecondary institutions are forced to close, after midterm. In this instance, the student is left holding the bag with a loan to repay and without the product for which the loan was originally intended, that being his education.

My bill presents a solution to this problem. It stipulates that no Federal student loans, Federal insured student loans, or veterans education allowance may be paid to a vocational or proprietary institution that has been in existence for less than 10 years unless that school has provided assurances—by the posting of a bond or otherwise—that, in the event the institution ceases operation, it will reimburse the student for the portion of the loan that would cover the education not received.

For example, a student is attending a vocational business college, four quarters per school year. The school is bonded. Three quarters have been completed and the student is 5 weeks into his fourth quarter. The school is forced to close. Under my legislation the student shall be reimbursed by the institution for a total of the fourth quarter. This would allow him to transfer to another school with sufficient funds to complete a full quarter. In most instances, if the school is accredited—which it must be to receive Federal loans or VA benefits—the units completed can be transferred to another institution, while the partially completed units would not be transferrable.

This type of protection is long overdue. Unfortunately, an increasing number of students are becoming the victims of underhanded practices by people who are out to make a fast buck. In nearly all cases, the students who are affected are those who can least afford it; that is: Students from low-income families and veterans. In California two such instances have occurred.

In 1971, a civil fraud suit was filed against Riverside University. The school was forced into receivership and was charged with certifying numerous ineligible student loans. Many students had signed up for the loans but had not yet started class. The money, however, had already been expended by the school and the students were forced into repaying the loans.

Another example involved the West Coast Trade School, a group of five proprietary vocational schools in Los Angeles. This institution closed in May of 1973. Hundreds of students were left with loans to be repaid and no education. The second portion of my bill would cover these two institutions and others like it.

Over the years, the Federal Government has been held responsible for over 116,000 defaulted student loans, a liability which has amounted to $110.5 million of the taxpayers money. In California alone, 9,923 loans were paid by the Government amounting to $76.6 million. Obviously, only a percentage of these defaults were the result of an institution closing. However, one such instance, however, is one too many. Neither the student nor the Federal Government should be forced to clean up after an educational institution that has shirked its responsibility of educating. Too many students are being blindly duped into attending new vocational and proprietary institutions by misleading sales tactics and other abuses.

Some type of protection is urgently needed and I strongly feel that my bill meets that end.

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

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

S. 3807

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled. That this Act be cited as the "Student Loan Protection Act of 1974".

DEFINITIONS

SEC. 2. For purposes of this Act—

(1) The term "Federal student loan" means a loan made by any department or agency of the United States to an individual to assist that individual to attend an educational institution.

(2) The term "federally insured student loan" means a loan which is made by any person or by any department or agency of a State or local government to assist that individual to attend an educational institution and the repayment of which is insured or guaranteed, in whole or in part, by a department or agency of the United States.

(3) The term "veterans educational allowance" means subsistance allowance paid under chapter 31 of title 38, United States Code, and educational assistance allowance paid under chapter 34 and 35 of such title.

(4) The term "educational institution" means any institution which furnishes education or training at the secondary level or above, including vocational schools and correspondence schools.

(5) The term "new private educational institution" means any educational institution which (A) is not an agency of the United States, a State or political subdivision thereof, the District of Columbia, the Commonwealth of Puerto Rico, or a possession of the United States, and is not owned and operated by one or more of the foregoing, and (B) which has been in operation for less than 10 years.

(6) The term "academic period" means, with respect to any new private educational institution, a semester, trimester, quarter, or other period of time during which education or training is offered by such institution. In the case of a new private educational institution which does not offer education or training based on an academic period within the meaning of the preceding sentence, such term means, with respect to any individual, that period which begins on the date on which such individual first attends such institution during an uncompleted course of study or training.

(7) The term "Secretary" means the Secretary of Health, Education, and Welfare.

REQUIREMENT OF GUARANTEES BY NEW PRIVATE EDUCATIONAL INSTITUTIONS

SEC. 3. (a) On and after the effective date of this section—

(1) no Federal student loan or federally insured student loan may be made to an individual to assist that individual to attend a new private educational institution, and

(2) no veterans educational allowance may be paid to an individual attending a new private educational institution, unless the new private educational institution has provided assurances satisfactory to the Secretary (by the posting of a bond or otherwise) that, in the event such institution ceases operations, it will make the payments required by subsection (b) with respect to each individual then attending such institution with the assistance of a Federal student loan or a federally insured student loan or who is receiving a veterans educational allowance.

(b) The amount to be paid with respect to an individual under subsection (a) is an amount equal to the expenses paid by such individual to enable him to attend such institution during the academic period in which such institution ceases operations, but such amount shall not exceed—

(1) in the case of an individual attending with the assistance of a Federal student loan or federally insured student loan, the portion of the loan attributable to such academic period, or

(2) in the case of an individual receiving a veterans educational allowance, the amount of such allowance received which is attributable to such academic period.

(c) The payments required by this section shall be made—

(1) with respect to an individual attending with assistance of a Federal student loan or federally insured student loan, to the lender as repayment of part or all of such loan, except that if such loan has been repaid, the payment shall be made to such individual, and

(2) with respect to an individual receiving a veterans educational allowance, to such individual.

PROTECTION AGAINST LOSSES NOT COVERED BY GUARANTEES

SEC. 4. (a) In the case of an individual who—

(1) was attending a new private educational institution which ceased operations on or before the date of the enactment of this Act,

(2) is attending a new private educational institution which ceases operations after such date and before the effective date of section 3 with respect to such institution, or

(3) is attending a new private educational institution which has failed to give the assurances required by section 3 and which ceases operations after the effective date of that section with respect to such institution, but only if such individual is pursuing education or training which he commenced at such institution before such effective date, the Secretary shall take the action required by subsection (b).

(b) With respect to an individual rescribed in subsection (a)—

(1) who was attending the institution with the assistance of a Federal student loan, the Secretary shall cancel an amount of such loan equal to the amount which would be payable under section 3 if that section applied, except that if such loan has been repaid, the Secretary shall pay such amount to such individual,

(2) who was attending such institution with the assistance of a federally insured student loan, the Secretary shall pay to the lender (as a repayment of part or all of the loan) an amount equal to the amount which would be payable under section 3 if that section applied, or if the loan has been repaid, shall pay such amount to the individual, and

(3) who was receiving a veterans educational allowance, the Secretary shall pay to the individual the amount which would be payable under section 3 if that section applied.

REGULATIONS

SEC. 5. The Secretary, after consultation with the Administrator of Veterans' Affairs, shall prescribe such regulations as may be necessary to carry out the provisions of this Act.

AUTHORIZATION OF APPROPRIATIONS

SEC. 6. There are authorized to be appropriated for each fiscal year such sums as may be necessary to carry out the provisions of this Act.

EFFECTIVE DATE

SEC. 7. This Act shall take effect on the date of its enactment, except that the provisions of section 3 shall take effect with respect to any new private educational institution on the first day of the first academic period of such institution which begins more than 90 days after the date of the enactment of this Act.

By Mr. THURMOND (for himself and Mr. HARTKE):

S. 3808. A bill to amend Public Law 92–425, an act "To amend chapter 73 of title 10, United States Code, to establish a Survivor Benefit Plan, and for other purposes." Referred to the Committee on Armed Services.

Mr. THURMOND. Mr. President, I send to the desk a bill which would amend title 10, U.S. Code, by providing survivor benefits for certain totally disabled service-connected enlisted personnel who were excluded from benefits in the recently enacted Survivor Benefit Plan.

This bill is designed to remedy a glaring deficiency in recently enacted law which discriminates against thousands of former military enlisted personnel who were permanently and totally disabled due to service-connected causes, primarily during World War II.

In the last Congress a Survivor Benefit Plan was enacted which established a greatly liberalized system of benefits for the survivors of retired military personnel. Under this act, Public Law 92–425, survivors of military retirees are eligible to receive up to 55 percent of the retired pay of their sponsor at the time of the sponsor's death. These new benefits are essentially the same as, and are patterned after, those provided for survivors of retired civil service personnel.

However, only the survivors of retired military personnel are eligible for benefits under Public Law 92–425. Since enlisted personnel were not eligible to retire for disability prior to October 1, 1949, the effective date of the Career Compensation Act, all enlisted personnel disabled before and during World War II and up to 1949 are therefore barred from participating in the Survivor Benefit Plan. Thus, they are unable to provide adequate survivor benefits available to all other dependents of retired Government personnel, military and civilian alike.

By Public Law 93–82 the Congress recently recognized the inequity which their technical lack of retired status places on pre-1949 enlisted personnel who suffered permanent and total disability from service-connected causes. This act made such personnel and their dependents eligible to participate in a program similar to the CHAMPUS program. This on-going program, among other things, pays most of the civilian medical costs incurred by military retirees and their dependents.

Mr. President, the bill I am offering would conform exactly to the rationale of Public Law 93–82 by permitting former enlisted personnel who are permanently and totally disabled to participate in the Survivor Benefit Plan on the same basis as if they held a retired status. Under this bill they would make the same monthly contributions to help defray the cost of participation and their survivors would receive the same benefits. Certainly the need to provide such survivorship protection is equal to, and is perhaps even greater than the need to defray medical costs.

Before closing, Mr. President, I would like to stress the need for this legislation. Almost by definition, permanently and totally disabled veterans are, in most cases, limited to the disability compensation they receive from the Veterans' Administration. Of course, at the time of death, if death occurs for reasons other than service-connected disability, this compensation ends.

However, the survivors of these totally disabled veterans are usually left with nothing since the veterans, because of their disabilities, were unable to build an estate, accrue social security or obtain insurance except at prohibitive costs.

This bill will merely provide them the opportunity to participate in a contributory survivor benefit plan and thereby assure some support for those they leave behind.

Mr. President, while this bill falls under the jurisdiction of the Senate Armed Services Committee, I am pleased to have as a cosponsor the distinguished chairman of the Senate Veterans' Affairs Committee, Mr. HARTKE of Indiana.

By Mr. GRAVEL:

S. 3809. A bill relating to Barrow Utilities, Inc., Barrow, Alaska. Referred to the Committee on Interior and Insular Affairs.

S. 3810. A bill relating to Barrow Utilities, Inc., Barrow, Alaska Referred to the Committee on Commerce.

Mr. GRAVEL. Mr. President, today I am introducing two pieces of legislation for the relief of the people of Barrow, Alaska. A native owned cooperative utility system in the town, Barrow Utilities, Inc., provides natural gas and electric distribution service to 3,000 residents through approximately 400 meters. Due to negligence on the part of the Bureau of Indian Affairs and callousness on the part of the Department of the Navy, the Native residents of Barrow are now burdened with an unsafe natural gas distribution system, and utility rates which are among the highest in the Nation. The residents and officials of the city have referred to this situation as Barrow's "Time Bomb."

Barrow Utilities was formed in 1964 for the purpose of providing natural gas service to the residents of Barrow through loans and assistance made available by the Bureau of Indian Affairs in Alaska. Barrow Utilities agreed to provide the manpower to operate the system, which they did.

The Bureau agreed to provide managerial and technical expertise to train the Natives in the specialized art of operating a utility, with a view to self-sufficiency and viable utility status for the future. The Bureau of Indian Affairs reneged on this part of the agreement. By 1971, the cooperative was in a bankrupt condition, due mainly to the inadequacy of retail rates and charges, vast sums of delinquent utility bills, inexperienced management, incompetent accounting personnel, improper and inadequate records, and lack of skilled, experienced utility workmen and supervisors. The Bureau of Indian Affairs attempted to rectify this situation by recklessly allowing Barrow Utilities to incur a debt of $750,000 without regard to how the funds were to be used, knowing full well that more than money was needed to correct the situation.

The result is a gas distribution system which is, at this very moment, a safety hazard to the residents of Barrow. It has been described as "meeting no known safety standards." There is an impending danger of explosion. Cases of gas inhalation account for 2 percent of all hospital admissions in Barrow. The system itself has been cited for numerous violations by both the Federal Office of Pipeline Safety and the Alaska Public Utilities Commission. There is a definite and imperative need to replace the gas distribution system immediately.

The danger to life and property in Barrow because of the hazardousness of the gas pipeline system could have been overcome had Barrow Utilities the means to raise capital money. But the Bureau of Indian Affairs has the first mortgage loan on the gas and electric distribution system as well as a power, water, and sewage plant. Unless Barrow Utilities is relieved of these debts, there is virtually no way to borrow new money.

To enable Barrow Utilities to seek alternate funding sources and eventually insure the safety of the residents of Barrow, one of the bills I am introducing today provides for the cancellation of the debt of $750,000 owed by Barrow Utilities, Inc. to the Bureau of Indian Affairs.

A second and equally important issue concerns the price for natural gas paid by Barrow Utilities, Inc. The cooperative purchases natural gas from excess sup-

plies in the Naval Petroleum Reserve No. 4, through contract with the Department of the Navy. This gas is sold at the wellhead and provided on an interruptible basis. In 1964, the price of 50 cents per thousand cubic feet—MCF—was set, but it was not based on any cost analysis of similar service. It was based on an 18 year amortization schedule whereby the natives of Barrow would bear the costs of development of additional natural gas wells drilled by the Navy.

This rate has no relation to actual use of service. Barrow Utilities is being asked to finance the total costs of drilling additional wells when they consume only 20 percent of the total gas production. The U.S. military and other governmental users consume 80 percent of the gas produced. The present capital expenditures for well development would have been made whether or not the residents of Barrow had been permitted to purchase natural gas. Finally, should the residents of Barrow not continue to purchase natural gas, the Navy would experience no reduction in operating and maintenance costs.

The price of 50 cents per mcf seems to have little justification. Yet, in July 1974 the Department of the Navy was ordered by the Office of Management and Budget to amortize the costs of well development over a shorter period of time. The rate of 77 cents per mcf was set as the base price for any new contract to purchase natural gas from petroleum reserve No. 4.

To illustrate the inequity, statistics indicate that in the lower 48 States, the average price at the wellhead for natural gas is 27.3 cents per mcf. In nearby Chugach, Alaska, firm gas service is being provided at 17 cents per mcf. In a time when Americans take pleasure in criticizing the huge profits earned by private sector energy suppliers, it is unbelievable and unjustifiable that the U.S. Government proposes to burden its citizens with a charge nearly 3 times in excess of the private sector rate.

In my opinion, the U.S. Government and the Department of the Navy have done a grave disservice to the residents of Barrow. The second bill I am introducing today provides that no agency of the U.S. Government shall impose any charge for natural gas made available to Barrow Utilities which is in excess of the average wellhead price in the lower 48 States.

The people of Barrow are entitled to fair and proper treatment from their Government. The residents of Alaska should no longer be treated as less than first-class citizens. I propose to protect these people in the face of arbitrary and unjust governmental action.

By Mr. EAGLETON:

S. 3811. A bill to provide for the payment of reasonable attorneys' fees in certain cases of civil actions brought against State and local law enforcement officers. Referred to the Committee on the Judiciary.

Mr. EAGLETON. Mr. President, I am introducing a bill today to amend section 1983 of title 42 in order to recompense law enforcement officials for the expense of defending themselves against baseless charges brought under this section.

Section 1983 was enacted in 1871 as part of the Post-Civil War Civil Rights Act. It guarantees a right of action for individuals who claim that they have been deprived of rights, privileges, or immunities secured to them by the Constitution and laws of the United States by persons acting under color of State law. Thus, persons who believe that their rights have been infringed by local officials have a remedy under which they can bring suit against the officials and may even seek damages.

Over the many years since this statute was originally enacted, it has served as a useful means of vindicating constitutional rights when those rights have been violated by local or State officials. There have been a great many successful cases in which the plaintiffs were able to show that the defendants were actually guilty of such violation.

However, in recent years, Mr. President, this section has been used for purposes quite different from those for which it was originally intended. We have seen local law enforcement officials all over the country hit with a barrage of suits that can only be described as groundless. Very often, the individuals bringing this suit have been convicted of a criminal offense and are confined in jail. From there, comes a flood of papers charging that an inmate was deprived of some right, in that a confession was coerced, he was mistreated by police officers, a plea of guilty was forced from him, and so forth. In many cases, this amounts to an attempt to relitigate issues already decided in the criminal proceedings in which the inmate was originally convicted.

This is not to say that all actions brought under section 1983 are without merit. It would be wrong to assert that no law enforcement official ever violates the constitutional rights of an individual; the retention of section 1983 on the statute books reflects a recognition that we must constantly be on guard against the arbitrary exercise of official power.

Nevertheless the evidence is clear that the right of action conferred by section 1983 is being misused in a great number of cases. In my home State of Missouri, there have been several such cases in which allegations have been made against law enforcement officials that were later proved to be totally unfounded and the cases were dismissed. Among those who were wrongfully charged in such suits were the prosecuting attorney of Phelps County, several police officers in the city of St. Louis, and the sheriff of Pettis County. There undoubtedly are other such cases but these are ones with which I am immediately familiar.

While all of the defendants in these cases were ultimately exonerated, they had to pay a price. Perhaps the greatest cost to them—one for which they can never be recompensed—stems from the very fact that such charges were made and published with the resultant damage to their reputations. Beyond this there are the financial costs of defending oneself in Federal court. In some cases public agencies provide legal representation but in others, either by choice or by necessity, the defendants have been required to hire their own counsel and pay all of the costs of defense themselves. This can be an enormous burden for a law enforcement official whose pay is rarely commensurate with the importance of his duties anyway.

Section 1983 exemplifies the fairness and justice that is the bedrock of our American system, Mr. President, but the principle of fairness must apply to both parties in any proceeding. It is hardly fair to grant a right of action to one who has a complaint against a law enforcement official and, more often than not, give him a court-appointed lawyer to pursue the case at no cost to him, while at the same time requiring the law enforcement official who is complained against to prove his innocence at great cost to himself.

The bill I am introducing today would make section 1983 more evenhanded. Any law enforcement official who is sued under section 1983 and who ultimately prevails—that is, if the charges against him are not proven to be true—would be entitled to have a reasonable attorney's fee paid by the Federal Government. It is necessary that the Federal Government make this payment rather than the plaintiff because suits of the kind I am describing are generally brought by individuals who have no means and a judgment of attorneys' fees against the plaintiff would more than likely prove worthless. As I previously stated, the remedy afforded under section 1983 forms an important part of the American system of justice. It is only fitting that the Federal Government participate in paying the costs of this procedure. I should add, by way of precedent, that similar provisions in the Civil Rights Act of 1964 permit the payment of attorneys' fees for persons who bring successful actions to have rights vindicated under that act.

We demand a great deal of our law enforcement officers, Mr. President. They are expected to wage a war—often at great personal hazard to themselves—against totally unprincipled and unscrupulous criminals while at all times conducting themselves in conformity with the requirements of law. On the whole, I believe they do a magnificent job of it. And one of the ways that we can assist them in meeting their responsibilities is to relieve them of the concerns arising from the need to defend themselves in Federal court against false and unjust accusations.

My bill is designed to accomplish that goal Mr. President, I urge its speedy consideration and adoption by my colleagues.

By Mr. JACKSON (for himself and Mr. FANNIN) (by request):

S. 3812. A bill to authorize the appropriation of such sums as may be necessary to rehabilitate Eniwetok Atoll, Trust Territory of the Pacific Islands. Referred to the Committee on Interior and Insular Affairs.

Mr. JACKSON. Mr. President, by request, I send to the desk for myself and the Senior Senator from Arizona (Mr. FANNIN) a bill to authorize the appropriation of such sums as may be necessary to rehabilitate Eniwetok Atoll, Trust Territory of the Pacific Islands.

Mr. President, this proposal was submitted and recommended and I ask unanimous consent that the executive communication accompanying the draft legislative from the Secretary of the Interior be printed in the RECORD at this point in my remarks.

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

DEPARTMENT OF THE INTERIOR,
Washington, D.C., June 27, 1974.

Hon. GERALD R. FORD,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: Enclosed is a proposed bill "To authorize the appropriation of such sums as may be necessary to rehabilitate Eniwetok Atoll, Trust Territory of the Pacific Islands."

We recommend that this bill be referred to the appropriate committee for consideration and that it be enacted.

Eniwetok Atoll lies among the Marshall Islands, which are a part of the Trust Territory of the Pacific Islands administered by the United States acting on behalf of the United Nations. The atoll had been fortified by the Japanese during World War II and was captured by the United States in 1944, with the local inhabitants being placed under the jurisdiction of the U.S. Armed Forces. After the war, in 1947, the United States decided that the entire atoll was required for its atomic weapons testing program, so notified the United Nations Security Council, and resettled the atoll's inhabitants on nearby Ujelang Atoll. The testing, carried out between 1948 and 1968, severely damaged Eniwetok and made it uninhabitable.

The United States is committed to rehabilitating Eniwetok, whose former residents are most anxious to return. Discussion among various Federal agencies has resulted in this task being allotted in the following manner: Department of Defense—maintaining existing facilities and operations in the area and cleaning the atoll; Department of the Interior—rehabilitation of the atoll; Atomic Energy Commission—radiological monitoring and surveying.

This bill would authorize the appropriation of sums necessary to enable the Department of the Interior to fulfill its portion of the Federal commitment. A special authorization is needed because the authorization of funds for the Trust Territory in 1975, when it is contemplated that our rehabilitation work would commence, has already been enacted, and our budget could not incur an expense of this kind without serious curtailment of other programs for the Trust Territory.

Because of both the unforeseen problems which are virtually certain to occur in rehabilitating a former atomic test site and the rapidly increasing costs of basic building material, we find it necessary to request an open-ended authorization. However, based upon a master plan drawn up by a private consulting firm, which constitutes one possible way of meeting our responsibility, we tentatively estimate the cost of the operation at $12,000,000. Included in this amount is approximately $4,000,000 for replanting of the area and for construction of housing and community facilities; approximately $5,500,000 for facilities, equipment, and operations pertaining to the rehabilitation effort; and the remaining $2,500,000 for overhead, profit, and contingencies.

The Office of Management and Budget has advised that this legislative proposal is consistent with the program of the President.

Sincerely yours,

JOHN KYL,
Secretary of the Interior.

By Mr. CRANSTON (for himself and Mr. TUNNEY):

S. 3813. A bill to authorize the Secretary of the Interior to acquire private lands in California for water quality control, recreation, and fish and wildlife enhancement, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

LAKE CASITAS WATERSHED AND RECREATION PARK

Mr. CRANSTON. Mr. President, on behalf of myself and my California colleague (Mr. TUNNEY) I introduce a bill to authorize Federal purchase of lands for recreational park use above Lake Casitas reservoir, near Ojai, Calif., and to provide watershed protection for the Lake's essential water supply. The bill is identical to that introduced in the House by Congressman ROBERT J. LAGOMARSINO.

The bill I introduce today would create an 8,500-acre park on the north Shore of Lake Casitas, and is located adjacent to the Los Padres National Forest on the Ventura-Santa Barbara County line. The bill directs that the land remain in its natural state for the protection of the Lake Casitas watershed, although persons now living on the land—pursuant to approval by the Secretary of the Interior—will be allowed to stay if assurances are given that the land will not be used in a detrimental fashion. The land will revert to the Government at their death.

In introducing his bill, Congressman LAGOMARSINO expressed his hope that the recreation area be known as the Charles M. Teague Memorial Park, out of respect for the late Congressman whose efforts in the House of Representatives led to the construction of the Lake Casitas reservoir as a Bureau of Reclamation Project. I believe this is a fitting and wholly deserved remembrance, Mr. President, and I want to go on record as being in complete support of such a designation.

I ask unanimous consent that, at the close of my remarks, there be printed in the RECORD the text of the bill, together with resolutions by the Ventura County Association of Governments, the city council of the city of Camarillo, and the Casitas Municipal Water District, all supporting the legislation I introduce today.

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

S. 3813

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That in order to provide for protection of the quality of water in Lake Casitas, and to provide for the preservation and enhancement of public outdoor recreation, fish and wildlife, and the environment of the area, the Secretary of the Interior (hereinafter referred to as the "Secretary") is hereby authorized to acquire in the name of the United States certain privately owned lands within townships 3 and 4 north, ranges 23 and 24 west, San Bernardino base and meridian, lying outside the boundaries of the Los Padres National Forest, as generally depicted on the drawing entitled "Private Lands in Casitas Reservoir Watershed", numbered 767-208-237, and dated September 1972, which is on file and available for public inspection in the offices of the Bureau of Reclamation, Department of the Interior.

SEC. 2. (a) The Secretary may acquire the subject lands by donation, purchase (with donated or appropriated funds), condemnation or exchange: *Provided,* That any lands owned by the State of California or any political subdivision thereof may be acquired only by donation.

(b) With respect to property authorized to be acquired for the purposes of this Act, which is beneficially owned by a natural person and which the Secretary determines can be continued in that use for a limited period of time without undue interference with the administration, development, or public use of the area, the owner may on the date of its acquisition by the Secretary retain a right of use and occupancy of such property for agricultural or noncommercial residential purposes for a term, as the owners may elect, ending either—

(1) at the death of the owner or spouse, whichever occurs later, or

(2) not more than twenty-five years from the date of acquisition.

Any right so retained may not during its existence be transferred or assigned. The Secretary shall pay to the owner the fair market value of the property on the date of such acquisition, less the fair market value on such date of such acquisition, less the fair market value on such date of the right retained by the owner.

(c) The Secretary may terminate a right of use and occupancy retained pursuant to this section upon the Secretary's determination that such a right is being exercised in a manner not consistent with the purposes of this Act, and upon tender to the holder of the right an amount equal to the fair market value of that portion of the right which remains unexpired on the date of termination.

(d) For the purposes of this title, "noncommercial residential property" shall mean any single family residence in existence or under construction as of July 1, 1974.

SEC. 3. The Secretary, in accordance with the provisions of section 4 of the Act of July 9, 1965 (79 Stat. 213), shall administer the lands to be acquired and may issue such licenses, permits, or leases, or take such other action as may be required for proper management in accordance therewith. In administering such lands, the Secretary shall take such action as may be necessary to assure that such lands will be kept in their natural state as permanent open space or will be developed for public park purposes. The Secretary may provide for the management of such lands by the Casitas Municipal Water District, or any other authorized non-Federal public body, as part of the Lake Casitas Recreation Area.

SEC. 4. There is authorized to be appropriated the sum of $10,000,000 (April 1974 price levels) plus or minus such amounts as may be justified by changes in the price indexes for agricultural and noncommercial residential property in Ventura County, California.

VENTURA COUNTY
ASSOCIATION OF GOVERNMENTS,
Ventura, Calif.

A RESOLUTION OF THE EXECUTIVE COMMITTEE OF THE VENTURA COUNTY ASSOCIATION OF GOVERNMENTS SUPPORTING THE PASSAGE OF HR-13507, "CONGRESSMAN CHARLES TEAGUE MEMORIAL OPEN SPACE PARK"

Whereas, on February 2, 1955, Congressman Charles M. Teague introduced in the 84th Congress, 1st Session HR-3488 which authorized the construction of the Ventura River Project, the principal feature of which is Lake Casitas; and

Whereas, through Congressman Teague's great interest and diligent efforts the Ventura River Project was completed on October 1, 1959, and Lake Casitas now holds in storage approximately 240,000 acre-feet of high quality water; and

Whereas, the Ventura County Board of Supervisors and the Casitas Municipal Water District Board of Directors have caused a study to be made by Montgomery Research, Inc. of the impact of varying land uses on the high quality of the water stored in Lake Casitas; and

Whereas, the conclusions presented in the study indicate that if any of the land use alternatives are implemented the high quality of the water will be degraded beyond acceptable limits and a serious problem of eutrophication will exist and, therefore, none of the land use alternatives of potential development should be implemented; and

Whereas, on January 11, 1973, due to his long-time, continuous interest in the Ventura River Project, Congressman Teague introduced in the 93rd Congress, 1st Session HR–1922 which authorized purchase by the United States of certain privately owned land within the direct drainage area of Lake Casitas thereby precluding the degradation of the high quality water and potential serious problems of eutrophication; and

Whereas, in March, 1974, Congressman Robert J. Lagomarsino introduced in the 93rd Congress, 2nd Session HR–13507 which would accomplish the same objectives sought by Congressman Teague; and

Whereas, due to the high esteem in which Congressman Teague was held by his fellow members of Congress and by the people he represented so well and faithfully in Ventura County, it seems appropriate that a memorial be established in his memory;

Now, therefore, be it resolved as follows:

The Executive Committee of the Ventura County Association of Governments strongly supports HR–13507 to establish an open space park which will accomplish the objective sought by Congressman Teague and would establish a suitable memorial which is sought by his fellow members of Congress and the residents of Ventura County by the designation of the area for which HR–13507 authorizes purchase as the "Teague Memorial Open-Space Park".

RESOLUTION NO. 74–66

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CAMARILLO SUPPORTING THE PASSAGE OF HR–13507, "CONGRESSMAN CHARLES TEAGUE MEMORIAL OPEN SPACE PARK"

Whereas, on February 2, 1955, Congressman Charles M. Teague introduced in the 84th Congress, 1st Session HR–3488 which authorized the construction of the Venture River Project, the principal feature of which is Lake Casitas; and

Whereas, through Congressman Teague's great interest and diligent efforts the Ventura River Project was completed on October 1, 1959, and Lake Casitas now holds in storage approximately 240,000 acre-feet of high quality water; and

Whereas, the Ventura County Board of Supervisors and the Casitas Municipal Water District Board of Directors have caused a study to be made by Montgomery Research, Inc. of the impact of varying land uses on the high quality of the water stored in Lake Casitas; and

Whereas, the conclusions presented in the study indicate that if any of the land use alternatives are implemented the high quality of the water will be degraded beyond acceptable limits and a serious problem of eutrophication will exist and, therefore, none of the land use alternatives of potential development should be implemented; and

Whereas, on January 11, 1973, due to his long-time continuous interest in the Ventura River Project, Congressman Teague introduced in the 93rd Congress, 1st Session HR–1922 which authorized purchase by the United States of certain privately owned land within the direct drainage area of Lake Casitas thereby precluding the degradation of the high quality water and potential serious problems of eutrophication; and

Whereas, in March, 1974, Congressman Robert J. Lagomarsino introduced in the 93rd Congress, 2nd Session HR–13507 which would accomplish the same objectives sought by Congressman Teague; and

Whereas, due to the high esteem in which Congressman Teague was held by his fellow members of Congress and by the people he represented so well and faithfully in Ventura County, it seems appropriate that a memorial be established in his memory;

Now, therefore, be it resolved as follows:

The City Council of the City of Camarillo strongly supports HR–13507 to establish an open space park which will accomplish the objective sought by Congressman Teague and would establish a suitable memorial which is sought by his fellow members of Congress and the residents of Ventura County by the designation of the area for which HR–13507 authorizes purchase as the "Teague Memorial Open-Space Park."

CASITAS MUNICIPAL WATER DISTRICT
RESOLUTION NO. 1444

A RESOLUTION SUPPORTING ADOPTION OF H.R. 13507

Whereas, on February 2, 1955, Congressman Charles M. Teague introduced in the 84th Congress, 1st Session HR 3488 which authorized the construction of the Ventura River Project, the principal feature of which is Lake Casitas; and

Whereas, through Congressman Teague's great interest and diligent efforts the Ventura River Project was completed on October 1, 1959, and Lake Casitas now holds in storage approximately 240,000 acre-feet of high quality water; and

Whereas, the Ventura County Board of Supervisors and the Casitas Municipal Water District Board of Directors have caused a study to be made by Montgomery Research, Inc. of the impact of varying land uses on the high quality of the water stored in Lake Casitas; and

Whereas, the conclusions presented in the study indicate that if any of the land use alternatives are implemented the high quality of the water will be degraded beyond acceptable limits and a serious problem of eutrophication will exist and, therefore, none of the land use alternatives of potential development should be implemented; and

Whereas, on January 11, 1973, due to his long-time, continuous interest in the Ventura River Project, Congressman Teague introduced in the 93rd Congress, 1st Session HR 1922 which authorized purchase by the United States of certain privately owned land within the direct drainage area of Lake Casitas thereby precluding the degradation of the high quality water and potential serious problems of eutrophication; and

Whereas, in March, 1974, Congressman Robert J. Lagomarsino introduced in the 93rd Congress, 2nd Session HR 13507 which would accomplish the same objectives sought by Congressman Teague; and

Whereas, due to the high esteem in which Congressman Teague was held by his fellow members of Congress and by the people he represented so well and faithfully in Ventura County, it seems appropriate that a memorial be established in his memory;

Now, therefore, be it resolved by the Board of Directors of Casitas Municipal Water District that this District strongly supports HR 13507 to establish an open-space park which will accomplish the objective sought by Congressman Charles M. Teague and would establish a suitable memorial which is sought by his fellow members of Congress and the residents of Ventura County by the designation of the area for which HR 13507 authorizes purchase as the "Teague Memorial Open-Space Park."

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

S. 3814. A bill to amend title 38 of the United States Code in order to extend medical benefits to the survivors of certain severely service-connected disabled deceased veterans. Referred to the Committee on Veterans' Affairs.

PERFECTING AMENDMENT TO CHAMPVA AUTHORITY

Mr. CRANSTON. Mr. President, today I am introducing, for myself and the chairman of the Committee on Veterans' Affairs (Mr. HARTKE), the ranking majority member of the Subcommittee on Health and Hospitals (Mr. RANDOLPH), which I chair, the ranking minority members of the full committee (Mr. HANSEN) and of the subcommittee (Mr. THURMOND), and full committee members Mr. HUGHES, Mr. TALMADGE, and Mr. STAFFORD, a bipartisan bill which will correct an unintended inequity in the provisions of title 38 authorizing medical benefits for the wives and dependents of permanently and totally disabled veterans whose disability is service-connected, or the widows and children of veterans who died as a result of service-connected disabilities. This program has been labeled CHAMPVA.

The CHAMPVA provisions, added by Public Law 93–82 which I authored in the Senate, represent an effort to extend special VA benefits for these dependents under title 38—such as are provided to them for death compensation benefits, home loans, and educational assistance benefits—so as to provide for medical benefits as well for these wives, widows, and war orphans. However, under the present statutory language in section 613(a)(2), medical benefits would be lost for the widow and dependent children in those exceptional cases where a totally and permanently service-connected disabled veteran died as a result of an accident, or an illness not associated with the veteran's disability. Certainly the medical benefits of such a veteran's dependents should not be terminated upon his death.

The legislation we are introducing today would correct the inequity resulting from the language in the current statute, and would make eligibility for these CHAMPVA benefits determined on the same basis as for GI bill benefits under chapter 35 for widows and surviving dependents of veterans who had total and permanent 100 percent service-connected disabilities at their death.

Mr. President, this new medical eligibility is estimated to affect the future benefits of approximately 114,999 dependents presently eligible for CHAMPVA under section 613.

At present, there are 427 survivors of deceased veterans who had been deemed 100 percent disabled due to a service

connected disability, but whose death was not related to that disability. Of these survivors, 192 are without medical insurance and 235 have some form of third-party insurance.

These individuals have already given a great deal to their country through the disability of their veteran spouse. Should an additional tragedy occur, they should be protected from losing the benefits that are due them.

The first year costs of extending care to these dependents is estimated at $56,984.

Mr. President, I ask unanimous consent that the text of the legislation I am introducing today be printed at this point in the RECORD.

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

S. 3814

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That clause (2) of subsection (a) of section 613 of title 38, United States Code, is amended to read as follows:

"(2) the widow or child of a veteran who (A) died as a result of a service-connected disability; or (B) at the time of death had a total disability permanent in nature, resulting from a service-connected disability,".

By Mr. ROTH (for himself and Mr. BIDEN):

S. 3815. A bill to designate the Federal office building located in Dover, Del., as the "J. Allen Frear Building." Referred to the Committee on Public Works.

Mr. ROTH. Mr. President, today I am introducing, for myself and Senator BIDEN, a bill to honor former Senator J. Allen Frear of Delaware by designating the new Federal building in Dover by his name.

It is important, I believe, that this building be named after such a distinguished son of Delaware as Allen Frear. For a Federal building should be more than just a building of bricks and mortar. It should be a building of spirit and tradition, tied to the virtues exhibited by our own patriots of revolutionary days: love of country, dedication to freedom, devotion to duty, faith in God, and allegiance to principle, ethics and morality. Allen Frear exhibited all those qualities—and more—throughout his life and as a distinguished Member of the U.S. Senate. Members of the Senate who served with him during the years 1949 to 1961 will recall his depth of perception, his good sense, his humaneness and his deep interest and concern for his fellow man.

J. Allen Frear was born on a farm near Rising Sun, Del., on March 7, 1903. He graduated from the University of Delaware in 1924. He became president and owner of a retail business in Dover, a commissioner of Delaware State College as well as of the Delaware Old-Age Welfare Commission, president of Kent General Hospital, a major in the U.S. Army, with overseas service in the European Theater of Operations and with the Military Government at the close of the Second World War, after serving two terms in the U.S. Senate, a Commissioner of the Securities and Exchange Commission. His life is one in which all of us from Delaware can be justly proud. By his example he has set a high standard for us all.

Mr. President, great men and great events are associated with the site of the new Federal building. It is fitting and proper that the Federal building be located near such historical places. And it is fitting and proper that it should bear as its name the name of one among us—from our own time—who did so much to carry on the great traditions of those whose presence throughout history honors the spot.

I hope my colleagues in the Senate will join with me in supporting this bill to honor a former Member of the Senate.

Mr. President, on July 2 I delivered an address in Dover at the dedication of the new Federal building which describes my views more fully. I ask unanimous consent that it be inserted in the RECORD at this time.

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

STATEMENT OF WILLIAM V. ROTH, JR.

Mr. Ink, distinguished guests.

As we stand here today facing the old historic Meeting House Square, one cannot help but pause and think of the great men and events associated with this locale. It was here, for instance, that John Dickinson, the penman of the revolution, is supposed to have drafted the Delaware Constitution in 1792. It is also said that this square was the site for the reading of the Declaration of Independence in 1776.

The cemetery adjacent to the Delaware State Museum is the resting place for such historic figures as Colonel John Haslet, the Commander of Delaware's first militia regiment, and of Senator John Clayton, jurist and Secretary of State under President Zachary Taylor. It is fitting and proper then that the new Federal Building be located so near such hallowed ground.

The proud traditions of Delaware upheld in the past by such men as those I have mentioned are still being upheld by fine and good men. Historians will long remember the contributions of John Williams of Sussex County whose quiet and methodical investigations of wrongdoing gained the attention, and respect of the entire nation. Cale Boggs whose early roots were in Kent County now represents the finest in New Castle County. His has been a lifetime truly marked by outstanding dedicated public service. In fact, because of my high regard for the service rendered our State by Cale I have urged that the new Federal Building in Wilmington be named after him.

Here in Kent County we have former Senator Allen Frear, one of the finest public servants Kent County has ever provided to this Nation.

Allen Frear has always been perceptive, full of good sense, and warmly human. These fine qualities plus his deep interest and concern for his fellow man are what helped to make him such an excellent United States Senator.

In these three men one can find many characteristics of the patriots of revolutionary days. Senators Frear, Williams, and Boggs represent all of the old fashioned virtues that made this country great—the same virtues exhibited by the heroes of the revolution—love of country—dedication to freedom—devotion to duty—faith in God—strong family ties—and an allegiance to principle, ethics and morality. All are men of unimpeachable integrity and morality, and each section of our State can be proud that it has provided such men to us and that men of this calibre would dedicate their lives to public service and show so much true concern for the citizens of this State.

Mr. Ink and distinguished guests, it gives me great pleasure to participate in this dedication. Moreover, it gives me double pleasure to propose to you today that this building be named after Dover's distinguished friend and neighbor, Former U.S. Senator Frear. I am making such a request of the Senate Public Works Committee and hope that my colleagues on this committee will go along with my proposal.

In the case of Senator Boggs, I was stymied by an unofficial rule that Federal buildings cannot be named after a living American unless he has reached the age of 70. Without revealing Allen Frear's age, I can say that in his case we are faced with no such impediment. I realize, however, that there are still some reservations about naming a public building after a living man. Whether or not this can be accomplished, I would hope the media and the people of Delaware would begin calling these two buildings by the names of these outstanding men.

It is important, I believe, that this building be named after such a distinguished son of Dover as Allen Frear. For a Federal building should be more than just a building of blocks and mortar. It should be a building of spirit and tradition, as well as a building tied to the virtues represented by Senator Frear and his distinguished colleagues I have mentioned. I want this building to be part of the fine traditions of this State and by being named after Allen Frear it will be.

Allen Frear served in the Senate from 1949 to 1961 and as his many friends in this State know so well he and his lovely wife Esther have participated in a lengthy array of civic and public causes. Their lives represent the finest in America and as we dedicate this building which I will hereafter call the Frear Building, I would urge that we dedicate it to the old fashioned virtues which made this country great—virtues which characterize the lives of Allen and Esther Frear. These are the virtues which have sustained this nation throughout its history and with the help of God they will continue to sustain us in the future.

By Mr. HUDDLESTON (for himself, Mr. CHILES, Mr. BENTSEN, Mr. HELMS, and Mr. NUNN):

S. 3816. A bill to terminate the Emergency Daylight Saving Energy Conservation Act of 1973. Referred to the Committee on Commerce.

Mr. HUDDLESTON. Mr. President, with the recent publication of the Department of Transportation's interim report on the effects of year round daylight saving time, the benefits of winter fast time remain nebulous at best. While the findings of the report are inconclusive, it does recommend that the winter daylight saving time experiment be abandoned from the last Sunday in October 1974 through the last Sunday in February 1975. The bill which I am introducing today would go a step further. It would repeal the Emergency Daylight Saving Energy Conservation Act and return the Nation to the observance of daylight saving time only from the last Sunday in April through the last Sunday in October as we have had in the past.

The Senate approved year round daylight saving time last December expecting significant energy savings, decreased crime, decreased traffic accidents, and

more time for recreation. But, to the contrary, the DOT study indicates a "probable" electrical energy saving of only 0.75 to 1 percent partially offset by an increase in gasoline use as much as 0.5 to 1 percent in some States over the amount forecasted under conditions of standard time. It indicates no significant effects on traffic safety; no measurable effects on crime; and no measurable effects on recreation.

So, after 6 months, year-round daylight saving time has not borne out the Senate's expectations. What it has done is create very real and concrete problems for people in every part of the country.

Families remain understandably fearful for the safety and well-being of their small children who have to go to school in the dark. And, in areas where school hours have been shifted to avoid the darkness, working parents have been seriously inconvenienced.

Radio stations complain of frequency interference problems during prime time morning rush-hour broadcasts. All of the licensing changes and legislation in the world cannot change the basic, physical fact that broadcast signals behave differently in darkness than in daylight.

The construction industry—the Nation's largest industry—has called for the repeal of year-round daylight saving time because of the safety hazards of working during early morning darkness, and the resulting increase in energy use on construction projects.

And, farmers are seriously inconvenienced when daylight does not correspond to the working hours of the businesses with which they must deal.

Mr. President, I opposed year-round daylight saving time last December. But, after 6 months without conclusive proof that we are saving significant amounts of fuel; 6 months of complaints from constituents adversely affected by the time change; and, 6 months of just day-to-day experience with year-round daylight saving time, I am more opposed to it than ever.

We are fast approaching another winter under daylight saving time with all of its attendant problems. We have been assured that the Commerce Committee will hold in depth hearings on this matter, and I urge that they begin at the earliest possible date.

By Mr. BROCK (for himself, Mr. BAKER, Mr. FULBRIGHT, and Mr. MANSFIELD):

S. 3817. A bill to amend the National Bank Act, the Federal Deposit Insurance Act, the National Housing Act, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

Mr. BROCK. Mr. President, on behalf of myself and Senators BAKER, FULBRIGHT and MANSFIELD, I am introducing an emergency measure to avoid unemployment and severe economic repercussion likely to occur as a result of the inability of firms to borrow funds because of current interest restrictions in some States.

Interest rates are now extremely high. The prime rate—the rates banks charge their best customers—is around 12 percent, and banks now borrow from each other in the so-called Federal funds market at 13–14 percent, or so. Under these conditions, corporations who need to borrow sizable amounts in order to carry on their business simply cannot get money in States like Tennessee and Arkansas, where the State constitutions impose ceilings of 10 percent. In Montana, and other States, statutory restrictions—sometimes equally hard to change—also make it virtually impossible to get needed funds.

The National Bank Act, generally speaking, authorizes national banks to charge the rates permitted to State banks or to other lenders in the same State. Back in 1933, Senator Glass proposed an amendment to the National Bank Act which authorized national banks to charge 1 percent in excess of the discount rate on 90-day commercial paper in effect at the local Federal reserve bank. It was necessary, according to Senator Glass, to authorize national banks to charge more than the State interest rates when rediscount rates equaled or exceeded the State interest rate ceiling—otherwise businesses needing to borrow might have to stop their operations. While Senator Glass recognized the desirability, as a general rule, of restricting national banks to charging the same rate ceilings as their State competitors, he saw the necessity of departing from this rule when necessary to enable national banks to carry out their function of providing funds for the needs of business.

In 1933, the Federal reserve discount rate reflected market conditions. In recent years, however, the Federal reserve discount rate has lagged far behind the market in periods of rapidly rising interest rates. The current discount rate of 8 percent permits national banks to charge 9 percent. With a prime rate of 12 percent common throughout the financial centers of the country, and with banks paying substantially over 9 percent to get funds from other banks or in the market, it is quite clear that the 9 percent permitted by Senator Glass' provision provides little or no help to concerns which cannot carry on their businesses without substantial borrowings of money.

Accordingly, in order to permit corporations to get funds in these days of high interest rates, my bill would permit federally insured banks and savings and loan associations to charge up to 5 percent over the applicable Federal reserve discount rate to all corporate borrowers.

The bill, of course, does not affect consumer lending or home mortgages. It is limited to corporations who, with their attorneys, do not need the protection of usury laws. In this connection it is appropriate to note that many States completely exempt corporate loans from their usury ceiling. It is also appropriate to note that certificates of deposit of $100,000 or more are exempt from interest rate ceilings under Federal Reserve Board and FDIC regulations.

My bill would authorize all insured banks, national and State, and all insured savings and loan associations, Federal and State, to charge these rates. I believe all of the institutions can be of help in this emergency, and that they should all be equally empowered to participate in providing this help.

In this country we have a decentralized banking system which has served well in providing credit for the Nation's expanding economic needs. This so-called dual banking system has been responsible for innovation at both the Federal and State level and I am a strong supporter of this system. In areas of major competitive importance, there must be a substantial measure of equality between banks under Federal or State charters. Wide discrepancies in the two systems over a protracted period of time would make it impossible to preserve these essential financial systems.

I urge prompt consideration of this bill in order to provide emergency relief for industry and agriculture in certain parts of the country. We cannot permit unrealistic interest ceilings to prevent business and agriculture from getting the funds needed to continue operating and to market crops, however beneficial and desirable the ceilings may be in the case of single family housing or small loans to consumers and other individual borrowers.

I full recognize that remedial action by those States suffering credit distortions because of usury ceilings would be the most desirable means of dealing with existing inequities. However, it is simply not possible for that to be done overnight in States like Tennessee, Arkansas, and Montana. Thus, to give these States sufficient time to act and yet not set an unwise precedent, I am limiting the effective date of the amendment to July 1, 1977.

Mr. President, I ask unanimous consent to have the bill printed in the RECORD at this point.

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

S. 3817

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 5197 of the Revised Statutes, as amended (12 U.S.C. 85), is amended by inserting in the first and second sentences before the phrase "whichever may be the greater", the following: "or in the case of a loan to a corporate borrower, at a rate of 5 per centum in excess of the discount rate on ninety-day commercial paper in effect at the Federal reserve bank in the Federal reserve district where the Bank is located,".

SEC. 2. The Federal Deposit Insurance Act is amended by adding at the end thereof the following:

"SEC. 24. (a) In order to prevent discrimination against State-chartered insured banks with respect to interest rates, if the applicable rate prescribed in this subsection exceeds the rate such State bank would be permitted to charge in the absence of this subsection, a State bank may in the case of a loan to a corporate borrower, notwithstanding any State constitution or statute, which is hereby preempted for the purposes of this section, take, receive, reserve, and charge on any loan or discount made, or upon any note, bill of exchange, or other evidence of debt, interest at a rate of not more than 5 per centum in excess of the discount rate on ninety-day commercial paper in effect at the Federal reserve bank in the Federal reserve

district where the bank is located, and such interest may be taken in advance, reckoning the days for which the note, bill, or other evidence of debt has to run.

"(b) If the rate prescribed in subsection (a) exceeds the rate such State bank would be permitted to charge in the absence of this paragraph, and such State fixed rate is thereby preempted by the rate described in subsection (a), the taking, receiving, reserving, or charging a greater rate of interest than is allowed by subsection (a), when knowingly done, shall be deemed a forfeiture of the entire interest which the note, bill, or other evidence of debt carries with it, or which has been agreed to be paid thereon. If such greater rate of interest has been paid, the person who paid it may recover, in a civil action commenced in a court of appropriate jurisdiction not later than 2 years after the date of such payment, an amount equal to twice the amount of the interest paid from the State bank taking or receiving such interest."

SEC. 3. Title IV of the National Housing Act is amended by adding at the end thereof the following:

"SEC. 412. (a) If the applicable rate prescribed in this section exceeds the rate an insured institution would be permitted to charge in the absence of this section, such institution may in the case of a loan to a corporate borrower, notwithstanding any State constitution or statute, which is hereby preempted for the purposes of this section, take, receive, reserve, and charge on any loan or discount made, or upon any note, bill of exchange, or other evidence of debt, interest at a rate of not more than 5 per centum in excess of the discount rate on ninety-day commercial paper in effect at the Federal reserve bank in the Federal reserve district where the institution is located, and such interest may be taken in advance, reckoning the days for which the note, bill, or other evidence of debt has to run.

"(b) If the rate prescribed in subsection (a) exceeds the rate such institution would be permitted to charge in the absence of this section, and such State fixed rate is thereby preempted by the rate described in subsection (a), the taking, receiving, reserving, or charging a greater rate of interest than that prescribed by subsection (a), when knowingly done, shall be deemed a forfeiture of the entire interest which the note, bill, or other evidence of debt carries with it, or which has been agreed to be paid thereon. If such greater rate of interest has been paid, the person who paid it may recover, in a civil action commenced in a court of appropriate jurisdiction not later than 2 years after the date of such payment, an amount equal to twice the amount of the interest paid from the institution asking or receiving such interest."

SEC. 4. If any provision of this Act or the application of such provision to any person or circumstance shall be held invalid, the remainder of the Act and the application of such provision to any person or circumstance other than that as to which it is held invalid shall not be affected thereby.

SEC. 5. The amendments made by this Act shall apply to loans made after the date of enactment of this Act, but prior to July 1, 1977.

Mr. BAKER. Mr. President, I welcome the opportunity to cosponsor the bill introduced today by my distinguished fellow colleague from Tennessee (Mr. BROCK) which is designed to enable the banking industry in the States of Arkansas, Montana, and Tennessee to make loans to corporate customers at rates of interest comparable to those charged in other states to corporate borrowers.

While we hope that the present high interest rates, as manifested by a prime rate of approximately 12 percent, will soon recede, banks across the Nation currently pay 13 to 14 percent on funds borrowed from other banks. Consequently, it is not surprising that banks in Arkansas, Montana, and Tennessee are loath to make sizable corporate loans necessitating borrowing from other banks because the State constitutions and/or statutes in these States impose interest ceilings to 10 percent on all loans, including those made to corporations. A significant burden, thus, is imposed on the local business community as it is unable to obtain funds in these three States.

As explained by Senator BROCK, the measure which we introduce today would authorize, for a limited period of time, national banks, federally insured State chartered banks, and federally insured savings and loan associations to charge corporate customers interest rates at the discount rate on 90-day commercial paper in effect at the Federal Reserve Banks in the Federal Reserve District where the banking institution is located—plus 5 per centum. I understand that this legislation has the support of governmental banking officials at both the Federal and State levels; and, because it does not affect consumer or home financing borrowings, this bill will not constitute an additional burden upon the individual taxpayer already reeling from the effects of inflation.

Mr. President, as I possess an interest in a small national bank, I have carefully examined this legislation for a possible conflict of interest. Because the type of loans affected by this bill are made normally only by large financial institutions, and because it provides relief to FDIC State banks and savings and loan institutions as well as national banks, I have concluded that I should not withhold my vote or support for this legislation. Unless we authorize an increased interest rate ceiling in these three States, I fear that Arkansas, Montana, and Tennessee will experience unusual economic disorientation and substantial loss of jobs because the business communities in those States are unable to secure the funds necessary to continue their operations.

By Mr. BENNETT:

S. 3818. A bill to amend the Internal Revenue Code of 1954. Referred to the Committee on Finance.

EXTENSION OF MORATORIUM UNTIL JANUARY 1976

Mr. BENNETT. Mr. President, I would like to offer an amendment to H.R. 8214 which would authorize extension of a moratorium on the reporting of military moving expenses until January 1, 1976. I had intended to introduce this amendment to H.R. 6642, a bill which was passed by this body on July 16, 1974, and which contains provisions extending this moratorium until January 1, 1975. Unfortunately the bill was passed before I had the opportunity to do this.

The extension of this moratorium until January 1976 is in the best interests of the Government. First, it will insure that we have had the opportunity to grant permanent legislative relief from the reporting requirement, a matter being considered by the Ways and Means Committee. Second, it will prevent the necessity for the military services to soon begin sinking costs into reporting systems that may not be required.

As background, it should be noted that in 1970 the Internal Revenue Service granted a 2-year moratorium to DOD on the military moving expense reporting requirement. This has periodically been extended since, with the current extension ending with the present session of this Congress. In granting this extension, IRS put DOD on notice that this would be the last short of legislative relief.

DOD has consistently sought relief from the reporting requirement because of the costs—$1.8 million fixed and $6.2 million annual operating—involved in establishing the necessary reporting systems. These costs would not be offset to any significant degree by increased tax revenue because moving costs included in gross income would be offset, in the great majority of instances, by comparable deductions. Further, implementation of the reporting requirement would subject military members to the so-called 39 week and 50 mile tax rules, which, as applied to the military who at the convenience of the Government are required to make frequent moves, are extremely unfair.

By Mr. BENNETT:

S. 3819. A bill to amend the Internal Revenue Code of 1954. Referred to the Committee on Finance.

Mr. BENNETT. Mr. President, participants in the Armed Forces health professions scholarship program, which started in 1973, were originally under the impression that their educational expenses which are paid by the Government would not be taxable. However, on August 1, 1973, the Internal Revenue Service ruled that they were.

The average annual educational expenses under the program are approximately $3,000. In effect, by making this amount taxable, the value of the monthly stipend of $400 which the scholar receives is reduced by approximately $100 per month down to $300.

This scholarship program was considered as a substitute for the doctor draft which ended on July 1, 1973. If this program fails because it does not provide sufficient financial inducement, it may be necessary to reinstate the doctor draft.

The present language of the bill affords relief to participants in the scholarship program which would end in approximately 5 months—31 December 1974. This obviously is not an adequate amount of time in which to develop and obtain enactment of permanent legislative relief. In order to provide adequate time in which to develop and obtain enactment of legislation providing permanent relief to this program, there should be no terminating date for the temporary relief provided by this bill. The appropriate committees and the Congress should not be under undue pressure in reaching

a permanent solution to this problem. These matters can be very time consuming as the amount of time this bill has been under consideration amply proves.

Mr. BENNETT:

S. 3820. A bill to amend the Internal Revenue Code of 1954. Referred to the Committee on Finance.

Mr. BENNETT. Mr. President, participants in the Armed Forces health professions scholarship program which started in 1973, were originally under the impression that their education expenses which are paid by the Government would not be taxable. However, on August 1, 1973 the Internal Revenue Service ruled that they were.

The average annual educational expenses under the program are approximately $3,000. In effect, by making this amount taxable, the value of the monthly stipend of $400 which the scholar receives is reduced by approximately $100 per month down to $300.

This scholarship program was considered as a substitute for the doctor draft which ended on July 1, 1973. If this program fails because it does not provide sufficient financial inducement, it may be necessary to reinstate the doctor draft.

The present language of the bill affords relief to participants in the scholarship program which would end in approximately 5 months—31 December 1974. This obviously is not an adequate amount of time in which to develop and obtain enactment of permanent legislative relief.

By providing an additional year—fiscal year 1975—of relief, a responsible, adequate amount of time would be available in which to develop permanent legislative relief.

By Mr. BENNETT:

S. 3821. A bill to amend the Internal Revenue Code of 1954. Referred to the Committee on Finance.

INDEFINITE EXTENSION OF MORATORIUM

Mr. BENNETT. Mr. President, I would like to offer an amendment to H.R. 8214 which would authorize an indefinite extension of a moratorium on the reporting of military moving expenses. I had intended to introduce this amendment to H.R. 6642, a bill passed by this body on July 16, 1974, and which contains provisions extending this moratorium until January 1, 1975. Unfortunately, the bill was passed before I had the opportunity to do this.

The extension of this moratorium for an indefinite period is in the best interests of the Government. First, it will insure that we have had ample opportunity to review and, if appropriate, grant permanent legislative relief from the reporting requirement, a matter being considered by the Ways and Means Committee. Second, it will help relieve some apprehension by members of the military and will prevent the necessity for the military services to soon begin sinking costs into developing reporting systems that may not be required.

As background, it should be noted that in 1970 the Internal Revenue Service granted a 2-year moratorium to DOD on the military moving expense reporting requirement. This has periodically been extended since, with the current extension ending with the present session of this Congress. In granting this extension, IRS put DOD on notice that this would be the last, short of legislative relief.

DOD has consistently sought relief from the reporting requirement because of the costs—$1.8 million fixed and $6.2 million annual operating—involved in establishing the necessary reporting systems. These costs would not be offset to any significant degree by increased tax revenue because moving costs included in gross income would be offset, in the great majority of instances, by comparable deductions. Further, implementation of the reporting requirement would subject military members to the so-called 39-week and 50-mile tax rules, which as applied to the military who at the convenience of the Government are required to make frequent moves, are extremely unfair.

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 3108

At the request of Mr. STAFFORD, the Senator from Delaware (Mr. BIDEN) was added as a cosponsor of S. 3108 to amend the Rehabilitation Act of 1973.

S. 3327

At the request of Mr. CURTIS, the Senator from Hawaii (Mr. INOUYE) was added as a cosponsor of S. 3327 to amend section 208 of the Social Security Act.

S. 3783

At the request of Mr. FULBRIGHT, the Senator from New Jersey (Mr. CASE) was added as a cosponsor of S. 3783, to implement certain provisions of the International Convention on Fishing and Conservation of the Living Resources of the High Seas, and for other purposes.

SENATE CONCURRENT RESOLUTION 104—SUBMISSION OF A CONCURRENT RESOLUTION RELATING TO THE AVAILABILITY OF UNLEADED GASOLINE AND RELATED EQUIPMENT

(Referred to the Committee on Public Works.)

Mr. BIBLE. Mr. President, I rise to submit a concurrent resolution expressing the sense of Congress that the Environmental Protection Agency by regulation permit reasonable extensions of time to small business gasoline marketers so that they may obtain the equipment and product necessary to dispense unleaded gasoline without being subject to a $10,000 a day penalty.

A proud achievement of this body over the past 25 years has been its continuing concern over the years for the American small businessman. Those hardy entrepreneurs, as has so often been said, constitute the backbone of the American economy. In the petroleum industry, as in other segments of our economy, they are vigorous competitors, providing a major source of innovation, flexibility, lower prices and better service. Their value to many of our constituents was demonstrated in the imaginative actions taken by independent and other service station operators during the fuel crisis of this past winter.

In common with largest industrial and business organizations—they are subjected to the myriad regulations promulgated by our numerous, and I might say, ever-growing number of Federal regulatory agencies.

Small business petroleum marketers are required to prepare and file voluminous reports for IRS, OSHA, the Department of Commerce and others. Additionally, the energy crisis and the drive to clean up our environment have spawned a host of new problems and new reporting requirements for those dealing in petroleum products, such as vapor recovery, spillage control, allocation programs, and price controls.

These marketers now confront an additional classic small business regulatory problem.

By July 1—Sept. 1, 1974, upon extension applied for—gasoline stations are required to have available unleaded gasoline under penalties of up to $10,000 per day. In many instances this means that a third storage tank and special nozzles are needed. The requirement arises because 1975 model automobiles have been built with catalytic air pollution converters, which in turn call for the use of only unleaded fuels.

However, 1975 cars available this autumn will only constitute 10 percent of the car population by September 1, 1975. Thus, reasonable extension of the deadline for small marketers will not damage either the quest for cleaner air or the ability of small marketers to provide substantial service.

The difficulty faced by the independent small firms is in obtaining physical delivery of the equipment. Major oil companies appear in many instances to be taking care of their own stations. Independents are therefore in competition not only with these firms but with other businesses, industries, and agriculture in acquiring these scarce products. Surveys taken among these segments of the industry project delays reaching into the autumn of 1974 and in some instances beyond this. Yet EPA seems to be moving in the opposite direction, moving the deadline closer for some rural service stations in a recent action.

The intention of this resolution is to promote compliance with EPA requirements by the smaller gasoline station owners in order to preserve them in business. They are an important factor in many smaller towns and rural areas. For instance, there are some 13,000 gasoline wholesalers or jobbers. These firms own an average of seven service stations. Some years ago the report of the Senate Select Committee on Small Business indicated that independent retailers marketed between 20 percent and 25 percent of all the gasoline in the United States

and were the balance wheel of competition in this industry.

The resolution is cast as a sense of Congress declaration of policy. Under such legislation, the Environmental Protection Agency would implement the policy by appropriate procedures and guidelines. EPA would presumably require a showing that the equipment and/or product involved has been ordered in good faith, so that the marketer has done everything he can do, and his inability to comply is due to factors beyond his control. This mechanism is apparent already in place under the current September 1 extension regulation.

The Agency has already proposed in its regulations that marketers who cannot obtain unleaded clear product on time can apply to EPA for an alternate supplier. This is a step in the right direction, and the language of the resolution as to products will provide congressional support for such a policy.

Mr. President, we are also familiar with the lines at service stations during the recent gasoline fuel crisis. Independent small gasoline retailers can, if equitably treated, be a substantial factor in avoiding such hardships in the future. The alternative would be that many good local businessmen would be forced to close their doors because of circumstances beyond their control. This resolution provides a reasonable means toward small business survival in this field. I hope the Senate can take expeditious action to enact the resolution.

Mr. President, I ask unanimous consent to have printed in the RECORD at the conclusion of my remarks the full text of the concurrent resolution.

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

S. CON. RES. 104

Whereas motor vehicles for the model year 1975 will be built with air pollution control equipment which requires unleaded fuel;

Whereas 1975 model motor vehicles may constitute up to 10 percent of the motor vehicles in use by the beginning of 1975;

Whereas the regulations of the Environmental Protection Agency require gasoline marketers to provided unleaded gasoline for such vehicles by July 1, 1974 (or upon application by September 1, 1974) under a possible fine of up to $10,000 per day; and

Whereas service station operators, marketers, suppliers, and especially small businesses, who are in good faith attempting to comply with this requirement, face delays in delivery and installation of equipment or gasoline which are beyond their control; Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that the Administrator of the Environmental Protection Agency should, in the application of regulations pursuant to the Clean Air Act with respect to supplying, after July 1, 1974, unleaded gasoline for automobiles—

(1) grant reasonable extensions of time for compliance to retailers who are unable to obtain such gasoline or delivery systems for such gasoline; and

(2) consult with the Administrator of the Federal Energy Administration in order to obtain a fair allocation of such gasoline for all segments of the petroleum industry marketing structure.

DEPARTMENTS OF STATE, JUSTICE, AND COMMERCE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS, 1975—AMENDMENTS

AMENDMENT NO. 1612

(Ordered to be printed and referred to the Committee on Appropriations.)

Mr. NELSON (for himself and Mr. ERVIN) submitted an amendment, intended to be proposed by them, jointly, to the bill (H.R. 15404) making appropriations for the Departments of State, Justice, and Commerce, the Judiciary and related agencies for the fiscal year ending June 30, 1975, and for other purposes.

THE SECURITY OF INDIVIDUAL PRIVACY

Mr. NELSON. Mr. President, I send to the desk on behalf of myself and the Senator from North Carolina (Mr. ERVIN) an amendment to House Resolution 15404 which provides that none of the funds appropriated by this title should be used for the installation, maintenance or operation of electronic devices for intercepting wire or oral communications not authorized by sections 2516 and 2518 of title 18, United States Code.

Mr. President, on July 11 the Senate, by an overwhelming vote of 64 to 31, repealed the "no knock" provisions of the Federal drug law and the D.C. Criminal Code. In so doing, the Senate signaled its intention to correct a past mistake and to insure that individual liberties are not sacrificed on the altar of political expendiency.

That same sensitivity to individual liberty should now move the Senate to end the wiretapping abuses perpetrated in the name of "national security." The Senate should adopt legislation which requires all wiretaps to have their prior approval of a neutral court.

The need for such legislation is beyond doubt. Attorney General Saxbe has already endorsed the concept of requiring prior judicial authorization of national security wiretaps. In its report, the Senate Watergate Committee likewise stated that "it is preferable" to have prior court approval of national security wiretaps.

Because the need is so clear, Senator ERVIN and I are proposing today an amendment to H.R. 15404, an appropriations bill for the Commerce, State and Justice Departments, which would prohibit the use of the appropriated funds by the Justice Department and the FBI for the installation, operation, or maintenance of wiretaps and electronic bugs which do not have the prior authorization of a judicial warrant. The effect of this amendment would be to put Congress on record as being against the Government's use of warrantless wiretaps for so-called "national security" reasons or for any other purpose. In so doing, it would help assure every American citizen that individual liberty—not unrestrained Government power—is the hallmark of our society.

This assurance would merely be a reaffirmation of the rights guaranteed to every individual by the fourth amendment to the Constitution. That amendment states explicitly that—

The right of the people to be secure in their persons, houses, papers, and effects, against unreasonable searches and seizures, shall not be violated, and no warrants shall issue, but upon probable cause, supported by oath or affirmation, and particularly describing the place to be searched, and the persons or things to be seized.

One need not be an historian or a lawyer to understand the basic purpose of this amendment. It is designed to protect an individual's privacy against unreasonable intrusions by the Government. To provide this protection, the amendment contemplates that a neutral court—not the Government—shall first determine whether any planned search is reasonable enough to justify the issuance of an approving warrant based on probable cause. This procedure makes eminent sense. Without prior court review, the Government would be both advocate and judge of its own case.

It is noteworthy, moreover, that the fourth amendment's protection applies to all Government searches. No exception is made for "national security" cases.

In 1967, the Supreme Court ruled that, as a matter of constitutional law, telephone wiretaps constitute Government searches which are subject to fourth amendment limitations. This ruling means that Government wiretaps must have the prior authorization of a judicial warrant based on probable cause. The Court has upheld this position in every subsequent wiretap case—even in those situations where it was claimed that the wiretapping was necessary to protect "domestic security."

Despite the clear meaning of the fourth amendment and interpretive decisions by the Supreme Court, the Government continues to authorize warrantless wiretaps in so-called national security cases. A Justice Department spokesman testified at a recent congressional hearing that approximately 100 warrantless wiretaps are operative at any given point of time. It was argued there and elsewhere that such wiretaps are necessary to protect the Nation's security.

The short but essential answer to that argument was offered more than 200 years ago by William Pitt. Responding to the Government's pleas that general search warrants were necessary for the Government to execute its responsibilities, Pitt declared that—

Necessity is the plea for every infringement of human freedom. It is the argument of tyrants; it is the creed of slaves.

That response applies with equal force to any argument in support of warrantless wiretaps. Such wiretaps pose a grave danger to the individual's right to privacy and other fundamental constitutional liberties.

Often they reflect nothing more than a desire to pry into an individual's private affairs. Generally they are not supported by concrete evidence to justify the invasion of an individual's privacy. And always they escape the scrutiny of the courts, the Congress, and the public at large because the Government is not re-

quired to disclose their existence unless it prosecutes the individual involved—a rare occurrence in the history of national security wiretaps.

In a word, warrantless wiretaps are dangerous because they confer unlimited and unreviewed power in the executive branch. There is virtually no way for either the Congress or the courts to check the exercise of that power. Warrantless wiretaps thus violate the basic premise underlying our Constitution that all power is "fenced about."

The dangers of warrantless wiretaps are not confined to the criminal and truly subversive elements within our society. Warrantless wiretaps are a serious threat to everyone, regardless of his or her station in life. Many distinguished Americans, for instance, have been subject to national security wiretaps.

Those wiretapped in recent years include Dr. Martin Luther King, Jr., who was wrongly suspected of being a Communist dupe in the early 1960's; Joseph Kraft, the syndicated newspaper columnist; 17 newspapermen and Government officials who were suspected of leaking or reporting sensitive information in 1969—despite the fact that some of those tapped did not even have access to such information; congressional aides who knew reporters involved in the publication of the Pentagon Papers; and friends of a White House official suspected of passing information to the Chairman of the Joint Chiefs of Staff of the U.S. Armed Forces.

These and other incidents show that often national security wiretaps have been used to protect an administration from adverse publicity rather than to protect the Nation against foreign attack or subversion.

The abuses of warrantless wiretaps have rightly aroused concern among the public. In a recent opinion poll for the Senate Subcommittee on Intergovernmental Relations, Louis Harris found that 75 percent of the public believes that "wiretapping and spying under the excuse of national security [are] a serious threat to people's privacy." Mr. Harris also found in another poll that more than 75 percent of the public now favors legislation to curb the Government's power to wiretap.

These opinion polls are not difficult to understand. The vast majority of the public instinctively recognize that lack of control breeds an official state of mind that condones the Government's invasion of a citizen's privacy. This official attitude is a dangerous threat to freedom. It led to Watergate and other illegal acts of political espionage.

The lesson of Watergate and other recent events is clear: warrantless wiretaps for so-called "national security" purposes should have no place in our society. It would indeed be ironic if the Government's invocation of national security could justify a violation of those constitutional rights and liberties which the Government is obligated to defend.

It is therefore incumbent on Congress to adopt action to prevent such wiretapping abuses and to alleviate public concerns. The amendment offered today provides the Senate with a timely opportunity to meet that responsibility. In essence, the amendment requires that wiretaps conducted by the Justice Department or FBI be subject to the court warrant procedures contained in title III of the Omnibus Crime Control and Safe Streets Act.

This requirement would not impinge on the Government's ability to install a wiretap when there is a legitimate need. Virtually every activity which endangers the Nation's security is a codified crime, such as treason or espionage. Section 2516 of title III explicitly allows for wiretaps to obtain information about such activities. Consequently, if the Government determines that it needs a wiretap to protect the Nation, it should be able to obtain the approving judicial warrant. This is particularly so since 6 years of experience under title III demonstrates that courts are very deferential to Government requests for wiretaps; of the thousands of wiretap applications made by the Government, the courts have denied only a handful.

This amendment, then, strikes a proper balance between the need to preserve fundamental constitutional liberties and the need to provide the Government with access to information concerning the Nation's security. For this reason, there should be no obstacle to Congress, approval of the proposed amendment. In fact, failure to adopt this amendment would be an admission to the American people that, for all their rhetoric, Members of Congress are unwilling to take concrete action to protect those rights and liberties which the Constitution guarantees to every individual. Mr. President, H.R. 15404 is now pending before the Senate Appropriations Committee. I ask that the amendment offered today be referred to that committee so that the amendment can be considered in the committee's deliberations.

I. THE SCOPE OF THE FOURTH AMENDMENT'S PROTECTION

To appreciate the need to prohibit the use of warrantless wiretaps, it is first necessary to understand the scope of the fourth amendment's protection. As noted earlier that amendment provides that—

> The right of the people to be secure in their persons, houses, papers, and effects, against unreasonable searches and seizures shall not be violated, and no warrants shall issue, but upon probable cause, supported by oath or affirmation, and particularly describing the place to be searched, and the persons or things to be seized.

This amendment thus restricts the Government's power over the individual. As James Madison observed, this amendment, as well as the other amendments in the Bill of Rights:

> "Limit and qualify the powers of Government, by excepting out the grant of power those cases in which the Government ought not to act, or to act only in a particular mode." 1 Annals of Cong. 483 (June, 1789).

In this light, the basic purpose of the fourth amendment is clear. It protects each citizen's privacy from unreasonable invasion by the Government.

The fourth amendment was borne from the American Colonies' bitter experience with their British rulers. The English king's officers—armed with nothing more than a general warrant and a desire to suppress political dissent—frequently entered an individual's home and rumaged through his personal effects. Those warrants, and the indiscriminate searches which they sanctioned, quickly became a subject of dread among the American Colonies. See N. Lasson, "The History and Development of the Fourth Amendment to the United States Constitution," chapters 3 and 4 (1937).

In drafting a constitution to govern their new Nation, the American citizens were concerned that there be no resurrection of those indiscriminate searches by the Government. The fourth amendment was therefore, adopted to meet that justified concern.

The fourth amendment's protection is twofold. On the one hand, it precludes unreasonable invasions of an individual's privacy by the Government. On the other hand, the fourth amendment guarantees that that privacy can be invaded only when there is a judicial warrant based on probable cause. The fourth amendment's twofold protection was aptly summarized in a recent issue of the Arizona Law Review:

> The fourth amendment was intended not only to establish the conditions for the validity of a warrant, but also to recognize an independent right of privacy from unreasonable searches and seizures. Justice Frankfurter, dissenting from the [Supreme] Court's decision in *Harris* v. *United States*, interpreted [t]he plain import of this [to be] . . . that searches are "unreasonable" unless authorized by a warrant, and a warrant hedged about by adequate safeguards.
>
> Note, "Warrantless Searches in Light of Chimel: A Return to the Original Understanding," 11 *Ariz. L.Rev.* 455, 472 (1969).

It is quite clear, moreover, that the fourth amendment's protections were not to be suspended in cases of national security. When the fourth amendment was adopted, our Nation was only 11 years old. Foreign threats to the Nation's newly won independence remained ever present. Yet the fourth amendment provides for no exception to its application. The compelling conclusion is that the amendment should be applicable to all situations, including cases involving national security crimes. This conclusion is supported by innumerable constitutional scholars, including Justice William O. Douglas, who has stated:

> There is, so far as I understand constitutional history, no distinction under the Fourth Amendment between types of crimes." *Katz* v. *United States*, 389 U.S. 347, 360 (1967) (concurring opinion).

Our Founding Fathers, of course, did not contemplate the advent of telecommunications. Consequently, the amend-

ment does not expressly include wiretaps of telephones within the ambit of its protection. But there is no question that the constitutional right to privacy is no less important in cases where the Government listens to a telephone conversation than when it physically enters an individual's home.

In the 1967 decisions of Berger against New York and Katz against the United States, the Supreme Court held that the fourth amendment therefore generally requires the Government to obtain a judicial warrant before it can wiretap a citizen's phone. In issuing the Katz decithat—

The fourth amendment protects people, not places.

The soundness of the Berger and Katz decisions has been reaffirmed repeatedly by the Supreme Court. See, for example, *Alderman* v. *United States*, 394 U.S. 165 (1969). Most recently, in *United States* v. *United States District Court* (407 U.S. 297 (1972)), commonly referred to as the Keith case, the Court held that the Government could not wiretap American citizens without a judicial warrant—even when the citizens' activities threatened the domestic security of the Nation. Again, the Court made clear that wiretaps must adhere to the safeguards delineated by the fourth amendment:

Though physical entry of the home is the chief evil against which the wording of the Fourth Amendment is directed, its broader spirit now shields private speech from unreasonable surveillance.

The Supreme Court has not yet decided whether the fourth amendment's protections apply to cases involving foreign powers and their agents. In the Keith case, the Court stated explicitly that it did not consider those situations where American citizens have a significant connection with foreign powers and their agents.

Because the Court has not ruled on these national security wiretaps, the present administration maintains that it may install warrantless wiretaps in certain stiuations. In a September 1973 letter to Senator WILLIAM FULBRIGHT, chairman of the Senate Foreign Relations Committee, then Attorney General Elliot Richardson stated that the administration would continue to install warrantless wiretaps against American citizens and domestic organizations if the administration believes that their activities affect national security matters.

Mr. Richardsons' comments apparently still reflect administration policy. A representative of the Justice Department testified at a recent congressional hearing that at any point in time approximately 100 warrantless wiretaps are operative. The representative stated, furthermore, that these wiretaps often include surveillances of American citizens. And that is precisely the problem of national security wiretaps.

The discretion to determine when such warrantless wiretaps are justified and properly executed has been the sole province of the executive branch. There has been virtually no opportunity for the Congress, a court, or any other public body to examine the exercise of that discretion in order to prevent abuses. The results are not surprising. Warrantless wiretaps have produced and continue to produce the very evils which the fourth amendment was designed to eliminate.

II. THE HISTORY OF WARRANTLESS WIRETAPS

Warrantless wiretaps were first employed early in the 20th century. Almost from the very beginning, constitutional scholars and law enforcement officials recognized the serious dangers of warrantless wiretaps. In an early surveillance case, the venerable Justice Oliver Wendell Holmes referred to warrantless wiretaps as "dirty business" (*Olmstead* v. *United States*, 277, U.S. 438, 470 (1928) (dissenting opinion)).

In 1931, J. Edgar Hoover, who by then had been FBI director for 7 years, commented that —

While [the practice of warrantless wiretaps] may not be illegal, I think it is unethical, and it is not permitted under the regulations by the Attorney General.

In 1939, Mr. Hoover wrote to the Harvard Law Review that he believed wiretapping to be "of very little value" and that the risk of "abuse would far outweigh the value."

By 1939, however, pervasive reservations about wiretapping had inspired enactment of a law by Congress. In 1934, Congress passed the Communications Act. Section 605 of that act prohibits the "interception and divulgence" or "use" of the contents of a wire communication. From the moment of enactment, the provision seemed to erect a total prohibition to wiretapping and the use of information obtained from wiretapping. See *Nardone* v. *United States*, 308 U.S. 338 (1939); *Nardone* v. *United States*, 302 U.S. 379 (1937). As the Supreme Court stated:

[T]he plain words of the statute created a prohibition against any persons violating the integrity of a system of telephone communication and that evidence obtained in violation of this prohibition may not be used to secure a federal conviction. *Benanti* v. *United States*, 355 U.S. 96, 100 (1957).

This interpretation was shared by civil libertarians acquainted with the legislative history. Indeed, subsequent efforts in the 1940's and 1950's to legalize certain kinds of wiretapping were repeatedly rebuffed by those in Congress who feared the consequences which wiretapping would have for civil liberties. See Theoharis and Meyer, "The 'National Security' Justification for Electronic Eavesdropping: An Elusive Exception," 14 Wayne L. Rev. 749 (1968).

On the eve of World War II, however, President Franklin D. Roosevelt became convinced that use of warrantless wiretaps would be necessary to protect the Nation against the "fifth column" and other subversive elements. Roosevelt therefore instructed his Attorney General, Robert Jackson, to authorize wiretaps against subversives and suspected spies.

But Roosevelt was not insensitive to the risks which wiretapping could have for constitutional rights and liberties. In a memorandum to Jackson dated May 21, 1940, Roosevelt indicated that he was aware of section 605 and had read the Supreme Court's interpretive decisions. Roosevelt basically agreed with the restrictions against wiretapping:

Under ordinary and normal circumstances wiretapping by Government agents should not be carried on for the excellent reason that it is almost bound to lead to abuse of civil rights.

Roosevelt consequently instructed Jackson—

to limit these investigations so conducted to a minimum and to limit them insofar as possible to aliens.

Roosevelt's sensitivity to the dangers of warrantless wiretaps did not necessarily rescue their legality. Many legal scholars have suggested that until enactment of title III of the Omnibus Crime Control and Safe Streets Act of 1968, all wiretapping was illegal. See, for example, Navasky and Lewin, "Electronic Surveillance," in hearings before Senate Subcommittee on Administration Practices and Procedures. U.S. Senate, 92d Cong., 2d sess., pp. 173–74, 180 (June 29, 1972). Theoharis and Meyer, for instance, observed that until 1968:

All wiretapping violated the absolute ban of section 605 of the Federal Communications Act of 1934, and all other electronic eavesdropping which resulted in trespass of a constitutionally protected area was prohibited.

The questionable legality of wiretapping did not deter its use after World War II. In the 1950's and 1960's the Government's reliance on warrantless wiretaps mushroomed. No precautions were taken, though, to minimize the dangers to civil liberties recognized by Roosevelt. Concern for "national security" consequently led to the use of warrantless wiretaps against political dissidents—including Dr. Martin Luther King, Jr., who was wrongly suspected of being an unwitting dupe of the Communists.

The use of warrantless wiretaps had become a monster with its own momentum. Even the President did not always know the full extent to which such taps were used. Thus, upon learning of the taps on Dr. King and others, President Lyndon Johnson became irate.

One June 30, 1965, Johnson issued a directive placing severe restrictions on the use of warrantless wiretaps. Johnson initially made clear his general opposition to warrantless wiretaps:

I am strongly opposed to the interception of telephone conversations as a general investigative technique.

Johnson nonetheless ordered that wiretaps be permitted in national security cases—but only with the specific authorization of the Attorney General. Johnson apparently believed, in good faith, that authorization of warrantless

wiretaps by the Attorney General would prove to be an adequate safeguard for the individual's constitutional right to privacy and other constitutional liberties.

Sadly, but not unexpectedly, Johnson's belief proved to be illusory. Recent events have demonstrated that warrantless wiretaps—no matter how benign the Government's motives—cannot insure the sanctity of the individual's right to privacy. Reference to the examples cited in my statement of December 17, 1973—page 41864—makes this clear:

On December 5, 1973, Eugene LaRocque, a retired rear admiral in the U.S. Navy, revealed that the Pentagon currently has a unit which is authorized to engage in the same kind of surveillance activities conducted by the "Plumbers Unit" in the White House. The purported basis of these activities is a need to protect "national security." Rear Adm. LaRocque emphasized that there is currently no procedure for Congress, the courts, or the public to determine the scope—or lawfulness—of the Pentagon unit's surveillance activities.

In a report issued in October 1973, a House subcommittee found that certain White House officials invoked national security considerations to make the CIA their "unwitting dupe" in the burglary of Daniel Ellsberg's psychiatrist's offices and in other unlawful surveillance activities.

Recently it was learned that in 1969 the administration installed warrantless taps on 13 government officials and 4 newsmen, for the purported reason that these individuals were leaking or publishing sensitive foreign intelligence information. In virtually all the cases there was little or no concrete evidence to justify the taps. In many cases the evidence shows that the individual tapped did not even have access to such information. Indeed, in at least two cases the taps were continued after the individual had left Government service and had joined the Presidential campaign staff of Senator Muskie.

In 1969 the White House authorized the burglary of the home of newspaper columnist Joseph Kraft so that a warrantless tap could be installed. The alleged basis for this action was again national security. But there was and is no concrete evidence to establish that Mr. Kraft was acquiring or reporting any information which compromised our national security.

Testimony before the Senate Watergate Committee revealed that the White House authorized warrantless wiretaps "from time to time" when it was conducting an independent investigation of the publication of the "Pentagon papers" in 1971. The taps were placed on numerous citizens including aides of Members of Congress, whose only connection with the "Pentagon papers" was a personal relationship with some of the reporters involved. Again, the taps were justified on national security grounds and, again, there was and is no concrete evidence to support the need for the taps.

In 1970, the White House conceived and drafted a broad plan which proposed warrantless wiretapping, burglary, and other insidious surveillance practices. The staff assistant responsible for the plan stated in a memorandum to the President that certain aspects were "clearly illegal." Nonetheless, the plan was approved on the basis of national security, only to be scrapped shortly afterward when FBI Director J. Edgar Hoover objected.

In addition to these abuses, the Washington Post disclosed last January four more warrantless wiretaps conducted by the White House "plumbers" in 1972 against American citizens. The presumed basis for these taps was again national security. But there was no involvement of foreign powers or their agents. Nor were the taps in any way necessary to protect our Nation from foreign attack or subversion. The taps were instead justified on the grounds that a White House official was distributing certain information to the Chairman of the Joint Chiefs of Staff of the U.S. Armed Forces. In order to stop this distribution, the plumbers believed it necessary to wiretap the official's friends.

The abuses of warrantless wiretaps underscore the wisdom of the fourth amendment's protections. It would be naive to assume that the Government can make a disinterested judgment as to whether a planned search by Government agents is reasonable. The Government cannot properly be both advocate and judge of its own case.

Our Founding Fathers recognized this problem and adopted the fourth amendment. That amendment contemplates that a disinterested court will decide whether searches desired by the Government are reasonable. See, for example, the Keith case; *Coolidge* v. *New Hampshire* (403 U.S. 443 (1971)). The need for this disinterested judgment is no less necessary in cases involving the national security than it is in other cases. This essential point was advanced eloquently by Justice Douglas in the Katz case:

Neither the President nor the Attorney General is a magistrate. In matters where they believe national security may be involved, they are not detached, disinterested, and neutral as a court or magistrate must be. Under the separation of powers created by the Constitution, the Executive Branch is not supposed to be neutral and disinterested. Rather, it should vigorously investigate and prevent breaches of national security and prosecute those who violate the pertinent federal laws. The President and the Attorney General are properly interested parties, cast in the role of adversary in national security cases. They may even be the intended victims of subversive action. Since spies and saboteurs are as entitled to the protection of the Fourth Amendment as suspected gamblers like petitioner, I cannot agree that where spies and saboteurs are involved adequate protection of Fourth Amendment rights is assured when the President and Attorney General assume both the positions of adversary-and-prosecutor and disinterested, neutral magistrate. 389 U.S. at 359–60 (concurring opinion).

In short, regardless of how beneficient the Government's intentions, warrantless wiretaps—whether in national security cases or in any other kind of case—pose serious dangers to the right to privacy as well as other constitutional rights and liberties.

III. AMENDMENT TO PROTECT AGAINST WIRETAP ABUSES IN NATIONAL SECURITY CASES

The history of warrantless wiretaps for national security cases demonstrates the need for corrective action. For too long Congress has closed its eyes to the abuses of those wiretaps—perhaps in the hope that the country would be better served if implicit trust were placed in the executive branch to safeguard constitutional rights. The history underlying the fourth amendment should have given Congress pause before being so trusting.

But whatever the rationale for past inaction, the Watergate scandals make clear that Congress must act now to insure the preservation of precious constitutional rights—especially the right to privacy. Invocation of national security should not enable the Government to wiretap without regard to traditional constitutional limitations. The amendment offered today provides Congress with an opportunity to assure the sanctity of those limitations.

The amendment simply prohibits the use of appropriated funds for wiretaps which do not comply with the warrant procedures included within title III of the Omnibus Crime Control and Safe Streets Act of 1968. Under that title, a court will approve a Government wiretap if there is probable cause to believe that a certain crime has been or is about to be committed. Crimes for which wiretaps can be authorized include national security offenses, such as espionage, sabotage and treason.

The amendment is really a very conservative measure. It merely reasserts the traditional safeguards provided by the fourth amendment. That amendment states that the Government cannot invade an individual's privacy without first obtaining a judicial warrant based on probable cause. The history of the amendment suggests that, except in certain matters—such as housing inspections—the "probable cause" requirement must relate to the commission of a crime. See, for example, *Wyman* v. *James*, 400 U.S. 309 (1971); *Camara* v. *Municipal Court*, 387 U.S. 523 (1967).

The history of the fourth amendment also underlies the need for prior judicial authorization for national security wiretaps. In United States against Brown, Circuit Judge Goldberg explained the importance of the court's role in supervising such wiretap:

It remains the difficult but essential burden of the courts to be ever vigilant, so that foreign intelligence never becomes a pro forma justification for any degree of intrusion into zones of privacy guaranteed by the Fourth Amendment. 484 F. 2d 418, 427 (1973) (concurring opinion).

The Watergate scandals should teach us that the courts cannot carry this essential burden unless prior judicial approval is required for national security wiretaps.

There should be no concern that a requirement of judicial warrants for national security wiretaps will undermine the security of the Nation. Almost any activity which threatens the Nation's security is a codified crime for which a wiretap can be authorized. Courts, moreover, will be most responsive to Government requests for national security wiretaps. Past experience with title III indicates that judges are very deferential to Government requests for wiretaps to obtain information about do-

mestic crimes; that deference is bound to be just as great—if not greater—when the crime is one involving national security. The convergence of these factors, then, makes clear that the amendment will not impose any undue restriction on the Government's ability to protect against foreign attack or subversion.

IV. CONCLUSION

For decades the Government has used warrantless wiretaps to serve its view of the national security. These wiretaps have always posed a fundamental danger to the freedoms guaranteed by our Constitution. The Watergate scandals and other recent events have exposed that danger in a dramatic and clear fashion.

We should not fail to heed the warning signs. Constitutional provisions empowering the Government to protect the Nation's security were never thought to justify the subversion of individual freedoms afforded by other constitutional provisions. As Judge Ferguson declared in the United States against Smith, a case concerning the use of warrantless wiretaps for national security purposes:

> To guarantee political freedom, our forefathers agreed to take certain risks which are inherent in a free democracy. It is unthinkable that we should now be required to sacrifice these freedoms in order to defend them. 321 F. Supp. 424, 430 (1971).

Congress cannot and should not tolerate governmental violations of the individual's constitutional rights to privacy by wiretaps or any other means. That right to privacy, as well as other constitutional liberties, are the cornerstone of our democratic system. If those rights and liberties are eroded, the very fabric of our constitutional system is imperiled. Congress should, therefore, act now to protect our cherished rights and liberties from abusive national security wiretaps.

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

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

> On page 22, between lines 10 and 11, insert the following new section:
>
> SEC. 208. None of the funds appropriated by this title shall be used for the installation, maintenance, or operation of electronic devices for intercepting wire or oral communications not authorized by sections 2516 and 2518 of title 18, United States Code.

WARRANTLESS WIRETAPPING AND INDIVIDUAL PRIVACY

Mr. ERVIN. Mr. President, I am pleased to join my colleague Senator NELSON in cosponsoring this amendment to the Justice Department appropriation bill, H.R. 15404, which would prohibit the use of appropriated funds for conducting warrantless wiretaps. By requiring that the Justice Department first obtain court approval before engaging in any wiretapping, this amendment seeks to protect the constitutional rights of all citizens and prevent against unwarranted invasions of their privacy.

To my mind, the purpose of this amendment is twofold. First, it is simply a stop-gap measure which would prohibit the Justice Department from engaging in any warrantless wiretap during this fiscal year, and second, by so doing, it recognizes the necessity for Congress to enact substantive legislation in the field.

That legislation to control national security wiretaps or any other kind of warrantless wiretap is necessary has long been recognized. In 1968 when Congress enacted title III of the Omnibus Crime Control and Safe Streets Act, the question of warrantless electronic surveillance for national security purposes was recognized but left unresolved. At that time, Congress only provided for court-authorized and stringently controlled use of wiretaps and electronic surveillance for certain major crimes. The comprehensive scheme adopted in the law prohibits the interception of wire or oral communications in such cases unless a court order based upon probable cause is first obtained. It was contemplated that whatever action the President deemed necessary to protect the national security would be taken under existing constitutional and legal procedures by the appropriate law enforcement agency of the Government.

But as succeeding events have graphically demonstrated, the critical area of national security wiretaps left unresolved in the 1968 act must now be addressed. Both the Keith decision and the case of the recently disclosed 17 national security taps have focused upon this particular area of wiretapping. In Keith, the Court rejected the President's assertion of an inherent power in domestic security cases to wiretap without a warrant. Writing for the Court, Justice Powell made the following points about the development of electronic surveillance:

> Even when employed with restraint and under judicial supervision[,] [t]here is, understandably, a deep-seated uneasiness and apprehension that this capability will be used to intrude upon cherished privacy of law-abiding citizens . . . Though physical entry of the home is the chief evil against which the . . . Fourth Amendment is directed, its broader spirit now shields private speech from unreasonable surveillance . . . [B]road and unsuspected governmental incursions into conversational privacy which electronic surveillance entails necessitate Fourth Amendment safeguards.
>
> National security cases, moreover, often reflect a convergence of First and Fourth Amendment values not present in cases of 'ordinary' crime. Though the investigative duty of the executive may be stronger in such cases, so also is there greater jeopardy to constitutionally protected speech. 407 U.S. 313,

The amendment we propose today would bring some temporary control over the practice while at the same time continue to permit the Justice Department to conduct wiretaps in national security cases. All that is required under the provisions of this amendment is that the Justice Department comply with the warrant requirement of title III before initiating any wiretaps.

At recent hearings held jointly by the Senate Judiciary Subcommittee on Constitutional Rights, and Administrative Practice and Procedure and the Foreign Relations Subcommittee on Surveillance, Attorney General Saxbe endorsed such a concept.

> I would like to see the Congress take some action in this area. There are three things that could be done. First, you can just do away with all electronic surveillance and it would put us at some disadvantage but we would live with it. . . . The second would be to set up an impartial, . . . Board of Congress, the Executive, and the Judiciary, to sit on a continuing board and review week by week what should be done. . . . And the third would be to try to get statutory authority to work it under Title III. . . . We would be happy to live with that.

As an interim measure, the prior judicial authorization requirement proposed in this amendment strikes a fair balance between security and freedom. This warrant requirement may be the ultimate solution to the problem, but that remains to be seen. In any event, it is a practical and workable solution for the moment and I would urge the adoption of this amendment by the Appropriations Committee. To continue to permit an unrestrained power in the area of warrantless wiretapping until definitive legislation is enacted only encourages the misuse and abuse demonstrated in the recently disclosed national security wiretaps.

MILITARY CONSTRUCTION AUTHORIZATION, 1975—AMENDMENT

AMENDMENT NO. 1613

(Ordered to be printed and referred to the Committee on Armed Services.)

Mr. HOLLINGS (for himself and Mr. CRANSTON) submitted an amendment, intended to be proposed by them, jointly, to the bill (S. 3471) to authorize certain construction at military installations, and for other purposes.

TRADE REFORM ACT—AMENDMENT

AMENDMENT NO. 1614

(Ordered to be printed and referred to the Committee on Finance.)

Mr. HUMPHREY (for himself and Mr. BENTSEN) submitted an amendment, intended to be proposed by them, jointly, to the act (H.R. 10710) to promote the development of an open, nondiscriminatory, and fair world economic system, to stimulate economic growth of the United States, and for other purposes.

TRADE WITH THE DEVELOPING WORLD

Mr. HUMPHREY. Mr. President, an important issue in the upcoming multilateral trade negotiations is the role which the developing world will play in the attempt to equitably restructure the world trade order.

The multilateral trade negotiations have in the past largely been the domain of the developed countries. For the most part poorer countries have been only bystanders as the industrial countries ne-

gotiated between themselves for more open commercial exchange. While tariffs on products of the developed countries during the Kennedy round were reduced 36 percent on the average, the average tariff reduction for products of the developing countries was about 20 percent. According to Mr. Guy Erb of the Overseas Development Council:

> Tariff rates applied to products of developing countries are roughly twice as high as those applied to products of rich countries. For the United States, post-Kennedy round nominal rates were estimated at 6.8 percent on imports from developed countries, and at 12.4 percent on imports from developing countries.

Furthermore, the growth of trade with the developing world had been significantly smaller than the growth of trade worldwide. Between 1958 and 1972, for example, exports to Latin America, as a percentage total world trade, actually dropped from 10.4 to 5.3 percent.

Clearly, if the developing world is to pay for the external resources such as capital and technology necessary for economic progress, these countries must be able to expand markets for their own production abroad.

But, these same countries are at a competitive disadvantage compared to the rich countries, having neither the clout to secure concessions for their own products in the multilateral trade talks, nor the sophisticated marketing and distribution resources to compete against the big manufacturing concerns of the developed world.

Foreign assistance efforts aimed at improving the quality of life for the two-thirds of the world's population living in poverty will only be like "pouring water through a sieve" unless developing countries can establish a firm economic base upon which the domestic economy can expand. And, as Mr. Erb warns:

> Without a world economy which encourages the continuing growth of the exports of developing countries, many of their efforts to expand production and improve living standards will be hindered.

In recent years, developing countries have recognized trade as an important component in their economic development. "Trade not aid" has become a byword in the developing world to represent the importance of measures which countries can take to help their own economic development.

Not only does this concept of "self-help" preserve national dignity, but it represents sound economics. The development of export industries acts as a stimulus for the development of other sectors of a developing economy and provides a much more permanent base for economic development than direct grants from developed countries. And in the absence of much higher aid levels or accelerated private direct investment, exports must finance the bulk of imports needed for economic progress.

The expansion of export capability for the developing world also has significant implications for our own economy. The decline in the share of world trade enjoyed by the developing world means that these countries will have less to spend, in a real sense, in our own markets. Traditionally, the United States has realized a $2 billion trade surplus with the developing world. Yet this surplus dropped to $200 million in 1972 and will fall much further as most of the developing world diverts scarce foreign exchange to pay for the greatly increased costs of energy imports. Unless the developing world can increase their export markets and unless the oil producing countries adjust their prices to a more reasonable level, trade with much of the developing world could shrink to a negligible trickle.

An international plan, known as the generalized preference scheme, to promote the expansion of trade opportunities for the less developed world, was agreed to at the Second United Nations Conference on Trade and Development, 1968. The scheme is designed to assist developing economies realize their export potential by allowing duty-free or concessional rates on imports into developed countries for manufactured, semimanufactured and selected products of developing countries. Presently, the United States is the only major industrial nation which has not implemented this plan.

Title V of the proposed Trade Reform Act, currently before the Senate, would provide the President authority to extend duty-free treatment to certain imports from developing countries. This is an important step toward bearing our share of the responsibility under the worldwide generalized preference scheme. The scheme described in the Trade Reform Act represents a framework upon which meaningful trade preferences can be worked out with the less developed countries to assist them in their efforts to help themselves.

However, I feel that there are a few improvements which can be made in the scheme which is outlined in title V of H.R. 10710 to strengthen its mutual benefit.

Studies conducted by the United Nations Conference on Trade and Development and the U.S. Department of State show that the U.S. proposal is the most restrictive of the proposals yet implemented by other developed countries. It is estimated, for example, that even after the United States introduced our preference proposal the European Community and Japan would absorb three or four times more duty-free imports from less developed countries, as a percentage of GNP, than the United States.

At a time when the United States is encouraging regional economic development, the proposal penalizes less developed countries which require significant raw material inputs from other less developed countries in their manufactures. And the limitations on the level of exports which may receive beneficiary treatment, unduly restrict a potential for market growth. Instead of seeking an expanded level of trade, countries would be included to restrain exports to stay within the preferential margin.

There are several substantive adjustments, then, which must be made if we are going to participate in the worldwide scheme of generalized preference. Let us make our participation more than a token gesture.

When I began to consider measures to make U.S. participation in the generalized preference scheme more meaningful, I faced two important reservations. First, I wanted to be sure that tariff concessions to the developing world would not open up U.S. markets to a flood of cheap imports, impairing the competitiveness of industry and threatening the jobs of our own workers. I have become sufficiently satisfied that this would not be the case. The proposed Trade Reform Act, combined with existing statutory law, can achieve significant improvements in safeguarding American industry from an injurious level of imports irregardless of the source.

In addition, the Trade Reform Act requires the President to make individual determinations on the impact of extending tariff free status before a particular product can be included in the generalized preference scheme.

I believe that we must have safeguards which offer American industry protection across the board, and, if our general safeguards are inadequate, we should come up with safeguards that do the job on a fair and harmonious basis, instead of trying to apply a patchwork of safeguards which unduly encumber our trade agreements' programs.

A second reservation I encountered was whether the U.S. generalized preference scheme would encourage the large U.S. multinational corporations to shift manufacturing operations abroad to enjoy the benefits of the program. However, I found no evidence that generalized trade preferences would have such an effect. Studies conducted under the multinational project at Harvard University show that the multinational corporation has been consistently restricted from export industries by the governments of developing countries. The U.S. Tariff Commission points out that majority-owned affiliates of U.S. corporations "still represent a rather small share of world trade in manufacturers—8 percent."

The question that remains, however, is whether relatively minor tariff concessions on certain manufactured products selected on the basis of their relatively limited impact on the U.S. economy—and which could be withdrawn at any time—offer a strong enough incentive in any case for multinational companies to make a decision to invest several million dollars in the developing countries? I could not find evidence to convince me that the generalized preference scheme would encourage the multinational corporation to move to a developing country to enjoy a small and fragile tariff concession.

I am satisfied then that U.S. participation in the worldwide scheme of generalized preferences represents an appropri-

ate response to the needs of the developing world without burdening our own economy. Furthermore, I am convinced that the amendment which I and Senator BENTSEN are introducing today, would provide a fair and reasonable extension of the benefits under the scheme with little effect on U.S. interests.

First, I think it is reasonable to demand that the extension of trade preferences to developing countries be conditioned on assurances that beneficiary developing countries will act as responsible trading partners in the world economy. In view of the irresponsible action of a few countries to restrict access by other countries to their basic raw materials, we should insist that the President take into account the extent to which developing countries are willing to assure the United States equitable and reasonable access to their markets and basic commodity resources. The amendment revises section 502 of the proposed Trade Reform Act to do exactly this.

Section 502 would be further amended to allow a more reasonable time period for notification when the President decides to terminate a preferential arrangement. Presently, the President must notify the Congress 30 days before terminating an agreement with a less developed country. Our amendment would extend the time period for notification to a more reasonable 60 days and would stipulate that the country involved be informed, as well as the Congress. This would allow the countries affected to make adjustments necessitated by abrupt changes in the flow of trade. Furthermore, the provision for notifying the country involved is only consistent with international principles regarding multilateral consultation and represents the fairness and responsibility which the United States has always demonstrated in the international economy.

Section 503 would be amended to allow more flexible rules for determining which products may be included in the scheme. Presently the scheme excludes articles from the scheme if more than 35–50 percent—the exact figure to be determined by the Secretary of the Treasury—of the materials and cost of manufacturing comes from countries other than the country receiving the trade preferences on a particular article. However, a large part of the raw materials used in manufactures of a developing country typically come from other developing countries. The so-called rules of origin as presently written into the proposed Trade Reform Act tend to penalize regional trade ties since countries cannot afford to utilize too many raw materials from their neighbors without bumping the ceiling on materials coming from external sources. This clearly contradicts a goal of our foreign assistance programs to promote the development of regional economic ties. Our proposed amendment would correct this incongruity by simply permitting raw materials obtained from other developing countries, which have also been designated beneficiary countries under the scheme, to be included within the ceiling on that part of the value of an article which must come from the country benefiting from the trade preference.

Finally, the amendment includes provisions to insure that the benefits of the scheme are not denied to those countries which most need assistance. The poorest countries suffer greatest under the restrictions imposed by the so-called competitive need formula which places qualitative limitations which restrict eligible exports under provisions of the bill. This is because the poorest countries of the world have economies which often depend on only one or two products for their entire export earnings. And in many cases the United States is the principal market for such exports. Therefore, these countries would be the most likely to encounter the exclusion which prohibits preferences on products comprising more than 50 percent of all imports of such products into the United States.

I feel that it is reasonable to give attention to the particular situations of the poorest countries, subject of course, to market distribution safeguards contained elsewhere in the bill. The amendment would accomplish this by exempting from the 50-percent limit those countries designated by the United Nations as "least developed countries" and products which are not directly or indirectly competitive with domestic products.

The competitive need formula also excludes an article from the preference scheme if total exports of that particular article to the United States exceed $25 million in any calendar year. While it may be appropriate to have a dollar ceiling on the level at which a country may export a particular article into the United States and still enjoy duty-free status, the current provision does not reflect the need to adjust the ceiling for effects of inflation. The current provision states this ceiling in current dollars. This means that every year the ceiling, in relative terms, will sink lower and lower as inflation makes it evermore restrictive. At an annual rate of inflation of 5 percent, for example, $25 million would be worth only $15 million 10 years from now. A country making a decision on whether or not to invest its resources to expand its export capabilities would certainly be dissuaded by the ceiling. It just would not be worthwhile to develop a particular export industry, knowing that in a few years inflation will abruptly cut off any growth potential. Our proposed amendment would account for this inflation factor by stating the ceiling in terms which would be adjusted to keep it relatively constant.

The United States is the last major industrialized country to legislate a generalized preference scheme. However, it is crucial that our scheme, when it emerges, be a reasonable and fair one. If we are going to do a job, let us do it right. The proposed Trade Reform Act contains the basis for a constructive U.S. response to trade development needs of the less developed world. The amendment is meant to add to the strength of this plan.

As the nations of the developing world show a sincere willingness to take steps to help themselves, it is only reasonable that the developed world should fully support these efforts. Clearly, the direction of foreign assistance has been toward specific development programs which promise to lead toward the establishment of a sound and self-sustaining economic base. Only through such programs can we really expect to raise the standard of living of the citizens of the poorest countries of the world.

The focus of foreign assistance bills passed by the House and Senate in 1973 was on aid to meet critical development problems, to stimulate employment-intensive technologies, and to concentrate on such requirements as food production, rural development, health care and other important needs of people, in less developed countries. And such an emphasis upon creating the economic basis for a better standard of living for populations in less developed nations should be a fundamental intent of a generalized scheme of trade preferences.

I feel that it is singularly appropriate that the United States join the other developed nations of the world in assisting the poor nations to enter world markets on a meaningful basis. I strongly urge my colleagues to support the provisions of title V of the proposed Trade Reform Act as revised by the amendment which I and Senator BENTSEN are now offering.

Mr. President, I ask unanimous consent that the text of the amendment be printed at this point in the RECORD.

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

AMENDMENT No. 1614

On page 138, line 25, strike out "30 days" and insert "60 days".

On page 138, line 26, after "Senate" insert, "and has notified such country,".

On page 140, after line 17, insert the following:

(3) the extent to which such country has assured the United States of equitable and reasonable access to its markets and basic commodity resources;

On page 140, line 18, strike out "(3)" and insert "(4)".

On page 140, line 21, strike out "(4)" and insert "(5)".

On page 141, line 22, strike out "the" and insert "a".

On page 141, line 24, strike out "the" and insert "a".

On page 143, strike out lines 16 through 19 and insert the following:

(1) has exported (directly or indirectly) to the United States during any calendar year a guantity of an article having a total appraised value in excess of that amount which bears the same ratio to $25,000,000 as the gross national product (as determined by the Department of Commerce) for such calendar year bears to the gross national product (as so determined) for the calendar year 1974, or

On page 143, line 20, after "(2)" insert "except as provided in subsection (d),".

On page 144, after line 6, insert the following:

(d) Paragraph (2) of subsection (c) shall not apply—

(1) with respect to any country which is a least developed country, as designated by the United Nations, or

(2) with respect to any article if a like or directly competitive article is not produced in the United States.

On page 144, line 7, strike out "(d)" and insert "(e)".

Mr. BENTSEN. Mr. President, I am pleased to be introducing today with my distinguished colleague from Minnesota an amendment to the Trade Reform Act and one which addresses itself to the trade preference provisions of that legislation.

Mr. President, whether we like it or not this world has become an increasingly interdependent one. Conditions that threaten peace and stability in one part of the world loom as threats to peace and stability everywhere. Indeed one of the major problems facing the post-World War II political order is the North-South economic disparity which surfaced in the sixties and became a vivid reality in the seventies—witness the recent efforts of a number of raw material producers to form economic cartels in order to increase their share of the world's wealth.

This terrible and growing disparity in living standards between North and South cannot be tolerated as a permanent part of the international political and economic order. Barbara Ward has described the gap between the haves and the have-nots as "the most tragic and urgent problem of our day." Its urgency lies in its potential for political upheaval.

During the sixties, we offered foreign aid as a helpful panacea for the ills of the developing nations. That kind of aid is no longer feasible from our own point of view nor always desirable from the recipients' point of view. It encourages dependence rather than independence. It engenders the suspicion that we are trying to buy frendship.

In the search for an alternative means to stimulate development, attention has turned toward trade, which also happens to be mutually advantageous. For years the United States advocated trade preferences for the developing countries and I am pleased that the administration has finally requested authority from the Congress to develop a generalized system of preferences in the Trade Reform Act.

Trade preferences may well comprise a major part of the answer to the dilemma of development. At a time when foreign aid is no longer always a feasible developmental tool, it is worth experimenting with a system of preferences as long as adequate safeguards are maintained against disruptions of the domestic U.S. economy.

A directly related problem—and one which has received a great deal of attention since the Arab oil embargo was imposed last fall—is the trend toward pricing cartels among the LDC's. As chairman of the Senate Economic Growth Subcommittee, which has been holding a series of hearings on raw materials shortages and the potential for cartel formation among nonoil producer nations, I am convinced that the United States must develop a coordinated policy toward the producer nations which will discourage such cartelization.

Part of this policy should be to encourage diversification of the export economies of developing nations. Excessive reliance on exports of a single, or very few, commodities makes their entire economy more vulnerable to the frequent fluctuations of the international market in that particular commodity. Such dependence increases the temptation of producer countries to form pricing cartels in an effort to stabilize prices for their commodities and increase export earnings. Trade preferences will encourage needed diversification of the export economies of the LDC's.

Foreign trade accounts for about four-fifths of a developing country's foreign exchange earnings. The link between exports and economic growth is clear and the link between economic growth in the LDC's and demand for U.S. goods and services should be obvious as well. The more foreign exchange a country earns and the greater the size of its economy, the more it will need the goods and services we produce here in the United States. Therefore, a generalized system of preferences is an important stimulus to expanding international trade.

Mr. President, a generalized system of preferences will demonstrate our interest in developing a more cooperative world trading system. The amendment which my colleague from Minnesota and I are proposing is a modest effort to improve the trade preference provisions of the trade bill while at the same time insuring necessary safeguards against unfair market disruption in our own economy. This amendment is in the best long-term economic interests of the United States, Mr. President, and is designed to assure a more stable and satisfactory set of economic relationships between the United States and the developing world. I urge the Senate's support for our amendment.

NATIONAL HEALTH CARE ACT—AMENDMENTS

AMENDMENTS NOS. 1615 TO 1627

(Ordered to be printed and referred to the Committee on Finance.)

Mr. McINTYRE. Mr. President, I send to the desk amendments to S. 1100, the National Health Care Act.

I want to speak about the amendment which would add the services of qualified psychologists to the list of minimum standard benefits provided in my bill.

The benefits to citizens which are eventually included in national health insurance will, in the last analysis be meaningful benefits only if there are competent, qualified health professionals available to provide the benefits. It would be a cruel hoax to include mental health benefits in national health insurance and then, by precluding delivery of services by a large number of qualified service providers, create a situation in which services could not be delivered.

Professional psychologists in the United States represent a large pool of well qualified mental health service providers. Many significant developments and procedures in the provision of mental health services are technological applications of research and experimentation conducted by professional psychologists.

The private practice of psychology is governed by statute in 48 States and the District of Columbia. The continuing requirements for licensure or certification normally stipulate the doctorate in psychology plus 2 years of supervised experience. The conduct and practice of psychologists is further governed by the Code of Ethics of the American Psychological Association, a scientific and educational society which serves as the principal voice for American psychology. The membership of the association is now about 37,000 and includes approximately 90 percent of the doctorate psychologists and virtually all of the qualified health service providers. The association accredits doctoral health service training programs in psychology at over 100 universities, and these programs produce virtually all of the doctoral health service psychologists.

It is obvious that psychologists in the United States represent a significant pool of well trained, well regulated providers of mental health services. This critical professional manpower pool is distributed throughout the Nation at points where health services are needed and are being sought. Valuable health services are now being provided by this professional pool. It is essential that any program of national health insurance include provisions for direct access to professional psychologists by persons in need of mental health service.

CONSUMER PROTECTION AGENCY ACT—AMENDMENTS

AMENDMENT NO. 1628

(Ordered to be printed and to lie on the table.)

Mr. ERVIN submitted an amendment, intended to be proposed by him, to the bill (S. 707) to establish a Council on Consumer Advisers in the Executive Office of the President, to establish an independent Consumer Protection Agency, and to authorize a program of grants, in order to protect and serve the interests of consumers, and for other purposes.

AMENDMENT NO. 1629

(Ordered to be printed and to lie on the table.)

Mr. TAFT submitted an amendment, intended to be proposed by him, to the bill (S. 707), supra.

AMENDMENT OF EXPORT ADMINISTRATION ACT OF 1969—AMENDMENT

AMENDMENT NO. 1630

(Ordered to be printed and to lie on the table.)

Mr. HARTKE. Mr. President, I submit an amendment to S. 3792, an act to amend and extend the Export Administration Act of 1969, and ask that it be printed and appear in the RECORD following my remarks.

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

Mr. HARTKE. Mr. President, on December 13, 1973, I detailed my concern about the critical short supply of iron and steel scrap and requested limiting exports of this commodity for the remainder of fiscal year 1974. Unfortunately, Congress was not able to act on this measure at that time. However, my proposal alerted the Department of Commerce to the critical situation and that Department made a weak attempt to alleviate the problem.

A critical short supply of iron and steel scrap still exists and in order to ease the present condition I am submitting an amendment to S. 3792 which would limit exports of this scarce commodity to no more than 5 million tons for the balance of fiscal year 1975.

The ferrous scrap situation threatens job stability, industrial growth and the American steel industry's ability to supply the Nation's need for steel.

Today, inventories of ferrous scrap have shrunk to their lowest level since World War II. As confirming evidence of shortages of scrap, especially in essential grades and sizes, scrap prices have soared far above their previous highs.

Unless the Federal Government acts now to further limit exports of iron and steel scrap, steel mills and foundries in the United States will incur additional disruption in their production scheduling, at a time when domestic demand for iron and steel scrap continues at the highest level in history.

For well over 3 years, the foundry and steel industries' warnings have been answered with inadequate measures by the Commerce Department. As a result, the crisis has so deepened that only strong measures will now suffice.

Ferrous scrap makes up almost one-half of the total metallic input used in steelmaking. The balance comes mostly from pig iron, produced in blast furnaces. The industry generates a large amount of scrap from in-plant sources. Nevertheless, it is heavily dependent on scrap processors and other outside sources for the balance of its needs.

This dependence is especially critical for electric-furnace plants; their metallic input is almost 100-percent scrap. Of the projected 51.7 million tons of purchased scrap needed by the steel industry and foundries in 1974, approximately 29 million tons will be required by hundreds of smaller companies without blast-furnace facilities.

In all, to produce 150 million net tons of raw steel in 1974—the same amount as last year—plus 18 million tons of castings, the steel and foundry industries will need 51.7 million net tons of purchased ferrous scrap, or 8 million tons more than in 1973.

The increased need stems from two main causes:

First, there will be less pig iron production in 1974. That is a consequence, among other things, of the tight supply of metallurgical coal, further compounded by the widespread shutdown recently of coal mines in West Virginia.

Second, there will be 2 million fewer tons of scrap available from in-plant sources in 1974 because of the heavy draw-down of inventories in 1973 to meet demand for finished steel.

The steel industry, with the support of the United Steelworkers Union and foundry companies is asking that present scrap exports currently authorized at a monthly rate of 700,000 tons—annual rate of 8.4 million tons—be reduced to assure an effective response to the scrap shortage. Part of the answer would be to limit exports of ferrous and stainless scrap to no more than 5 million tons for the balance of fiscal year 1975.

Based on its analysis of rising domestic and world steel demand, in late 1972 the steel industry warned the Commerce Department that a serious scrap shortage would develop in 1973 and that this situation could worsen as world demand for steel continued to increase. That is what happened.

In the last 6 months of 1972, exports of ferrous scrap were running well ahead of averages over the previous 10 years.

The pace quickened still more at the turn of 1973. Compared with 1 year earlier, export tonnage in December 1972 was up 90 percent; in January 1973 it was up 160 percent.

Translated into an annual rate, as the steel industry pointed out to a congressional committee in March 1973, this amounted to 13.3 million net tons. By contrast, the annual average over 10 preceding years was 7.4 million tons.

During the abnormal surge in exports of American ferrous scrap, demand at home for this essential raw material was mounting.

In December 1972, the steel and foundry industry asked the Commerce Department to limit exports to a reasonable level. Specifically, the industry asked that they be limited to an annual figure of about 7 million tons—600,000 tons a month.

The Government did not act until July 1973, and then it took only limited action. It was a case of too little, too late. When the books closed last year, 11.3 million tons had gone to export, badly depleting available domestic stocks.

To grasp the impact of high exports on domestic supply, consider this: last year, 5.3 million additional tons of ferrous scrap were added to the U.S. supply. Yet, of this increase, 3.9 million tons went abroad in exports, leaving only 1.4 million tons for domestic use.

In 1973, the supply of purchased scrap reached a level of 54.6 million net tons—including exports of 11.3 million tons. Part of this supply had been accumulated in late 1972, and shipped to coastal ports for export in 1973. Getting this much supply in 1974 is unlikely due to this year's projected decline in prompt industrial scrap—largely automotive—and to the fact that last year, high domestic demand combined with an unprecedented rise in exports caused a serious scrap shortage. This year, however, even if the supply of purchased scrap reaches the level achieved last year, projected domestic demand of 51.7 million tons in 1974 will require that exports be limited to 3 million tons this year—if domestic requirements are to be met. The alternative: scrap exports at a higher level will result in a proportionate decline in the amount of finished steel available to meet the needs of the domestic economy.

Finally, I ask my colleagues to consider what is done by countries of Western Europe and by Japan.

Except when home demand is low, they forbid or, at best, allow only minimal exports of scrap. Last year, for example, scrap exports out of the European Economic Community—a steel market comparable to our own—approximated only 400,000 tons, compared with the 11.3 million tons exported by the United States.

As worldwide demand was soaring, Britain, in September 1972, imposed an embargo closing off its exports of ferrous scrap except for a few low-quality grades.

Thus, while other industrial countries assure their own needs for ferrous scrap, the United States alone permits massive and unprecedented exports of this essential commodity. In doing so, it has, among other things, put its own steelmakers and foundries at an unfair disadvantage.

Certainly, in line with America's new realization that raw materials are in finite supply, Government on the one hand and concerned industries on the other, should develop long-term programs for scrap recovery. But longer term programs cannot answer the immediate need to maintain production operations.

Mr. President, the need for this amendment is clear. Potential adverse economic consequences of steel and iron shortages grow more severe with each passing week. The Congress must meet its responsibilities and take corrective action immediately.

AMENDMENT NO. 1630

On page 6, line 17, insert the following new section 6, renumbering section 6 as section 7 and subsequent sections accordingly:

SCRAP IRON AND STEEL

SEC. 6. Section 4 of the Export Administration Act of 1969, as amended by section 3 and section 5 of this Act, is amended further by adding at the end thereof the following new subsection:

"(h)(1) For the balance of fiscal year

1975, not more than five million tons of iron and steel scrap may be exported from the United States, including the District of Columbia, the Canal Zone, the Commonwealth of Puerto Rico, and all the territories, dependencies, and possessions of the United States.

"(2) The Secretary of Commerce is directed to allocate the iron and steel scrap that may be exported under (1) of this subsection consistent with the present allocation of iron and steel scrap exercised pursuant to the authority of this Act.

"(3) The Secretary of Commerce shall license exporters of iron and steel scrap in order to carry out this subsection.".

DEPARTMENTS OF LABOR, AND HEALTH, EDUCATION, AND WELFARE APPROPRIATIONS, 1975—AMENDMENT

AMENDMENT NO. 1631

(Ordered to be printed and referred to the Committee on Appropriations.)

Mr. HARTKE. Mr. President, I submit an amendment to the Labor-HEW appropriation bill which would provide $2 million to aid in the conquest of measles and rubella.

Over the years, I have urged that the Federal Government embark on a program to assure 100-percent immunization of all children against these two diseases. Both are highly dangerous, especially when contracted by adults. The only way we can stop these two diseases from causing blindness and sterility, as well as adversely affecting the unborn babies of expectant mothers who contract these diseases, is to make sure that every child in the country is vaccinated.

The Government has, unfortunately taken a more relaxed approach. It was that approach which saw the number of measles cases jump to 75,000 in 1971. The case rate is down now, but we cannot rest in our quest to conquer measles and rubella. The administration has testified that—

Our job will be harder than ever as we zero in on specific problem areas.

In other words, it will be hard to find those children who have not already been vaccinated. That job will take money, but the administration has actually decreased the amount of money it has requested for this important job within the past 3 years.

My amendment increases the expenditures for immunizations by one-third to $8,200,000—a very small amount when you consider the human lives which are involved.

ADDITIONAL COSPONSOR OF AN AMENDMENT

AMENDMENT NO. 1553

At the request of Mr. ERVIN, the Senator from Georgia (Mr. NUNN) was added as a cosponsor of amendment No. 1553, intended to be proposed to S. 1361 for the general revision of the copyright law, title 17 of the United States Code, and for other purposes.

ANNOUNCEMENTS OF HEARINGS OF THE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

Mr. JACKSON. Mr. President, I wish to announce for the information of the Senate and the public that open public hearings have been scheduled by the Subcommittee on Parks and Recreation on August 20, 1974, at 10 a.m. in room 3110, Dirksen Senate Office Building on the following bills: H.R. 10834, S. 2634, and S. 3187, to amend the act of October 27, 1972, establishing the Golden Gate National Recreation Area in San Francisco and Marin Counties, Calif., and for other purposes.

Mr. President, I wish to announce for the information of the Senate and the public that open public hearings have been scheduled by the Subcommittee on Parks and Recreation on August 20, 1794, at 10 a m. in room 3110, Dirksen Senate Office Building, on the following bill: H.R. 11013, to designate certain lands in the Farallon National Wildlife Refuge, California, as wilderness; to add certain lands to the Point Reyes National Seashore.

Mr. President, I wish to announce for the information of the Senate and the public that open public hearings have been scheduled by the Subcommittee on Parks and Recreation on August 13, 1974, at 10 a.m. in room 3110, Dirksen Senate Office Building, on the following bill: S. 3536, to establish the Nantucket Sound Islands trust in the Commonwealth of Massachusetts, to declare certain national policies essential to the preservation and conservation of the lands and waters in the trust area.

Mr. President, I wish to announce for the information of the Senate and the public that open public hearings have been scheduled by the Subcommittee on Parks and Recreation on August 2, 1974, at 10 a.m. in room 3110, Dirksen Senate Office Building, on the following bill: S. 3413, to amend the Land and Water Conservation Fund Act of 1965, as amended.

Mr. President, I wish to announce for the information of the Senate and the public that open public hearings have been scheduled by the Subcommittee on Parks and Recreation on August 1, 1974, at 10 a.m. in room 3110, Dirksen Senate Office Building, to hear Government witnesses on following bill: S. 1270, to establish in the State of California the Santa Monica Mountain and Seashore National Urban Park.

NOTICE OF HEARINGS ON EXTENSION OF THE EMERGENCY PETROLEUM ALLOCATION ACT

Mr. JACKSON. Mr. President, on Wednesday, July 31, the Committee on Interior and Insular Affairs will consider S. 3717, a bill to extend the Emergency Petroleum Allocation Act of 1973. The Honorable William E. Simon, Secretary of the Treasury, and the Honorable John C. Sawhill, Administrator, Federal Energy Administration have been invited to appear before the committee to offer the administration's views on the question of the Allocation Act's extension.

The committee will convene at 10 a.m. in room 3110, Dirksen Senate Office Building.

ADDITIONAL STATEMENTS

I BELIEVE AMERICA

Mr. HOLLINGS. Mr. President, last week I had the pleasure of attending a performance of "I Believe America," a musical drama staged by the Performing Arts Association of Alexandria, Va., under the auspices of the Alexandria Bicentennial Commission's Festival of Independence. It is a superb production on a patriotic, upbeat note. Here, for a change, is theater which takes pride in America. Amidst the gush of doom and gloom and senationalist violence that theater-goers have been forced to endure in recent years, this is an exciting and welcome development. It is also encouraging evidence that we can celebrate our Nation's bicentennial in imaginative and creative ways.

I saw the response of the audience to this presentation. It can only be described as a genuine outpouring of enthusiasm. Anybody who says that Americans are not open to this kind of theater is sadly out of touch with the mood of the country. This is exactly what the people are thirsting for, because at heart America is strong and idealistic and still dedicated to the values and virtues which took us to greatness. It is not the people of America who have faltered—it is leadership that has not matched the greatness of the people.

The concept for "I Believe America" was developed by Sean Morton Downey, Jr. and Clova Demaine. Sean Downey, the director, has over 300 songs and 2 books to his credit. A many-faceted young man, Mr. Downey has been successful in the worlds of composing, singing, acting, business, and sports. He has also involved himself in many community and humanitarian activities. In the songs he has written for "I Believe America," he displays an understanding and a faith in America that is the most refreshing breeze from the world of entertainment that I have seen in many, many years.

Clova Demaine, who produced the play, has been a performer, conductor, director, and producer of many stage hits. She received an award from the State of Virginia for her "Most Valuable Contributions to the Performing Arts" in 1972.

Mr. President, everyone associated with this absolutley superb play is to be congratulated on his or her efforts.

And I am happy to learn that "I Believe America" will soon be a Broadway play. I have no hesitation in predicting it will be a huge success.

Mr. President, the title song for "I Believe America" could well be an anthem for the Bicentennial. I ask unanimous consent that the lyrics of this song be printed at this point in the RECORD.

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

I BELIEVE AMERICA

I believe that America is strong
With the power again to rise in song.
I believe we are a nation of 200 million strong
Who can crush the devil with a happy song.
In this land of good and plenty there are some
Who would make us all believe that we should run.
But we can't have the evening happiness without the morning strife.
As a nation, we are young in years, just beginning life,
And I believe that better days still lie ahead,
That the greatness of our people is not dead,
That the history books will sing our praises, justice, kind and strong
If we raise our voices in a happy song.
I believe the U.S.A. will rise again,
That we have learned our lesson and we are wise again,
That the wheatfields of the West
Will hold the hungry to her breast
I believe that Good is on the move again.
I believe the worker and the wealthy man
And all of us who share this fertile land
From the California ocean to the rocky coast of Maine
Will work to make the country great again.
I believe that America is strong.

RAIL TRANSPORT AND THE COAL INDUSTRY

Mr. HUGH SCOTT. Mr. President, recently, a revitalization has been taking place in the Nation's rail system. The rebirth of the railways as a vital, economical means of transportation is boosting the economy by adding jobs, and a new generation is being introduced to efficient passenger service.

The Nation's hope of energy self-sufficiency is largely dependent on the use of coal. Rail transport is vital to the coal industry. A recent story in the Pittsburgh Press by business editor William H. Wylie points out that because of the influx of demands for more coal cars, major producers of freight haulers such as the Pullman-Standard plant at Butler, Pa., are developing new lines and stepping up production.

The important role which the Nation's rail system plays in coal production is outlined in Mr. Wylie's in-dept article, and I ask unanimous consent that it be printed in the RECORD.

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

BUTLER PLANT TOOLING UP FOR COAL RAIL CAR BOOM

(By William H. Wylie)

"Diamond Jim" Brady couldn't sell freight cars any faster than they are moving today.

Since the Russian grain deal, American railroads have been frantically combing their yards for rolling stock.

Now that the grain crisis has passed, the coal boom is beginning. Pullman-Standard's Butler plant, which makes one-fifth of the Nation's freight cars and is the largest single producer, is tooling up to move coal.

Lewis H. Warheit, manager of the Butler complex, said a new production line to make gondolas and open-top hoppers is scheduled to start up around the first of the year.

To provide room for the new line, Pullman-Standard moved flatcar production to its Bessemer, Ala., plant.

A spokesman for Pullman Inc., the parent company in Chicago, refused to pinpoint the cost of the changeover but conceded it is in the millions. In fact, he said several million dollars have been spent at Butler since 1970.

A NEW PRODUCT

Flat cars—used for truck piggy-back hauling—are a hot item. Warheit said the switch to Bessemer will provide more room for flatcar production.

When Pullman's directors visited Butler last week, they saw a new riveted open hopper car that will be made on the new line.

Rivets provide more flexibility and endurance to resist the abuse of hauling coal, a spokesman said. Freight cars usually are welded, not riveted, together.

The Butler plant, which provides 3,400 jobs and is second only to Armco Steel as the city's largest employer, is running at "practical capacity."

SHORTAGES HURT

Warheit said order backlogs will sustain the current production rate well into 1975.

Actually, shortages of energy, steel and paint are limiting daily production to around 45 cars, the spokesman said.

The plant is capable of making 60 cars a day, but this would consume more than its allotment of power, he explained.

In making 10,900 freight cars last year, the Butler facility used 245,000 tons of rolled steel and 252,000 tons of steel components (wheels, axles, couplers, etc.). Most of this was bought in the Pittsburgh area, the source said.

Also, 400,000 gallons of paint—mostly from the district—were required. And the plant's 1,417 welding machines melted 16 tons of weld rod and wire and nine tons of welding flux.

FUTURE LOOKS GOOD

In addition to fabricating the cars, the plant makes most of the components for them in the 1.5 million-square-foot complex.

Pullman-Standard officials are optimistic about the future. They expect coal to take over from grain in boosting demand for rail cars.

They cite predictions that in the next 10 years there will be a three-fold increase in coal production to nearly 1.5 billion tons a year.

This would create demand for an estimated 150,000 new coal-hauling freight cars.

33 CENTS A POUND

The weight of rail rolling stock is coming down—a concession to the energy crunch. One of the new covered grain hoppers weighs about 60,000 pounds—a ton lighter than older models.

Incidentally, freight cars sell for about 33 cents a pound—well under the dollar a pound for standard-sized automobiles.

James Buchanan (Diamond Jim) Brady, who teamed up with a young engineer, John M. Hansen, to found the Butler plant in 1902, was a super-salesman. Even before the groundbreaking ceremonies, he had 6,000 cars on the order books.

But today's market is even livelier. The 10 per cent freight rate increase approved by the Interstate Commerce Commission (ICC) will generate an estimated $1.5 billion. All of this must be plowed back into capital improvements, including rail cars.

A MASSIVE OFFENSIVE AGAINST ALCOHOLISM

Mr. WILLIAMS. Mr. President, on July 10 I was privileged to attend a luncheon in connection with the first meeting of the National Council on Alcoholism's launching of a new and largely expanded labor-management committee. The new cochairmen of the committee are George Meany, president of the AFL–CIO, and James M. Roche, chairman of the board, General Motors Corp.

The purpose of the Labor-Management Committee of the National Council on Alcoholism, which has pioneered for many years in setting up alcoholism programs in industries in all parts of the country, is to mount a continuing nationwide movement by the leaders of labor, business, government, and other communities to restore the employed alcoholic to useful citizenship, good health and productive employment through the initiation of soundly designed union-management employee alcoholism programs.

Up until a few years ago literally thousands of workers and executives were discharged because of their disease of alcoholism despite the fact that as far back as 1956 the American Medical Association had declared alcoholism a disease.

A few enlightened companies have in the last several years set up joint labor-management programs which have achieved enormous success, but it is only fair to state that these companies represent a very small percentage of the 84 million workers in this country.

Government has begun to do its part largely under the leadership of Senator HAROLD HUGHES in the Senate. However, government cannot—and should not—attempt to do the entire job—there is a tremendously important role for the voluntary sector, and the National Council on Alcoholism is the only national voluntary health agency founded to combat the disease of alcoholism.

I was greatly moved by a letter which Senator WARREN MAGNUSON, chairman of the Senate Appropriations Subcommittee on Labor-HEW, which has jurisdiction over alcoholism funds, sent to George Meany when he learned that Mr. Meany had accepted the cochairmanship of the new labor-management committee. At this point I would like to include the text of Senator MAGNUSON'S letter to Mr. Meany:

Your kind invitation to attend the first meeting of the new labor-management committee to focus upon the problems of alcoholism was most appreciated. I know you will understand that the rigors of my own campaign schedule out home preclude my return to D.C. by next Wednesday.

I'm greatly impressed by what you and Jim Roche are doing to assist the National Council on Alcoholism. To place such an impressive legion of leaders from labor and industry behind the Council's pioneering efforts to establish company wide alcoholism programs that will help restore thousands to full and productive lives will surely advance the successes of that program. That alcoholism is an arrestable disease is still unknown or ignored by too many of our fellow citizens and you'll bring real hope to millions despite that sad fact!

Over the years, in our Hearings on Federal health programs, I've been impressed by

the leadership the National Council has given to the problems of alcoholism and alcohol abuse. There are limits to what any of us can accomplish singly or even collectively, but with what you and all of your associates are doing here I know a good bit more will be done. I wish you every success and will do whatever I can to help.

Needless to say, I share Senator MAGNUSON'S sentiments and as chairman of the legislative committee which has jurisdiction over alcoholism, I will do everywhere in my power to aid in this long overdue effort.

At the luncheon meeting previously referred to, the NCA Labor-Management Committee released a joint statement by George Meany and James M. Roche on the objectives of the new committee. I ask unanimous consent that the statement be printed in the RECORD along with a list of the top corporate and labor leaders who are the initial members of this new committee.

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

NATIONAL COUNCIL ON ALCOHOLISM, INC.,
New York, N.Y.

JOINT STATEMENT BY GEORGE MEANY AND JAMES M. ROCHE

We are here today to declare war on a disease which is a health threat to our nation outranked only by cancer and heart disease—but which too many otherwise well informed people pretend does not exist.

That disease is alcoholism. It is probably the most misunderstood illness known to mankind. It destroys families, causes thousands of deaths every day and is a serious drain on our economy.

Yet—in spite of its serious consequences and the fact that it is treatable—this nation has only scratched the surface in terms of dealing with the problem.

Some of the most influential union and business leaders in the United States are joining forces through the Labor-Management Committee of the National Council on Alcoholism to combat this disease.

We are calling for all unions and employers—big and small—to join us in this effort. We urge them to stop kidding themselves by saying "We don't have that problem here."

Alcoholics are in every organization. They can be helped—and, aside from humanitarian reasons, it is just plain good business to do so.

Consider these facts from the National Council on Alcoholism:

1. There are 9,000,000 alcoholics in this country. 5,000,000 are employed. That's more than 4% of our total work force.

2. Alcoholism costs American industry $12.5 billion annually.

3. The rock bottom average cost of each alcoholic to his employer is $2,500 per year.

4. Alcoholism can strike a Board Chairman as easily as a blue collar worker. Disastrous decisions can result.

5. 50% of all fatal accidents occurring on the roads today involve alcohol. 50% of these fatal accidents involve an alcoholic.

6. 31% of those who take their own lives are alcoholics.

7. 40% of all male admissions to state mental hospitals suffer from alcoholism.

In spite of these alarming statistics, few companies are concerned to the point where positive action is being taken to help their alcoholic employees. This is unfortunate and should be changed.

What do we propose doing to change things?

Working through the National Council on Alcoholism and its nationwide network of affiliates, we offer unions and management our help in establishing tested employee alcoholism programs. These progessive programs are working for such companies as General Motors, Hughes Aircraft, Firestone and DuPont.

Are employee alcoholism programs effective?

The General Motors recovery program which is being implemented with the full and complete cooperation of the United Auto Workers reports the following results with the employees who have gone through their program:

1. 80% recovery rate.
2. 85% reduction in lost man hours.
3. 70% reduction in sickness and accident benefits paid.
4. 47% reduction in sick leaves.

If every industry would use the knowledge available to deal with their alcoholics, just as they do with any other sick person, successful industry programs demonstrate that at least 3,000,000 alcoholics could recover over a six-year period.

This is a war we can win. People are our greatest resource. If we dissipate that resource, we have only ourselves to blame for the consequences.

NATIONAL COUNCIL ON ALCOHOLISM INC.—LABOR-MANAGEMENT COMMITTEE

James M. Roche (Co-Chairman), Director, General Motors Corporation, 767 Fifth Avenue, New York, New York 10022.

Nicholas A. Pace, M.D. (Mr. Roche's Alternate), Medical Director, General Motors, 767 Fifth Avenue, New York, N.Y. 10022.

Leonard H. Goldenson, Chairman, American Broadcasting Companies Inc., 1330 Avenue of the Americas, New York, New York 10019.

Edmund Martin, Suite 310, 437 Main Street, Bethlehem, Pennsylvania 18018.

Marion Sadler, Director, American Airlines, 1101 East Calle Elena, Tucson, Arizona 85718.

William P. Tavoulareas, President, Mobil Oil Corporation, 150 E. 42 Street, New York, N.Y. 10017.

George Meany (Co-Chairman), President, AFL–CIO, 815 16th St., N.W., Washington, D.C. 20006.

Mr. Leo Perlis, Director (Mr. Meany's Alternate), Dept. of Community Services, AFL–CIO, 815 16th St., N.W., Washington, D.C. 20006.

I. W. Abel, President, United Steelworkers of America, Five Gateway Center, Pittsburgh, Pennsylvania 15222.

Al H. Chesser, President, United Transportation Union, 15401 Detroit Avenue, Cleveland, Ohio 44107.

Pat Greathouse, Vice President, United Automobile Workers, 8000 East Jefferson Avenue, Detroit, Michigan 48214.

A. F. Grospiron, President, Oil, Chemical and Atomic Workers International Union, P.O. Box 2812, 1636 Champa St., Denver, Colorado 80201.

Charles H. Pillard, President, International Brotherhood of Electrical Workers, 1125 15th Street, N.W., Washington, D.C. 20005.

NEW GOVERNMENT IN GREECE

Mr. TUNNEY. Mr. President, it was with great joy and relief that I learned of the restoration of civilian rule to Greece. The ruling military junta there has long been a blight on the picture of justice and humanity in the world and its tactics have for years been an affront to people around the globe.

It gave me hope to read in the newspapers that the people of Greece crowded the streets of their country in order to give Constantine Karamanlis a hero's welcome. I think it is a tribute to the nation.

Before thousands, Prime Minister Karamanlis made his way through Athens, the fountainhead of Greece's ancient democratic tradition, and in an address to the crowds he called for that tradition's rebirth. He asked his countrymen for help in propelling Greece toward a new era of national prudence and toward a new time of national patience.

The task ahead for Mr. Karamanlis will be a difficult one. We are not entirely sure how far into the background the military leaders have receded. There is still a danger of future intervention. Greece, as all European countries, faces severe economic problems fueled by the massive, oil-driven inflation. But for the first time in 7 years, the Greek government will have the support of its people, and the support of freedom-loving nations elsewhere in the world. So I am truly hopeful that the dark shadow of the last 7 years will now be lifted from Greek life.

Mr. President, it is my hope that Mr. Karamanlis will realize that his first step should be the withdrawal of all troops and any other military presence from Cyprus. It is time for peace to return to that troubled isle and it is time for the armies of both Greece and Turkey to be removed. It is my hope and expectation that Mr. Karamanlis will help obtain for that country the good fortune that has so recently befallen his.

Mr. Karamanlis' recognition of constitutional government in Cyprus is most welcome, and should put an end to the scheming and undermining of the tripartite arrangements which have governed Cyprus since 1960. We all hope and pray for rapid success at the Geneva peace talks which are commencing today.

CONSUMER HAS A FRIEND IN SENATE BILL 707

Mr. PERCY. Mr. President, I call attention to an editorial appearing in one of the middle Atlantic's leading newspapers, the Charleston, W. Va., Gazette of July 20, 1974, entitled "Consumer Has a Friend in Senate Bill 707." The editorial reflects a concern we all have about setting up new agencies of Government and about expanding the Federal bureaucracy. But on examining the present flaws in the regulatory process, it concludes, as I do, that that process needs the input of an informed spokesman advocating the views of consumers.

The editorial reasons:

Regulatory agencies don't represent the mass of Americans; regulatory agencies represent Big Business America.

Although the Consumer Protection Agency may never justify expectations of its sponsors, if it functions as it is supposed to function, one federal authority finally will be standing up for the public rather than the special interests. Indeed if this agency performs as desired traditional regulatory agen-

cies will have to mend traditional habits and discharge their duties pro bono publico.

In reaching this conclusion, the editorial urges support for this bill on the part of my two very distinguished colleagues from the State of West Virginia—the highly judicious majority whip and the very talented and erudite chairman of the Public Works Committee.

Now, I do not know how my two colleagues will actually vote on this measure. But I do know that both have, in the past, lent consistent support for the concept of an independent consumer advocacy agency and for so many other measures which have had the effect of advancing the interests of over 200 million American consumers.

Mr. President, I ask unanimous consent to print in the RECORD the text of the excellent editorial from the Charleston Gazette, to which I have referred.

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

CONSUMER HAS FRIEND IN SENATE BILL 707

Most Americans are totally disenchanted with Big Daddy government, and rightly so. Big Daddy government is bumbling, dissipative, officious, arrogant, inbred.

That's why so many Americans are so suspicious about any call for action that provides for setting up another federal agency to do anything. They've had it up to their eyeballs with the alphabet-soup array of federal agencies established to handle every conceivable problem known to humanity (and more than a few not known) whose end result has been higher taxes and scant relief from whatever the agencies were founded to cure or to prevent.

Nevertheless, the Gazette urges Sen. Jennings Randolph and Senate Majority Whip Robert C. Byrd to support S-707 that creates a Consumer Protection Agency at the national level.

Senate Bill 707 provides the American consumer a champion, and the Lord knows the American consumer needs someone on his side for a change. The measure is an old, old dream of Ralph Nader and his dedicated Raiders.

We'll immediately concede that a federal consumer protection agency oughtn't to be necessary. Were federal regulatory agencies doing the job they should be doing and are required to do by law this brain child of Nader's wouldn't be needed.

But as everybody is, or should be aware, federal regulatory agencies—such as the Federal Power Commission, Interstate Commerce Commission, Federal Aviation Agency, the Federal Communications Commission to name but four of the many control agencies situated in Washington—no longer, if they ever did, exist to serve the public. At inception a regulatory agency is kidnapped and taken over by the enterprise it is charged to supervise.

Regulatory agencies don't represent the mass of Americans; regulatory agencies represent Big Business America.

Although the Consumer Protection Agency may never justify expectations of its sponsors, if it functions as it is supposed to function, one federal authority finally will be standing up for the public rather than the special interests. Indeed, if this agency performs as desired, traditional regulatory agencies will have to mend traditional habits and discharge their duties pro bono publico.

INFLATION BRANDED AS "PUBLIC ENEMY NO. 1"

Mr. TALMADGE. Mr. President, I have had occasion to read an address delivered by Gabriel Hauge, chairman of the Manufacturers Hanover Corp., at the Canadian Financial Conference in Toronto, in which Mr. Hauge brands inflation as "Public Enemy No. 1." This was an outstanding address, and it focuses attention on what I regard as the most serious problem facing the United States today, surpassing all others in its severity and long-range importance to the security of our Nation.

In an incisive analysis of the situation, Mr. Hauge points to excessive Federal spending as one of the major culprits. I could not agree more, and one did not have to be a Philadelphia lawyer or a Wall Street economist to be able to predict some years ago the disastrous results of multibillion-dollar deficit spending by the United States at home and all over the world. We have persisted in a domestic policy of spending money we do not have for programs we do not need and continuing to pour billions of dollars overseas in an effort to play policeman, banker, and Santa Claus for the whole world. The chickens are now coming home to roost, and we find the United States faced with a national debt of almost $500 billion, more than the indebtedness of all the rest of the world combined, and rampant inflation which robs the working people of their earnings and the elderly of their savings. Moreover, inflation has been a major force in contributing to a loss of confidence by the American people in their Government and in their elected leaders which is so prevalent throughout the Nation today.

Mr. President, I ask that Mr. Hauge's address be brought to the attention of the Senate, and ask that it be printed in the RECORD.

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

PUBLIC ENEMY NO. 1

(By Gabriel Hauge)

It has been well observed that, when the economic history of the 20th Century is written, considerable attention will be accorded the Great Depression of the '30s and the Great Inflation of the '70s. To be sure, prices have been climbing throughout the post-war period, but recently the nature of inflation seems to have changed. First, it began to spread from country to country, as depression did in the 1930s. Now, it may be reaching that psychological zone which, if penetrated, threatens substantial disturbance around the world. Inflation is Public Enemy No. 1, as the Vice President of the United States recently declared.

The reality is all the more acute for the United States, since our inflation rate has historically tended to be lower than that of most other countries. As recently as a year ago, the U.S. ranked better than nearly a score of major industrial nations. Since then, even as prices around the world spiralled upward, our inflation rate has moved ahead of almost half of these countries and now stands at 12 percent for this year. Understandably, this fact is of concern to Canadians, since your economy and ours are so closely interrelated.

That inflation in high dosage is now a worldwide phenomenon leaps out of the latest report of the Organization for Economic Cooperation and Development. In the year ending April 30, consumer prices in the 24 OECD countries spurted on average by 12.7 percent, compared with a rate of 7.7 percent for 1973.

THE CONSEQUENCES

We do not have to speculate about the pernicious effects of inflation, because we can see them all about us.

We see the best of our citizens, those who have saved and whose savings have built our country, suffering substantial losses in those savings. And we see those least able to fend for themselves, the poor and the elderly, forced to suffer disproportionately more than anyone else through the regressive taxation that inflation actually is. I agree with a leading spokesman for Congressional liberals in my country who said recently, "Inflation is the most reactionary force in the world."

We see people beginning to question the merit of saving. According to consumer surveys, they expect bad times. But in flat contradiction to all past normative behavior, they prefer to spend rather than see their savings erode. In this year's first quarter, the savings rate fell in the U.S. to 6¼ percent from the previous quarter's 7.3 percent. No other single figure poses so ominous a threat to the very heart of our economy, for it is with the savings of the people that the sinews of our productive strength are fashioned.

High rates of inflation seem to beguile at least some businessmen into thinking that their earnings are better than they are, and into the view that inflation isn't all that bad. Because of present accounting methods, profits tend to be overstated during a period of inflation. The practice involves charging only the historical cost of physical assets consumed (fixed assets and inventory), rather than current, higher replacement costs. When it comes time to replace these inventories or build new factories, many businessmen have found that these so-called profits are no more tangible than a mirage in the desert. Moreover, to the extent that they increase corporate tax liabilities, understatement of depreciation allowances and inventory profits may actually make the corporation worse off after taxes. To underline the point, in a report that appeared in *Business Week* not long ago, its editors concluded that after the effects of inflation were eliminated, U.S. corporate earnings, although nominally rising some 25 percent last year, were no better than levels reached as far back as 1965.

Inflation has so impacted our aggregate purchasing power that it has just about eliminated progress in reducing unemployment over the past dozen-and-a-half months. For example, in the autumn of 1972, the unemployment rate in the U.S. was about 5½ percent. Yet real disposable income, including transfer payments, dividends and interest, rents, and related items, was no higher at the end of the first quarter of 1974 than it was 18 months earlier. Income earned by the sweat of our collective brows has done even less well. If one looks at the purchasing power of earnings of the average worker in the nonfarm private sector of the U.S. economy, it is clear that he is no better off today than he was in January, 1965.

Inflation operates to distort economic policy and planning. For example, the way the leading economic indicators in my country are constructed, rising prices create an illusory appearance of strength. Our govern-

ment's series of such indicators, which are looked to as harbingers of economic activity, rose throughout most of 1973 and early 1974, tapering only slightly during the second half of last year. However, when the influence of higher prices is eliminated, the indicators are less favorable today than at any time since September, 1972.

Banking data also reflect the disorienting effects of inflation. This fact has made the Federal Reserve's job of conducting monetary policy, difficult enough in a time of chronic budget deficits, much more so. When inflation is high, loan demand is strong in order that businessmen can finance inventory accumulation and pay tax liabilities generated by inventory profits. Strong business loan demand can increase the money and credit aggregates over and above Federal Reserve intentions due to our fractional reserve system and the custom of requiring compensating balances. When you add to this the fact that most loans to business are made today on a variable rate basis so as to minimize the deterrent effect of high interest rates, the Federal Reserve's problem becomes even stickier.

Inflation is even more insidious. It erodes the very fabric of our society. It stimulates a race for pay, profit, and power. It sets group against group in a feverish contest for slices of the national pie. It accelerates treadmill consumer spending. It encourages speculation in such things as real estate and commodities as means of making money, and discourages the development of entrepreneurial skills vital to the functioning of our society. Moreover, its soaring cost threatens to socialize many private educational and charitable activities. Inflation is a dangerous disease, not "a bad itch" or an "annoyance," as it was recently characterized by two leading economists. I say to you with all gravity that it is a threat to our society that is real and deeply disturbing.

THE CAUSES

How did we get to this perilous point in our affairs? The question is in no way academic. It is, rather, the most practical question that practical men can ask.

It is true that inflation is worldwide in scope. Official spokesmen in many lands, in attempting to explain their own inflation, have made references to external forces, as if, in the words of Gottfried Haberler, "the inflation bacillus had flown in from outer space."

Increases in petroleum-related prices have, of course, contributed. But the Organization for Economic Cooperation and Development has calculated that less than a quarter of the consumer price increases in the past six months has come from higher prices for oil. And since the consumer price increases for these countries average 12.7 percent over the past year, that still leaves a good deal to be accounted for, even after noting the adverse weather conditions affecting agriculture in many areas during 1972, the disappearance of the anchovies off Peru, and the presence of a worldwide industrial boom.

There is, I believe, a growing understanding that the roots of inflation go deeper than these transitory events. Any canvass of the causes should first acknowledge that, historically, inflation has not been inherent in our system. For 150 years, ending in 1945, we enjoyed in the U.S., with only occasional spurts of short-lived inflation, a generally stable price structure. The wholesale prices on average in our country were no higher in 1945 than in 1795.

A jobs standard

After World War II, we heard more and more about what was magnificently termed "the revolution of rising expectations." With it came the emphasis on maximizing economic growth. This new accent took many forms in many places. In the U.S., a principal expression was the passage of the Employment Act of 1946, which directed public policy almost single-mindedly toward achieving national employment objectives. Coming on the heels of World War II and with terrible memories of the preceding Great Depression still fresh in mind, this preoccupation was understandable. Enactment of the law, however, put us, in effect, on a jobs-standard for judging the performance of the economy. The cost to us has become very great. With time, we have found that the unemployment rate is not an adequate measure of resource utilization.

It has been said that generals are always preparing to fight the last war. John Kenneth Galbraith has, in a similar vein, indicted economists. "To them," he says, "unemployment is the great enemy. They don't seem to realize that inflation is far more serious than unemployment." While I don't always—or often—agree with my friend, Ken Galbraith, he is right as rain on this vital matter. I suspect that the 95 percent of our work force now gainfully empolyed agree with him, too. And I suspect that they are far in advance of many economists and public officials on this point.

The inflationary bias imparted to the economy by this philosophy has ramified in many ways. In the private sector, it has served to provide industry and labor with a solvent for some of their problems. Business has accepted higher labor costs because it believed it could not resist them and could pass them along to the consumer; labor accepted higher prices because it hoped to get higher pay and in the process beat the game.

The public sector

Another manifestation of the inflationary bias is the huge government involvement that has resulted. Let me give you an example. In the 1920s, total government spending in the U.S. took 10 percent of the gross national product. In the last ten years, it took 22 percent. In the '20s, as in the last 10 years, unemployment stood at 4.6 percent. The difference is that in the '20s, the consumer price index was stable on average compared to an average annual rise of 4 percent in the last 10 years. These figures indicate that government did not reduce the rate of joblessness, although this was the paramount national objective.

What government did accomplish was to create and indeed to institutionalize a strong base for our present inflation. Its fiscal dimension is clear from a recent comment by Secretary of the Treasury William E. Simon, who pointed out that it took us 185 years to spend $100 billion annually, but only nine years more to get to $200 billion, and only four years after that to exceed $300 billion. Fiscal theory earlier had called for budget deficits in bad years, to be compensated for by surpluses in good years. In the past 30 years, however, we have had only six bad years but deficits in 21. Rationalizing this deluge of deficits was the replacement of the cyclically balanced budget by the full-employment budget concept, which calls for budget deficits when the economy is operating short of full employment. And that, by the present faulty criterion of 4 percent unemployment as defining full employment, has been most of the time.

Miscalculations

Inflation has resulted also from misjudging the ability of the U.S. economy to grow because we only dimly understood the impact of three forces.

First, there was a failure to perceive early enough that the structure of the labor force had changed significantly in recent years. Whereas a jobless rate of 4 percent may have correctly represented full employment during the 1950s and early 1960s, toward the end of that decade more people from higher unemployment-prone groups, such as women and teenagers, entered the labor force. These changes have had the effect of lowering effective full employment from 96 percent of the labor force to 95 percent or perhaps even less.

Second, there has been a misjudgment concernin growth in the capacity of American industry to produce. Since the middle 1960s, when laws were first passed concerning industry's impact on the environment, most business capital spending, after adjustment for inflation, has gone to pay for costlier machines and factories to comply with these environmental requirements. Actual aggregate expansion of capacity has proved to be less than was believed to be the case. Discovery of this and other capacity limitations has dawned, but late, and at severe inflationary cost.

A third factor affecting the availability of supplies to our domestic markets was the early misjudgment of the impact of the new regime of exchange rates on the U.S. Although promoting calmness on the international monetary seas, back on shore floating has tended in many cases to weaken discipline that governments should encourage in domestic economies. While minimizing widespread outflows of funds in response to differences in inflation rates, interest rates, of economic conditions in general, floating exchange rates, by their near-instantaneous reaction to these pressures in the form of changes in exchange rates, altered demand and supply in foreign trade. In the case of th U.S., last year the floating rate system permitted the dollar's value to sink so low that it had the effect of making U.S. products extremely attractive in world markets. This incentive sucked large supplies out of our country, while at the same time limiting imports since they became more expensive. Whatever floating did for our balance of trade, inflation was exacerbated.

Taking these three factors into account, it appears our potential to supply domestic markets has grown since 1969, not at the 4.3 percent recently stated by the President's Council of Economic Advisers—and not, I'm afraid, even at the 4 percent rate to which that figure was later reduced—but at closer to 3 percent. Even with the substantial $12 billion decline in real GNP in this year's first quarter, we appear to be still operating at or very near overall potential domestic capacity. That inflation was encouraged in this environment is not surprising.

THE BATTLE PLAN

Let me say at once that any lasting victory over inflation must begin with you and me, the citizenry. You and I must find ways to moderate the "revolution of rising expectations," lest is scorch us all in an inflationary firestorm. We must find effective ways of getting across this plain truth: if we try to achieve rapidly rising private and public standards of living at the same time, we are going to find it costly and abortive.

1. Commitment

I must acknowledge that there are those who would appease inflation by trying to devise ways to live with it, such as general indexation. I take strong exception to indexing or any other similar palliative. It does not get at the fundamental cause of inflation: the disequilibrium between the demand and supply of goods. By boosting incomes in proportion to price rises, indexing at best merely perpetuates the disequilibrium. Moreover, by making it easier for people to live with inflation, general escala-

tor arrangements would gravely weaken the discipline that is needed to conduct business and government affairs prudently and efficiently. For inflation anticipated is, indeed, inflation accelerated. The more people are promised a way to live with inflation, the less reason they have to take steps to correct it. The possibility of aggravating economic inequities seems great. Nor do I see how a comprehensive indexing of the U.S. economy would cope with the hundreds of billions of dollars of outstanding contracts and that savers now hold in bank deposits, savings and loan shares, and insurance reserves. It is worth noting that the most celebrated example of comprehensive indexation, Brazil, may well be in the process of coming apart at the seams.

Nor are price-and-pay controls the solution. In the U.S. we have taken a good look at what two freezes and four phases of this economic process have done to our economy and we do not like it.

2. Pacing Demand To Resources

Public attitudes are the fundamental underlying cause of our inflationary problem, and excess government spending translates these attitudes into a powerful force for raising prices. When I reflect on the benevolent role proclaimed by governments these days, I recall the words of a nineteenth century utopian socialist, Etienne Cabet, who wrote, "Nothing is impossible for a government that wants the good of the people."

Fiscal Policy

As citizens we have been demanding more from government than we are willing to pay for. As an essential part of any successful resistance to inflation, we must pay our way in the public sector and then some for the next few years. I recognize that much of the annual budget in my country consists of so-called "uncontrollables," programs for which increases in outlays are virtually mandated by law. But I agree with Treasury Secretary Simon when he declared in pretty uncomplicated language, "The idea that 75 percent of the budget is uncontrollable is a cop-out." The time has come when we must re-examine these programs in the interests of the overriding fight against inflation.

It is clear that we should have run a substantial budget surplus two years ago, instead of the $23 billion deficit actually recorded in fiscal year 1972–73. We should have had an even bigger surplus last year, but instead we ran a $14.3 billion deficit. For 1973–1974, the Administration projects a deficit of "only" $3½ billion, while for fiscal year 1975, beginning July 1, a rise in the deficit to $11½ billion is anticipated. Although the new fiscal year begins soon, it is not too late for the Administration and the Congress to tie into the task of eliminating this deficit. Moreover, Congress should hold the line against a tax cut which would be the wrong measure at the wrong time. As part of fiscal reform, we must rehabilitate or abandon the full-employment budget concept. It has been a fiscal mischiefmaker and worse.

In a related area, I am cheered that the Congressional budget process is about to be remedied. Bills that would integrate spending and taxing decisions have passed both our House and Senate and have been approved by a Conference Committee. This legislation would overhaul drastically the way Congress considers the federal budget and decides where funds are to be spent. If passed, this measure would mark the strongest Congressional effort in years to assert more control over the federal budget, now dealt with piecemeal by both houses. It may well prove to be a landmark in restoring fiscal responsibility.

MONETARY POLICY

Once fiscal discipline is restored, the task of monetary policy will be more easily accomplished. Although Federal Reserve Chairman Arthur Burns is doing a courageous job in conducting U.S. monetary policy in an effort to stem the inflation tide, the frequency and magnitude of government borrowings effectively circumscribe how tight monetary policy can be. The President's new chief economic coordinator, Kenneth Rush, is right when he says that monetary policy should remain restrictive long enough to work. In my view, the Federal Reserve should keep a steady hand on the monetary tiller, turning toward neither ease nor extreme tightness, and, most important, to stay the course. In terms of growth in the money and credit aggregates, the target range should gradually be lowered as the federal budget turns in a better performance. The "steady-state" target should be no more than half recent growth rates.

I have placed main emphasis on this prescription for dealing with the fever of inflation on pacing demand through effective fiscal and monetary policy, because without that nothing else will avail. That this policy is necessary but not sufficient, however, is becoming clearer as time goes on.

3. Supply Management

Other things can and should be done to reduce inflation and especially the expectation of inflation, such as encouragement to industry to expand capacity. Because of the ravages of inflation, even today's accelerated depreciation allowances do not permit businesses to establish a reserve sufficient to replace existing machinery and office and factory buildings. Tax laws and regulations should address themselves to this and related problems of business.

We should get rid of a mass of old laws, regulations, and programs that have tended to boost prices by promoting inefficiency. We have made great strides in dismantling the old farm program, but there remain such matters as featherbedding rules in labor-management agreements and in laws, restrictive local building codes, and some antitrust practices which tend to limit competition.

4. Employment goals

In order to give the battle against inflation the priority it deserves, the Congress should amend the Employment Act of 1946 to give price stability equal status with high employment. Pumping up aggregate demand sufficiently to help some more of the work force to obtain jobs at great inflationary cost to the 95 percent already employed is an obsolete view that deserves cold hard scrutiny and a search for alternatives.

Part of the answer to this dilemma lies in strengthening unemployment insurance measures. Another may be the acceptance by governments at all levels of the role of "employer of last resort." Many jobs that need doing require little skill, but in our technologically advanced system cannot be justified economically in the private sector. Such important tasks as helping to keep our cities clean, preserve and develop our national forests, and protect the ecological quality of our continent could be assisted through a well-conceived public employment program which could bring about a worthwhile cut in the unemployment rate at acceptable cost.

5. Monitoring stabilization

To help dampen inflation and the expectation of inflation, we may very well need to try out another tool. The Administration has proposed a surveillance function to watch and report price-and-pay trends in the economy. This strikes me as an idea worthy of a trial. Because of our unsatisfactory recent experience, I do not fear it would be a way to slip back into a system of permanent pay and price controls.

6. Private sector responsibility

The private sector as well has an important role to play in the inflation fight. Business and labor must look to the elimination of depression-born restrictions on production and services, and find other solutions to matters in their control than passing them on to consumers in constantly higher prices. Critical to this issue, of course, is the improvement of productivity. It is true that, "Anything we can do, we can do better."

Banking and financial institutions clearly have their responsibility. In the conduct of our affairs, we must strike a balance between lively entrepreneurship and plain old-fashioned prudence. In the financial business, so affected with the public interest, sound management is more than ever a compelling imperative today.

7. International Monetary Reform

Reform of the international monetary system should encourage effective stabilization policies in individual countries through a set of arrangements with incentives and sanctions, i.e., carrots and sticks. It would appear that the choice between a par-value system with flexibility and a floating system with rules is not all that great. However, neither will work unless each country puts forth its best efforts to maintain the health of its own currency. International cooperation is clearly more than ever the sine qua non of living together on this terrestrial ball. I cite the commitment against the use of trade restrictions to cope with oil-cost damage to balance of payment equilibrium in many countries. I note as well the recent progress of the C–20 in Washington. Indispensable as it is, however, international cooperation must never become an escape mechanism from the rigors of doing what each of us knows must be done at home.

THE CHALLENGE

Inflation can be subdued. It does not have the sanction of history. It is not inevitable.

In these remarks I have sought to set forth what might be called a consensus program of action. Its demands on any one of us or any group to which we and other citizens belong are modest. Its cumulative effect, however, can be decisive. It means tempering our aspirations with that degree of moderation that alone can insure their satisfaction; it means according a prime place in our economic goals to the integrity of our money; it means embracing confident policies toward the future instead of the fear and restrictionism born of depression; it means some throttling back of the pressure of demand on resources until they expand; it means doing not only "our best," but what we know is required in fiscal and monetary policy; it means widening supply bottlenecks; it means building an interdependent international economy on the foundation of sturdy national economies.

Success in this grand enterprise rides with you and me as citizens of our countries. We must commit our influence, whatever it be, wherever we are—in the corporate board room, in the councils of labor, of agriculture, of the professions—to rally opinion to the fight. You and I know that when economics is really important, it becomes politics, so as citizens we must make it politically rewarding for public officials to give primacy to the inflation battle. It makes no sense to blame them for what you and I ask them to do for the fiscal constituencies of which we are a part. With our support, they can array public priorities and reach a sen-

sible judgment for their achievement over time.

Without this commitment from you and me, the fight for an honest currency will be lost and the result will be economic frustration and social stress which can strain to the peril point the fabric of our common life. If that happens, the dire event will trace to a failure of nerve. But, with our commitment, I have no doubt that so honest a cause can prevail.

IMPOUNDMENT REPORT

Mr. HUMPHREY. Mr. President, the Office of Management and Budget has released its report on "Budgetary Reserves as of June 30, 1974." This is the last of the quarterly reports required by the Federal Impoundment and Information Act, as amended. A new series of impoundment reports will be required by the Congressional Budget and Impoundment Control Act of 1974, which was signed into law on July 12, 1974.

I have been concerned about effective reporting of impoundments for several years. I authored the Federal Impoundment and Information Act of 1972, and messages for proposed impoundments—ever since that time we have tried here in Congress to make those reports more comprehensive and more useful. A number of constructive changes were made in response to our recommendations. But the reports never lived up to what we felt was needed.

We are about to embark on a wholly new reporting procedure. Title X of the Congressional Budget and Impoundment Control Act requires two types of special one for rescissions and one for deferrals.

In the case of proposed rescissions, unless both Houses of Congress complete action on a "rescission bill" within 45 days, the budget authority must be made available for obligation. Thus, the President must receive the support of both Houses within a specified time period.

In the case of proposed deferrals, if either House passes an "impoundment resolution" disapproving the request, the budget authority must be made available for obligation. Under this procedure the burden is on one House to overturn a deferral request. The act also requires cumulative monthly reports of proposed rescissions, reservations, and deferrals.

On June 21, 1974, when the Senate acted on the conference version of the Congressional Budget and Impoundment Control Act, I engaged in an extensive colloquy with the senior Senator from North Carolina (Mr. ERVIN). That dialog spelled out in considerable detail our expectations with regard to future impoundment reports. In particular, the quality of reports for policy impoundments must be of the highest order, with special treatment and narrative in place of the generalized codes used in the quarterly impoundment reports. Policy proposals are to be highlighted and given individual attention, perhaps by being set aside in a separate section. This will enable a Member of Congress to focus his attention immediately on the significant actions.

Mr. President, I ask unanimous consent that this report be printed in the RECORD, along with the July 15 cover letter from OMB Director Ash to Vice President FORD.

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

EXECUTIVE OFFICE OF THE PRESIDENT,
Washington, D.C., July 15, 1974.

Hon. GERALD R. FORD,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: The enclosed report is submitted pursuant to the Federal Impoundment and Information Act, as amended. In accordance with that Act, the report is being transmitted to the Congress and to the Comptroller General of the United States, and will be published in the Federal Register.

This is the final report under the Federal Impoundment and Information Act, which was repealed by the Congressional Budget and Impoundment Control Act of 1974. The reports required by the Congressional Budget and Impoundment Control Act will begin as soon as reporting procedures can be instituted.

Sincerely,

ROY L. ASH,
Director.

BUDGETARY RESERVES AS OF JUNE 30, 1974

THE APPORTIONMENT AND RESERVATION OF FUNDS PROCESS

The Antideficiency Act (31 U.S.C. 665) requires, with certain exceptions, that all appropriations, funds, and contract authority be apportioned so as to: prevent obligation of funds in a manner which would require deficiency or supplemental appropriations; achieve the most effective and economical use of amounts made available; provide for contingencies; and effect savings. The Act also requires that apportionments shall be reviewed at least four times each year, and it authorizes reapportionments and the establishment of reserves. The authority granted by this Act is exercised by the Director of the Office of Management and Budget under authority delegated by the President.

Apportionments specify the amounts that may be obligated during specific time periods, usually within the current fiscal year. In some cases, specific provisions of law provide that funds should be available over a period longer than one year. In cases where the amount of contract authority available a year in advance is specified by law, a distinction is made in the accompanying report (Attachment D) between the 1974 and 1975 programs.

The practice of withholding some amounts—"reserving" them—from apportionment, either temporarily or for longer periods, is one of long-standing and has been exercised by all recent administrations as a customary part of financial management. The Antideficiency Act authorizes the withholding of funds from apportionment to provide for contingencies or to effect savings made possible by or through changes in requirements, greater efficiency of operations, or other developments subsequent to the date on which the funds were made available. When funds are, by law, made available beyond the current fiscal year, they are generally not fully apportioned in the current year. The unapportioned part is withheld to be released later for use in subsequent years, as required.

In some legislative and appropriation actions, the Congress has required the withholding of specified funds. For example, the 1973 Agriculture-Environmental and Consumer Protection Appropriation Act (Public Law 92-399) explicitly required that an amount be placed in reserve pending an administrative determination of need. In other cases, notably the 1975 Labor-HEW Appropriations Act (Public Law 93-192), Congress has authorized the withholding from obligation and expenditure of specified amounts or percentages of appropriated funds. A table showing the amounts withheld under Public Law 93-192 is Attachment A to this report. A similar withholding was authorized by the 93rd Congress in the Agriculture-Environmental and Consumer Protection Appropriation Act of 1974. The Act provided an indefinite authorization to make insured loans in the Rural Electrification and Telephone Revolving Fund as follows (dollars in millions):

	Not less than—	Not more than—
Electric loans	618	750
Telephone loans	140	200
Total	758	950

The 1974 authority to spend debt receipts to finance loan activity was apportioned at the $758 million level.

In yet another case, Congress has made funds available only upon the arrival of certain contingencies. The 1974 Supplemental Appropriations Act (Public Law 93-245 sets aside a contingency reserve for the Interior Department's Office of Oil and Gas which is to become available only upon enactment of emergency energy legislation.

These Congressional directives are, however, the exception rather than the rule. Most reserves are established at the initiative of the Executive Branch and are based on operational knowledge of the status of specific projects or activities. For example, when a particular objective can be accomplished at less cost than had been anticipated when the appropriation was made, a reserve assures that savings can be realized and, if appropriate, returned to the Treasury. In other cases, apportionments sometimes await (1) development by the affected agencies of approved plans and specifications, (2) completion of studies for the effective use of the funds, including necessary coordination with the other Federal and non-Federal parties that might be involved, (3) establishment of a necessary organization and designation of accountable officers to manage the programs, or (4) the arrival of certain contingencies under which the funds must by statute be made available (e.g., certain direct Federal credit aids when private sector loans are not available). From time to time, reserves are established for the purpose of conforming to the requirements of other laws.

An example is the Executive's responsibility to stay within the statutory limitation on the outstanding public debt.

Most, but not all, funds provided by the Congress are subject to the apportionment process. Subsection (f) of the Antideficiency Act authorizes a series of exemptions. Temporary continuing appropriations are exempt from the apportionment process (Public Law 93-52, as amended, Section 103). Appropriations provided under such temporary continuing appropriation acts are usually indefinite in amount. In addition, some laws establish funding arrangements which are either outside the apportionment process or require Executive determinations before they become subject to apportionment. The Federal Water Pollution Control Act of 1972 (Public Law 92-500), for example, vests discretion in the Administrator of the Environmental Protection Agency to allot less than the maximum amounts au-

thorized by the Act*. Under the provisions of the Act, authority to make contracts does not exist until the allotment is made. Consequently, fund availability (budget authority) exists only when allotments are made and only allotted funds move through the apportionment process. At this date, funds authorized by the Federal Water Pollution Control Act have been allotted on the following basis (dollars in billions):

	Authorized	Allotted	Unallotted
Fiscal year—			
1973	5	2	3
1974	6	3	3
1975	7	4	3

Funding of certain housing programs of the Department of Housing and Urban Development (HUD) presents a unique situation with respect to the apportionment process. For five housing programs, the Congress provides commitment authority that allows the Secretary of HUD to sign long-term contracts requiring annual payments to specific housing units. The commitment authority is not subject to the apportionment (and thus the reserve) process since it does not represent obligational authority of a given year. Rather, it represents an authorization to enter into contracts which will result in a requirement for obligational authority (payments) in each of the years covered by the contract. Current plans anticipate that the commitments for annual payments will be some $299 million under the level made available by the Congress for four of these programs. If used, the $299 million of authority could result in outlays of up to $10 billion over the life of the contracts. As the payments under the contracts come due, they are met by annual appropriations (provided under the account "Housing payments" which also covers low-rent public housing). Thus, funds are only required to meet annual payments under the contracts. They are not required at the time the contracts are signed and are made available only when actually appropriated. Since reserves are established only on the basis of fund availability and since funds appropriated for this program are needed for making payments at an early date, no reserves have been established for the subsidized housing programs.

The amount of funds apportioned or held in reserve at any one time is heavily dependent upon events both preceding and following initial apportionment actions. Key among the predecessor events is the passage of the annual appropriation bills. Apportionments for most Federal programs are made within 30 days of enactment of the appropriation bills. The earlier in the fiscal year these apportionments occur, the greater is the chance that reserves will accompany them. Early in the fiscal year, program and project plans are incomplete and allowances need to be made for contingencies which may occur later in the year. As administrative plans are completed and other events occur during the year, the need for reserving funds diminishes. Thus, for any one fiscal year, the amount in reserve is relatively low at the beginning of the year (reflecting primarily multi-year funds), peaks 30 days after passage of most of the appropriation bills, and then steadily diminishes as the end of the fiscal year approaches.

RESERVES AS OF JUNE 30, 1974

Since the report on Budgetary Reserves as of April 20, 1974, total funds in reserve for the 1974 program have decreased $29 billion to a new total of $75 billion. This reduction is primarily accounted for by the release of reserves in three areas: Emergency security assistance for Israel ($2.2 billion); Rural water and waste disposal grants under the Farmers Home Administration, Department of Agriculture ($.1 billion); and the Federal-aid highways/1974 program of the Department of Transportation ($.5 billion). The balance of the reduction in 1974 program reserves results from releases made to meet end-of-year funding requirements in many programs.

The $7.5 billion remaining in reserve in the 1974 program as of June 30, 1974, largely represents the reservation of obligational authority that has been made available beyond 1974. These reserves have been maintained through June 30 to ensure fund availability in 1975 and subsequent fiscal years. All but $2 billion of the total is in three departments, Agriculture ($1 billion), Defense ($1.6 billion), and Transportation ($3.3 billion).

All of the $6.3 billion in reserve for 1975 is in the Federal-aid highways account and other highway programs.

REPORT REQUIRED BY LAW

This report is submitted in fulfillment of the requirements of the Federal Impoundment and Information Act, as amended, which provides for a report of "impoundments" and certain other information pertaining thereto. This report lists the budgetary reserves that were in effect as of June 30, 1974. The Congressional Budget and Impoundment Control Act of 1974 will, when enacted, bring an end to this series of reports and begin a new series.

The new Act will repeal the current reporting requirements under the Federal Impoundment and Information Act and substitute new reporting provisions.

The Antideficiency Act requires that all apportionments be reviewed at least quarterly, and that reapportionments be made or reserves be established, modified, or released as may be necessary to further the effective use of the funds concerned. Thus, in answer to item Number 5 of the Federal Impoundment and Information Act, the period of time during which funds are to be in reserve is dependent in all cases upon the results of such later review.

Attachment D lists, by agency, all accounts for which some funds are reserved. An asterisk (*) identifies those accounts added to the listing since the last report (i.e., such accounts contained no reserves on April 20, 1974). The listing:

Presents the amount currently apportioned for the fiscal year 1974;

Presents the amount in reserve as of June 30, 1974;

States whether the amount reserved will be legally available for obligation in fiscal year 1975;

Indicates the date of the reserve action and the effective date of the current reserve;

Presents a code which relates to the reason for the current reserve action, without necessarily exhausting all possible reasons; and

Presents a code which indicates the estimated fiscal, economic, and budgetary impact of the current reserve.

Codes used in the remainder of this report relating to the reasons for and estimated fiscal, economic, and budgetary impact of the reserve actions are described in Attachments B and C. The codes and footnotes listed for each entry relate to conditions which were in effect as of the date of the reserve action.

ATTACHMENT A

THE 1974 LABOR/HEW APPROPRIATIONS—FUNDS WITHHELD FROM OBLIGATION AND EXPENDITURE

The 1974 appropriations act for the Departments of Labor, and Health, Education, and Welfare, and related agencies (P.L. 93–192) contains the provision that "not to exceed $400 million, . . . may be withheld from obligation and expenditure. . . ." The appropriation language also specifies that no individual appropriation provision may be reduced by more than five percent. In addition, the conference report (H.R. 93–682) establishes dollar limitations for the reductions that may be made to specified programs.

The following table shows the effect of the amounts withheld from programs receiving appropriations under this act. A comparison is drawn between amounts authorized to be withheld in the conference report and actual amounts withheld.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

[In thousands of dollars]

	Authorized to be withheld (conference report)	Amounts withheld (1975 budget)	Difference
Health:			
Health Services and Mental Health Administration:			
Mental health	26,874	9,567	−17,307
Health services planning and development [1]	17,509	25,937	−16,649
Health services delivery [1]	2,800		
Health manpower [1]	22,277		
Preventive health services	4,936	0	−4,936
Subtotal	(74,396)	(35,504)	(−38,892)
National Institutes of Health:			
National Cancer Institute	27,560	23,706	−3,854
National Heart and Lung Institute	15,145	13,365	−1,780
National Institute of Dental Research	2,278	1,607	−671
National Institute of Arthritis, Metabolism and Digestive Diseases	7,972	5,886	−2,086
National Institute of Neurological Diseases and Stroke	6,250	3,642	−2,608
National Institute of Allergy and Infectious Diseases	5,700	2,911	−2,789
National Institute of General Medical Sciences	8,838	8,449	−389
National Institute of Child Health and Human Development	6,512	4,799	−1,713
National Eye Institute	2,081	454	−1,627
National Institute of Environmental Health Sciences	1,443	482	−961
Research resources	6,672	4,046	−2,626
John E. Fogarty International Center	237	0	−237
National Library of Medicine	877	0	−877
Subtotal	(91,565)	(69,347)	(−22,218)
Total, health	165,961	104,851	−61,110

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—Continued
[In thousands of dollars]

	Authorized to be withheld (conference report)	Amounts withheld (1975 budget)	Difference
Education:			
Office of Education:			
Elementary and secondary education	96,725	94,979	−1,746
School assistance in federally affected areas	16,584	16,584	0
Education for the handicapped	5,325	5,325	0
Occupational, vocational, and adult education	26,354	26,354	0
Higher education	29,167	29,167	0
Library resources	8,585	6,261	−2,324
Educational development	4,487	4,487	0
Salaries and expenses	93	93	0
Total, education	187,320	183,250	−4,070
Welfare:			
Social and Rehabilitation Service:			
Grants to States for public assistance	2,500	2,500	0
Social and rehabilitation services	7,775	7,775	0
Subtotal	(10,275)	(10,275)	(0)
Office of Child Development: Child development	15,500	9,020	−6,480
Subtotal	(15,500)	(9,020)	(−6,480)
Total, welfare	25,775	19,295	−6,480
RELATED AGENCIES			
Corporation for Public Broadcasting	2,500	[2] 2,250	−250
Office of Economic Opportunity	17,315	[3] 9,800	−7,515
Total, related agencies	18,815	12,050	−7,765
Total, HEW and related agencies	398,871	319,446	−79,425

[1] The 1974 activities of these programs are divided between Health Services Administration and health resources in the 1975 budget appendix.

[2] This withholding does not appear in the 1975 budget appendix.

[3] In the 1975 budget appendix, this figure is shown as an unobligated balance lapsing.

ATTACHMENT B

REASON FOR CURRENT RESERVE

Code

1—"To provide for contingencies" (31 USC 665(c)(2)).

2—"To effect savings whenever savings are made possible by or through changes in requirements, greater efficiency of operations, or other developments subsequent to the date on which such (funds were) made available" (31 USC 665(c)(2)).

3—To reduce the amount of or to avoid requesting a deficiency or supplemental appropriation in cases of appropriations available for obligation for only the current year (31 USC 665(c)(1)). This explanation includes amounts anticipated to be used to absorb or partially absorb the costs of recent pay raises grant pursuant to law.

4—"To achieve the most effective and economical use" of funds available for periods beyond the currrent fiscal year (31 USC 665(c)(1)). This explanation includes reserves established to carry out the Congressional intent that funds provided for periods greater that one year should be so apportioned that they will be available for the future periods.

5—Temporary deferral pending the establishment of administrative machinery (not yet in place) or the obtaining of sufficient information (not yet available) to apportion the funds properly and to insure that the funds will be used in "the most effective and economical" manner (31 USC 665(c)(1)). This explanation includes reserves for which apportionment awaits the development by the agency of approved plans, designs, specifications.

6—The President's constitutional duty to "take care that the laws be faithfully executed" (U.S. Constitution, Article II, Section 3):

6a—"Obligation at this time of the amount in reserve is likely to contravene law regarding the environment; or the amount in reserve is being held pending further study to evaluate the environmental impact of the affected projects (activities) as required by law.

6b—"Existing tax laws and the statutory limitation on the national debt are not expected to provide sufficient funds in the current and ensuing fiscal years to cover the total of all outlays in these years contemplated by the individual acts of Congress.

6c—"Action taken consistent with the President's responsibility to help maintain economic stability without undue price and cost increases.

6d—"Amount apportioned reflects the level of obligations implicitly approved by the Congress in its review of and action on the appropriation required to liquidate obligations under existing contract authority.

6e—"Other." See footnote for each item so coded.

7—The President's constitutional authority and responsibility as Commander in Chief (U.S. Constitution, Article II, Section 2).

8—The President's constitutional authority and responsibility for the conduct of foreign affairs (U.S. Constitution, Article II, Section 2).

9—Other. See footnote for each item so coded.

10—Not applicable or no reason required. (In most cases where a previous reserve has been apportioned in its entirety.)

ESTIMATED FISCAL, ECONOMIC, AND BUDGETARY EFFECT

I. Same effect as set forth in the most recently submitted budget document, of which this item is an integral part.

II. The reserve action will bring the budgetary impact of this program to a level nearer or equal to that contemplated in the most recently submitted budget document and contribute to the reduction of inflationary pressures.

III. The change from the previous reserve is expected to contract the budgetary impact of this program and contribute to the reduction of inflationary pressures.

IV. The release or reduction of the previous reserve will facilitate use and expenditure of the available funds consistent with current program needs and economic conditions in the area affected.

V. Other. See footnote for each item so coded.

VI. Not applicable or no explanation required. (In most cases where a previous reserve has been apportioned in its entirety.)

ATTACHMENT D

SUMMARY OF BUDGETARY RESERVES [1]

[In millions of dollars]

Agency	Amounts as of— June 30, 1973	Sept. 30, 1973	Feb. 4, 1974	Apr. 20, 1974	June 30, 1974
1974 PROGRAM					
Executive Office of the President	2	----------	1	1	----------
Funds Appropriated to the President	126	96	2,507	2,398	60
Department of Agriculture	1,316	1,173	1,091	1,080	957
Department of Commerce	140	63	59	53	47
Department of Defense—Military	1,618	1,143	2,514	1,686	1,566
Department of Defense—Civil	33	1	4	5	5
Department of Health, Education, and Welfare	21	23	381	379	329
Department of Housing and Urban Development	460	456	823	467	467
Department of the Interior	478	162	219	202	206
Department of Justice	36	14	14	14	14
Department of Labor	----------	----------	21	21	157
Department of State	6	----------	86	50	50
Department of Transportation	2,885	3,838	3,817	3,761	3,341
Department of Treasury	22	22	23	23	22
Atomic Energy Commission	118	27	----------	----------	----------
Environmental Protection Agency	----------	----------	95	88	87
General Services Administration	262	258	38	38	38
National Aeronautics and Space Administration	2	2	2	----------	----------
Veterans Administration	44	43	----------	----------	----------
Other Independent Agencies:					
National Science Foundation	62	4	----------	----------	----------
Small Business Administration	50	31	31	31	31
All Other	51	90	89	89	110
Total	7,732	7,446	11,813	10,384	7,486
1975 PROGRAM					
Department of Agriculture	----------	----------	140	140	140
Department of the Interior	----------	75	190	190	190
Department of Transportation	----------	----------	5,994	5,995	5,994
Total	----------	75	6,324	6,325	6,324

[1] Details may not add due to rounding.

BUDGETARY RESERVES—Continued

[Dollar amounts in thousands]

[General notes: Amounts in parenthesis () indicate actions superseded by later apportionment actions. An asterisk (*) indicates an account added to the list since the last report. An account without an entry in the amount apportioned column indicates no apportionment has been made for fiscal year 1974.]

	Amount apportioned	Amount in reserve	Available beyond fiscal year 1974?	Date of reserve action	Effective date of reserve	Reason for current reserve (see code)	Estimated
Executive Office of the President/Funds appropriated to the President:							
Appalachian Regional Commission: Appalachian regional development programs	(209,000)	(225,000)	Yes	June 29, 1973	July 1, 1973	5, 6c	I
	(320,395)	(40,000)	Yes	Sept. 12, 1973	Sept. 12, 1973	5, 6c	I
	325,747	40,000	Yes	Oct. 23, 1973	Oct. 23, 1973	5, 6c	I
Agency for International Development: Prototype desalting plant	(.....)	(20,000)	Yes	Apr. 7, 1972	July 1, 1973	5	I
	[1]	20,000	Yes	Jan. 29, 1974	Jan. 29, 1974	5	I
Foreign Military Credit Sales	(78,940)	(246,060)	No	Jan. 23, 1974	Jan. 23, 1974	5	I
	(128,940)	(196,060)	No	Feb. 25, 1974	Feb. 25, 1974	5	I
	(150,190)	(174,810)	No	Mar. 18, 1974	Mar. 18, 1974	5	I
	(169,890)	(155,110)	No	Mar. 25, 1974	Mar. 25, 1974	5	I
	(181,990)	(143,010)	No	May 1, 1974	May 1, 1974	5	I
	(238,240)	(86,760)	No	May 13, 1974	May 13, 1974	5	I
	(240,740)	(84,260)	No	May 21, 1974	May 21, 1974	5	I
	(266,690)	(58,310)	No	May 24, 1974	May 24, 1974	5	I
	(300,115)	(24,885)	No	June 10, 1974	June 10, 1974	5	I
	(314,615)	(10,385)	No	June 13, 1974	June 13, 1974	5	I
	(322,115)	(2,885)	No	June 17, 1974	June 17, 1974	5	I
	325,000	.....	Not available	June 28, 1974	June 28, 1974	10	VI
Emergency Security Assistance for Israel	(.....)	[2] (2,200,000)	No	Feb. 1, 1974	Feb. 1, 1974	5	I
	(17,336)	(2,182,664)	No	Feb. 28, 1974	Feb. 27, 1974	5	I
	2,200,000	.....	Not available	Apr. 25, 1974	Apr. 25, 1974	10	VI
Council on Environmental Quality and Office of Environmental Quality	(1,930)	(536)	No	Nov. 7, 1973	Nov. 7, 1973	5	I
	(1,980)	(486)	No	Mar. 12, 1974	Mar. 12, 1974	5	I
	2,466	.....	Not available	May 24, 1974	May 24, 1974	10	VI
Special Action Office for Drug Abuse Prevention:							
Salaries and expenses	(3,800)	(1,200)	No	Dec. 26, 1973	Dec. 26, 1974	5	I
	5,000	.....	Not available	Jan. 11, 1974	Jan. 11, 1974	10	VI
Pharmacological research	(400)	(19,600)	No	Dec. 26, 1973	Dec. 26, 1973	5	I
	20,000	.....	Not available	Jan. 11, 1974	Jan. 11, 1974	10	VI
Special fund	(1,300)	(24,700)	No	Dec. 26, 1973	Dec. 26, 1973	5	I
	26,000	.....	Not available	Jan. 11, 1974	Jan. 11, 1974	10	VI
National Security Council	(2,502)	(300)	No	Nov. 16, 1973	Nov. 16, 1973	5	I
	2,532	270	No	May 9, 1974	May 9, 1974	5	I
The Inter-American Foundation: Inter-American Foundation	(5,000)	(35,652)	Yes	June 12, 1973	July 1, 1973	4	V [3]
	(5,000)	(35,735)	Yes	Dec. 4, 1973	Dec. 4, 1973	4	I
	10,000	[4]	Not available	Jan. 28, 1974	Jan. 28, 1974	10	VI [4]
Department of Agriculture:							
Agriculture Research Service: Construction	(.....)	(1,520)	Yes	June 29, 1973	July 1, 1973	4, 6b	I
	3,786	770	Yes	June 27, 1974	June 27, 1974	4, 6b	IV
Animal and Plant Health Inspection Service:							
Animal and Plant Health Inspection Service	(317,083)	(878)	No	Nov. 23, 1973	Nov. 23, 1973	1	I
	(317,583)	(378)	No	Feb. 8, 1974	Feb. 8, 1974	1	I
	321,673	378	No	Apr. 23, 1974	Apr. 23, 1974	1	I
Animal Quarantine Station	130	64	Yes	Nov. 23, 1973	Nov. 23, 1973	5	I
Extension Service: Extension Service	(201,429)	(3,200)	No	Nov. 23, 1973	Nov. 23, 1973	2	I
	201,737	2,892	No	June 10, 1974	June 10, 1974	2	I
Foreign Agricultural Service: Salaries and Expenses, Special Foreign Currency Program.	1,000	1,240	Yes	May 23, 1973	July 1, 1973	4	I
Agricultural Stabilization and Conservation Service:							
Salaries and expenses	(256,626)	(2,619)	No	Nov. 23, 1973	Nov. 23, 1973	1	I
	256,443	2,802	No	Jan. 21, 1974	Jan. 21, 1974	2	I
Rural Environmental Assistance Program/1973–74	(.....)	(210,500)	No [5]	Jan. 26, 1973	July 1, 1973	6b	I
	[5] 210,500	.....	Not available	Apr. 1, 1974	Apr. 1, 1974	10	VI
Rural Environmental Assistance Program/1974–75	90,000	85,000	Yes	Nov. 23, 1973	Nov. 23, 1973	4	I
Emergency Conservation Measures	20,453	10,000	Yes	Nov. 23, 1973	Nov. 23, 1973	1	I
Water Bank Act Program	(.....)	(11,391)	Yes	Jan. 26, 1973	July 1, 1973	6b	I
	10,006	11,645	Yes	Nov. 23, 1973	Nov. 23, 1973	6b	I
Cropland Adjustment Program	(50,300)	(1,600)	No	Nov. 23, 1973	Nov. 23, 1973	2	I
	51,900	.....	Not available	June 10, 1974	June 10, 1974	10	VI
Commodity Credit Corporation: Administrative Expenses	(.....)	(497)	No	Nov. 23, 1973	Nov. 23, 1973	1	I
	[7] 39,631	269	No	Dec. 21, 1973	Dec. 21, 1973	1	III
Rural Electrification Administration: Loans	(.....)	(456,103)	Yes	Jan. 26, 1973	July 1, 1973	2, 6b, 6c	I
	594	455,635	Yes	Feb. 21, 1974	Feb. 21, 1974	2, 6b, 6c	V [6]
Farmers Home Administration:							
Rural Water and Waste Disposal Grants	(.....)	(120,000)	Yes	Jan. 26, 1973	July 1, 1973	6b, 6c	I
	(.....)	(150,304)	Yes	Nov. 23, 1973	Nov. 23, 1973	6b, 6c	I
	(30,000)	(120,304)	Yes	Dec. 28, 1973	Dec. 28, 1973	6b, 6c	I
	150,304	.....	Not available	June 7, 1974	June 7, 1974	10	VI
Rural Housing for Domestic Farm Labor Grants	(.....)	(1,621)	Yes	Jan. 31, 1973	July 1, 1973	5, 6b	I
	(750)	(1,831)	Yes	Sept. 10, 1973	Sept. 10, 1973	5, 6b	V [6]
	(1,000)	(9,081)	Yes	Nov. 23, 1973	Nov. 23, 1973	5, 6b	I
	10,081	.....	Not available	Feb. 14, 1974	Feb. 14, 1974	10	VI
Mutual and Self-Help Housing Grants	(.....)	(832)	Yes	Sept. 22, 1972	July 1, 1973	4	I
	(700)	(133)	Yes	Aug. 22, 1973	Aug. 22, 1973	4	I
	3,832	1,001	Yes	Nov. 23, 1973	Nov. 23, 1973	4	I
Rural Housing Insurance Fund	(.....)	(133,000)	Yes	Jan. 26, 1973	July 1, 1973	4	I
	[10] 1,435,035	.....	Not available	Sept. 12, 1973	Sept. 12, 1973	10	VI
Soil Conservation Service:							
Resource Conservation and Development	24,189	4,439	Yes	Nov. 23, 1973	Nov. 23, 1973	4	I
Watershed Planning	13,268	535	Yes	Nov. 23, 1973	Nov. 23, 1973	4	I
River Basin Surveys and Investigations	16,587	60	Yes	Nov. 23, 1973	Nov. 23, 2973	4	I
Watershed and Flood Prevention Operations	169,448	17,454	Yes	Nov. 23, 1973	Nov. 23, 1973	4	I
Agricultural Marketing Service:							
Marketing Services, no-year	(1,422)	(818)	Yes	June 11, 1973	July 1, 1973	4	I
	(1,812)	(818)	Yes	Sept. 26, 1973	Sept. 26, 1974	4	I
	1,812	1,101	Yes	Jan. 22, 1974	Jan. 22, 1974	4	I
Perishable Agricultural Commodities Act Fund	(1,416)	(58)	Yes	June 11, 1973	July 1, 1973	4	I
	1,460	270	Yes	Dec. 26, 1973	Dec. 26, 1973	4	I
Forest Service:							
Forest Protection and Utilization	(3,791)	(2,128)	Yes	Nov. 2, 1973	Nov. 2, 1973	4	I
	3,846	2,073	Yes	Jan. 2, 1974	Jan. 2, 1974	4	I
Construction and Land Acquisition	(52,196)	(1,315)	Yes	Nov. 2, 1973	Nov. 2, 1973	5	I
	53,511	.....	Not available	Apr. 15, 1974	Apr. 15, 1974	10	VI
Youth Conservation Corps	(6,693)	(3,307)	Yes	Nov. 9, 1973	Nov. 9, 1973	4	I
	6,893	[11] 3,107	Yes	Jan. 11, 1974	Jan. 11, 1974	4	I
Forest Roads and Trails and Roads and Trails for States/1974 Program	(.....)	(278,398)	Yes	Mar. 28, 1973	July 1, 1973	4, 6b, 6d	I
	(117,164)	(208,934)	Yes	July 16, 1973	July 16, 1973	4, 6d [12]	I
	(123,558)	(342,894)	Yes	Nov. 2, 1973	Nov. 2, 1973	4, 6d	I
	131,815	334,637	Yes [12]	Jan. 23, 1974	Jan. 23, 1974	4, 6d	I

See footnotes at end of table.

BUDGETARY RESERVES —Continued

[Dollar amounts in thousands]

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	Amount apportioned	Amount in reserve	Available beyond fiscal year 1974?	Date of reserve action	Effective date of reserve	Reason for current reserve (see code)	Estimated *
Forest Roads and Trails and Roads and Trails for States/1975 Program.		140,000	Yes	Nov. 02, 1973	Nov. 2, 1973	4, 6d	I
Brush Disposal	(18,657)	(26,601)	Yes	June 8, 1973	July 1, 1973	5	I
	25,000	21,554	Yes	Nov. 2, 1973	Nov. 2, 1973	4	V [14]
Forest Fire Prevention	275	109	Yes	June 8, 1973	July 1, 1973	4	I
Department of Commerce:							
General Administration: Special Foreign Currency Program	1,885	1,055	Yes	Dec. 21, 1973	Dec. 21, 1973	2	II
Office of Assistant Secretary for Science and Technology: Scientific and Technical Research and Services.	(131,485)	(11,934)	Yes	Dec. 27, 1973	Dec. 27, 1973	5	I
	136,823	6,796	Yes	Feb. 15, 1974	Feb. 15, 1974	5	I
Social and Economic Statistics Administration: 1974 Census of Agriculture	(.....)	(1,360)	Yes	Nov. 24, 1972	July 1, 1973	2, 4	I
	1,360	.....	Not available	Sept. 12, 1973	Sept. 12, 1973	10	VI
Domestic and International Business:							
Financial and Technical Assistance, Trade Adjustment Assistance	15,000	11,780	Yes	Dec. 21, 1973	Dec. 21, 1973	2	I
International Activities, Inter-American Cultural and Trade Center	(292)	(5,067)	Yes	June 26, 1973	July 1, 1973	4, 5	I
	322	5,051	Yes	Apr. 16, 1974	Apr. 16, 1974	4, 5	I
Participation in United States Expositions (Spokane Ecological Exhibition)	(7,575)	[15] (1,105)	Yes	Oct. 5, 1973	Oct. 5, 1973	4, 5	I
	8,677	.....	Not available	Apr. 10, 1974	Apr. 10, 1974	10	VI
Office of Minority Business: Minority Business Development, no-year	(.....)	(16,768)	Yes	Jan. 26, 1973	July 1, 1973	4, 6b	I
	(9,080)	(14,330)	Yes	July 24, 1973	July 24, 1973	5	I
	26,752	.....	Not available	Oct. 16, 1973	Oct. 16, 1973	10	VI
National Oceanic and Atmospheric Administration:							
Operations, Research and Facilities [16]	(.....)	(31,005)	Yes	June 28, 1973	July 1, 1973	2, 4, 6b	I
	(29,868)	(2,392)	Yes	July 19, 1973	July 19, 1973	2, 4, 6b	I
	(30,082)	(2,178)	Yes	Sept. 26, 1973	Sept. 26, 1973	2, 4	I
	(406,694)	(2,178)	Yes	Dec. 27, 1973	Dec. 27, 1973	3	I
	(416,981)	(2,178)	Yes	Jan. 16, 1974	Jan. 16, 1974	3 [17]	I
	(423,166)	(2,178)	Yes	Apr. 30, 1974	Apr. 30, 1974	3	I
	437,799	.....	Not available	June 25, 1974	June 25, 1974	10	VI
Satellite Operations [18]	(.....)	(727)	Yes	June 28, 1973	July 1, 1973	5	I
	727	.....	Not available	Dec. 27, 9713	Dec. 27, 1973	10	VI
Promote and Develop Fishery Products and Research Pertaining to American Fisheries.	(7,191)	(3,159)	Yes	Mar. 29, 1973	July 1, 1973	4, 5, 6a	I
	(7,336)	(3,111)	Yes	July 26, 1973	July 26, 1973	4, 5, 6a	I
	7,450	3,027	Yes	Dec. 21, 1973	Dec. 21, 1973	4, 5, 6a	I
Coastal Zone Management	(5,200)	(6,800)	Yes	Dec. 21, 1973	Dec. 21, 1973	4	I
	(8,000)	(4,000)	Yes	May 24, 1974	May 24, 1974	4	I
	8,825	3,175	Yes	June 25, 1974	June 25, 1974	4	I
National Bureau of Standards:							
Plant and Facilities		1,850	Yes	Nov. 24, 1972	July 1, 1973	2, 4, 6b	I
Research and Technical Services, no-year		3,812	Yes	May 7, 1973	July 1, 1973	5, 6b	I
Construction of Facilities	(.....)	(740)	Yes	Jan. 26, 1973	July 1, 1973	4, 6b	I
	539	231	Yes	Dec. 21, 1973	Dec. 21, 1973	1	I
Maritime Administration:							
Ship construction	(.....)	(34,000)	Yes	June 29, 1973	July 1, 1973	4	III
	(9,137)	(24,863)	Yes	July 27, 1973	July 27, 1973	4	IV
	304,953	5,500	Yes	Dec. 21, 1973	Dec. 21, 1973	2	II
Research and Development		5,000	Yes	Jan. 18, 1973	July 1, 1973	4, 6b	I
State Marine Schools		127	Yes	Nov. 24, 1972	July 1, 1973	4	I
Federal Ship Financing Fund	(2,582)	(1,446)	Yes	June 27, 1973	July 1, 1973	5	I
	4,028	.....	Not available	Oct. 11, 1973	Oct. 11, 1973	10	VI
Department of Defense—Military:							
Procurement:							
Missile Procurement, Army, 1973–75	(.....)	(2,500)	Yes	Feb. 5, 1973	July 1, 1973	4	I
	163,382	.....	Not available	Sept. 11, 1973	Sept. 11, 1973	10	VI
Procurement of Aircraft and Missiles, Navy, 1973–75	(.....)	(13,281)	Yes	June 29, 1973	July 1, 1973	5	I
	(946,747)	(13,281)	Yes	Sept. 6, 1973	Sept. 6, 1973	5	I
	878,276	.....	Not available	Jan. 28, 1974	Jan. 28, 1974	10	VI
Aircraft Procurement, Air Force, 1972–74	(415,551)	(143,492)	No	Sept. 7, 1973	Sept. 7, 1973	5	I
	368,478	.....	Not available	Nov. 1, 1973	Nov. 1, 1973	10	VI
Aircraft Procurement, Air Force, 1973–75	(1,076,916)	(167,556)	Yes	Sept. 7, 1973	Sept. 7, 1973	5	I
	1,224,500	.....	Not available	Nov. 1, 1973	Nov. 1, 1973	10	VI
Shipbuilding and Conversion, Navy, 1971–75	(.....)	(145,672)	Yes	Nov. 24, 1972	July 1, 1973	4	I
	892,655	.....	Not available	Sept. 11, 1973	Sept. 11, 1973	10	VI
Shipbuilding and Conversion, Nevy, 1972–76	(.....)	(427,212)	Yes	Nov. 26, 1972	July 1, 1973	4	I
	738,000	148,081	Yes	Sept. 11, 1973	Sept. 11, 1973	4	I
Shipbuilding and Conversion, Navy, 1973–77	(.....)	(763,300)	Yes	June 29, 1973	July 1, 1973	4	I
	922,000	408,532	Yes	Sept. 11, 1973	Sept. 11, 1973	4	I
Shipbuilding and Conversion, Navy, 1974–78	2,731,300	826,000	Yes	Jan. 48, 1974	Jan. 28, 1974	4	I
Military Construction:							
Military Construction, Army	(.....)	(70,304)	Yes	June 27, 1973	July 01, 1973	5	I
	(648,440)	(90,954)	Yes	Aug. 16, 1973	Aug. 16, 1973	5	I
	(648,020)	(95,488)	Yes	Dec. 27, 1973	Dec. 27, 1973	5	I
	(762,670)	(558,958)	Yes	Jan. 18, 1974	Jan. 18, 1974	5	I
	(1,184,957)	(138,956)	Yes	Jan. 24, 1974	Jan. 24, 1974	5	I
	(1,203,724)	(124,579)	Yes	Mar. 22, 1974	Mar. 22, 1974	5	I
	1,265,561	62,742	Yes	May 07, 1974	May 07, 1974	5	I
Military Construction, Navy	(.....)	(68,133)	Yes	June 27, 1973	July 01, 1973	5	I
	(385,805)	(65,858)	Yes	Aug. 14, 1973	Aug. 14, 1973	5	I
	(334,948)	(64,674)	Yes	Oct. 11, 1973	Oct. 11, 1973	5	I
	(336,468)	(64,754)	Yes	Oct. 16, 1973	Oct. 16, 1973	5	I
	(336,848)	(64,774)	Yes	Nov. 14, 1973	Nov. 14, 1973	5	I
	(338,174)	(64,439)	Yes	Dec. 17, 1973	Dec. 17, 1973	5	I
	(412,974)	(598,931)	Yes	Jan. 09, 1974	Jan. 09, 1974	5	I
	(650,758)	(363,047)	Yes	Feb. 15, 1974	Feb. 15, 1974	5	I
	(939,681)	(74,124)	Yes	Mar. 07, 1974	Mar. 07, 1974	5	I
	947,813	65,992	Yes	May 10, 1974	May 10, 1974	5	I
Military Construction, Air Force	(.....)	(51,607)	Yes	June 27, 1973	July 1, 1973	5	I
	(130,860)	(49,773)	Yes	July 20, 1973	July 20, 1973	5	I
	(141,224)	(39,409)	Yes	Aug. 14, 1973	Aug. 14, 1973	5	I
	(160,501)	(39,409)	Yes	Oct. 16, 1973	Oct. 16, 1973	5	I
	(171,972)	(29,937)	Yes	Jan. 7, 1974	Jan. 7, 1974	5	I
	(218,426)	(232,760)	Yes	Jan. 17, 1974	Jan. 17, 1974	5	I
	(402,711)	(48,475)	Yes	Feb. 13, 1974	Feb. 13, 1974	5	I
	(431,445)	(19,741)	Yes	Mar. 19, 1974	Mar. 19, 1974	5	I
	(433,974)	(17,213)	Yes	May 10, 1974	May 10, 1974	5	I
	(451,037)	(149)	Yes	May 31, 1974	May 31, 1974	5	I
	459,303	149	Yes	June 3, 1974	June 3, 1974	5	I

Footnotes at end of table.

BUDGETARY RESERVES—Continued

[Dollar amounts in thousands]

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	Amount apportioned	Amount in reserve	Available beyond fiscal year 1974?	Date of reserve action	Effective date of reserve	Reason for current reserve (see code)	Estimated
Military Construction, Defense Agencies	( )	(58,415)	Yes	Feb. 15, 1973	July 1, 1973	5	I
	(8,000)	(58,215)	Yes	Aug. 23, 1973	Aug. 23, 1973	5	I
	(8,957)	(56,615)	Yes	Oct. 16, 1973	Oct. 16, 1973	5	I
	(10,277)	(54,895)	Yes	Nov. 14, 1973	Nov. 14, 1973	5	I
	(10,277)	(53,904)	Yes	Dec. 17, 1973	Dec 17, 1973	5	I
	(15,133)	(49,048)	Yes	Jan. 9, 1974	Jan. 9, 1974	5	I
	(15,133)	(46,763)	Yes	Jan. 24, 1974	Jan. 24, 1974	5	I
	31,683	28,313	Yes	Feb. 15, 1974	Feb. 15, 1974	5	I
Military Construction, Army National Guard	( )	(102)	Yes	June 14, 1973	July 1, 1973	5	I
	(3,051)	( )	Not available	Aug. 16, 1973	Aug. 16, 1973	10	VI
	(8,943)	(29,300)	Yes	Jan. 18, 1974	Jan. 18, 1974	5	I
	(29,903)	(8,340)	Yes	Mar. 7, 1974	Mar. 7, 1974	5	I
	(35,753)	(2,490)	Yes	May 28, 1974	May 28, 1974	5	I
	(37,969)	(274)	Yes	June 18, 1974	June 18, 1974	5	I
	38,068	175	Yes	June 26, 1974	June 26, 1974	5	I
Military Construction, Air National Guard	( )	(17)	Yes	May 29, 1973	July 1, 1973	5	I
	(5,256)	(17)	Yes	Sept. 6, 1973	Sept. 6, 1973	5	I
	(5,273)	( )	Yes	Oct. 23, 1973	Oct. 23, 1973	10	VI
	(9,273)	(16,000)	Yes	Jan. 18, 1974	Jan. 18, 1974	5	I
	(17,514)	(7,579)	Yes	Feb. 11, 1974	Feb. 11, 1974	5	I
	25,273	----------	Not available	May 14, 1974	May 14, 1974	10	VI
Military Construction, Army Reserve	( )	(7,109)	Yes	Mar. 8, 1973	July 1, 1973	5	I
	(25,423)	(7,109)	Yes	Sept. 10, 1973	Sept. 10, 1973	5	I
	(29,909)	(2,623)	Yes	Nov. 8, 1973	Nov. 8, 1973	5	I
	(34,709)	(38,523)	Yes	Jan 18, 1974	Jan. 18, 1974	5	I
	(57,320)	(15,912)	Yes	Mar. 18, 1974	Mar. 18, 1974	5	I
	(64,610)	(8,622)	Yes	June 18, 1974	June 18, 1974	5	I
	69,553	3,679	Yes	June 26, 1974	June 26, 1974	5	I
Military Construction, Naval Reserve	( )	(3,943)	Yes	May 3, 1973	July 1, 1973	5	I
	(17,640)	(1,842)	Yes	Aug. 8, 1973	Aug. 8, 1973	5	I
	(18,657)	(915)	Yes	Nov. 8, 1973	Nov. 8, 1973	5	I
	(20,099)	(22,373)	Yes	Jan. 14, 1974	Jan. 14, 1974	5	I
	24,469	18,003	Yes	Mar. 14, 1974	Mar. 14, 1974	5	I
Military Construction, Air Force Reserve	( )	(850)	Yes	June 20, 1973	July 1, 1973	5	I
	(2,415)	(850)	Yes	Sept. 6, 1973	Sept. 6, 1973	5	I
	(2,444)	(821)	Yes	Oct. 23, 1973	Oct. 23, 1973	5	I
	(3,444)	(9,821)	Yes	Jan. 18, 1974	Jan. 18, 1974	5	I
	(10,089)	(3,176)	Yes	Feb. 1, 1974	Feb. 1, 1974	5	I
	(10,858)	(2,407)	Yes	Mar. 29, 1974	Mar. 29, 1974	5	I
	12,208	1,057	Yes	June 18, 1974	June 18, 1974	5	I
Defense Civil Preparedness Agency:							
Research, Shelter Survey and Marketing	(24,617)	(1,110)	Yes	Nov. 27, 1973	Nov. 27, 1973	5	I
	25,717	----------	Not available	June 14, 1974	June 14, 1974	10	VI
Special Foreign Currency Program:							
Special Foreign Currency Program, Defense, 1972–74	( )	(2,477)	No	Dec. 18, 1972	July 1, 1973	5	I
	3,169	2,051	No	Aug. 31, 1973	Aug. 31, 1973	5	I
Special Foreign Currency Program, Defense, 1973–75	( )	(400)	Yes	Dec. 4, 1972	July 1, 1973	5	I
	2,998	400	Yes	Sept. 6, 1973	Sept. 6, 1973	5	I
Department of Defense—Civil:							
Corps of Engineers:							
General Investigations	( )	(150)	Yes	June 29, 1973	July 1, 1973	5	I
	(65,084)	(150)	Yes	Sept. 15, 1973	Sept. 15, 1973	5 [19]	II
	65,267	----------	Not available	Feb. 27, 1974	Feb. 27, 1974	10	VI
Construction	( )	(783)	Yes	June 29, 1973	July 1, 1973	5	I
	(9,100)	(333)	Yes	July 27, 1973	July 27, 1973	5	I
	(9,175)	(258)	Yes	July 30, 1973	July 30, 1973	5	I
	(1,114,829)	(258)	Yes	Sept. 15, 1973	Sept. 15, 1973	5 [19]	II
	1,114,937	108	Yes	Apr. 4, 1974	Apr. 4, 1974	5	I
Flood Control, Mississippi River and Tributaries	( )	(750)	Yes	June 29, 1973	July 1, 1973	5	I
	(151,819)	(750)	Yes	Sept. 15, 1973	Sept. 15, 1973	5 [19]	II
	(166,419)	(750)	Yes	Jan. 26, 1974	Jan. 26, 1974	5	I
	167,169	----------	Not available	Apr. 4, 1974	Apr. 4, 1974	10	VI
Soldiers' and Airmen's Home: Capital Outlay	2,169	612	Yes	Jan. 4, 1974	Jan. 4, 1974	5	I
Panama Canal: Canal Zone Government, Capital Outlay	( )	(700)	Yes	Sept. 8, 1972	July 1, 1973	5	I
	7,436	85	Yes	Sept. 14, 1973	Sept. 14, 1973	1	V [20]
Wildlife Conservation:							
Wildlife Conservation, Army	(598)	(107)	Yes	June 14, 1973	July 1, 1973	1	I
	606	342	Yes	Jan. 31, 1974	Jan. 31, 1974	1	I
Wildlife Conservation, Navy	(60)	(8)	Yes	June 14, 1973	July 1, 1973	1	I
	(69)	(22)	Yes	Oct. 3, 1973	Oct. 3, 1973	1	I
	69	37	Yes	Feb. 14, 1974	Feb. 14, 1974	1	I
Wildlife Conservation, Air Force	(124)	(40)	Yes	June 14, 1973	July 1, 1973	1	I
	(124)	(20)	Yes	Jan. 22, 1974	Jan. 22, 1974	1	I
	124	19	Yes	June 18, 1974	June 18, 1974	1	I
Salaries and Expenses: Cemeterial Expenses, Army	(14,448)	(2,053)	Yes	Sept. 14, 1973	Sept. 14, 1973	5	I
	13,033	3,468	Yes	Feb. 14, 1974	Feb. 14, 1974	5	I
Department of Health, Education, and Welfare:							
Health Services Administration:							
Health Services Delivery	(915,869)	(2,250)	Yes	Feb. 4, 1974	Feb. 4, 1974	5	I
	922,869	2,250	Yes	Mar. 14, 1974	Mar. 14, 1974	5	I
Buildings and Facilities	(19,804)	(7,000)	Yes	Mar. 13, 1974	Mar. 13, 1974	5	I
	26,804	----------	Not available	May 28, 1974	May 28, 1974	10	VI
Indian Health Services	(94,372)	(91,626)	No	Nov. 28, 1973	Nov. 28, 1973	5	I
	185,998	----------	Not available	Feb. 4, 1974	Feb. 4, 1974	10	VI
Indian Health Facilities	(3,482)	(848)	Yes	June 27, 1973	July 1, 1973	5	I
	(34,815)	(20,593)	Yes	Nov. 28, 1973	Nov. 28, 1973	5	I
	55,320	88	Yes	Jan. 30, 1974	Jan. 30, 1974	5	I
National Institutes of Health:							
Research Resources	(126,941)	(1,378)	No	Jan. 18, 1974	Jan. 18, 1974	3	I
	128,162	----------	Not available	June 28, 1974	June 28, 1974	10	VI
Buildings and facilities	(1,000)	(23,701)	Yes	Jan. 18, 1974	Jan. 18, 1974	5	I
	(10,680)	(14,021)	Yes	Feb. 27, 1974	Feb. 27, 1974	5	I
	14,260	10,441	Yes	June 14, 1974	June 14, 1974	5	I
Alcohol, Drug Abuse, and Mental Health Administration: Mental Health	(827,193)	(13,194)	No	Jan. 28, 1974	Jan. 28, 1974	1	I
	827,409	----------	Not available	June 28, 1974	June 28, 1974	10	VI

Footnotes at end of table.

BUDGETARY RESERVES—Continued

[Dollar amounts in thousands]

[General notes: Amounts in parenthesis () indicate actions superseded by later apportionment actions. An asterisk (*) indicates an account added to the list since the last report. An account without an entry in the amount apportioned column indicates no apportionment has been made for fiscal year 1974.]

	Amount apportioned	Amount in reserve	Available beyond fiscal year 1974?	Date of reserve action	Effective date of reserve	Reason for current reserve (see code)	Estimated
Health Resources Administration:							
Health Services Planning and Development	(555,997)	(6,228)	No	Feb. 4, 1974	Feb. 4, 1974	3	I
	(585,497)	(6,228)	No	Apr. 3, 1974	Apr. 3, 1974	3	I
	585,277		Not available	June 28, 1974	June 28, 1974	10	IV
Health Manpower	(734,635)	(5,370)	No	Feb. 4, 1974	Feb. 4, 1974	3	I
	(768,910)	(5,370)	No	Apr. 3, 1974	Apr. 3, 1974	3	I
	768,701		Not available	June 28, 1974	June 28, 1974	10	VI
Assistant Secretary for Health: Office of International Health; Scientific Activities Overseas (Special Foreign Currency Program).	(13,505)	(21,714)	Yes	Jan. 30, 1974	Jan. 30, 1974	4	I
	16,034	21,714	Yes	Mar. 28, 1974	Mar. 28, 1974	4	I
Office of Education:							
Elementary and Secondary Education	(2,025,168)	(1,746)	No	Jan. 17, 1974	Jan. 17, 1974	1	I
	2,045,168		Not available	June 28, 1974	June 28, 1974	10	VI
Higher Education, 1974–76	238,000	237,000	Yes	Jan. 17, 1974	Jan. 17, 1974	4	I
Higher Education, no-year	(----------)	(1,889)	Yes	Nov. 30, 1972	July 1, 1973	5	I
	346,118	8,788	Yes	Jan. 17, 1974	Jan. 17, 1974	4	I
Library Resources	(163,124)	(4,897)	No	Jan. 18, 1974	Jan. 18, 1974	3	I
	163,124		Not available	June 28, 1974	June 28, 1974	10	VI
Educational Development	15,675	32	Yes	Jan. 18, 1974	Jan. 18, 1974	1	I
Educational Activities Overseas, Special foreign currency program	(----------)	(16)	Yes	Apr. 6, 1972	July 1, 1973	5	I
	2,539		Not available	Jan. 17, 1974	Jan. 17, 1974	10	VI
Social and Rehabilitation Service: Research and Training Overseas	3,700	7,490	Yes	Jan. 18, 1974	Jan. 18, 1974	4	I
Social Security Administration:							
Limitation on Salaries and Expenses (Trust fund)	1,878,883	13,580	No	Feb. 4, 1974	Feb. 4, 1974	1	I
Limitation on Construction (Trust fund)	(----------)	(12,095)	Yes	Apr. 27, 1972	July 1, 1973	4, 5	I
	(12,679)	(19,973)	Yes	Aug. 21, 1973	Aug. 21, 1973	4, 5	I
	(15,614)	(17,425)	Yes	Nov. 30, 1973	Nov. 30, 1973	4, 5	I
	17,646	15,393	Yes	Feb. 4, 1974	Feb. 4, 1974	4, 5	I
Special Institutions:							
Howard University	9,132	490	Yes	Jan. 17, 1974	Jan. 17, 1974	4	I
Model Secondary School for the Deaf	3,500	803	Yes	Mar. 5, 1974	Mar. 5, 1974	4	I
Office of Human Development: Child Development	(419,910)	(6,480)	No	Jan. 18, 1974	Jan. 18, 1974	3	I
	(420,000)	(6,480)	No	May 15, 1974	May 15, 1974	3	I
	424,670		Not available	June 28, 1974	June 28, 1974	10	VI
Department of Housing and Urban Development:							
Housing Production and Mortgage Credit: Nonprofit Sponsor Assistance		6,530	Yes	Apr. 15, 1973	July 1, 1973	5, 6b, 6c	I
Community Development:							
Model Cities Program	(50,055)	(100,012)	Yes	Nov. 26, 1973	Nov. 26, 1973	6c	V [21]
	(75,055)	(75,012)	Yes	Nov. 30, 1973	Nov. 30, 1973	6c	IV
	150,067		Not available	Apr. 15, 1974	Apr. 15, 1974	10	VI
Grants for Neighborhood Facilities		48	Yes	Nov. 27, 1973	Nov. 27, 1973	6c	I
Open Space Land Program	(----------)	(27,730)	Yes	Mar. 8, 1973	July 1, 1973	6b, 6c	I
		55,161	Yes	Nov. 9, 1973	Nov. 9, 1973	6c	I
Grants for Basic Water and Sewer Facilities	(----------)	(400,175)	Yes	Jan. 26, 1973	July 1, 1973	6b, 6c	I
		401,735	Yes	Nov. 27, 1973	Nov. 27, 1973	6b, 6c	I
Urban Renewal Fund	(613,500)	(311,314)	Yes	Nov. 26, 1973	Nov. 26, 1973	6c	V [21]
	(643,500)	(281,314)	Yes	Nov. 30, 1973	Nov. 30, 1973	6c	IV
	1,526,314		Not available	Apr. 15, 1974	Apr. 15, 1974	10	VI
Public Facility Loans	(----------)	(20,000)	Yes	Jan. 26, 1973	July 1, 1973	6b, 6c	I
	24,888	(22)	Not available	June 20, 1973	July 1, 1973	10	VI
Community Planning and Management: New Community Assistance Grants		1,799	Yes	Nov. 16, 1973	Nov. 16, 1973	6c	I
Office of Interstate Land Sales Registration: Interstate Land Sales	(1,460)	(1,981)	Yes	June 20, 1973	July 1, 1973	4	I
	(1,849)	(1,379)	Yes	Dec. 12, 1973	Dec. 12, 1973	4	III
	1,852	1,376	Yes	Feb. 20, 1974	Feb. 20, 1974	4	I
Department of the Interior:							
Office of Territorial Affairs: Trust Territory of the Pacific Islands	(71,550)	[23] (800)	Yes	Feb. 2, 1974	Feb. 2, 1974	5	I
	72,350		Not available	Feb. 22, 1974	Feb. 22, 1974	10	VI
Bureau of Land Management: Public Lands Development Roads and Trails/1974 Program.	(4,000)	(8,961)	Yes	June 8, 1973	July 1, 1973	6d	I
	5,205	18,961	Yes	Oct. 3, 1973	Oct. 3, 1973	6d	I
Public Lands Development Roads and Trails/1975 Program		10,000	Yes	Oct. 3, 1973	Oct. 3, 1973	4, 6d	I
Oregon and California Grant Lands		(1,150)	Yes	June 8, 1973	July 1, 1973	4	I
	28,750	5,243	Yes	Oct. 2, 1973	Oct. 2, 1973	4	II
Bureau of Indian Affairs:							
Road Construction/1974 Program	57,060	20,000	Yes	Sept. 12, 1973	Sept. 12, 1973	4, 6d	II
Road Construction/1975 Program		75,000	Yes	Sept. 12, 1973	Sept. 12, 1973	4, 6d	II
Bureau of Outdoor Recreation: Land and Water Conservation	(208,168)	(61,422)	(24)	June 8, 1973	July 1, 1973	6b	I
	(297,223)	(57,568)	(24)	Nov. 3, 1973	Nov. 3, 1973	5, 6b, 6d	I
	(324,763)	(30,000)	No	Feb. 2, 1974	Feb. 2, 1974	4, 6d	I
	305,463	30,000	No	Apr. 19, 1974	Apr. 19, 1974	4, 6d	I
Geological Survey: Payments from Proceeds, Sale of Water, Mineral Leasing Act of 1920.	(25)	(27)	Yes	May 6, 1973	July 1, 1973	426	I
	(25)	26	Yes	Nov. 19, 1973	Nov. 19, 1973	4	I
Bureau of Mines: Drainage of Anthracit Mines	200	3,575	Yes	June 8, 1973	July 1, 1973	4, 5	I
Bureau of Sport Fisheries and Wildlife:							
Migratory Bird Conservation Account (Receipt Limitation)	(9,000)	(981)	Yes	do	do	4	I
	(12,000)	(981)	Yes	Aug. 23, 1973	Aug. 23, 1973	4	I
	21,771		Not available	Nov. 2, 1973	Nov. 2, 1973	10	VI
Federal Aid in Wildlife Restoration	(45,300)	(7,863)	Yes	June 8, 1973	July 1, 1973	4, 5	I
	50,818	10,204	Yes	June 4, 1974	June 4, 1974	4, 5	I
Federal Aid in Fish Restoration and Management	(14,565)	(2,339)	Yes	June 8, 1973	July 1, 1973	4, 5	I
	16,203	3,846	Yes	June 4, 1974	June 4, 1974	4, 5	I
National Wildlife Refuge Fund	4,620	4,003	Yes	June 8, 1973	July 1, 1973	4, 5	I
Proceeds from Sales, Water Resources Development Projects	15	4	Yes	do	do	4, 5	I
National Park Service:							
Parkway and Road Construction/1974 Program	(16,338)	(34,610)	Yes	June 8, 1973	July 1, 9173	4, 6d [27]	I
	(16,338)	(229,610)	Yes	Oct. 1, 1973	Oct. 1, 1973	4, 6d	II
	51,183	108,115	Yes	Nov. 2, 1973	Nov. 2, 1973	4, 6d	II
Parkway and Road Construction/1975 Program		105,000	Yes	Nov. 2, 1973	Nov. 2, 1973	4, 6d	II
Planning and Construction	(28,100)	(14,500)	Yes	July 30, 1973	July 30, 1973	4	I
	(79,675)	(14,500)	Yes	Nov. 2, 1973	Nov. 2, 1973	4, 5	I
	(79,675)	(14,500)	Yes	Jan. 29, 1974	Jan. 29, 1974	4, 5	I
	94,175		Not available	Mar. 11, 1974	Mar. 11, 1974	10	VI
Operation, Management, Maintenance, and Demolition of Federally Acquired Property.	(17)	(65)	Yes	June 8, 1973	July 1, 1973	4, 5	I
	15		Not available	Nov. 2, 1973	Nov. 2, 1973	10	VI
Bureau of Reclamation:							
Construction and Rehabilitation	(16,970)	(1,055)	Yes	June 8, 1973	July 1, 1973	5	I
	228,857	1,055	Yes	Sept. 15, 1973	Sept. 15, 1973	5 [28]	I
Operation, Maintenance, and Replacement of Project Works, North Platte Project.	(29)	100	Yes	June 6, 1973	July 1, 1973	6e [28]	I

Footnotes at end of table.

BUDGETARY RESERVES—Continued

[Dollars amounts in thousands]

[General notes: Amounts in parenthesis ( ) indicate actions superseded by later apportionment actions. An asterisk (*) indicates an account added to the list since the last report. An account without an entry in the amount apportioned column indicates no apportionment has been made for fiscal year 1974.]

	Amount apportioned	Amount in reserve	Available beyond fiscal year 1974?	Date of reserve action	Effective date of reserve	Reason for current reserve (see code)	Estimated [a]
Upper Colorado River Basin Fund	(9,072)	(1,390)	Yes	June 8, 1973	July 1, 1973	5	I
	64,911	1,164	Yes	Sept. 15, 1973	Sept. 15, 1973	5	I
Department of Justice:							
Bureau of Prisons: Buildings and Facilities	( )	(36,441)	Yes	Jan. 26, 1973	July 1, 1973	5, 6b	I
	45,823	13,594	Yes	Sept. 19, 1973	Sept. 19, 1973	5, 6b	I
Department of Labor:							
Manpower Administration:							
Comprehensive manpower assistance*	2,304,191	85,500	Yes	June 21, 1974	June 21, 1974	4	I
Limitation on Grants to States for Unemployment Insurance and Employment Services.*	30,000	53,000	Yes	June 21, 1974	June 21, 1974	4	I
Employment Standards Administration: Special benefits	284,300	20,706	No	Jan. 17, 1974	Jan. 17, 1974	1	V [31]
Department of State:							
Acquisition, Operation, and Maintenance of Buildings Abroad	(62,248)	(44,521)	Yes	Dec. 31, 1973	Dec. 31, 1973	4	I
	63,993	44,521	Yes	June 19, 1974	June 19, 1974	4	I
Educational Exchange Fund, Payments by Finland, World War I Debt* [32]	383	31	Yes	Dec. 21, 1973	Dec. 21, 1973	4	I
Assistance to Refugees from the Soviet Union	( )	(36,500)	No	Feb. 2, 1974	Feb. 2, 1974	5	I
	36,500		Not available	Mar. 15, 1974	Mar. 15, 1974	10	VI
International Boundary and Water Commission, United States and Mexico: Construction.	15,681	4,983	Yes	Dec. 18, 1973	Dec. 18, 1973	5	I
Department of Transportation:							
Office of the Secretary: Transportation, Planning, and Research and Development.	( )	(5,300)	Yes	June 30, 1973	July 1, 1973	4, 6b	
	34,353		Not available	Sept. 14, 1973	Sept. 14, 1973	10	VI
U.S. Coast Guard: Acquisition, Construction, and Improvements	(30,946)	(10,609)	Yes	July 12, 1973	July 12, 1973	4, 6b	I
	(109,168)	(12,099)	Yes	Sept. 14, 1973	Sept. 14, 1973	4, 6b	II
	102,889	19,396	Yes	Dec. 27, 1973	Dec. 27, 1973	4, 6b	II
Federal Aviation Administration:							
Civil Supersonic Aircraft Development Termination	( )	(3,575)	Yes	Jan. 23, 1973	July 1, 1973	4, 6b	I
	3,600	3,033	Yes	Sept. 10, 1973	Sept. 10, 1973	4	I
Civil Supersonic Aircraft Development	( )	(2,153)	Yes	Jan. 18, 1973	July 1, 1973	4, 6b	I
	800	2,755	Yes	Sept. 10, 1973	Sept. 10, 1973	4	I
Grants-in-aid for Airports (Airport and Airway Trust Fund)	13,000	2,000	Yes	Sept. 14, 1973	Sept. 14, 1973	5	I
Facilities and Equipment (Airport and Airway Trust Fund)	( )	(207,631)	Yes	Jan. 18, 1973	July 1, 1973	4, 6b	I
	293,075	261,919	Yes	Sept. 12, 1973	Sept. 12, 1973	4	I
Research, Engineering, and Development (Airport and Airway Trust Fund).	( )	(10,000)	Yes	Jan. 18, 1973	July 1, 1973	4, 6b	IV
			Not available	Sept. 14, 1973	Sept. 14, 1973	10	VI
Federal Highway Administration:							
Highway Beautification	(41,977)	(11,521)	Yes	June 29, 1973	July 1, 1973	4, 5	I
	50,000		Not available	Sept. 15, 1973	Sept. 15, 1973	10	VI
Darien Gap Highway	( )	(545)	Yes	Jan. 18, 1973	July 1, 1973	4, 5	I
	17,661		Not available	Sept. 14, 1973	Sept. 14, 1973	10	VI
Highway-Related Safety Grants	(10,459)	(7,897)	Yes	June 29, 1973	July 3, 1973	4, 5	I
	13,229		Not available	Sept. 15, 1973	Sept. 15, 1973	10	VI
Federal-Aid Highways/1974 Program	(1,617,000)	(2,791,841)	Yes	June 29, 1973	July 2, 1973	4, 5, 6a, 6c	I
	(4,742,497)	(3,414,149)	Yes	Sept. 14, 1973	Sept. 14, 1973	6a, 6c	I
	(4,741,018)	(3,414,619)	Yes	Feb. 1, 1974	Feb. 1, 1974	6a, 6c	I
	(4,791,047)	(3,364,590)	Yes	Apr. 3, 1974	Apr. 3, 1974	6a, 6c	IV
	(5,161,347)	(2,864,590)	Yes	June 14, 1974	June 14, 1974	6a, 6c	IV
	5,195,347	2,914,590	Yes	June 28, 1974	June 28, 1974	6a, 6c	I
Federal-Aid Highways/1975 Program	(6,010,000)	[33] 5,958,500	Yes	Feb. 1, 1974	Feb. 1, 1974	4, 5	I
Rail-Crossings-Demonstration Projects	(22,322)	(3,053)	Yes	Sept. 15, 1973	Sept. 15, 1973	5	I
	21,700	75	Yes	Feb. 1, 1974	Feb. 1, 1974	5	I
Territorial Highways/1974 Program	(4,000)	(1,602)	Yes	June 29, 1973	July 1, 1973	4, 6c	I
	(4,229)	(750)	Yes	Mar. 5, 1974	Mar. 5, 1974	4, 5	I
	4,275	563	Yes	June 28, 1974	June 28, 1974	4, 5	I
Territorial Highways/1975 Program		1,500	Yes	Mar. 5, 1974	Mar. 5, 1974	4, 5	I
National Scenic Highways/1974 Program		10,000	Yes	Feb. 1, 1974	Feb. 1, 1974	5	I
National Scenic Highways/1975 Program		10,000	Yes	Feb. 1, 1974	Feb. 1, 1974	5	I
Trust Fund Share of Other Highway Programs/1974 Program	(6,973)	(15,793)	Yes	June 29, 1973	July 3, 1973	4, 5	I
	(28,120)	( )	Not available	Sept. 15, 1973	Sept. 15, 1973	10	VI
	(27,933)	(10,000)	Yes	Feb. 1, 1974	Feb. 1, 1974	5	I
	28,256	10,000	Yes	June 28, 1974	June 28, 1974	5	I
Trust Fund Share of Other Highway Programs/1975 Program		25,000	Yes	Feb. 1, 1974	Feb. 1, 1974	5	I
Forest Highways Trust Fund	(24,000)	(47,604)	Yes	June 29, 1973	July 1, 1973	2, 4, 6c	I
	26,000		Not available	Sept. 14, 1973	Sept. 14, 1973	10	VI
Public Lands Highways	(5,000)	(27,000)	Yes	June 29, 1974	July 1, 1973	2, 4, 6c	I
	(5,000)	(5,000)	Yes	Sept. 14, 1973	Sept. 14, 1973	4, 6c, 6d	I
	10,000		Not available	Mar. 5, 1974	Mar. 5, 1974	10	VI
Right-of-Way Revolving Fund	(48,000)	(74,782)	Yes	June 29, 1973	July 2, 1973	4, 5	I
	48,000	77,116	Yes	Feb. 1, 1974	Feb. 1, 1974	4, 5	I
National Highway Traffic Safety Administration:							
State and Community Safety	(26,993)	(1,290)	Yes	July 2, 1973	July 2, 1973	1	
	66,771		Not available	Sept. 13, 1973	Sept. 13, 1973	10	VI
Traffic and Highway Safety	(56,068)	(2,000)	Yes [34]	Sept. 14, 1973	Sept. 14, 1973	5	I
	86,405	2,000	Yes	Jan. 24, 1974	Jan. 24, 1974	5	I
Construction of Compliance Facilities	([35])	(9,018)	Yes	Jan. 19, 1973	July 1, 1973	4, 5	I
	([35])	18	Yes	Sept. 14, 1973	Sept. 14, 1973	5	V
Trust Fund Share of Highway Traffic Safety Programs	(16,848)	(2,580)	Yes	July 2, 1973	July 2, 1973	1, 5	I
	(96,167)	( )	Not available	Sept. 13, 1973	Sept. 13, 1973	10	VI
	(96,219)	[36] (37,202)	No	May 7, 1974	May 7, 1974	2	I
	95,547	[36] 37,202	No	June 18, 1974	June 18, 1974	2	I
Federal Railroad Administration:							
Emergency Rail Facilities Restoration	(27,100)	(7,648)	Yes [37]	July 27, 1973	July 27, 1973	2	I
	27,437		Not available	May 24, 1974	May 24, 1974	10	VI
High Speed Ground Transportation Research and Development		(15,000)	Yes	Jan. 19, 1973	July 1, 1973	4, 6b	I
			Not available	Sept. 14, 1973	Sept. 14, 1973	10	VI
Grants to the National Railroad Passenger Corporation		(10,000)	Yes	Jan. 19, 1973	July 1, 1973	4, 6b	I
	(54,900)	(48,100)	Yes	Sept. 13, 1973	Sept. 13, 1973	4, 6b	V [38]
	103,000		Not available	Nov. 23, 1973	Nov. 23, 1973	10	VI
Urban Mass Transportation Administration:							
Urban Mass Transportation Fund	(941,300)	(210,853)	Yes	July 6, 1973	July 6, 1973	4, 6b	I
	985,550		Not available	Sept. 14, 1973	Sept. 14, 1973	10	VI
Department of the Treasury:							
Office of the Secretary:							
Construction, Federal Law Enforcement Training Center	(383)	(21,517)	Yes	June 6, 1973	July 1, 1973	5	I
	668	21,234	Yes	May 20, 1974	May 20, 1974	5	V [38]
Bureau of Accounts:							
Subsidy Payment to Environmental Protection Authority	75	[40] 1,188	No	Nov. 29, 1973	Nov. 29, 1973	2	I

Footnotes at end of table.

BUDGETARY RESERVES—Continued

[Dollar amounts in thousands]

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	Amount apportioned	Amount in reserve	Available beyond fiscal year 1974?	Date of reserve action	Effective date of reserve	Reason for current reserve (see code)	Estimated [a]
Atomic Energy Commission:							
Operating Expenses	(3,164,739)	(16,900)	Yes	Sept. 15, 1973	Sept. 15, 1973	5	I
	(3,174,154)	(7,500)	Yes	Nov. 19, 1973	Nov. 19, 1973	5	I
	3,181,386		Not available	Dec. 21, 1973	Dec. 12, 1973	10	VI
Plant and Capital Equipment	(48,470)	(1,830)	Yes	June 8, 1973	July 1, 1973	5	I
	(637,577)	(9,750)	Yes	Sept. 15, 1973	Sept. 15, 1973	5	I
	(637,912)	(9,400)	Yes	Nov. 4, 1973	Nov. 4, 1973	5	I
	(643,812)	(3,500)	Yes	Nov. 9, 1973	Nov. 9, 1973	5	I
	(645,812)	(1,500)	Yes	Nov. 12, 1973	Nov. 12, 1973	5	I
	677,312		Not available	Jan. 10, 1974	Jan. 10, 1974	10	VI
Environmental Protection Agency:							
Research and Development	(8,696)	(9,700)	Yes	Oct. 19, 1973	Oct. 19, 1973	5	IV
	(173,112)	(3,700)	Yes	Nov. 29, 1973	Nov. 29, 1973	5	IV
	(183,612)	(3,700)	Yes	Jan. 9, 1974	Jan. 9, 1974	5	IV
	(184,312)	(3,000)	Yes	Jan. 29, 1974	Jan. 29, 1974	5	IV
	(184,381)	(3,000)	Yes	Mar. 8, 3974	Mar. 8, 1974	5	I
	187,365		Not available	Apr. 10, 1974	Apr. 10, 1974	10	VI
Abatement and Control	(17,804)	(3,850)	Yes	Oct. 19, 1973	Oct. 19, 1973	5	IV
	(266,574)	(16,850)	Yes	Nov. 29, 1973	Nov. 29, 1973	5	IV
	(287,574)	(91,850)	[41]	Jan. 29, 1974	Jan. 29, 1974	5	I
	(287,674)	(91,850)	[41]	Mar. 8, 1974	Mar. 8, 1974	5	I
	(288,378)	(91,350)	[41]	Apr. 10, 1974	Apr. 10, 1974	5	I
	(291,528)	(88,200)	[41]	Apr. 19, 1974	Apr. 19, 1974	5	I
	(293,028)	(86,700)	[41]	May 9, 1974	May 9, 1974	5	I
	(292,739)	(86,700)	[41]	May 22, 1974	May 22, 1974	5	I
	294,945	86,700	[41]	June 27, 1974	June 27, 1974	5	I
General Services Administration:							
Real Property Activities:							
Sites and Expenses, Public Building Projects	(-----)	(22,206)	Yes	Jan. 26, 1973	July 1, 1973	4	I
	22,000	15,500	Yes	Nov. 29, 1973	Nov. 29, 1973	4	I
Construction, Public Building Projects	(-----)	(234,309)	Yes	Jan. 26, 1973	July 1, 1973	2, 4	I
	73,653	20,803	Yes	Nov. 29, 1973	Nov. 29, 1973	4	I
Property Management and Disposal: Operating Expenses, Sale of Rare Silver Dollars.	(-----)	(4,000)	Yes	Nov. 30, 1972	July 1, 1973	4	I
	3,400	1,386	Yes	Sept. 5, 1973	Sept. 5, 1973	4	I
Operating Expenses, Special Fund	(-----)	(850)	Yes	June 26, 1973	July 1, 1973	4, 5	I
			Not available	Aug. 16, 1973	Aug. 16, 1973	10	VI
National Aeronautics and Space Administration: Research and Development	(-----)	(2,200)	Yes	June 8, 1973	July 1, 1973	5	I
	(2,860,194)	(9,300)	Yes	Nov. 16, 1973	Nov. 16, 1973	5	I
	(2,867,294)	(2,200)	Yes	Jan. 23, 1974	Jan. 23, 1974	5	I
	2,869,494		Not available	Mar. 6, 1974	Mar. 6, 1974	10	VI
Veterans' Administration:							
Medical Prosthetic Research	(-----)	(3,648)	Yes	Feb. 15, 1973	July 1, 1973	5	I
	85,099		Not available	Nov. 23, 1973	Nov. 23, 1973	10	VI
Construction, Major Projects	(-----)	(34,710)	Yes	June 13, 1973	July 1, 1973	5	I
	114,626		Not available	Nov. 23, 1973	Nov. 23, 1973	10	VI
Construction, Minor Projects	(-----)	(5,000)	Yes	Dec. 20, 1972	July 1, 1973	5	I
	66,685		Not available	Nov. 23, 1973	Nov. 23, 1973	10	VI
Other Independent Agencies:							
Board for International Broadcasting: Board for International Broadcasting.*	115,000	10,000	No	May 20, 1974	May 20, 1974	1	I
District of Columbia:							
Loans for Capital Outlay, Metropolitan Area Sanitary Sewage Work Funds.	(-----)	(300)	Yes	Aug. 7, 1972	July 1, 1973	4	I
	3,900	5,300	Yes	Sept. 5, 1973	Sept. 5, 1973	4	I
Loans for Capital Outlay, Sanitary Sewage	(-----)	(4,285)	Yes	Aug. 7, 1972	July 1, 1973	4	I
	29,000	24,035	Yes	Sept. 5, 1973	Sept. 5, 1973	4	I
Loans for Capital Outlay, Water Fund	(-----)	(2,360)	Yes	Aug. 7, 1972	July 1, 1973	4	I
	8,000	7,460	Yes	Sept. 5, 1973	Sept. 5, 1973	4	I
Loans for Capital Outlay, Highway Fund	11,900	5,956	Yes	Sept. 5, 1973	Sept. 5, 1973	4	I
Loans for Capital Outlay, General Fund	(-----)	(6,758)	Yes	Jan. 26, 1973	July 1, 1973	4	I
	176,500	29,526	Yes	Sept. 5, 1973	Sept. 5, 1973	4	I
Foreign Claims Settlement Commission: Payment of Vietnam and USS Pueblo Prisoner of War Claims.	9,125	7,229	Yes	July 12, 1973	July 12, 1973	5	I
American Revolution Bicentennial Administration:							
Salaries and expenses*		[42] 12,375	Yes	June 25, 1974	June 25, 1974	5	I
Commemorative Activities Fund	(-----)	(5,690)	Yes	Nov. 28, 1972	July 1, 1973	5	I
	(4,556)	(3,510)	Yes	Feb. 1, 1974	Feb. 1, 1974	5	I
	6,100	2,010	Yes	June 3, 1974	June 3, 1974	5	I
National Science Foundation: Salaries and expenses	(56,900)	(3,500)	Yes	June 8, 1973	July 1, 1973	2	I
	(620,845)	(19,900)	Yes	Nov. 23, 1973	Nov. 23, 1973	5	I
	634,745		Not available	Dec. 6, 1973	Dec. 6, 1973	10	VI
Occupational Safety and Health Review Commission: Salaries and expenses.	(4,296)	(445)	No	Jan. 14, 1974	Jan. 14, 1974	1, 2	V [43]
	(4,242)	(445)	No	Feb. 6, 1974	Feb. 6, 1974	1, 2	V [43]
	4,442	245	No	June 27, 1974	June 27, 1974	1, 2	V
Railroad Retirement Board:							
Limitation on Railroad Unemployment Administration Fund	8,578	4,822	Yes	July 1, 1973	July 1, 1973	4	I
Limitation on Salaries and Expenses	20,830	500	No	Jan. 18, 1974	Jan. 18, 1974	1	I
Small Business Administration: Business Loan and Investment Fund	(173,100)	(41,316)	Yes	June 29, 1973	July 1, 1973	2, 4, 6b	I
	(178,100)	(48,294)	Yes	Aug. 31, 1973	Aug. 31, 1973	2, 4	I
	348,700	31,094	Yes	Sept. 27, 1973	Sept. 27, 1973	2, 4	I
Water Resources Council: Water Resources Planning	(8,611)	(27)	No [44]	Aug. 24, 1973	Aug. 24, 1973	2	I
	8,669	[45] (27)	Not available	Mar. 27, 1974	Mar. 27, 1974	10	VI
Temporary Study Commissions: Commission on American Shipbuilding, Salaries and Expenses	205	57	Not available	Dec. 10, 1973	Dec. 10, 1973	2	II [46]
National Commission for the Review of Federal and State Laws Relating to Wiretapping and Electronic Surveillance, Salaries and Expenses	167	165	Yes	Feb. 25, 1974	Fdb. 25, 1974	4	I

[a] Estimated fiscal, economic, and budgetary effect (see code).

[1] Funds have not been apportioned pending review of plan.

[2] Funds reserved pending Presidential decisions.

[3] The amount apportioned is consistent with the limitation on the Foundation's activities according to Public Law 93-52 as amended.

[4] Funds in excess of $10,000,000 are not available in fiscal year 1974 pursuant to Public Law 93-240.

[5] The 1973-74 Rural Environmental Assistance Program funds lapsed on Dec. 31, 1973. The Sept. 30 report incorrectly listed the funds as available beyond fiscal year 1974.

[6] The funds in reserve have been apportioned pursuant to a U.S. District Court order which reinstated the 1973 REAP Program.

[7] The amount apportioned in this account is also apportioned in the Agricultural Stabilization and Conservation Service, salaries and expense account.

[8] The program level is above the amount reflected in the fiscal year 1975 Budget.

[9] The amount apportioned in this account was required to finance a loan approved at the end of fiscal year 1973.

[10] This apportionment action was inadvertently excluded from the Sept. 30 report.

[11] The fiscal year 1974 appropriation provides for program operation for the summer of calendar year 1974.

[12] Fiscal year 1972 contract authority in the amount of $23,700,000 will lapse on June 30, 1974.

[13] Code 6d was inadvertently excluded from the Sept. 30 report.

[14] Anticipated deposits were estimated at $5,000,000 more than anticipated in the budget estimates submitted to the Congress in January 1973.

[15] Funds were held in reserve to cover operating costs during the exhibition period.

[16] This account title was changed from "Research, Development, and Facilities" on Dec. 31, 1973.

FOOTNOTES—Continued

[17] The reserve was released to meet increased pay costs when transfer authority approved by Congress.
[18] This account was combined with the "Operations, Research, and Facilities" account on Dec. 31, 1973.
[19] Reason code 1 was incorrectly applied to the entries in the Sept. 30 report.
[20] The reserve was made at the request of the Canal Zone Government as a contingency for possible future inspection services.
[21] The apportionment increases the program level to a level greater than that contemplated in the most recently submitted budget document.
[22] The apportionment releasing the reserve was incorrectly excluded from the Sept. 30 report.
[23] The apportionment of funds in reserve was temporarily deferred until sufficient information was available for implementing the new public land survey program. The new program was funded for the first time in the 1974 supplemental (Public Law 93-245) enacted Jan. 3, 1974.
[24] Each reserve includes $30,000,000 of contract authority which becomes available at the first of each fiscal year and expires at the end of each fiscal year (16 U.S.C. 460 L-10a); all other funds are available beyond 1974.
[25] The Department of the Interior has no present plans for the use of these funds which are available only for the development of water wells on public lands.
[26] Reason code 5 was incorrectly included in the Sept. 30 report.
[27] Reason code 4 was inadvertently excluded from the Sept. 30 report.
[28] Reason code 6b was incorrectly included in the Sept. 30 report.
[29] No replacement or operation and maintenance work is currently necessary. (See footnote 30.)
[30] 66 Stat. 754 requires that certain miscellaneous revenues be deposited in a special fund to provide for the replacement of the project works and to defray annual operating and maintenance expenses when necessary.
[31] The reserve, made at the request of the Department of Labor, does not change expected payments for benefits as estimated in the latest budget document. The reserve reflects reimbursements from other agencies in excess of the amounts estimated in the budget document. The release of the reserve would increase availability above expected needs. The reserve is available for benefit payments if required benefit payments exceed current estimates.
[32] This reserve action was inadvertently excluded from the Feb. 4 report.
[33] This amount is potentially available for use under 1975 contract authority; the amount to be made available to each State for obligation in 1975 is anticipated to be announced by the Department of Transportation in July 1974.
[34] The Sept. 30 report incorrectly reported the reserve as unavailable beyond fiscal year 1974.
[35] $9,000,000 was transferred by the 1974 Department of Transportation Appropriation Act to the Traffic and Highway Safety account.
[36] Under the law (Public Law 93-87), apportionment of $25,000,000 in this account is contingent upon the enactment of mandatory seat belt use legislation in the States and Territories. Puerto Rico, the only jurisdiction which has enacted seat belt legislation in 1974, has been apportioned its incentive grant award. The balance will remain in reserve and lapse unless other jurisdictions enact seat belt legislation. This reserve action also includes $12,500,000 for incentive grants to jurisdictions for achieving exceptional highway fatality reductions. This incentive program will be initiated in 1975 and will base awards upon exceptional reductions in highway fatalities in calendar year 1974.
[37] The authority for loan approval expired on June 27, 1973.
[38] The amount apportioned is the full amount legally available until action is taken on the amendment to the Rail Passenger Service Act of 1970.
[39] The amount apportioned is below the obligational level planned in 1974 because of delays in resolving legal action over the adequacy of the environmental impact statement for this project.
[40] The reserve is required because the Congress *previously provided* permanent, indefinite authority (Public Law 92-500) for the subsidy payment. The funds in reserve will be written off in fiscal year 1974.
[41] Contract authority of $75,000,000 expires at the end of fiscal year 1974; the balance is available beyond fiscal year 1974.
[42] The amount available for state grant programs has been placed in reserve pending establishment of the American Revolution Bicentennial Board.
[43] This reserve action was taken at the request of the Occupational Safety and Health Review Commission due to hiring delays. The reserve is available as a contingency against an increase in future contested citations.
[44] The Sept. 30 report incorrectly reported the reserve as available beyond fiscal year 1974.
[45] The funds in reserve were not needed and written off on Apr. 8, 1974.
[46] The Commission on American Shipbuilding (authorized under the Merchant Marine Act of 1970, Public Law 91-469) was terminated on Dec. 20, 1973. The funds in reserve that are not needed in fiscal year 1974 will be written off.

USE OF SPECIAL TERMINATION COST CLAUSE ON DEFENSE RESEARCH AND DEVELOPMENT CONTRACTS

Mr. McINTYRE. Mr. President, there is a continuing need to make the most effective use of funds authorized and appropriated for the Department of Defense research and development program. One step in this direction was taken by the Senate Armed Servics Committee when it proposed the greater use of the special termination cost clause for major research and development contracts in its action on the fiscal year 1974 military procurement authorization bill. On pages 118 and 119 of Report No. 93-385 dated September 6, 1973, which accompanied that bill, the committee discussed the specific details of this clause and suggested that it be more widely used within the Department of Defense. The committee action was prompted by the recognition that a broader use of this clause would free up substantial amounts of money being tied up under certain research and development contracts for potential termination charges and provide the use of such funds for other important research and development programs. I will not go into any more specific details of this subject at this time because it has not as yet been fully resolved. However, there is a very broad interest in this matter throughout Defense industry and among the various Government agencies. It should also interest the Members of the Senate.

At the request of the Armed Services Committee, the General Accounting Office has conducted an analysis of this subject and has submitted the results, including inputs from the Department of Defense and industry. The Department of Defense has provided a report on the extent of the use of this clause by the military departments and yesterday I transmitted a copy of the GAO report to the Secretary of Defense for comment and appropriate recommendations regarding further actions to be taken, including legislative actions. The correspondence relating to these exchanges consists of a letter dated May 20, 1974, from the Office of the Assistant Secretary of Defense Comptroller—Program/Budget—a letter dated June 4, 1974, from the Comptroller General, and my letter of June 22, 1974, to the Secretary of Defense. I request unanimous consent that copies of these various letters be printed in the RECORD at the conclusion of my remarks.

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

(See exhibit 1.)

Mr. McINTYRE. When the Department of Defense responds to my letter, it is my intention to take whatever action is then considered to be appropriate in conjunction with the committee action on the fiscal year 1976 military procurement request. I will keep the Senate advised of further significant developments in this matter as they may occur.

EXHIBIT 1

OFFICE OF THE
ASSISTANT SECRETARY OF DEFENSE,
Washington, D.C., May 20, 1974.

MEMORANDUM FOR MR. HYMAN FINE

Subject: Use of special termination cost clause on research and development contracts

In response to the Senate Armed Services Committee Report 93-385 of September 6, 1973, which suggested greater use of the Special Termination Cost Clause for major R-D contracts, an analysis was made of the use of this clause by the military departments. The results of that analysis are attached for your information.

It should be noted that the ASPR clause governing the Special Termination Cost Clause is presently being reviewed. A DoD position will be available after the ASPR Subcommittee Report is submitted.

DAVID J. HESSLER,
Director for Research & Development.

DEPARTMENT OF THE ARMY

PE number and short title	*Special termination costs clause used*	*Explanation if clause not used*
6.42.07 AAH	No	It is not intended to insert the clause in the contract. The reason for this is that the contract is managed by the C/SCSC System and the contracts do not show any reserve or management reserve for termination. There is no allowance in the incremental funding for termination and there are no apparent benefits derived from this clause and no reductions to the incremental funding would occur if the clause was imposed upon the project manager.
2.21.52 Improved HAWK	Not Eligible	The major portion of the RDTE effort had been completed prior to the effective date of Section 8-712 of ASPR.
6.32.03 HLH	No	Contractor is not withholding any funds for this contingency. By the time Secretarial approval can be obtained and funds made available, this contract will be almost fully

DEPARTMENT OF THE ARMY—Continued

			funded. Clause is no longer applicable when contract is fully funded.
6.43.06	STINGER	No	Information available from the Cost/Schedule Control System Report in the STINGER contract indicates that no reserve has been established by the contractor for the purpose of covering potential termination charges, and it is considered, therefore, that the intended purposes of the special termination cost clause would not be served by its insertion in the contract at this time.
6.36.20	XM–1	Yes	Contractor: General Motors Contract No. DAAE07–73–C–0301 Contract Amount: $87.0 million
6.43.07	SAM–D	Yes	Contractor: Chrysler Motors Contract No. DAAE07–73–C–0300 Contract Amount: $68.1 million
2.36.26	TACFIRE	No	The Special Termination Clause prescribed in Section 8–712 of the ASPR was not included in the TACFIRE Contract awarded 8 December 1967. The Contract did, however, provide a clause as Article No. 82 "Limitation of Government Obligation (June 1963) (AFPI 7–4054)". The contract was originally awarded as a Total Package Procurement to Litten Systems, Inc., Van Nuys, California, for a ceiling price of $122.3 million. The contract was restructured effective 31 March 72 to a development only contract with priced options for IRIP and FSP. The restructured contract does include as Article No. 89 a clause, "Limitation of Government Obligation". In view of the fact that the contract does provide a termination clause, though not the Special Terminations Costs Clause prescribed by Section 8–712 of ASPR, it is not recommended that the special clause be included. The TACFIRE program is now approaching final phases of development and no obligation authority could be saved by inclusion of the clause.
6.33.10	HELLFIRE	Not eligible	No RDTE contractual actions have met the criteria defined in Section 8–712 of ASPR; i.e., the contractual terms are less than two years; RDTE contracts to date are less than $50 million.
6.42.06	UTTAS	No	The UTTAS contracts were let prior to the effective date of Section 8–712, ASPR. DA is considering the use of these clauses as modifications to the UTTAS contracts.
12514	SAFEGUARD BMD System	Not eligible	Procurement is by one-year supplemental agreements against a specified scope of work, and is *not* an incrementally funded contract with term of two or more years. Special "Wind-up Costs" clause incorporated in the SAFEGUARD development contract DA–HC60–71–C–0005 with the Western Electric Company has been accepted by the contractor in lieu of requiring financing to cover potential termination. FY 75 will be the fifth year under the contract and the final stages of the development effort. Use of the ASPR 7–108.3 clause would not reduce requirement for annual obligation authority.
63308	Site Defense Prototype Demonstration Program	No	Special "Wind-up Costs" clause incorporated in the Site Defense Prototype Demonstration contract DA–HC60–72–C–0080 with the McDonnell-Douglas Astronautics Company has been accepted by the contractor in lieu of requiring financing to cover potential termination.
63308	SPRINT II (Site Defense)	No	Special "Wind-up Costs" clause incorporated in the SPRINT II contract DA–HC60–72–C–0130 with Martin-Marietta Corporation has been accepted by the contractor in lieu of requiring financing to cover potential termination. "J–23. Wind-up Costs. Subject to the provisions hereinafter stated, the contractor shall pursue diligently the objectives set forth in the scope of work up to the end date of the period specified in section H; provided, however that unless

DEPARTMENT OF THE ARMY—Continued

the contracting officer notifies the contractor no later than 60 days prior to said date that the period of performance of the contract will be extended, the contractor shall reduce his diligent pursuit of the objectives of the scope of work as necessary to assure that allotted funds are sufficient for reimbursement of "wind-up" costs. Costs incurred in "wind-up" of the contract will be allowable notwithstanding that they may be incurred after the end date of the period of performance specified in Section H, subject to Section J–1—"Reimbursement of costs" and Part III—"General Provisions" Section L, Clause 2, "Limitation of Funds" and Clause 3—"Allowable Cost, Incentive Fee and Payment," provided there is no negligent or willful failure to discontinue such cost as promptly as possible, costs incurred by the contractor relating to closeout of the contract will also be allowable subject to Section J–1, "Reimbursement of Costs", Part III—"General Provisions", Clause 2—"Limitation of Funds" and Clause 3—"Allowable Cost, Incentive Fee and Payment"."

DEPARTMENT OF THE NAVY—SPECIAL TERMINATION COSTS CLAUSE ON R. & D. CONTRACTS (R. & D. COST REIMBURSEMENT CONTRACTS OF $50,000,000)

PE No.	Short title	Special termination cost clause	Explanation if clause is not used
64303–N	AEGIS	Not used	Since current contract does not include funding for termination liabilities, special termination cost clause not needed.
64564–N	NATO PHM	Used	Upon approval, clause will be included in modification to contract.
24281–N	ANBQQ–5 Sonar	Not used	Since current contract does not include funding for termination liabilities, special termination cost clause not needed.
63501–N	S6G Nuclear Attack Sub. Prop. Plant.	do	Do.
63508–N	Gas Turbine Prop. System	do	Do.
63534–N	SES	do	Do.
63566–N	Amphibious Assault Landing Craft.	do	Do.
63567–N	Hydrofoil Craft	d	Do.
63578–N	A–4W/AIG Nuclear Prop. Plant	do	Do.
63361–N	Sub-launched Cruise Missile	Used	Plan to amend 2 contracts to include STCC.
64363–N	TRIDENT Missile System	do	Plan to amend contract to use STCC.
63236F	Adv Med STOL Transport	Not used	Both contracts were renegotiated in March 1974 and neither contractor agrees to use of the clause.
64215F	B–1	Used	
64220F	EF–111A	do	
64225F	A–10 Aircraft	do	
64723F	Adv Airborne Cmd Post	do	
64744F	AWACS	do	
27130F	F–15 squadrons	Not used	The structure of the F–15 contract and the LOGO clause being used do not recognize or fund any costs which could be included under a special termination costs clause.
63225F	Air Launched Cruise Missile	Used	

Note: Used defined as in use in fiscal year 1974 except for Air Launched Cruise Missile where use of clause is planned for fiscal year 1975.

COMPTROLLER GENERAL OF THE UNITED STATES,
Washington, D.C., June 4, 1974.

Hon. JOHN C. STENNIS,
Chairman, Committee on Armed Services, U.S. Senate.

DEAR MR. CHAIRMAN: As requested in your October 4, 1973, letter (see enc. I), we examined the use of the special termination costs clause in the Armed Services Procurement Regulation (ASPR), sections 8–712 and 7–108.3. (See enc. II.)

We obtained background from the Department of Defense's (DOD's) ASPR Committee and its special subcommittee which was recently established to review the clause. Procurement officials of the Army, Navy, and Air Force gave us data on use of the clause and reasons why it has not been used more extensively. We also obtained industry associations' views on the use and adequacy of the clause as now stated and recommendations for changes they feel are needed to make the clause more acceptable.

The clause has been used in contracts only to a limited extent by the services, primarily the Air Force. None of these contracts have been terminated, so we could not evaluate the clause's effectiveness.

The major obstacles to increased use of the clause appear to be the small number of contracts which meet the required dollar criteria as stated in ASPR and the possibility of violating the Antideficiency Act if funds are not available to pay termination costs.

BACKGROUND

In early 1968 the Aerospace Industries Association recommended to DOD's ASPR Committee that a termination costs clause be established in ASPR. This clause would allow contractors to effectively use all money obligated to a program rather than having to limit their costs to maintain a reserve to cover potential termination costs. The Association suggested that the DOD establish a termination funding reserve account to pay termination costs. The amount of the account would be based on prior DOD experience and would total much less than the cumulative potential termination costs being reserved under individual contracts.

The ASPR Committee studied the recommendation and prepared a proposed special termination costs clause. The clause did not include the termination funding reserve account suggested by the association, but did include a maximum termination cost liability.

Industry associations felt that a maximum termination costs liability should not be included in the clause because the contractor's risks would be increased since the Government's liability would be limited to the negotiated amount. They also felt that the optional use of the clause should be extended to lower dollar value contracts—$5 million for research, development, test, and evaluation (RDT&E) contracts and $10 million for production contracts rather than the $25 million and $100 million levels proposed. Neither suggestion was included in the clause put into ASPR in early 1970. (See enc. II.)

In June 1973 the minimum limits for optional use of the clause were raised from $25 million to $50 million for RDT&E contracts and from $100 million to $200 million for production contracts. These new minimums were established to meet the funding level criteria which defines a major weapon system.

DOD USE OF THE CLAUSE

As noted previously, the special termination costs clause has been used only in a limited number of contracts, none of which have been terminated.

The Air Force is using the clause on the Advanced Airborne Command Post, B–1, and AWACS contracts. It plans to use it on several other contracts, including the A–10, if the program is approved, and the STOL program. The Army is using the clause on the XM–1 tank program and plans to use it on SAM–D contracts. Other uses will be considered on a case-by-case basis. The Navy has not used the clause but plans to use it on the Trident program.

Officials of the services said the clause has not been used more often because:

The clause is not authorized for use on the numerous RDT&E contracts under $50 million and production contracts under $200 million.

Use of the clause was not justified on some RDT&E contracts because of low potential termination costs.

The Antideficiency Act would be violated if funds were not available to pay termination costs (use of the clause does not automatically provide funds to pay termination costs).

The increased use, or planned use, of the clause appears to be the result of the Senate Armed Services Committee Report on the

DOD Fiscal Year 1974 Procurement Authorization Bill (S. Rept. 93-385, Sept. 6, 1973) in which the committee suggested that the services use the clause more. Shortly after this report was issued, the Deputy Assistant Secretary of Defense (Procurement) requested that the ASPR Committee review ASPR 8-712 to see if any changes in the criteria for using this clause are warranted.

PROPOSED CHANGES TO THE CLAUSE

In late 1973 an ASPR Subcommittee began reviewing the special termination costs clause to determine if changes were needed. We were informed that the Subcommittee plans to recommend that (1) the minimum contractual amount be reduced to the previous levels of $25 million for RDT&E contracts and $100 million for production contracts and (2) the clause not be used on contracts with minimal potential termination costs. The ASPR Committee will request comments on proposed changes from industry associations before formally revising the clause—tentatively scheduled for the end of 1974.

The major recommendation by the industry associations in their response to our inquiry (see enc. III) was to allow termination costs to exceed the maximum allowed by the clause if unused program funds are available to pay the additional costs.

CONCLUSIONS

The availability of funds to cover potential terminations appears to be a major obstacle to the increased use of the special termination costs clause. The problem arises from the possibility of violating the Antideficiency Act, which prohibits the incurrence of contractual obligations in excess of authorized amounts.

When a contract using the clause is terminated, funding of termination costs can come from three sources: (1) residual program funds, (2) funds transferred from other programs (reprograming), and (3) funds received through a supplemental appropriation.

The first two sources are the most expedient means of paying termination costs when these funds are available. However, if a contract is terminated at or near the end of a fiscal year, unobligated funds from these sources may be limited. Requesting a supplemental appropriation would be a last resort.

As stated in the Senate Armed Services Report on the DOD Fiscal Year 1974 Procurement Authorization Bill, the risks of not having unobligated balances available in the appropriations to meet potential termination costs are minimal. From a purely legal viewpoint, however, use of the clause does not relieve procurement officials from the possibility of violating the Antideficiency Act because the availability of unobligated funds is not insured.

Alternative solutions to overcome this obstacle include (1) authorizing the incurrence of termination costs under this clause to insure that additional funds will be made available if unobligated appropriation balances are not sufficient to cover these costs (this approval could be included in the annual DOD appropriation authorization) or (2) legislation could be enacted to exempt costs incurred under the clause from the Antideficiency Act.

We have no objections to the ASPR Subcommittee's proposal to allow use of the clause on lower dollar value contracts ($25 million RDT&E and $100 million production) and to prohibit its use on contracts with minimal potential termination costs, such as research contracts consisting primarily of personal services.

The industry associations suggested that the clause be modified to permit the contractor's claim for termination costs, when added to all other costs incurred, not to exceed the sum of the funds allotted to the contract for performance *plus* the amount allowed by the clause.

We do not agree with this suggestion. We believe termination costs should not be permitted to exceed the maximum allowed by the clause even if unused program funds are available. Such a change could encourage the contractor to reserve funds by limiting costs incurred under the contract rather than to negotiate a higher termination costs ceiling. This would defeat the purpose of the clause.

We did not obtain formal comments from the Secretary of Defense on this report; however, the information contained herein was discussed with DOD officials during the review.

This report completes the work you requested. The reports dealing with (1) contractors' independent research and development, (2) incremental programing of RDT&E, and (3) development of major weapon systems under cost-type contracts were previously sent to you.

We plan no further distribution of this letter unless you agree or publicly announce its contents.

Sincerely yours,

R. F. KELLER,
Comptroller General of the United States.

ENCLOSURE I

U.S. SENATE,
Washington, D.C., October 4, 1973.

Hon. ELMER B. STAATS,
Comptroller General of the United States, General Accounting Office, Washington, D.C.

DEAR MR. STAATS: The committee has completed and published its report (93-385) on the fiscal year 1974 procurement authorization bill.

There are a number of items in the report which involve actions to be taken by the General Accounting Office. Information on each of these items follows:

1. *Independent Research and Development*

Page 104 of the subject report states,

"While there is general satisfaction to date in the Department of Defense and in industry, additional time is needed to complete the implementing actions and acquire more experience as a basis for any changes which may be indicated as necessary to existing law. The General Accounting Office is in agreement with the need for additional time, and has expressed its intention to continue with the examination of this subject.

"The committee intends to follow these actions closely and consider the requirement for any possible further legislative actions in conjunction with the review of the fiscal year 1975 authorization request."

Request that the General Accounting Office conduct this further investigation including follow-up on the recommendations contained in your report B-167034, dated April 16, 1973. The opinions and recommendations of both the Department of Defense and appropriate industry associations should be obtained and reflected in your report. Discussions should be held with other governmental agencies such as the Department of Transportation, Atomic Energy Commission, and the National Aeronautics and Space Administration, all of whom have substantial research and development programs to determine the desirability and practicability of extending the independent research and development policy to include their organizations on a uniform basis with the Department of Defense. The investigation of this subject also should include consideration of the possibility of broadening the definition and application of relevancy to include all Federal agencies while at the same time extending the IR&D provisions as represented in the applicable Military Procurement Authorization Acts to these various agencies. The results of these discussions together with appropriate recommendations also should be included in your report.

2. *Incremental Programing of RDT&E*

Pages 112-115 of the subject report cover this subject and set forth a consolidated and current policy statement, including definitions which resulted from the coordinated efforts of the committee staff, the Department of Defense, and the General Accounting Office. In fact, as the report states, the revised incremental programing policy was worked out to the mutual satisfaction of the committee and the Department of Defense. In accordance to the committee report, you are requested to continue with your review of the implementation of this policy, as a follow-on to your earlier efforts as reported in General Accounting Office reports B-167034 of April 18, 1973, and May 15, 1973. Your study should include a reexamination of the Trident weapon system and such other major weapon systems which would represent an equitable sampling of the programs of each of the military departments. the extent to which first-tier subcontractors are being addressed should be made a matter of specific treatment since this is a new significant item covered under the revised policy. Comments should be submitted on the results of your findings together with any recommendations which you may deem appropriate.

3. *Major Weapon Systems Developed Under Competitive Cost Reimbursement Type Contracts*

This subject is covered on pages 115 and 116 of the committee report which includes an expression of the concern of the committee that there may be a need for the Department of Defense to examine the criteria, policy, and procedures contained in the Armed Services Procurement Regulations and other directives to insure that the source selection process is being uniformly applied and that the interests of all parties involved including the government are equitably considered and fully protected. The report requests that the Department of Defense conduct such an examination and advise the committee what if any changes should be made as a result of the committee's views. As indicated in the report, the General Accounting Office is requested to participate in this review and submit its independent findings and recommendations to the committee.

4. *Use of Special Termination Costs Clause on Certain Research and Development Contracts*

On pages 118 and 119 of the committee report the committee explains the use of the special termination costs clause on research and development contracts and encourages the use of this clause to a greater extent by all of the military departments. The General Accounting Office is requested to examine the use of this clause to the extent that it has been included in recent contracts and obtain the opinions of the various industry associations, and the Department of Defense on the wider application of this clause in future Department of Defense contracts. Comments with appropriate recommendations will be submitted to the committee.

Informal meetings have been held between the committee staff and the representatives of your agency to discuss each of the items contained in this letter. In order for your reports to be useful to the committee in its consideration of the fiscal year 1975 military procurement authorization request, such reports should be submitted by March 1, 1974.

Sincerely,

JOHN C. STENNIS,
Chairman.

ENCLOSURE II

[7:150 April 16, 1973]

CONTRACT CLAUSES

7-109.3 *Special Termination Costs.* In accordance with 8-712, insert the following clause.

SPECIAL TERMINATION COSTS (1970 FEB)

(a) Notwithstanding the clause of this contract entitled "Limitation of Costs/Limitation of Funds," the Contractor shall not include in his estimate of costs incurred or to be incurred, or of the total amount payable by the Government, any amount for Special Termination Costs, as herein defined, to which the Contractor may be entitled in the event this contract is terminated for the convenience of the Government. The Contractor agrees to perform this contract in such a manner that its claim for such Special Termination Costs will not exceed $____. The Government shall have no obligation to pay the Contractor any amount for such Special Termination Costs in excess of such amount. Special Termination Costs for the purpose of this contract are defined as costs only in the following categories:

(i) severance pay as provided in ASPR 15–205.39(b)(ii);

(ii) reasonable post-termination plant maintenance and operation costs, if expressly made allowable under other provisions of this contract;

(iii) settlement expenses as provided in ASPR 15–205.42(f);

(iv) cost of return of field service personnel from sites;

(v) costs in categories (i), (ii), (iii), and (iv) above to which subcontractors may be entitled in the event of termination.

(b) In the event of termination for the convenience of the Government, the amount of such Special Termination Costs shall be determined in accordance with the provisions of the contract and this clause shall not be construed as affecting the allowability of such costs in any manner other than limiting the maximum amount payable therefor by the Government.

(c) This clause shall remain in full force and effect until this contract is fully funded.

7–108.3—Armed Services Procurement Regulation.

8:58 April 16, 1973

TERMINATION OF CONTRACTS

8–712 Special Termination Costs Clause.

(a) The clause set forth in 7–108.3 is authorized for use in fixed-price incentive contracts and incrementally funded cost-reimbursement contracts when:

(i) the contract term is two years or more; and

(ii) the contract is estimated to require total RDT&E financing in excess of $25 million, or total production investment in excess of $100 million; and

(iii) the use of the clause in the contract is approved by the Secretary of the Department concerned or his designee.

(b) The contractor and the contracting officer shall agree upon an amount that represents their best estimate of the total special termination costs to which the contractor would be entitled to in the event of termination of the contract. Such amount shall be inserted in the clause.

(c) A provision allowing for negotiated adjustments of the amount reserved for special termination costs may be inserted as paragraph (d) of the clause. Contract provisions for periodic adjustments by mutual agreement of the parties may be established based on, among other things, (i) set time periods within the contract, (ii) the Government's incremental assignment of funds to the contract, or (iii) the time when certain performance milestones are accomplished by the contractor. Provisions for such adjustments may be considered desirable in contracts containing unusually long production schedules, or in contracts where the contractor's cost risk in the event of Government termination fluctuates extensively over the period of the contract, depending on the scope of work to be performed during a certain period of the contract or the amount of funds to be assigned to the contract during any one increment.

8–712—Armed Services Procurement Regulation.

ENCLOSURE III

COUNCIL OF DEFENSE AND SPACE INDUSTRY ASSOCIATIONS (CODSIA),
Washington, D.C., February 21, 1974.

HAROLD H. RUBIN,
Deputy Director, U.S. General Accounting Office, Procurement and Systems Acquisition Division, Technology Advancement, Washington, D.C.

DEAR MR. RUBIN: This is in rsponse to your letter of January 18, 1974, requesting the views of the Council of Defense and Space Industry Associations (CODSIA) concerning the Department of Defense's use of the special termination costs clause, Armed Services Procurement Regulation Section 8–712.

Because of the limited time afforded to respond, CODSIA has quickly checked with industry concerning the two questions mentioned in your letter. One question related to industry's experience following CODSIA's letter of September 22, 1969 to the ASPR Committee and since the clause was put into effect; the other requested any changes which industry believes are required to make the clause more acceptable.

Commenting on the first inquiry, it is noted that there has been little experience wherein the clause was actually required to be put into use. In other words, there have not been many major terminations in this time frame, which have involved this clause. This lack of experience limits our ability to discuss the use or adequacy of the clause as now stated.

Only one example of the clause becoming operative was discovered. In this instance, the final settlement fell within the dollar limitations set forth therein; therefore, no problem was confronted on allowable and allocable terminations costs being incurred beyond the dollars set forth in the clause.

There are companies which have current contracts that contain this clause. Several of these companies find it necessary to adjust the dollar limitations from time to time due to the fact potential termination costs are never static in an on-going contract. Such a right to do this is recognized within ASPR 8–712, but the clause itself, ASPR 7–108.3, does not recognize this aspect.

Industry concerns regarding the special terminations clause were expressed in our September 22, 1969 letter and again in the CODSIA study report of July, 1971, "Government Contract Terminations". The report had the following observations and recommendations:

"In this situation we have a double cost limitation—a ceiling on these kinds of special costs plus a restriction as to the kinds of costs that can be considered.

"The purpose of the special termination costs clause can hardly be faulted—to permit full utilization of contract funds for productive work and to exclude the limitation of Cost Funds clause in the contract. However, it should be made more flexible.

"RECOMMENDATION

"Revise the special termination costs clause, ASPR 7–108.3, to provide more flexibility with the ceiling subject to upward as well as downward adjustment, and with the categories of costs broadened to include all post-termination costs, not just limited categories."

(To assist you in your review, a copy of the CODSIA report of July, 1971 is attached—see pages 13 and 14.)

In line with the thought expressed above, and addressing specifically the subject of changes believed essential to make the clause more acceptable, the following changes are offered for consideration:

1. Within the clause (ASPR 7–108.3, lines 4 and 5 are the words, ". . . in the event this contract is terminated for convenience of the Government. . . ." It is strongly believed the words "for the convenience of the Government," should be revised to read "for the convenience of the Government on fixed price contracts and for convenience of the Government or default on cost reimbursement contracts." A similar treatment of these words is also required in paragraph (b) of this clause.

Reason: The sole purpose of this clause is to permit full use of incremental contract funds for productive work. This is primarily for the benefit of the Government. The clause is not intended to cause the contractor to assume additional risk by not holding the normal reserve of contract funds against a possible termination as he would do if this clause were not used. Nevertheless, there is always the risk, however remote, of a default termination. In the case of a cost reimbursement contract the allowability of termination costs for either default or convenience is basically the same, subject only to availability of contract funds. It is therefore apparent that in the cost reimbursement case the special termination costs clause, as currently limited to a convenience termination, imposes additional risk of loss to the contractor in the event of a default termination. In all fairness this limitation should be elimination. In all fairness this limitation should be eliminated to enhance the use of the clause and to preclude the clause from being self-defeating.

2. The "Recommendation" cited above and contained in the reference CODSIA study report suggested that the categories of costs defined in ASPR 7–108.3 be broadened to include all post-termination costs and not be limited to the categories currently covered in the clause. It is recommended that the clause be revised by eliminating the limited categories and adding after the words "are defined as costs", the following: "are defined as costs as covered by ASPR 15–205.12(b)(ii) Idle Facilities, ASPR 15–205.39(b)(ii) Severance Pay, and ASPR 15.205.42, Termination Costs."

Reason: Because the present clause covers only limited types of post-termination costs, it is incumbent upon a prudent contractor to hold a termination reserve for all categories of termination and post-termination costs not now listed in the clause but otherwise allowable under ASPR Section XV. The wording of the present special termination costs clause therefore, partially defeats the intended purpose of the clause. As the Committee on Armed Services of the U.S. Senate recognized (Report No. 93385 dated September 6, 1973, pages 118 and 119), the purpose of the clause is to enable the contractor to more fully utilize contract funds without the need for a reserve against possible termination.

3. In addition to eliminating the restrictive list of types of termination costs, ASPR 7–108.3 should be further modified by changing the second sentence thereof to read: "The contractor agrees to perform this contract in such a manner that its claim for termination costs, when added to all other costs incurred, will not exceed the sum of the funds allotted to this contract for performance plus $———— covered by the Special Termination Costs clause."

Reason: Without such a change, the clause has the characteristic of an advance understanding and limitation on termination costs even if, at the time of termination, the funds allotted to the contract were not exhausted. This is not the purpose for which the clause is intended. Such clarification will not in-

crease the Government's liability but it will eliminate potential administrative confusion.

4. As will be noted in the CODSIA study report of July, 1971, as well as in CODSIA's letter of September, 1969 to the ASPR Committee, industry did not then, nor does it now, take issue with the purpose of the clause, but it must be recognized that it creates concern as to whether the dollar limitation will be adequate as the contract progresses. In this respect it is recommended that a paragraph (d) be added to the ASPR clause 7-108.3 (as Permitted by ASPR 8-721 (c)) to provide for periodic adjustment by mutual agreement of the parties.

In closing, we wish to express our appreciation for the opportunity to provide these comments as the consensus of the opinions expressed by the member associations of CODSIA and trust that they will receive due consideration in the course of your review. We would welcome the opportunity to have our representatives discuss with you in greater detail the views and recommendations which have been presented here.

Sincerely,

J. A. CAFFIAUX,
Staff Vice-President, Electronic Industries Assn.

FRANCIS P. ROONEY,
Manager, Defense Liaison Department, Motor Vehicle Manufacturers Assn.

ROBERT E. LEE,
President, National AeroSpace Services Assn.

JOSEPH M. LYLE,
President, National Security Industrial Assn.

KARL G. HARR, Jr.,
President, Aerospace Industries Assn.

EDWIN M. HOOD,
President, Shipbuilders Council of America.

JOHN C. BECKETT,
WEMA.

U.S. SENATE,
Washington, D.C., July 22, 1974.

Hon. JAMES R. SCHLESINGER,
Secretary of Defense,
Washington, D.C.

DEAR MR. SECRETARY: Senate Armed Services Committee Report 93-385 dated September 6, 1973, suggested greater use of the Special Termination Cost Clause for major research and development contracts to permit the more effective and timely use of appropriations for research and development. The General Accounting Office, by letter dated October 4, 1973, was requested to look into this matter and to provide comments with appropriate recommendations to the Committee.

The Office of the Assistant Secretary of Defense Comptroller (Program/Budget), on May 20, 1974, provided the Committee with an analysis of the use of this clause by the military departments. The letter stated that the Armed Services Procurement Regulations (ASPR) clause governing special termination costs is presently being reviewed and that a Department of Defense position would be available after the ASPR subcommittee report on the subject is completed.

The Comptroller General advised the Committee by letter dated June 4, 1974, of the results of the examination of this matter and included certain proposed changes to the ASPR clause and other conclusions.

I request that the Department of Defense review the Comptroller General letter of June 4, 1974, copy of which is attached, and provide comments including any possible effect on the ongoing DOD review of the ASPR clause. Will you also indicate any actions that may be contemplated by the Department of Defense on this subject, including proposals for legislative action which may be appropriate during Congressional consideration of the fiscal year 1976 military procurement authorization request.

Sincerely,

THOMAS J. MCINTYRE,
Chairman, Subcommittee on Research and Development.

EDUCATION OF HANDICAPPED CHILDREN

Mr. MATHIAS. Mr. President, with the Senate adoption of the conference report on H.R. 69 by the vote of 81 to 15, on July 24, 1974, this body once again expressed its approval for, among other provisions, an amendment which I offered to the education bill which provided additional funding for education of handicapped children.

The so-called Mathias amendment was cosponsored by 19 other Senators. Briefly, this amendment amended sections 611 and 612 of the Education of the Handicapped Children Act as to change the system of assistance under part B, for fiscal year 1975 only from a system of State allotments to a system of entitlements based on $15 per student on average daily attendance. The amendment provided that such assistance to States for initiating, expanding, and improving programs and projects for the preschool, elementary, and secondary school levels was for the purpose of providing full educational opportunities to all handicapped children.

The conference report, which we adopted yesterday, changed the distribution of such entitlements to $8.85 per child, age 3-21, and added a provision that payment under part B may be used for early identification and treatment of handicapped children under 3 years of age. I would point out that under my original amendment, it was estimated that $631 million are required to fully fund this program for fiscal year 1975. As modified by the conferees, this amendment would now provide approximately the same amount.

This morning I had the privilege of appearing before the Labor HEW Subcommittee of the Senate Appropriations Committee. Although I am a member of that committee I felt it was important to appear as a witness before that subcommittee to testify on behalf of the provision which this body adopted only yesterday.

As part of my testimony I included a letter which I received from the Council for Exceptional Children which eloquently speaks on behalf of millions of handicapped children in this country.

Mr. President I ask unanimous consent that a letter which I received from the Council for Exceptional Children dated July 24, 1974, be printed in the RECORD.

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

THE COUNCIL FOR EXCEPTIONAL CHILDREN,
Reston, Va., July 18, 1974.

Senator CHARLES MCC. MATHIAS,
460 Old Senate Office Building,
Washington, D.C.

DEAR SENATOR MATHIAS: Permit me, initially, on behalf of the membership of The Council for Exceptional Children, to express our deepest gratitude for your role as initiator and primary sponsor of that provision in the Education Amendments of 1974 (H.R. 69) which authorizes a one-year, emergency entitlement under ESEA, Title VI-B, Education of the Handicapped, Aid to the States. Your forceful advocacy could not have been more timely, and we are delighted that your proposal was approved without a single objection by your colleagues in the Senate and was subsequently approved unanimously in a House-Senate conference on H.R. 69.

We now wish to offer our wholehearted endorsement for the position which you lay before your colleagues on the Senate Appropriations Committee, namely, appropriation at full entitlement under the "Mathias Amendment" for fiscal 1975.

As you are well aware, Senator, the long struggle to end the exclusion of/or inappropriate education of this Nation's approximately seven million handicapped children is now reaching monumental proportions. Numerous parents and other advocates for handicapped children have in the past three or four years sought redress in the courts. In point of fact, there are at least 36 cases now filed and/or completed in twenty-five of the states of the Union. Aside from the vital and immediate consideration that the courts are affirming the right to an education, the very fact that so many suits have been brought is in itself eloquent testimony to that severe neglect which is at long last coming to an end.

Moreover, at the close of the 1972 regular state legislative sessions across the United States, a total of 43 states had in place some form of legislation mandating the availability of public educational services to all handicapped children. In that regard, you will find enclosed a chart detailing the nature and extent of mandatory legislation in the states. It is important to observe that, of the nineteen states with specific statutory dates of compliance, seven become effective in 1974, one becomes effective in 1975, four become effective in 1976, four become effective in 1977, and two become effective in 1979.

However, while these statutes and their compliance dates represent a forceful statement of legislative intent, they do not guarantee actual program delivery. The same is true of court decrees, as may be witnessed in the District of Columbia where the plaintiffs have returned to court charging substantial non-compliance with that historic decree resulting from Mills v. D.C. Board of Education.

This is not to suggest lack of goodwill on the part of state and local officials; quite the contrary, it is simply to acknowledge a pressing financial crunch in the states and localities exacerbated by the ever-accelerating pace of those court orders and legislative mandates just cited. If I may borrow a phrase from your remarks on May 20 in the Senate Chamber: too many of the states are unable "to put their money where their laws are."

Justice delayed is nonetheless justice denied; as a consequence, parents, public officials, and educators have appeared before panels of both the Senate and House in the last two years to plead for enlarged federal assistance. A recent resolution of the National Governors' Conference succinctly summarizes the message being conveyed from the states to the National government:

The National Governors' Conference believes it should be the responsibility of each state, as an integral part of a free public education, to provide for special education services sufficient to identify and meet the needs of all handicapped children.

Recognizing the tremendous additional

financial burden which would be incurred in providing for the education of all handicapped children, the National Governors' Conference calls upon the federal government to increase its assistance to the states in fulfilling this commitment. Federal assistance, however, should allow maximum flexibility and discretion to the states in providing the essential services they deem appropriate, since these services in many states are administered by more than one agency.

But certainly for the Senate of the United States, with its long history of conscientious attention to the "vulnerables" in our society, it is the basic reality of continuing lack of equal educational opportunity, regardless of the reason, which must ultimately offer the most compelling argument for Congressional action. That reality is bluntly portrayed in the report which accompanied the Senate version (S. 1539) of the Education Amendments of 1974:

There are 7 million (1 million of pre-school age) deaf, blind, retarded, speech-impaired, motor-impaired, emotionally disturbed, or other health-impaired children in the United States who require special education programs. Although these children represent approximately 10 percent of the school age population (a conservative estimate), and although the number of children receiving special help has grown from 2.1 million to nearly 3 million in the past 5 years, current data indicates that less than 40 percent are receiving an adequate education—

The current federal impact on the education of handicapped children has been of excellent calibre, characterized by sound leadership and the successful delivery of vital supportive services. But certainly the situation which now obtains in the states and their school districts argues forcefully for the evolution to a "second generation" in the federal partnership.

With its stipulation that there be a priority in the use of funds for those children not yet being served, the "Mathias Amendment" would be a tremendous boost toward achieving equal educational opportunity for handicapped children. We therefore must strongly urge the Senate Appropriations Committee to appropriate at full entitlement and we have been informed that the following organizations concur in that recommendation:

American Speech and Hearing Association.
National Association of Coordinators of State Programs for the Mentally Retarded.
American Foundation for the Blind.
American Association of Workers for the Blind.
Blinded Veterans Association.
United Cerebral Palsy Association.
Association for Children with Learning Disabilities.
National Association for Retarded Citizens.
Council of State Administrators of Vocational Rehabilitation.
National Society for Autistic Children.

Sincerely yours,

WILLIAM C. GEER,
Executive Director.

State	Type of mandation	Date of implementation	Date of passage	Ages of eligibility	Categories excluded
Alaska	Full planning and programing			6 to 20	
Alabama	Mandatory	1977	1971	6 to 21	
Arizona	Selective planning and programing	1976		5 to 21	Gifted and emotionally handicapped.
Arkansas [1]	Full planning and programing	1979–80		6 to 21	
California	Mandatory			3 to 21	Emotionally handicapped.
Colorado [2]	Full planning and programing	1975	1973	5 to 21	
Connecticut	Mandatory	1973		do	
Delaware	do			4 to 21	
District of Columbia	No statute (Mills v. Board of Education mandatory).	1972	1971	School age	
Florida	Mandatory	1973	1973	13 years guaranteed, 3 to no maximum	
Georgia	Full planning and programing	1976		3 to 18	
Hawaii	Mandatory		1949	5 to 20 (except under early admission plan)	
Idaho	do		1972	Birth to 21	
Illinois	do		1961	3 to 21	
Indiana	do	1973	1973	Deaf—6 mo; 6 to 18	
Iowa	Selective mandate		1970	Birth to 21 (to 24 if necessary)	Deaf, blind, or severely handicapped may be educated in State schools.
Kansas	Selective planning and programing	1979	1974	Birth to 21	
Kentucky	Planning and programing	1974		do	
Louisiana	Mandate by petition (5 or more)			3 to 21	
Maine	Mandatory	1975	1973	5 to 21 (speech handicapped—birth to 21)	
Maryland	Planning and programing	1979 [3]		Birth to 18	
Massachusetts	do	1974	1972	3 to 21	
Michigan	do	1973		Birth to 25	
Minnesota	Mandatory		1972	Deaf, blind, (R or SI—4 to 21) MR 5 to 21, ED 6 to 21.	
Mississippi	Mandate by petition (5 plus)			Birth to 21	
Missouri	Mandatory	1974		5 to 21	
Montana [4]	(a) Selective conditional—(at least to EMR, TMR or PH).	1979	1974	PH—birth to 25; TMR—birth to 21; EMR—legal school age.	
Nebraska	Mandatory	1976	1973	5 to 18	
Nevada	do		1973	5 to 21 [5]	
New Hampshire	do		1965	5 to 21; deaf 4 to 21; PH–5 to 31	
New Jersey	do			5 to 20	
New Mexico	Planning and programing	1977		By Jan. 1—6 to 21	
New York, court order	Mandatory		1973	5 to 21	
North Carolina	do		1974	Birth to adulthood deaf 18 or 21 if need exists.	
North Dakota	do	1980	1973	6 to 21	
Ohio	Petition (8 or more crippled or EMR)			5 to 21	
Pennsylvania, court order	EMR		1971	From 5 years of age	
Oklahoma	Mandatory		1970	4 to 21 (until 25 if necessary)	
Oregon	do		1973	Birth to 21; EMR 6 to 21	
Rhode Island	do		1971	3 to 21	
South Carolina	Planning and programing	1977		6 to 21, HI 3 to 21	
South Dakota	Mandatory		1969	Birth to 21	
Tennessee	Planning and programing	(6)		4 to 21	
Texas	Petition			3 to 21	
Utah	Mandatory		1973	5 to 21	
Vermont	do		1968	Birth to 21	
Virginia	Planning	1976–77 [7]	1973	2 to 21	
Washington	Mandatory		1971	Legal school age	
West Virginia	do	(8)	1974	5 to 23	
Wisconsin	do	(9)	1973	Birth to 21	
Wyoming	do		1969	Legal school age	

[1] Current statute is conditional; or 5 or more similarly handicapped children in district. AG opinion says new law effective July 1973.
[2] Except PH–3 to 21.
[3] Court order suggests present rights.
[4] Petition—(at least 4 EMR, TMR or PH).
[5] Aurally handicapped, 3 to 21.
[6] September 1974.
[7] Established by regulation.
[8] July 1, 1974.
[9] Aug. 9, 1973.

TRIBUTE TO FORMER SENATOR WAYNE MORSE

Mr. HOLLINGS. Mr. President, it was with much sadness that I learned of the passing of our good friend and former colleague, Wayne L. Morse, of Oregon. News of his death came as a shock to all of us who were following his typically energetic campaign to regain a seat in the U.S. Senate.

When I remember Wayne Morse, I recall a man who said what he thought and did what he said. He pulled no punches. And he was capable of a mighty wrath. I believe we have lost much of our capacity for righteous indignation. And I think our inability to get really stirred up—to get mad—is a loss for the country. When Government fails to perform—when those in high office become more devoted to individual advancement than to public service—and when all around us we see the public interest being

subordinated to the special interests—we ought to get mad. Wayne Morse got angry about such things, and he did something about them. His was not a petty anger. It was an indignation that grew out of his unflinching dedication to right. He was, of course, a controversial man, and his out-spokenness led him into many frays. But through it all, he remained true to his principles and true to himself.

Wayne Morse's name will be writ large when the legislative history of the 1940's, 1950's, and 1960's is written. In education, in agriculture, in labor, in efforts to avoid the pitfalls of Southeast Asia, and in countless other areas, Wayne Morse was active, and the reform measures of the past quarter century more often than not bear his imprint.

Mr. President, I served for only a brief time alongside Wayne Morse in this Chamber, but I often saw him in subsequent years. I valued his counsel and I will always treasure his friendship. He was a fine public servant. And he was a good man. I join my colleagues in extending deepest condolences to his family.

TRIBUTE TO SENATOR WAYNE MORSE

Mr. KENNEDY. Mr. President, Hal Gross worked for Senator Wayne Morse in Oregon and then came to Washington in 1968 to serve under Senator Morse's chairmanship on the staff of the Special Subcommittee on Indian Education. He continued working for the subcommittee under my chairmanship and that of my brother Robert, and he has recently been consultant to my administrative practice and procedure subcommittee.

Mr. Gross has shared with me his moving thoughts on the death of Senator Morse, and I would like to share them with my colleagues:

I ask unanimous consent that the eulogy by Mr. Gross be printed in the RECORD.

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

EULOGY OF SENATOR WAYNE MORSE

Wordsworth, speaking of another, described Wayne Morse:

"The monumental pomp of age
Was with this goodly personage;
A stature undepressed in size,
Unbent, which rather seemed to rise
In Victory o'er the weight
Of seventy years, to loftier height."

Wayne Morse died, as he would have chosen, fighting with all his great strength to restore moral leadership to his nation, and rule of law to the world.

Behind him he leaves the only immortality he sought: his great influence on the lives of us who knew him, and to whom he taught so much.

For he was many things: devoted husband, father, grandfather; statesman, moral leader, constitutional lawyer, teacher. But, of these, he was a teacher first, and he often saw fellow Senators as students—who were neither apt nor anxious to learn. Repetition, he often said, is a teacher's best ally.

His teacher's role was best exemplified by the case that history will remember best—his opposition from its inception to the unconstitutional and immoral participation of this nation in the Vietnam war. While others at first found it necessary or convenient to compromise or vacillate, or simply to remain silent, Wayne Morse, with Ernest Gruening, alone resisted.

His loyalty questioned by self-styled patriots, Senator Morse remembered and repeated Carl Schurz' words, with the lines others had forgotten:

"Our country, right or wrong:
When right, to be kept right;
When wrong, to be put right."

Happily, he lived to see not "peace with honor", for there is neither peace nor honor in Vietnam, but at least our disengagement from the war; and he lived to see the nation persuaded of the view that he and Senator Gruening had once maintained alone. Appropriately, his last trip to Washington from Oregon was to eulogize his late, long-time friend and colleague, Ernest Gruening, whose death preceded his own by just three weeks.

Wayne Morse lived his life from beginning to end as a demonstration of those high principles in which he so strongly believed: the unflinching courage of his convictions, uncompromising integrity, determined devotion to duty. The nation will long feel his loss, for who is there to replace him?

His death comes at an historic moment when the Members of Congress, who were his students so often, will be tested to show whether those lessons that Wayne Morse taught, by word and by deed—courage, integrity, duty and a devotion to the Constitution—have been learned. His memory will best be served if Congress can pass that test.

NEED FOR AGENCY FOR CONSUMER ADVOCACY—A TRAGIC ILLUSTRATION

Mr. PERCY. Mr. President, a most moving letter to me from Mr. Elizabeth Greenwold, of Washington, D.C., points up the need for a Consumer Protection Agency—now renamed Agency for Consumer Advocacy.

Mrs. Greenwold describes a July 11, 1974, automobile accident in which her friend, Mrs. Pat Kiley, and Mrs. Kiley's 2-year-old daughter, Jessica, were tragically burned to death. Chris Kiley, Mrs. Kiley's 4-year-old son, who was to begin nursery school in September also suffered severe burns. He remains in critical condition at the Boston Hospital for Burns. Mrs. Greenwold writes:

If he survives, only God knows in what condition.

Possibly the most tragic aspect of this deplorable misfortune is that it might have been prevented by responsible Federal agency action.

The Kiley car was struck from the rear by a vehicle traveling at a relatively low speed. Instantaneously, the fuel tank erupted into flames. The impact force of the crash was not sufficient to have killed and injured members of the Kiley family.

The Department of Transportaton's National Highway Traffic Safety Administration should have taken action to alter the design characteristics of gas tanks and their placement, which appears to have been a prospective cause of this crash. It almost did 4 years ago. Recognizing the inadequacy of then-existing fuel tank flammability standards, NHTSA in August 1970 issued a proposed rulemaking. Under the proposal, rear-end collision tests would have been required by January 1, 1972. I note that Mrs. Kiley's car was struck from the rear in 1974. Also, the rulemaking proposed that standards for permissible leakage of gasoline following a crash be made more stringent.

NHTSA received 34 comments on this proposed rulemaking. Only one comment, a 1½-page letter, from Consumers Union was supportive. By contrast, automobile manufacturers and their trade associations filed thousands of pages of comment strongly opposed to the proposal. Cost of testing and producing sturdier fuel tanks, the stringency of the proposed standards, and an early implementation date were the industry's primary objections.

In the face of this barrage of industry criticism, which constituted virtually all public input into the agency's decision-making process, NHTSA withdrew the proposed standards altogether. To this day there is no requirement for rear-end testing for fuel tank safety.

This example dramatically illustrates the need to redress the balance of representation in the Federal regulatory process. Organized consumer input is essential if regulations truly in the public interest are to be promulgated. I fervently hope that the Senate will act to safeguard against future tragedies of this kind. I strongly recommend expeditious enactment of the Agency for Consumer Advocacy. The health, safety, and economic welfare of 210,000,000 Americans is at stake.

Mrs. Greenwold writes concerning enactment of ACA:

Some may see this bill as a conflict between interest groups or a conflict of abstract ideas. I see it in terms of a specific human tragedy that cuts through the abstract concepts and the political maneuvering to the heart of the issue: when mothers are buried and their children lie in pain on the brink of death, those with the power to help prevent this from happening again must act to do so. If effective consumer representation saves the life of one child, creation of the Consumer Protection Agency will have been worthwhile.

Mr. President, a shortened version of Mrs. Greenwold's letter appears in the July 25, 1974, edition of the Washington Post. I will include the full text of the letter as I received it at the conclusion of my remarks. One portion of the letter edited out in the Post reprint identifies Mrs. Kiley as having been an active participant in public affairs. Among other political involvement, Mrs. Kiley worked for many years for former Senator Jack Miller of Iowa. Senator Miller earned high regard from all his colleagues for his resolute and forward-looking legislative stands. I might add that Senator Miller voted to break the filibuster being waged against the CPA bill in 1972.

Mr. President, I ask unanimous consent that the full text of Mrs. Elizabeth Greenwold's letter to me dated July 17, 1974, be printed in the RECORD.

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

Washington, D.C., July 17, 1974.

EDITOR,
The Washington Post,
Washington, D.C.

DEAR SIR: On Thursday, July 11, Mrs. Pat Kiley and her two-year-old daughter, Jessica, were killed in an automobile accident in New York. Their obituary appeared in the Post on Saturday, July 13. Pat had worked for many years for Senator Jack Miller of Iowa and for the Republican Governors Association, and had been vigorously involved in Republican politics throughout her career. She and her husband, Bob, had many friends in the Washington area. The way she and her little girl died—so needlessly—raises urgent questions of public policy. Ironically, the very day after they were buried, the Senate began debate on a bill that could have helped to save their lives.

Pat and Jessica were killed when their car was struck from the rear by a vehicle traveling at a relatively low speed. Their deaths were not caused by the impact of the collision, which was slight, but by the fire that broke out when their fuel tank erupted in flames. Pat's four-year-old son, Chris, who was to have begun nursery school with my daughter beginning in September, remains in critical condition at the Boston Hospital for Burns. Doctors there say his injuries are among the most severe they have ever seen. He may not survive. If he does, only God knows in what condition.

The National Highway Traffic Safety Administration has authority to regulate automobile safety, including the safety of fuel tanks. In 1968, NHTSA set forth standards and test procedures governing fuel tanks. The test procedures provided only for front-end collision testing, and there was no requirement for rear-end collision tests, in spite of the fact that when such collisions do occur, they pose a more serious hazard of fuel tank fires. Recognizing that their existing standards and testing procedures were inadequate to protect the public, NHTSA in August 1970 issued proposed new standards and testing procedures that would have required rear-end collision testing by January 1, 1972 and toughened the standard for permissible leakage of gasoline after the crash.

When the proposed new standards were published, NHTSA received 34 comments on them. Of these, only one comment, a 1½ page letter from Consumers Union, supported the proposed standards or suggested more stringent ones. By contrast, automobile manufacturers and their trade associations filed a host of comments, totaling nearly a thousand pages, strongly opposing the proposed standards. The companies opposed them on the ground that the testing would be too expensive, the standards too strict, and the implementation date too soon.

In the face of this barrage of industry criticism, which represented nearly all the public input into the agency's process, NHTSA retreated and withdrew the proposed standards altogether. *As a result, to this day there is no requirement for rear-end collision testing for fuel tank safety.* NHTSA currently has under reconsideration a proposal for rear-end collision testing, less stringent than the 1970 standards, that would not go into effect until September 1, 1975.

There is no question that the virtual unanimity of the comments received by the agency in 1970 is responsible for the fact that no rear-end collison standards are currently in effect. It may be that NHTSH's decision in this matter can be justified, but it is a fact that the issue was never really fought out by effective spokesmen for all positions because virtually the only input into NHTSA's decision-making process came from automobile companies.

I do not know whether implementation of the 1970 standards would have kept Pat Kiley's car from bursting into flames. I do know that there is no justifiable reason why such tragedies should occur, and I am appalled that to this day and henceforward until late 1975 no automobile model will be required to undergo a test to show that it can safely withstand a rear-end collision without becoming a flaming death trap.

This terrible tragedy has a direct and immediate bearing on a bill currently pending before the Senate. The bill, S. 707, would establish a Consumer Protection Agency, the primary function of which would be to present arguments on behalf of consumer interests—such as the interest in not having one's car catch fire—to federal agencies such as NHTSA. A Consumer Protection Agency, if it had been in existence in 1970, could have supported the position that rearend collision standards should go into effect promptly and provided an effective counterforce to the unanswered arguments of the automobile industry. Since such arguments were not made, the position of the industry prevailed by default.

It appears to me to be absolutely essential that consumers—who are the real Silent Majority in this country—be able to look to an organization that has the means and the responsibility to provide a reasonable degree of consumer input into the decisions of regulatory agencies. Right now that input just doesn't exist, and it isn't likely to come into existence in the foreseeable future unless an agency like the Consumer Protection Agency is created.

A bipartisan majority of the Senate favors S. 707. However, a determined filibuster is underway, backed by, among others, the major automobile companies, to prevent the Senate from voting on the bill. The real vote on the bill will be the vote on cloture, and that vote will be close. According to all reports, the votes of about a dozen Senators will decide the outcome.

Some may see this bill as a conflict between interest groups or a conflict of abstract ideas. I see it in terms of a specific human tragedy that cuts through the abstract concepts and the political maneuvering to the heart of the issue: when mothers are buried and their children lie in pain on the brink of death, those with the power to help prevent this from happening again must act to do so. If effective consumer representation saves the life of one child, creation of the Consumer Protection Agency will have been worthwhile. And if the tragedy that has already occurred puts the issue before the Senate in this sharp focus, then "these dead shall not have died in vain."

Sincerely,

ELIZABETH S. GREENWOLD.

INFLATION

Mr. CASE. Mr. President, earlier this month, the Senate passed Senate Concurrent Resolution 93, authorizing the Joint Economic Committee to conduct an emergency study of the economy and to recommend legislative remedies to the Congress.

Tuesday, we passed Senate Resolution 363 calling for a domestic summit conference on the economy.

Although each of these resolutions has merit, I believe there is one more highly constructive and necessary step the Senate must take in this area. I believe we must pass Senate Concurrent Resolution 88, introduced by Senators NELSEN, HART, HUMPHREY, and JAVITS, establishing a 20- to 30-member Joint Economic Committee Advisory on the economy.

When I announced my cosponsorship of Senate Concurrent Resolution 88 on June 24, I said:

I think we need to give the Joint Economic Committee the resources to study this situation, to look at this new set of circumstances, and perhaps to devise new approaches to the perplexing problems that are upon us.

The Nation's economic planners last year were unprepared for the effect of foreign demand on domestic prices. The oil embargo and subsequent dramatic rise in fuel prices placed a tremendous strain on the economy. Shortages have cropped up in basic materials; bottlenecks have hamstrung areas of industrial output. The prime rate is up, housing construction is down, and our dollar is losing purchasing power every month. The total rate of inflation is the sum of many parts—years of accumulated pressure for a "growth" economy rather than a stable economy, increasing worldwide affluence accompanied by rising worldwide demand, competition for dwindling supplies, a price-hike wage-hike spiral.

These are new problems, and simply calling for continued tight money or a balanced budget or reduced Federal spending does not address any of them. And both of the resolutions we have already passed simply urge existing institutions to do their jobs. This is not enough. We must be prepared to reach for new ideas, to call on new sources of information, possibly to reappraise much of our old thinking about the causes of and cures for inflation. I urge the Senate to pass Senate Concurrent Resolution 88, to give the Joint Economic Committee—and the Congress—the additional expertise to act affirmatively to slow down inflation and restore a stable economy.

SENATOR WAYNE MORSE

Mr. HUMPHREY. Mr. Prcsident, Wayne Lyman Morse was a man of the people and for the people.

He worked tirelessly for them.

He believed in their goodness and decency.

He shared their hopes and fears.

Yes, he fought their battles. He raised his voice so often on their behalf.

Senator Wayne Morse walked that extra mile for his people—the people of his beloved Oregon, the American people.

On Friday, we will lay to rest my dear friend and colleague of so many years and so many struggles—the champion of progressive causes, gifted lawmaker, legal scholar, respected arbitrator, brilliant teacher, harsh critic, dissenter, lover of rural life, champion of human rights, and devoted husband and father. Wayne Morse was certainly all these things. And he was more.

Those of us who were close to him understood the drive, the stamina, the moral, and intellectual strength of this good man.

Wayne Morse had his roots in the rural heartland of our Nation. He was nurtured on turn-of-the century populism. Early on he knew the meaning of hard times. Though his education took him a long way from his father's Wisconsin farm, he never forgot his rural heritage. He never forgot what men like Bob LaFollette, George Norris, and William Jennings Bryan meant to so many

millions of Americans. Throughout his long career of public service, he personified the independence, the courage, the might of these men.

To his everlasting credit, he took midwestern populism and transplanted it in the great Northwest where he and it flourished so well.

Yes, when remembering Wayne Morse, we must speak of his staunch independence.

His trademark was his shameless sense of being beholden to no one political party, to no single group or interest, to no single political figure.

To be sure, Wayne was combative because he was unwilling to yield on his convictions. He was unwilling to compromise on principle. In the political world where all too often lack of conviction gives way to political expediency. Wayne Morse fiercely stood his ground. His friends knew this. His enemies knew it as well.

Wayne Morse's achievements are both of spirit and of substance.

To his life's work, he brought tireless energy and relentless pursuit of his goals. Wayne Morse never gave up.

He never gave up his struggles against policies and people he believed to be wrong or injurious to the strength of the Republic.

He never gave up his commitment for civil rights and economic justice for all Americans whether these battles were waged in Oregon or in the halls of Congress.

He never gave up in his efforts to protect the rights of labor and the needs of the working people.

He never gave up the quest for quality education for the children of America.

He never gave up his belief that America could not be the world's policeman and that our involvement in Vietnam was morally wrong. Yet, he consistently supported our efforts to aid the weak and the needy in the post-war world.

But most important of all, he never abandoned his desire to serve the people of Oregon. Political defeat did not deter him. Setbacks never caused his sure steps to falter.

In the fall of 1971 he expounded on his spirit of determination. He said:

I have always said, I said before I was defeated, that I would never retire, that I was going to continue with my boots on. That happens to be my blood chemistry. I think it is very important that we recognize that you can't, shouldn't in the interest of the public, say that somebody should not continue to serve the people of his state and country simply because he's reached the age that some people retire.

And he was taken from us as he campaigned, as he participated in the process so vital to our democracy.

This Nation of ours was in such desperate need of Wayne Morse. We needed him at a time when so few people seem to have faith in the political process. He could have helped restore that faith because the people believed Wayne Morse.

We needed him at a time of moral decay and wrongdoing in the highest office of the land. Wayne Morse would not have been afraid to condemn those who have betrayed the public trust.

Yes, we needed Wayne for his sense of vision and purpose, for his integrity, for his courage. We needed that old tiger back in the Senate.

I mourn the loss of a good friend. His dear wife Mildred and his children have lost a husband and father. America has lost a man who dared to fight for what he believed was right.

American life and American politics at midcentury were made better by Wayne Morse's ceaseless endeavors on our behalf. His contribution to our lives was only a small measure of what he still intended to give.

NATIONAL DIABETES MELLITUS RESEARCH AND EDUCATION ACT

Mr. SCHWEIKER. Mr. President, I am pleased that the President has signed into law the National Diabetes Mellitus Research and Education Act, which I introduced in the Senate. This act will at long last focus the full attention of public and private research on the fifth leading killer and one of the leading causes of blindness among Americans. Diabetes is also related to heart disease, hypertension, and kidney disease, but until now there has been no coordinated effort to combat it the way we are attempting to fight diseases like cancer and heart disease.

This law sets up a National Commission to formulate a long-range plan to combat diabetes, creates the position of Associate Director for Diabetes within the National Institute of Arthritis, Metabolism and Digestive Diseases, and creates a committee within the National Institutes of Health composed of representatives of each of the Institutes concerned with health problems relating to diabetes.

The enactment of this legislation is the culmination of a long effort to get the government committed to curing diabetes. My original bill, S. 17, was introduced on January 4, 1973. S. 2830, based on my bill, passed the Senate December 20, 1973, and the House passed similar legislation March 19, 1974. Two weeks ago the House passed the conference report by an overwhelming vote of 356 to 4, and the Senate by 94 to 0. I am especially pleased to have authored this legislation which will accelerate and coordinate national efforts against diabetes.

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

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

NATIONAL DIABETES MELLITUS RESEARCH AND EDUCATION ACT

SHORT TITLE

SECTION 1. This Act may be cited as the "National Diabetes Mellitus Research and Education Act".

FINDINGS AND DECLARATION OF PURPOSE

SEC. 2. (a) The Congress makes the following findings:

(1) Diabetes mellitus is a major health problem in the United States which directly affects perhaps as many as ten million Americans and indirectly affects perhaps as many as fifty million Americans who will pass the tendency to develop diabetes mellitus to their children or grandchildren or to both.

(2) Diabetes mellitus is a family of diseases that has an impact on virtually all biological systems of the human body.

(3) Diabetes mellitus is the fifth leading cause of death from disease, and it is the second leading cause of new cases of blindness.

(4) The severity of diabetes mellitus in children and most adolescents is greater than in adults, which in most cases involves greater problems in the management of the disease.

(5) The complications of diabetes mellitus, particularly cardiovascular degeneration, lead to many other serious health problems.

(6) Uncontrolled diabetes mellitus significantly decreases life expectancy.

(7) There is convincing evidence that the known prevalence of diabetes mellitus has increased dramatically in the past decade.

(8) The citizens of the United States should have a full understanding of the nature of the impact of diabetes mellitus.

(9) The attainment of better methods of diagnosis and treatment of diabetes mellitus deserves the highest priority.

(10) The establishment of regional diabetes research and training centers throughout the country is essential for the development of scientific information and appropriate therapies to deal with diabetes mellitus.

(11) In order to provide for the most effective program against diabetes mellitus it is important to mobilize the resources of the National Institutes of Health as well as the public and private organizations capable of the necessary research and public education in the disease.

(b) It is the purpose of this Act to—

(1) expand the authority of the National Institutes of Health to advance the national attack on diabetes mellitus; and

(2) as part of that attack, to establish a long-range plan to—

(A) expand and coordinate the national research effort against diabetes mellitus;

(B) advance activities of patient education, professional education, and public education which will alert the ctizens of the United States to the early indications of diabetes mellitus; and

(C) to emphasize the significance of early detection, proper control, and complications which may evolve from the disease.

DIABETES PLAN

SEC. 3. (a) The Director of the National Institutes of Health shall, within sixty days of the date of the enactment of this section, establish a National Commission on Diabetes (hereinafter in this section referred to as the "Commission").

(b) The Commission shall be composed of seventeen members as follows:

(1) The Directors of the seven Institutes referred to in subsection (e).

(2) Six members appointed by the Secretary of Health, Education, and Welfare from scientists or physicians who are not in the employment of the Federal Government and who represent the various specialties and disciplines involving diabetes mellitus and related endocrine and metabolic diseases.

(3) Four members appointed by the Secretary of Health, Education, and Welfare from the general public. At least two of the members appointed pursuant to this paragraph shall be diabetics or parents of diabetics.

The members of the Commission shall select a chairman from among their own number.

(c) The Commission may appoint an executive director and such additional personnel as it determines are necessary for the performance of the Commission's functions.

(d) Members of the Commission who are officers or employees of the Federal Government shall serve as members of the Commission without compensation in addition to that received in their regular public employment. Members of the Commission who are not officers or employees of the Federal Government shall each receive the daily equivalent of the rate in effect for grade GS–18 of the General Schedule for each day (including traveltime) they are engaged in the performance of their duties as members of the Commission. All members of the Commission shall be entitled to reimbursement for travel, subsistence, and other necessary expenses incurred by them in the performance of their duties as members of the Commission.

(e) The Commission shall formulate a long-range plan to combat diabetes mellitus with specific recommendations for the utilization and organization of national resources for that purpose. Such a plan shall be based on a comprehensive survey investigating the magnitude of diabetes mellitus, its epidemiology, and its economic and social consequences and on an evaluation of available scientific information and the national resources capable of dealing with the problem. The plan shall include a plan for a coordinated research program encompassing programs of the National Institute of Arthritis, Metabolism, and Digestive Diseases, the National Eye Institute, the National Institute of Neurological Diseases, the National Heart and Lung Institute, the National Institute of General Medical Sciences, the National Institute of Child Health and Human Development, and the National Institute of Dental Research, and other Federal and non-Federal programs. The coordinated research program shall provide for—

(1) investigation in the epidemiology, etiology, prevention, and control of diabetes mellitus, including investigation into the social, environmental, behavioral, nutritional, biological, and genetic determinants and influences involved in the epidemiology, etiology, prevention, and control of diabetes mellitus;

(2) studies and research into the basic biological processes and mechanisms involved in the underlying normal and abnormal phenomena associated with diabetes mellitus, including abnormalities of the skin, cardiovascular system, kidneys, eyes, and nervous system, and evaluation of influences of other endocrine hormones on the etiology, treatment, and complications of diabetes mellitus;

(3) research into the development, trial, and evaluation of techniques and drugs used in, and approaches to, the diagnosis, treatment, and prevention of diabetes mellitus;

(4) establishment of programs that will focus and apply scientific and technological efforts involving biological, physical, and engineering science to all facets of diabetes mellitus;

(5) establishment of programs for the conduct and direction of field studies, large-scale testing and evaluation, and demonstration of preventive diagnostic, therapeutic, rehabilitative, and control approaches to diabetes mellitus;

(6) the education and training of scientists, clinicians, educators, and allied health personnel in the fields and specialties requisite to the conduct of programs respecting diabetes mellitus;

(7) a system for the collection, analysis, and dissemination of all data useful in the prevention, diagnosis, and treatment of diabetes mellitus;

(8) appropriate distribution of resources between basic and applied research.

The long-range plan formulated under this subsection shall also include within its scope related endocrine and metabolic diseases and basic biological processes and mechanisms, the better understanding of which is essential to the solution of the problem of diabetes mellitus.

(f) In the development of the long-range plan under subsection (e), attention shall be given to means to assure continued development of knowledge, and dissemination of such knowledge to the public, which would form the basis of future advances in the understanding, treatment, and control of diabetes mellitus.

(g) The Commission may hold such hearings, take such testimony, and sit and act at such time and places as the Commission deems advisable to develop the long-range plan required by subsection (e).

(h) (1) The Commission shall prepare for each of the Institutes whose programs are to be encompassed by the plan for a coordinated diabetes research program described in subsection (e) budget estimates for each Institute's part of such program. The budget estimates shall be prepared for the fiscal year ending June 30, 1976, and for each of the next two fiscal years.

(2) Within five days after the Budget for the fiscal year ending June 30, 1976, and the Budget for each of the next two fiscal years is transmitted by the President to the Congress the Secretary shall transmit to the Committees on Appropriations of the House of Representatives and the Senate, the Committee on Labor and Public Welfare of the Senate, and the Committee on Interstate and Foreign Commerce of the House of Representatives an estimate of the amounts requested for each of the Institutes for diabetes research, and a comparison of such amounts with the budget estimates prepared by the Commission under paragraph (1).

(i) (1) The Commission shall publish and transmit directly to the Congress (without prior administrative approval) a final report within nine months after the date funds are first appropriated for the implementation of this section. Such report shall contain the long-range plan required by subsection (e), the budget estimates required by subsection (h), and any recommendations of the Commission for legislation.

(2) The Commission shall cease to exist on the thirtieth day following the date of the submission of its final report pursuant to paragraph (1) of this subsection.

(j) There are authorized to be appropriated to carry out the purposes of this section $1,000,000.

"DIABETES RESEARCH AND TRAINING CENTERS CONTROL PROGRAMS

SEC. 4. Section 317 of the Public Health Service Act is amended—

(1) by striking out "communicable disease control" each place it occurs and inserting in lieu thereof "communicable and other disease control";

(2) by striking out "communicable diseases" in subsection (a) and inserting in lieu thereof "communicable or other diseases";

(3) by striking out "communicable disease program" in subsection (a) and inserting in lieu thereof "communicable or other disease control program";

(4) by striking out "communicable disease" in subsection (b)(2)(C)(i) and inserting in lieu thereof "communicable or other disease";

(5) by striking out "Rh disease," in subsection (h)(1) and by inserting "diabetes mellitus and Rh disease and" before "tuberculosis" in that subsection; and

(6) by striking out "COMMUNICABLE" in the section heading.

RESEARCH AND TRAINING CENTERS; DIABETES COORDINATING COMMITTEE AND GENERAL AUTHORITY

SEC. 5. (a) Part D of title IV of the Public Health Service Act is amended by adding at the end thereof the following new sections:

DIABETES MELLITUS PREVENTION AND

"SEC. 435. (a) Consistent with applicable recommendations of the National Commission on Diabetes, the Secretary shall provide for the development, or substantial expansion, of centers for research and training in diabetes mellitus and related endocrine and metabolic disorders. Each center developed or expanded under this section shall (1) utilize the facilities of a single institution, or be formed from a consortium of cooperating institutions, meeting such research and training qualifications as may be prescribed by the Secretary; and (2) conduct (A) research in the diagnosis and treatment of diabetes mellitus and related endocrine and metabolic disorders and the complications resulting from such disease or disorders, (B) training programs for physicians and allied health personnel in current methods of diagnosis and treatment of such disease, disorders, and complications, and (C) information programs for physicians and allied health personnel who provide primary care for patients with such disease, disorders, or complications. Insofar as practicable, centers developed or expanded under this section shall be located geographically on the basis of population density throughout the United States and in environments with proven research capabilities.

"(b) The Secretary shall evaluate on an annual basis the activities of centers developed or expanded under this section and shall report to the Congress (on or before June 30 of each year) the results of his evaluation.

"(c) There are authorized to be appropriated to carry out this section $8,000,000 for fiscal year ending June 30, 1975, $12,000,000 for fiscal year ending June 30, 1976, and $20,000,000 for fiscal year ending June 30, 1977.

"DIABETES COORDINATING COMMITTEE

"SEC. 436. For the purpose of—

"(1) better coordination of the total National Institutes of Health research activities relating to diabetes mellitus; and

"(2) coordinating those aspects of all Federal health programs and activities relating to diabetes mellitus to assure the adequacy and technical soundness of such programs and activitis and to provide for the full communication and exchange of information necessary to maintain adequate coordination of such programs and activities, the Director of the National Institutes of Health shall establish a Diabetes Mellitus Coordinating Committee. The Committee shall be composed of the Directors (or their designated representatives) of each of the Institute and divisions involved in diabetes-related research and shall include representation from all Federal departments and agencies whose programs involve health functions or responsibilities as determined by the Secretary. The Committee shall be chaired by the Director of the National Institutes of Health (or his designated representative). The Committee shall prepare a report as soon after the end of each fiscal year as possible for the Director of the National Institutes of Health detailing the work of the Committee in carrying out the coordinating activities described in paragraphs (1) and (2).

(b) Section 434 of the Public Health Service Act is amended by adding at the end the following new subsection:

"(d) The Director of the National Institute of Arthritis, Metabolism, and Digestive Diseases, working through the Associate Director for Diabetes (if that position is established), shall (1) carry out programs of support for research and training in the diagnosis, prevention, and treatment of diabetes mellitus and related endocrine and metabolic diseases, and (2) establish programs of evaluation, planning, and dissemination of knowledge related to research

and training in diabetes mellitus and related endocrine and metabolic diseases."

ASSOCIATE DIRECTOR FOR DIABETES

SEC. 6. The Secretary of Health, Education, and Welfare may establish within the National Institute of Arthritis, Metabolism, and Digestive Diseases the position of Associate Director for Diabetes who would report directly to the Director of the Institute and who, under the supervision of the Director of the Institute, would be responsible for programs with regard to diabetes mellitus within the Institute.

TRIBUTE TO YANCEY BROS. CO., OF GEORGIA

Mr. TALMADGE. Mr. President, Dixie Business magazine recently paid tribute to Yancey Bros. Co. of the Atlanta area, the Nation's oldest dealer in Caterpillar tractors.

Yancey Brothers has, since 1914, been supplying Georgia's farmers and agribusinessmen with quality machinery, and over the past 5 years their sales have grown by over 100 percent.

Still a vital part of the Atlanta economy and still growing, Yancey Bros. was written up by Dixie Business editor Hubert Lee. I ask that this article, along with a Rotary Club biography of Goodloe Yancey III, be printed in the RECORD.

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

[From Dixie Business magazine]

YANCEY BROS. CO. CELEBRATES 60TH ANNIVERSARY

(By Hubert Lee)

The signs read "Take Another Look At Yancey . . . 60 Years."

The celebration was that of the nation's oldest Caterpillar dealer's, Yancey Bros. Co., Sixtieth Anniversary Open House at headquarters on I–20 at Six Flags exit, just west of Atlanta.

Chairman of the Board Don A. Yancey and President Goodloe H. Yancey, III were greeting guests at the door as they registered and ladies received lovely corsages.

Over 1500 people saw the first public demonstration of the new small Caterpillar utility machines (Caterpillar D3 Track-Type Tractor, 910 Wheel Loader, 931 Track Loader), toured the Parts and Service product support facilities, and enjoyed a barbecue lunch.

"Yes, Yancey Bros. Co. certainly has come a long way since 1914, when Goodloe and Earle Yancey first merchandised county supplies and machinery," said Don Yancey.

"In those days, Goodloe and Earle traveled to see all their customers, then mainly counties.

"With the advent of the automotion and gasoline buggies, public demand for quality roadways drew the Yanceys to switch from the J.B. Adams mule grader to a mechanized tractor by Holt Manufacturing Company." "Thus with only a picture of a $4,750 tractor, Goodloe Yancey sold every available tractor not going to the U.S. Army, Holt's only customer."

In 1919, Yancey Bros. became the first U.S. dealer of Holt Manufacturing Company, which later merged with Best Tractor Co. to form Caterpillar Tractor Company.

"Yancey Bros. territories then covered Georgia, Alabama, Florida and South Carolina. As sales mushroomed Caterpillar reorganized territories, assigning Yancey Bros. Georgia.

Later, they reassigned 83 counties in North and Central Ga. However the Yanceys continued to set new sales and distributor records."

A 1919 Holt Memo reads, ". . . the most satisfactory distributing connection yet made is that with Yancey Bros. at Atlanta, Georgia.

"They are strikly hustlers and we could not ask for better representatives . . ."

In 1921, Yancy Bros. moved to 634 Whitehall Street, S.W.

Business boomed and building expansion kept pace to meet customer demands.

The depression slowed sales, but Yancey Bros. still looks back on the 30s with a smile.

"Mr. Goodloe (as friends called the founder) was always proud of the fact that not a single employee was laid off; we unplugged the Western Union clock to save $1.25 and reduced telephone service to cut expenses," continued Don.

As the economy strengthened, Yancey Bros. again responded to the needs of their customers, opening sales/product support branches in Augusta, 1947, and Macon, 1957; new headquarter facilities were built at 1540 Morningside Drive, . . . NW in 1951.

However, before long, the most energetic and aggressive Caterpillar dealer had soon outgrown their facilities and moved to their present 22 acre Cobb County headquarters.

The next year, Mr. Goodloe Yancey died, and President Don A. Yancey was elected Chairman of the Board.

Don Yancey carried forth the company insight and equipment leadership with which Yancey Bros. once was instrumental in providing initial organization for the Georgia Association of County Commissioners and the Georgia State Highway Department. His direction led to acquiring the assets of the Baily Co. in Mountain View, with which Yancey Bros. became the Towmotor lift truck dealer.

In 1973, Yancey Bros. again began expansion, breaking ground for a new 9½ acre facility in Augusta and adding 10,000 sq. ft. to their Towmotor products support branch.

President Goodloe H. Yancey, III, elected in January, continues to set new horizons for Yancey Bros. . . . seeing future growth in five areas:

(1) increased general product line market penetration:

(2) Towmotor lift trucks:

(3) engine sales:

(4) the recently introduced hydraulic excavators and

(5) small utility machine lines.

The young President admits to chills in his spine while pondering Yancey Bros. growth of tomorrow.

"Our aggressiveness and innovativeness will be our only limits to future developments," challenges Goodloe.

Under the Yancey spirit. Don and Goodloe now lead an organization of 467 employees, with sales growing over 100% in the past five years.

Both Yanceys are members of the Rotary Club of Atlanta, Georgia Highway Contractors Association, American Road Builders Association, SE Caterpillar Dealers Association.

Goodloe Yancey, III, is past president of the SE Towmotor Dealers Association and the Georgia Equipment Distributors Association.

Don A. Yancey, chairman, began his career with the Yancey Tractor Company in Albany, Ga. in 1935.

After serving in World War II, he resumed his business career in 1946 with Yancey Bros. Co.

In 1948, he was named vice president and in 1958 was elected president.

In January 1974, he was elected chairman.

Goodloe Yancey, III, was elected president in January 1974.

He served as executive vice-president since 1972, as well as general manager.

Goodloe Yancey, III, joined Yancey Bros. Co., in 1954 after graduating from the University of Ga. and serving as First Lieutenant in the U. S. Air Force.

Since 1954 he has held positions in Sales Training, Part Sales, General Line Sales, and served as Sales Promotion Manager, Vice President, and Executive Vice President and General Manager.

In 1972 he attended Harvard University, where he completed the advanced management program.

[From Rotary in Atlanta, Mar. 17, 1969]

GOODLOE H. YANCEY III

ADDITIONAL ACTIVE

(By Chet Covey)

You'll recognize that name for it is the same that has held membership in our club for 34 years, however our earlier Goodloe Jr. is the uncle of Goodloe III. Both are named for Goodloe Harper Yancey, father and grandfather.

Our three prized Yanceys come from an illustrious family of Confederates. The grandfather of Goodloe, Jr. and great-grandfather of Goodloe III was William Lowndes Yancey, from South Carolina, born in 1814. He attended Williams College one year then studied law in Greenville, South Carolina. He was elected to Congress and served until the Union was dissolved. He was a strong proponent of the "Alabama Platform," which advocated permission and protection of slavery in all territories. He walked out of the national Convention in Baltimore when they failed to adopt the resolution, and as early as 1850 openly advocated secession. When the South finally seceded William Lowndes Yancey delivered the address of welcome to Jefferson Davis on his arrival in Montgomery, in which the famous statement "The man and the hour have met" was made. The South needed sympathy and help from abroad so Davis asked Yancey to head a commission to go to Europe for the purpose. Two other members who were following him, J. M. Mason and John Slidell, were removed from the British ship "Trent," but later joined him. By the time Yancey returned home the Federal Government had blockaded the southern coast. Yancey was put ashore near Mobile and set out to walk all the way home to Montgomery. Our beloved Goodloe Jr. has the canteen that he carried on that memorable occasion.

Well, so much for the progenitors of this new member. It might be added that the bulldog tenacity of the family was further demonstrated when Goodloe Jr. and brother Earl set out for the north intent on talking Caterpillar into permitting them to retail their machines. All sales had previously been made direct to the consumer. The brothers failed in their first few interviews, but they refused to go home and after a week came away with a contract and franchise. They were Caterpillars first dealers and remain one of their largest.

Goodloe III was born in Albany. Brother Don is much older, having married when Goodloe was a mere smidgen of 4 or 5. Goodloe finished high school in Albany, then took a year at G.M.C. in Milledgeville. From there he entered Georgia University majoring in Business Administration. He joined the Air Force after graduation, two years state-side. He joined the family business 15 years ago, and is now Vice President.

On a double date he met lovely Delores Ann Taylor, an Agnes Scott student. She happened to be the date of the other fellow, but Goodloe cut in and was persistent. They were married about a year later. Today they are the parents of three boys, Goodloe IV (you guessed it) 10, James 7, and Allen 6. The family attends St. Ann's Episcopal Church.

I am told that this youngster is one of the hardest workers in these parts, but he does

have time for the passion of his Uncle Goodloe, flower cultivation. He does some boating. He hopes soon to build a greenhouse.

The Yancey Company operates businesses in Atlanta, Macon and Augusta. They are now building a very massive installation far out on the north side, having outgrown their present establishment on Northside Drive.

Goodloe, if you can be just as good a man as your wonderful namesake Uncle and your capable and genial brother Don, Rotary will come to be as proud of you as it is them. Welcome.

DANGERS OF EXPORTING NUCLEAR POWER PLANTS

Mr. TUNNEY. Mr. President, the House was to have followed the Senate's lead this week and voted on a bill granting Congress the right to rescind administration proposals to send nuclear technology abroad. Unfortunately, they have been concerned with another matter and a vote is not expected until later in the month.

The measure, which passed the Senate unanimously, gives the American people and the world much needed extra insurance that no nuclear technology agreement will in the future become a passport for the proliferation of nuclear weapons.

The Joint Committee on Atomic Energy in the past has reviewed all proposals for nuclear transfer and, I might add, it has done so very competently. But its powers and Congress as a whole have been limited to study and not action, a situation the current legislation would correct.

Of course, the Congress did not decide to act on this situation without provocation. The President's nuclear proposals in June exacerbated the concerns that many of us have had for a long time.

A statement eloquently addressing these concerns was delivered to two House subcommittees last week by a distinguished expert in the field, Mason Willrich. I would like to recommend that statement and bring it to the attention of my colleagues.

Mr. Willrich is eminently qualified to discuss these nuclear proposals and the nuclear energy situation in general. He is a professor of law at the University of Virginia and has served as a consultant to the Ford Foundation, the RAND Corp., the U.S. Arms Control and Disarmament Agency, the Naval War College, and various private corporations. He is currently chairman of the International Energy Policy Study Group of the American Society of International Law and is a member of the Joint Board of Energy Studies of the National Academy of Science and the National Academy of Engineering. His most recent book, "Nuclear Theft: Risks and Safeguards," was published this year.

In his statement, Mr. Willrich sets forth three nonnegotiable provisions which he feels must be included in any upcoming agreement for nuclear cooperation:

First. Egypt and Irsael must ratify the Nuclear Nonproliferation Treaty.

Second. Egypt and Israel must guarantee that the reactors will be effectively protected against sabotage.

And third. Both countries must agree that the extremely dangerous plutonium produced in their reactors will not be reprocessed, stored, or fabricated on their territories without U.S. consent.

Mr. President, I agree with Mr. Willrich that we must have these three assurances before we should even begin to consider nuclear agreements. He states the case very well and he rebuts convincingly the argument that we should throw caution to the wind and conclude an arrangement now before a country like the Soviet Union beats us to it.

But I go beyond Mr. Willrich. His three provisions are essential but I think the world deserves even more protection. The dangers of these proposals are so great and the benefits so subject to debate that I wonder whether any assurances could ease my fears or soothe my conscience.

Mr. President, the Middle East war is anything but over and regardless of the safeguards that will be imposed or could be imposed, public opinion will justifiably link these agreements with the potential for atomic weapons. It is just too easy, no matter how extensive our precautions, for one of these countries to break the agreement and build a bomb, or for a terrorist group to seize a nuclear plant. The attack and destruction of a plant by conventional weapon or terrorist bomb would ruin a nearby city. According to the Atomic Energy Commission, it would kill an incredible number of people and render an area of thousands of square miles contaminated and uninhabitable for decades. Development of a tactical nuclear weapon in the Middle East would be even more disastrous.

We are preparing to put nuclear reactors in the hottest spot in the world at the same time that we are having trouble even convincing ourselves of their safety here at home. It does not make a great deal of sense and I am afraid that this move may bring us nearer to a horrible war, not closer to a lasting peace.

It is essential that the Congress have the right to annul these agreements and that is why the Joint Committee's bill is and I look forward to its speedy passage in the House.

Mr. President, I ask unanimous consent that Mr. Willrich's statement be printed in the RECORD.

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

STATEMENT OF MASON WILLRICH, BEFORE THE SUBCOMMITTEE ON INTERNATIONAL ORGANIZATIONS AND MOVEMENTS AND ON NEAR EAST AND SOUTH ASIA OF THE HOUSE FOREIGN AFFAIRS COMMITTEE, JULY 18, 1974

Mr. Chairman: The Arab oil embargo and the OPEC oil price explosion during last fall and winter gave fresh impetus to the development of nuclear power in many countries. The Indian nuclear explosion in May was a grim reminder of the close link between civilian and military uses of nuclear energy, notwithstanding the Indian government's declarations of its peaceful intentions. Then in June, President Nixon's offers of nuclear power reactors and fuel to Egypt and Israel was followed closely by the announcement of a Franco-Iranian barter of nuclear reactors for oil. Nuclear power was thus dramatically introduced into the Middle East, a region plagued by periodic outbreaks of conventional warfare and wracked by continuous terrorist violence, and also a region that contains over half of the world's proven oil reserves. In view of these events, U.S. foreign policy related to the development and use of nuclear power merits close review and, where appropriate, modification. I am pleased, therefore, to appear before you and I hope I can assist you in your review.

In this statement I will focus on some specific suggestions concerning, first the implementation of President Nixon's nuclear offers to Egypt and Israel and, second, the development of U.S. foreign policy in the nuclear market in light of the new world energy situation and the evolving nuclear weapon proliferation issue. My emphasis throughout will be on political and institutional concerns.

U.S. NUCLEAR POWER OFFERS TO EGYPT AND ISRAEL

Until the Nixon-Sadat statement in Cairo on June 14, 1974, I believe the prevailing view among knowledgeable persons was that nuclear power would not be introduced into the Middle East until after a political settlement had been reached. In fact, dual purpose nuclear plants to generate electricity and desalt saline water were suggested from time to time over the years as inducements for a settlement. Since the 1956 war, and especially after the 1967 war, numerous official and unofficial studies were made and various proposals were discussed. Nothing came of these efforts, however, because the generally understood prerequisite for implementation—a Middle East political settlement—remained far from achievement.

In this connection, I believe President Nixon's nuclear offers were premature. We all welcome the recent progress toward a more stable situation in the Middle East. Secretary Kissinger in particular has played a crucial catalytic role in the steps that have been taken. At the same time, however, we all recognize that agreements on permanent territorial boundaries and a solution to the problem of the Palestine refugees will be much harder to achieve than were the agreements on separation of military forces. Until the boundary and refugee problems are solved in a manner acceptable to all parties to the conflict, the Middle East situation will remain explosive.

Though premature in my judgment, the nuclear power offers have nevertheless been made. I believe it would be counterproductive if they were now withdrawn. In fact, the Nixon Administration now has an opportunity to implement the offers in a way which will serve the cause of peace and stability in the Middle East (and Congress can, if it will, find legislative avenues for insisting that this be done).

Therefore, I recommend that implementation of the U.S. nuclear power offers to Egypt and Israel should be subject to three special conditions.

First, Egypt and Israel should ratify the Treaty on the Non-Proliferation of Nuclear Weapons (NPT). Egypt has signed the NPT, but not ratified, whereas Israel has neither signed nor ratified. Egypt would clearly welcome Israeli willingness to renounce nuclear weapons. In fact, President Nixon's nuclear power offers precipitated accusations from Cairo and denials from Tel Aviv regarding Israel's present nuclear weapon capabilities. Egyptian and Israeli ratification of the NPT would be a major step toward ensuring that the Middle East remains a nuclear weapon free zone. If, on the other hand, the U.S. offers are implemented without NPT ratification, the ambiguity of Israel's existing nuclear program and future plans will continue to cloud the political-military atmosphere. Israeli use of the plutonium produced over the years in the Dimona reactor is an especially troublesome issue that requires

clarification. Faced with a situation of continual ambiguity, Egypt might well feel compelled to establish its own nuclear research and plutonium production capabilitiy free of safeguards against nuclear weapon acquisition. Egypt could, of course, do this without necessarily violating safeguards contained in a bilateral agreement with the United States covering nuclear power assistance. However, the technical expertise developed with assistance from the U.S. would be an invaluable asset in a future Egyptian military program.

The requirement of Egyptian and Israeli ratification of the NPT would also put the U.S. nuclear power deals in the Middle East on the same footing as the French deal with Iran. Iran is already a party to the NPT, and it has been reported that the French government's nuclear reactor swap for oil rests on an understanding that Iran will continue to adhere to its Treaty obligations. Moreover, a requirement of NPT adherence would support Iran's July 12 initiative requesting the United Nations General Assembly to consider the "establishment of a nuclear-free zone in the region of the Middle East." Indeed, absence of such a U.S. requirement could appear to undercut Iran's welcome foreign policy move.

Second, the Egyptian and Israeli governments should guarantee that the power reactors will be effectively protected against sabotage. Appropriate arrangements should be made for the U.S. government to monitor the implementation of this guarantee. Without effective safeguards against sabotage, the nuclear power plants would provide tempting targets for terrorist attacks. If successful, a terrorist attack against an operating nuclear power reactor could result not only in the destruction of a facility worth hundreds of millions of dollars, but also in the dispersal of radioactive debris over a large area. Such widespread radioactive contamination would constitute a serious health hazard and necessitate a costly cleanup. In this respect, we should also recognize that a nuclear power reactor might become a tempting target in a future large-scale war in the Middle East. Given Israel's experience with Arab terrorism, the U.S. might in fact learn a great deal from the Israelis about how to protect nuclear power reactors against sabotage—a problem that the U.S. AEC and electric utility industry have only recently begun to deal with.

Third, both Egypt and Israel should agree that plutonium produced in their respective power reactors will not be reprocessed, stored or fabricated in facilities on their respective territories without the consent of the U.S. Government. Moreover, it should be the declared U.S. policy not to consider giving its consent until a comprehensive political settlement in the Middle East had been agreed and implemented. The U.S. government should obtain special access rights as necessary in order to verify that these conditions are being observed. The risks of theft of plutonium by a terrorist group appear higher in the Middle East than elsewhere. Thus, the U.S. government's nuclear power offers should be implemented only in a way that will not result in the presence of significant amounts of plutonium in Egypt or Israel in a concentrated form that could be used directly in nuclear explosives.

If the three conditions I have outlined are included, then I believe the benefits of implementing the Nixon Administration's nuclear power offers to Egypt and Israel will outweigh the risks. Indeed, I think agreement by Egypt and Israel to implement the offers on these conditions would signify the determination of their governments to move toward the creation of a political climate in the Middle East compatible with nuclear power development. On the other hand, implementation of the U.S. nuclear power offers without such conditions would increase the risk of nuclear violence in the Middle East. Hence these requirements should be non-negotiable.

More broadly, we must ask how U.S. actions appear to countries outside that region. If we do not now insist on NPT ratification, other countries may well interpret our actions, in the wake of the Indian nuclear explosion, as signifying a retreat from the NPT. Our present eagerness to make bilateral nuclear power deals with Egypt and Israel also seems inconsistent with Secretary Kissinger's eloquent pleas, in February at the Washington Energy Conference and again in April at the U.N. General Assembly's special session on raw materials, for a multilateral approach to the world energy situation.

I would also like to note that, if implemented, the nuclear power deals with Egypt and Israel would both be subsidized by U.S. taxpayers. It is my understanding that the reactor and fuel sales are likely to be financed either through the Export-Import Bank or the U.S. foreign aid program, in either case at favorable interest rates. Furthermore, the uranium fuel enrichment services to be provided will preempt enrichment plant capacity that could otherwise be used to meet future requirements of U.S. electric utilities or of long standing foreign customers at costs which are lower than the costs of enrichment services at plants to be built in the future. Thus, we are preferring Egypt and Israel to our own electric power industry, and to a number of other countries which years ago launched nuclear power programs based on U.S. technology, partly in reliance on U.S. assurances of the continued availability of low cost uranium enrichment.

Finally, the Nixon Administration has argued that if the U.S. did not make these offers, then some other country would offer to provide nuclear power reactors without reasonable safeguards against diversion. This argument is reminiscent of the justification for U.S. sales of military equipment which all too often seem to fuel both sides in local arms races in politically unstable regions of the world. Which countries, if any, were actually competing with the U.S. in this matter and the nature of the offers pending remain unclear to me. Without full disclosure of the facts, it is impossible to separate fact from fantasy. However, if it ever becomes generally understood that U.S. foreign policy regarding nuclear power assistance is responsive to such competitive pressures, it would then be impossible to develop an orderly world nuclear market. If nuclear reactors are used as bargaining chips in the game of power politics, the economic benefits of nuclear energy will never be fully realized and the security of the world community will be substantially diminished.

WORLDWIDE NUCLEAR POWER CONTEXT

The dynamics of nuclear power development on a global scale are determined largely by the technical and economic characteristics of the nuclear fuel cycle, the duality of nuclear fission, and the structure of the world political system.

The use of nuclear fission to generate electric power involves a complex series of interrelated steps known as the nuclear fuel cycle. The power reactors currently in commercial use are based on the uranium-plutonium fuel cycle. One type of reactor, known as the light water reactor (LWR), uses low-enriched uranium as fuel and ordinary water as moderator. Another type, the heavy water reactor (HWR), uses natural uranium as fuel and D_2O as moderator. A type of power reactor based on the thorium-uranium-233 fuel cycle and using high-enriched uranium as fuel initially, the high temperature gas reactor (HTGR), is likely to receive widespread commercial use, starting in the near future. The uranium-plutonium fuel cycle for the LWR, the reactor type developed in the U.S., involves uranium exploration, mining and milling, enrichment, fuel fabrication, irradiation in a power reactor, chemical reprocessing, recycling produced plutonium and depleted uranium, and disposal of radioactive waste. For the HWR, the enrichment step is omitted, but a heavy water manufacturing plant is required.

The duality of nuclear energy derives from the fact that the steps in the nuclear power fuel cycle are substantially the same as those required to produce fissionable materials for nuclear explosives. In fact, the use of nuclear power inevitably involves the processing, production, and use as fuel of very large amounts of certain materials that could be used in nuclear explosives. For example, the Atomic Energy Commission estimates that by 1980 the U.S. electric power industry alone will be producing plutonium at a rate of more than 26,000 kilograms annually, and the rate worldwide will, of course, be much higher. Beyond 1980 the annual plutonium output from nuclear power programs throughout the world will increase rapidly to hundreds of thousands of kilograms and eventually reach millions of kilograms, assuming nuclear power forecasts are fulfilled. Yet five kilograms, or less, of plutonium is enough for a bomb capable of destroying a medium-sized city. Even a small natural uranium fueled research reactor, such as the Cirus reactor in Trombay, India, or the Dimona reactor in Israel, produces enough plutonium every year for about one nuclear explosive equivalent to the device detonated by the Indian government on May 18, 1974.

Finally, we live in a world in which political power is decentralized, and in which the ingredients of wealth and political power are very unevenly distributed. The primary political units are nation-states, which are territorially defined, and the main actors are national governments. International organizations play more or less important roles, depending on the national policies and capabilities of their member states. Similarly, multinational corporations enjoy more or less autonomy, depending on the policies and capabilities of the national governments of the territories in which they operate.

It must also be recognized that national governments are never of one mind and their policies result from the interplay of contending political factions. Moreover, depending on their particular circumstances, national governments are able to exert varying degrees of influence over the course of events in the world at large, and also varying degrees of control over their economic and social development as a nation. In short, the world political system is not only decentralized, but vulnerable and potentially unstable.

The distribution of nuclear resources and capabilities throughout the world is a special case of the wide disparities among nations in every respect. A large number of nations have small research reactors. For the most part, these reactors use relatively small amounts of high-enriched uranium as fuel and produce insignificant quantities of plutonium. Two important exceptions, previously mentioned, are the natural uranium fueled "research" reactors in India and Israel. Fifteen nations now have nuclear power reactors, which produce large amounts of plutonium, and that number is expected to increase to about thirty by 1980 (see chart 1 attached). It is important to understand, however, that most nations with power reactors are, and for some years at least will continue to be, dependent to some extent on other countries for raw materials or nuclear fuel cycle services.

The vast bulk of the world's proven low cost uranium reserves are concentrated in a relatively few countries—the United States,

Soviet Union, Canada, France, South Africa, Australia, Gabon and Niger. Hence, the most economical deposits of uranium for nuclear power so far discovered are concentrated in fewer countries than in the case of oil. A larger number of countries have small reserves of low cost uranium and some, such as Sweden, have very large reserves of higher cost uranium. Nevertheless, a number of industrially advanced countries with large nuclear power programs such as Great Britain, the Federal Republic of Germany, Italy and Japan will be dependent on foreign countries for uranium, as they are now for oil.

With respect to uranium enrichment, until quite recently, the U.S. was in a monopoly position with its very large gaseous diffusion capacity originally constructed to produce high-enriched uranium for nuclear weapons. The smaller diffusion plants in Great Britain and France could not compete with the U.S. AEC's price for enrichment. However, under a tripartite agreement, Great Britain, the Federal Republic of Germany and the Netherlands are now aggressively pursuing the development and commercial demonstration of the gas centrifuge process for uranium enrichment; France is playing the leading role in a project to construct a large gaseous diffusion plant in Europe under multinational ownership, and South Africa is reportedly developing its own enrichment capability, possibly based on the jet nozzle process. Meanwhile, the Soviet Union is offering uranium enrichment services at prices reportedly five percent lower than the U.S. price and on more flexible commercial terms, though Soviet policy has been, if anything, more cautious than the U.S. with regard to safeguards arrangements.

It is noteworthy that a gaseous diffusion plant involves very complicated technology, must have a very large capacity to be economical, and requires a large amount of electric power to operate. On the other hand, gas centrifugation, though also very complex technologically, can be used in smaller plants and the process requires substantially less electricity per unit of separative work output. It is also noteworthy that the use of laser techniques to separate uranium isotopes is under intensive scientific investigation in a number of countries, including Israel.

Commercial fuel fabrication facilities and chemical reprocessing facilities are presently concentrated in a few countries. An economically efficient size for a fuel fabrication or reprocessing plant is one that serves a relatively large operable nuclear power capacity of at least 10,000 megawatts. Thus, there is a strong economic argument against the construction of nuclear fuel cycle facilities—enrichment, fuel fabrication or chemical reprocessing—in any country until it has a large nuclear power capacity. Nevertheless, several nations have already constructed pilot or demonstration facilities, and this trend will probably be difficult to curb in the future.

MOTIVES FOR NATIONAL NUCLEAR POWER PROGRAMS

Given these realities of the world context, there are a variety of motives for national governments to establish nuclear power programs. These include: low-cost electric power; increased energy security; creation of a nuclear weapon option; and prestige.

The economic case for nuclear power has been strengthened and expanded by the fourfold increase in world oil prices in 1973. Nuclear power reactors in the 1,000 megawatt range, the most efficient size given economies of scale, now appear to have a large competitive edge over fossil-fueled alternatives. Thus, a compelling economic case for nuclear power can be made in industrially advanced countries with relatively large electric power grids. Moreover, nuclear power reactors in smaller, less efficient sizes appear also to be competitive with oil-fired electric power generation at current world oil prices. The high oil price thus provides an economic rationale for nuclear power in a much larger number of countries with smaller electric power grids. Given the desperate financial circumstances of many countries in the wake of the oil price explosion, however, relatively few may be able to exercise the nuclear option in the near future without a substantial subsidy. This is, of course, especially true in less developed countries.

Nuclear power can offer increased security of energy supply basically in two ways. First, nuclear fuel can be substituted for oil for electric power generation, thereby diminishing a country's dependence on the world oil market that has, for the near term at least, been effectively cartelized by OPEC. Second, nuclear power can be exploited in a way that will lead to the eventual development of a maximum degree of national nuclear self-sufficiency. It is difficult to stockpile more than a few months of current requirements of oil. A handful of pellets of nuclear fuel are, however, equivalent to 85 tons of coal or 15,000 gallons of fuel oil.

Because the energy contained in a given volume of nuclear fuel is so concentrated, it is physically quite possible to stockpile several years worth of nuclear fuel in advance of need. Moreover, if successfully developed, breeder reactors, which produce more fuel than they consume as they generate electric power, would substantially reduce the amount of raw materials—uranium or thorium—required to sustain a growing nuclear power capacity. However, in most national circumstances for the foreseeable future, nuclear self-sufficiency could be achieved only if industry in the country involved were able to acquire and operate sophisticated fuel cycle technologies and if the government were willing to pay a very large economic penalty.

Nuclear power can result in a nuclear weapon option in a large number of ways. The basic requirement is the availability in the country concerned of plutonium or high-enriched uranium. In earlier testimony in these hearings, Theodore B. Taylor pointed out several technical paths and I will not, therefore, cover the same ground. However, I do wish to make a few additional points.

The spread of nuclear power has already dramatically changed the way in which nuclear weapon proliferation in the world must be perceived. The first five nations to acquire nuclear weapons—the U.S., the U.S.S.R., Great Britain, France and China—established major military programs motivated primarily by national security and prestige considerations. Indeed, most of the civilian nuclear power technology generally available today is an extrapolation from technology developed earlier for essentially national security purposes. The sixth nation to explode a nuclear device—India—is the first to do so using plutonium diverted from a reactor constructed ostensibly for "peaceful purposes." India is in this respect the first of a potentially long list of countries that may in the future acquire nuclear explosive capabilities as relatively cheap "spin offs" from their civilian nuclear power programs.

It is also important to understand that the pursuit of self-sufficiency in a nuclear power program leads inevitably to the creation of a nuclear weapon option, and at the same time nuclear self-sufficiency reduces external political constraints which might prevent a government from exercising that option. Thus, one nation's pursuit of nuclear energy self-sufficiency may well appear provocative to another.

Finally, a nation may believe that its prestige—domestically, internationally, or in both respects—will be enhanced if it embarks on a nuclear power program. From its inception the development and use of nuclear power has been afflicted by prestige considerations. The U.S. Atoms for Peace decision in 1953 was based on overly optimistic economic assumptions, but it nevertheless stimulated demand in many developing countries for research reactors and nuclear training grants. It also paved the way for a technological race between the United States, Soviet Union, Great Britain, France, and Canada, for a commercial nuclear power reactor, a race in which each of the participants appeared motivated largely by considerations of national prestige and international political aspirations. Today prestige factors continue to enter overtly into government decisions concerning the pace of breeder reactor development programs.

In this connection, it is indeed regrettable that the U.S. nuclear power offers to Egypt and Israel apparently rest primarily on grounds other than economic.

THE RISK OF GOVERNMENTAL NUCLEAR WEAPON PROLIFERATION: THE IAEA AND THE NPT

(See chart 2 attached.)

Of course, governments make up their own minds—and change them from time to time—about the nuclear weapon proliferation issue. We start with the fact that the U.S. and Soviet Union, locked in a nuclear arms race that has thus far proved quite uncontrollable, continue to be the major proliferators of nuclear weapons in the world. With the example of the two superpowers before them, and the necessity of existence in a world in which organized violence is frequently used to deal with conflicts of national interest, it is perhaps remarkable that so far in the nuclear age only four other countries have overtly acquired a nuclear explosives capability. However, the essential fissionable ingredients for explosives are only now for the first time becoming readily available in a large number of countries. In the future, how slowly or rapidly the number of governments armed with nuclear weapons increases will depend less on technical and economic considerations and more on how governments perceive their own particular political, security and prestige interests.

Though the possibilities for governmental nuclear weapon proliferation are likely to increase dramatically as nuclear power industries are developed on nationalistic lines, the capacity of international organizations or treaty arrangements to slow, if not halt, proliferation may also increase by giving national governments incentives and means to pursue common security interests in a broader multilateral framework. As the SALT I agreements are modest steps by the U.S. and Soviet Union toward limiting their nuclear arms race in particular, so the NPT and IAEA safeguards constitute initial steps in a long term effort to restrain nuclear arms competition in general. Both types of nonproliferation effort—vertical and horizontal—rest ultimately on self-restraint, given the weakness of the political capacities of international institutions. Both types of effort have also been outpaced so far by technological development and deployment.

The International Atomic Energy Agency (IAEA) was established in 1957 as an outgrowth of President Eisenhower's Atoms for Peace proposals. After a slow start, it is now an international organization, headquartered in Vienna, with a global membership of over 100 countries, including parties and nonparties to the Treaty on the Non-Proliferation of Nuclear Weapons (NPT). The IAEA has a two-fold mission: to promote the peaceful uses of nuclear energy; and to ensure that nuclear assistance intended for civilian purposes is not diverted to military programs. To verify that diversion has not occurred, the IAEA has developed a materials accountancy system. Internationally administered materials accountancy cannot prevent a nation from diverting materials.

Neither the IAEA itself, nor any other United Nations organ, contains a security force capable of action to prevent a national government from diversion.

Moreover, the uncertainties in an accounting system applied to large nuclear material flows results in a detection threshold which is quite high compared with the small quantities of materials that could be strategically significant, and possibly a detection time that is quite long in relation to the time it takes to fabricate nuclear explosives with diverted materials. Finally, if a government decides to divert nuclear materials from a civilian to a military program, it is unlikely that it would structure the diversion action in such a way that the IAEA inspection process would ever yield clear-cut evidence of a violation. More likely, the government would use tactics which would delay or frustrate the operation of the IAEA inspectorate, and confuse or obfuscate the matter as it was considered by the member governments on the IAEA Board of Governors and elsewhere.

IAEA material accountancy safeguards do, however, have an important role to play in connection with efforts to prevent or slow the spread of nuclear weapons. They enable a nation with a nuclear power program to offer as much evidence as practical, without interrupting commercial operations, of the exclusively civilian nature of its activities. The nation can do so by fully subscribing to and cooperating with the IAEA safeguards system. Moreover, a nation can offer its evidence to an impartial international agency for verification to the world community, rather than having to satisfy a hostile and suspicious neighbor on a bilateral basis. In recognition of the basic quality of nuclear energy, IAEA safeguards can thus help those nations who wish to do so to develop and use nuclear power in a less ambiguous and potentially threatening way than would otherwise be possible. Of course, national governments change and their policies change, so that a nuclear power program in one country will always appear somewhat ambiguous to the governments of other countries.

The Treaty on the Non-Proliferation of Nuclear Weapons (NPT), though intended to erect a legal barrier against nuclear proliferation throughout the world, has suffered from the fact that its principal authors were the two nuclear superpowers—the U.S. and the U.S.S.R. The Treaty was the product of almost five years of intricate negotiations following agreement on the Limited Nuclear Test Ban Treaty in 1963. It was primarily developed during the Johnson Administration and ratified by the Nixon Administration. It rests on the premise that fewer is better with respect to the number of nations possessing nuclear weapons or explosives.

The NPT requires a non-nuclear-weapon party to formally renounce its right to manufacture or acquire nuclear weapons or explosive devices, and it also requires such parties to accept the application of IAEA safeguards on all their civilian nuclear activities. Every party—nuclear-weapon and non-nuclear-weapon alike—may export nuclear materials and equipment for peaceful purposes to non-nuclear-weapon countries only if the importing country accepts IAEA safeguards with respect to that particular transaction. This restriction applies to exports to non-parties as well as to NPT parties.

Of course, every government makes up its own mind about the NPT framework for multilateral management of the nuclear weapon proliferation issue. Neither the U.S. alone, nor the U.S. and U.S.S.R. together, nor any likely combination of states, can coerce others to adhere. Thus, it is something of an accomplishment that 83 nations are now full-fledged parties to the NPT. There are also 23 signatories and a number of these have large nuclear power industries or programs planned. Two signatories, the Federal Republic of Germany and Japan, will play key roles in determining the NPT's future development or demise. Among the countries which have thus far spurned the NPT entirely are three nations which have conducted nuclear explosions—France, China and India; four with substantial nuclear power programs or ambitions—Spain, South Africa, Argentina and Brazil; and one which is technically very sophisticated—Israel.

At this time, it is unclear what effect the Indian nuclear explosion (and any further nuclear explosions the Indian government may carry out in the meantime) will have on the willingness of signatories or holdouts to adhere fully to the Treaty and on the general incentives and disincentives for for nuclear weapon acquisition. Though the overall trend may appear discouraging, I believe it would be a mistake to conclude at this juncture that the Indian nuclear explosion has wrecked the NPT and the IAEA safeguards developed especially for it. India remains as far today as it was prior to May 18 from solving any genuine security problem with nuclear weapons, or from using nuclear explosives in commercial applications. The Indian explosion, thus interpreted, could serve to alert other nations to the futility of developing nuclear explosives for prestige. In any event, India's action coupled with the acceleration of national nuclear power programs in the wake of the OPEC oil price explosion have created a sense of urgency about nuclear proliferation. The NPT review conference now scheduled to be held in May 1975 provides a convenient date and forum for tackling the major challenges that civilian nuclear technology poses.

THE RISK OF NUCLEAR THEFT: NATIONAL SAFEGUARDS INTERNATIONALLY COORDINATED

The flows through nuclear power industries of very large quantities of materials that could be used to make nuclear explosives poses a two-fold challenge to governments. Not only must they develop international institutions and arrangements to ensure that the use of nuclear power by one nation does not threaten or appear to threaten another nation's security, they must also ensure that none of the nuclear weapon materials involved in their electric power industries are stolen. National governments and the societies they try to govern have, over the centuries, lived with a relatively high level of criminal and terrorist activity. Even persons in positions of governmental responsibility sometimes turn out to be criminals and yesterday's feared terrorists too often become tomorrow's respected governmental leaders.

With the widespread use of nuclear power, governments have a grave new responsibility. They must provide their citizens with effective assurance that not even a few kilograms of the tens of thousands, hundreds of thousands, and eventually millions of kilograms of plutonium in their nuclear power industries fall into the hands of criminal or terrorist groups. Otherwise, nuclear blackmail and acts of nuclear violence could become much too commonplace. This is a challenge that all governments share jointly.

The U.S. AEC has recently strengthened its safeguards against nuclear theft applicable to the U.S. nuclear power industry. However, much more needs to be done in this regard before the American people are reasonably safe in this regard. More discouraging, however, is the fact that almost no serious discussion of this problem has occurred at the international level, though there have been a few preliminary technical efforts. Nevertheless, the risk of nuclear theft affects us all since plutonium or high-enriched uranium from the U.S. nuclear power industry could be used in a terrorist attack in some other country and material stolen in another country could be used to hold hostage a city in America. The time our political leaders have to deal with the problem is rapidly running out, and leadership in this area is so far lacking.

U.S. FOREIGN NUCLEAR POLICY: RECOMMENDATIONS

In light of the present energy situation and related nuclear proliferation situation, I recommend the U.S. government consider adopting the following course of action with respect to its nuclear export policy, the NPT, and safeguards against nuclear theft.

First, the U.S. government would announce that, as an interim measure pending completion of the NPT review conference in May 1975, it would not enter into new umbrella agreements for nuclear cooperation or specific contracts for the export of nuclear materials or equipment to any country not a party to the NPT. Existing contractual commitments would be honored, however.

Second, prior to the review conference, the U.S. government would consult with NPT parties and also with NPT signatories who have started their ratification processes with a view to developing a series of nuclear export/import policy options. These options would then be considered within the IAEA initially and at the NPT review conference. The U.S. would seek in this way to negotiate on a multi-lateral basis a set of policies for the conduct of international nuclear commerce. Such international policies would be negotiated and implemented on a multilateral basis, involving both exporters and importers of nuclear materials and technology and using existing international organizations and treaty mechanisms.

If it develops that one effect of the Indian nuclear explosion has been to delay completion of the NPT ratification process in a number of key non-nuclear-weapon Treaty signatories with large nuclear power industries, consideration should nevertheless be given to inviting these signatories to attend the NPT review conference with the right to participate in the conference debate. This would encourage NPT signatories to participate fully in the formulation of policies for the future conduct of international nuclear commerce, without discouraging them from completing their respective ratification processes.

I believe the U.S. government should seek to develop with other governments specific policies in the following areas affecting the future development of a worldwide nuclear power industry:

First, circumstances in national nuclear power postures that may appear to another nation to threaten its security interests. These circumstances, depending on a nation's overall nuclear posture, might include: stockpiles of plutonium or high-enriched uranium under exclusively national control; facilities for uranium isotope enrichment, plutonium chemical separation or plutonium fuel fabrication under exclusively national control, especially in countries with small nuclear power capacities; and nuclear reactors or fuel cycle facilities under national control and not subject to IAEA safeguard requirements. Presumably, manufacture or detonation of a nuclear explosive device for whatever ostensible reason would be a circumstance that could appear to other nations as a threat to their security interests.

Second, rules specifying unfair competition among sellers in the world nuclear market. Unfair competitive practices might include sales of nuclear materials or equipment that would tend to create circumstances threatening to other nations. One example of such a transaction might be a sale to a country of a few hundred ultracentrifuges—enough for a small uranium enrichment plant but not enough for a commercial plant. It is interesting that the seller's profit in such a small transaction would be minimal and, therefore on both sides the transaction would rest on primarily political grounds.

Another example of possible unfair competition would be cartelization of the world uranium market or cartelization of the world uranium enrichment capacity. In the future, the industrially advanced countries of Western Europe and Japan will look to a relatively few countries for the vast bulk of their uranium supplies—Canada, South Africa, Australia, Gabon and Niger. Moreover, despite the diminution of U.S. control over the enrichment market that is anticipated, in the decades ahead there may still be only a few sources of commercial enrichment services—the United States, the Soviet Union, the British-Dutch-West German tripartite entity and the French led Eurodif entity. Though the possibility of an effective cartel emerging in any sector of the world nuclear market may seem remote at present, the same possibility with respect to crude oil seemed just as remote a decade ago when there was a glut on the world oil market and OPEC was formed.

In any event, the unfair competitive practices specified would be designed to facilitate the development of a world nuclear market on a sound economic basis, including obtaining the full benefits of economies of scale inherent in fuel cycle operations, and to minimize the occurrence of international nuclear transactions for noncommercial reasons.

Third, IAEA safeguards applicable to nuclear power industries and to international nuclear transactions in order to provide assurance against the risks of governmental diversion. Internationally administered safeguards would build on the existing IAEA and NPT global system, including the relationship between that system and respective national and Euratom and Latin American regional systems. One major issue would be the costs and benefits of materials accountancy as a verification measure when large nuclear material flows are involved and the possible development of additional or alternative approaches to ensure, as nuclear power industries grow, the continued efficacy of the system.

A second major issue would be whether NPT parties should create a double standard in their international nuclear transactions: one applicable to transactions among Treaty parties; and a second more restrictive safeguards standard or set of requirements for transactions between an NPT party and a non-party. It is sometimes suggested that the application of IAEA safeguards to all civilian nuclear facilities in a non-nuclear-weapon country would be simpler than the application of such safeguards only to nuclear materials and equipment that were imported. And, from this premise, it is argued that the increased simplicity of international safeguards administration would itself be a substantial inducement for countries to adhere to the NPT. I doubt this inducement will be sufficient. If the NPT parties were to develop a double standard, however, care should be taken that all dealings with NPT parties were still kept on a commercial basis. Adherence to the NPT should not entitle any nation to demand nuclear assistance on uneconomic terms.

Fourth, nationally administered and internationally coordinated safeguards to ensure against theft from nuclear power industries of materials that could be used to make nuclear explosives. Regardless of their attitudes toward the NPT and its international safeguards requirements, all governments have a common interest in safeguards against nuclear theft from their own nuclear power industries and also from the industries of other countries. The application of effective safeguards against nuclear theft is an extremely sensitive police function and, accordingly, it is a responsibility of national governments primarily. Indeed, any effective delegation of police power in this regard from a national to an international authority would imply revolutionary consequences for the world political system.

Nevertheless, international coordination is necessary since a nuclear theft in one nation could well have security ramifications for a number of others, and since, if a black market in nuclear materials develops in the future it is likely to have international dimensions. Such international coordination could perhaps be achieved through the IAEA. Indeed, as material flows build up in nuclear power industries in a large number of nations, it may well develop that the requirements for safeguards against governmental diversion and complementary measures to prevent theft will increasingly overlap.

CONCLUSION

In conclusion, I believe that the U.S. policy regarding exports of nuclear materials and technology should have three central aims:

First, the U.S. should seek the worldwide development and use of nuclear power on a sound economic basis. Regardless of the conduct of other countries, the U.S. government should avoid the use of nuclear power reactors as political bargaining chips in the Middle East or elsewhere in the world.

Second, the U.S. government should seek to prevent acts of nuclear violence using materials obtained from nuclear power industries. In view of the acceleration of nuclear power development in a number of countries in the wake of the OPEC oil price increases and in view of the Indian nuclear explosion, the U.S. government, in cooperation with other governments favorably inclined, now has an opportunity to convert the NPT review conference in May 1975 from a sterile debate into a forum for decision. Indeed, it may well be our last such opportunity. Moreover, in view of the forecast rapid buildup in nuclear material flows throughout the world, effective safeguards against theft must be developed and implemented in all countries with large nuclear power industries. Otherwise, terrorists may well be armed with nuclear explosives in the future.

Third, the U.S. government should seek to develop the capacity of international institutions for effective decisionmaking regarding nuclear power policy in particular and world energy policy in general. The gap between U.S. rhetoric urging multilateral cooperation to deal with the world energy situation and U.S. action in concluding special bilateral nuclear deals is apparent for all to see. Yet in the nuclear era, it is clear from an economic viewpoint, and even more from a security viewpoint, that the interests of all nations are becoming increasingly interwoven into an interdependent world.

CHART 1.—FOREIGN NUCLEAR POWER, BY COUNTRY

Country	Number of power-plants	Installed capacity (MW(e))	Number of power-plants	Installed capacity (MW(e))
Japan	5	1,756	41	31,636
West Germany	7	2,082	22	14,995
United Kingdom	28	5,335	43	14,479
USSR	10	2,457	23	11,997
Sweden	1	440	13	10,060
France	6	2,481	12	7,281
South Africa			8	6,898
Canada	5	1,974	9	5,482
Switzerland	3	1,006	6	3,406
Taiwan			4	2,808
Korea			4	2,328
Italy	3	597	5	2,163
East Germany	1	70	5	1,830
Czechoslovakia			4	1,760
Belgium			3	1,650
India	3	600	8	1,610
Argentina			3	1,518
Finland			3	1,480
Mexico			2	1,200
Netherlands	1	55	3	1,105
Spain	3	1,100	3	1,100
Romania			2	880
Bulgaria			2	880
Austria			1	700
Brazil			1	626
Yugoslavia			1	600
Thailand			1	500
Philippines			1	420
Pakistan	1	125	1	325
Other (not yet announced)				28,000
Total	67	20,078	231	161,000

Note: 1974 to early 1980's.

CHART. 2.—*NPT/IAEA Status*

NPT Parties: 83

NPT/IAEA safeguards agreements in force or negotiated: 43.

No safeguardable nuclear material on their territories: 33.

Nuclear-weapon states: 3.

Middle East parties: Iran, Iraq, Syria, and Tunisia.

NPT Signatories: 23

No safeguardable nuclear material: 9.

Substantial nuclear power programs: Japan, Federal Republic of Germany, Italy, Belgium, Netherlands, and Switzerland.

Middle East signatories: Egypt, Libya, Kuwait, and Yemen.

NPT Non-Signatories: 39

No safeguardable nuclear material: 26.

Nuclear power programs: Argentina, Brazil, India, Israel, Pakistan, South Africa, and Spain.

Nuclear-weapon states: 2, China and France.

Nuclear explosives tested: 1, India.

Middle East non-signatories: Algeria, Bahrain, Israel, Oman, Qatar, Saudi Arabia, and United Arab Emirates.

PRIVACY SURVEY INDICATES WIDESPREAD PUBLIC SUPPORT FOR LEGISLATION

Mr. PERCY. Mr. President, on July 18, Louis Harris reported the results of his nationwide survey on the uses and abuses of personal information. Mr. Harris concludes that—

Fundamentally, people are in rather deep revolt against having their names and telephone numbers, given for one purpose, exploited for others. . . . What people resent is vital information about themselves being passed on without their express permission or being used in a way they are unaware of.

Mr. President, I hope that my colleagues in the Senate will join me in recognizing the strength of Mr. Harris' conclusion.

The Harris findings corroborate a growing conviction in Congress and throughout America: The right of privacy is fast becoming a vanishing legacy. The American people are awakening to the realization that there is virtually no item of deservedly confidential personal data that cannot be found out by the snooping credit investigator, insurance detective, or Government intelligence agent. An impressive 75 percent of Americans favor congressional action to safeguard their right of privacy.

Senator ERVIN, Senator MUSKIE and I have introduced S. 3418 to establish these needed safeguards. S. 3418 would, among other thiings, extend to every American the right to review and correct

inaccurate or outdated information held in files about him. The fact that 82 percent of the Harris poll respondents strongly favor such a right is a clear indication of public support for this legislative effort. Because the Harris poll is important evidence of public sentiment about the right of personal privacy, Mr. President, I ask unanimous consent that it be printed in the RECORD.

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

MAJORITY FAVORS LEGISLATION ON CREDIT INFORMATION

(By Louis Harris)

The American people are so apprehensive about the use credit bureaus make of information on private individuals that by a lopsided majority of 75–14 percent they favor legislation which "would spell out what kinds of personal information credit companies can collect and hold in their files."

The growing practice of selling lists of names, addresses, and telephone numbers also meets with stiff consumer objections these days.

Sizable majorities are ready to spell out the ground rules they would like to see followed in legislation dealing with credit checks:

By 82–13 percent, Americans agree with the statement that "an individual should be given the opportunity to review and correct inaccurate information on his credit record." Many persons complained during the survey that they feel they have been rated a poor credit risk with no chance to correct such a charge.

By 78–16 percent, they also agree that legislation should make credit bureaus "notify an individual when an unfavorable report has been made about him, and tell that individual the name of the agency making that report."

By 76–17 percent, they want a law which would "prohibit credit information from being given to non-creditors, such as the government, without the permission of the person involved." People reason that since the information is about themselves, they should have the right to control who has access to it.

By 74–17 percent, they think legislation should contain "procedures for removing information from an individual's credit file." Many feel that once a bad credit rating has been entered, even if an individual becomes a good credit risk, there is no way to expunge the negative information from the record.

By 71–22 percent, they endorse the general proposition that as a matter of law "credit bureaus should establish effective procedures to protect the privacy of individuals on whom they have collected information."

A majority of 69 percent, however, say they do not feel that their personal right to privacy has been violated by credit bureaus. Nevertheless, a substantial 28 percent feel they have been victims of either misleading, damaging, or incorrect information stored in a credit bureau's files. By 48–43 percent, a plurality go along with the statement that they "begin losing their privacy the day they open their first charge account, take out a loan, buy something on the installment plan, or apply for a credit card."

The credit bureau business has burgeoned in recent years and the consensus of the average citizen is that most of them "do more harm than good," particularly those that service retail outlets.

Basically what people resent is vital information about themselves being passed or without their express permission or used in a way they are unaware of. Public attitudes toward the traffic in mailing lists and selling over the telephone are also negative.

Recently a nationwide cross section of 1,512 households was asked:

"Many people have been seriously concerned that their names and phone numbers are passed on from various sources without their permission. For each of the following actions, tell me if you personally would find it a serious violation, a minor violation, or no violation at all as far as your personal privacy is concerned? (Read list.)"

VIOLATION OF PERSONAL PRIVACY

[In percent]

	Serious	Minor	No	Not sure
Business organizations selling lists of their clients' names to other organizations	60	29	7	4
A real estate agent who gets your name from a credit bureau and phones you, trying to sell you land	54	33	10	3
Random digit dialing of telephones which allows research companies to get people on the phone who are not even listed in a phone directory	53	30	12	5
Motor vehicle registration bureaus providing lists of names to research companies	48	29	15	8
People using addresses from a phone directory to send you junk mail—that is, nonrequested mail which tries to sell you a product or service	47	33	17	3
People using phone numbers from a phone directory for the purpose of selling a product or service	40	37	20	3

Fundamentally, people are in rather deep revolt against having their names and telephone numbers, given for one purpose, being exploited for others, such as further information gathering and solicitation for products and services. This activity has also burgeoned in recent times.

The commercial use of information on private individuals obviously is disturbing the American people and is fast becoming a major sphere for consumerism in America today.

THE MILITARY PROCUREMENT AUTHORIZATION BILL

Mr. STENNIS. Mr. President, I am happy to report to the Senate that the conference committee has agreed on a conference version of the annual military procurement authorization bill (H.R. 14592). A formal conference report was filed yesterday in the House.

I want the Senate to know that this was a tough conference. We began our meetings on June 20 and held 15 sessions on 10 meeting days—sessions in which conferees from both the Senate and House argued strongly for the positions of their respective Houses.

No one is ever wholly pleased with the results of a Senate-House conference, but I believe the conference has come up with a good bill under the circumstances. Before outlining some of the features of the conference agreement I would like to talk briefly about some of the circumstances which arose in this conference.

CONFERENCE CONSIDERATIONS

In the first place Senators should understand that House conferees are subject to a tight rule of germaneness.

Amendments are not in order, for bills pending in the House, which do not relate to the purpose of the pending bill.

In the past this conference difficulty has been eased somewhat by waivers requested by the House conferees from the House Rules Committee on this point. This year, however, the House Armed Services Committee determined before the conference began that conferees would not request any such waivers.

I ask unanimous consent that I may have printed at the end of my remarks in the RECORD a letter from the chairman of the House Armed Services Committee, who was conference chairman, on this point of germaneness.

I also ask unanimous consent that I may have printed at that point in the RECORD a list of Senate amendments which were not adopted in conference. It will be apparent from this list that several Senate amendments were ruled out on this point of germaneness.

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

(See exhibit 1.)

Mr. STENNIS. Beyond that, Mr. President, I would like to note that there were 21 amendments added to this bill on the Senate floor after our committee had made its amendments. Senate conferees backed all these amendments to the hilt, and, under the circumstances, I think we did quite well in support of Senate positions. Ten of the twenty-one Senate floor amendments were approved in some form, despite the germaneness problem, and our committee language amendments were incorporated to some degree.

Senators should understand, however, that each difference must be resolved and that a large number of wide-ranging Senate amendments complicate conference deliberations even if the amendments are germane. House conferees are often able to concentrate on a smaller number of goals in a clear and definite priority, while Senate conferees seek to represent each Senate position faithfully.

MONEY ITEMS

In dollars and cents, I believe we did very well in conference. The $22.159 billion conference version is $340.1 million more than the $21.8 billion Senate bill, and $483.6 million less than the $22.6 billion House bill.

In round numbers, the compromise total for procurement, $13.258 billion, compares with about $12.9 billion in the Senate bill, and $13.6 billion for the House version.

In research and development the compromise total, $8.901 billion, compares with $8.952 in the Senate bill and $9.0 billion in the House bill.

MANPOWER ITEMS

NATO

In the field of manpower, I am glad to say that Senate conferees fought successfully for the Senate-approved NATO concept requiring reductions in support troops in Europe and permitting corresponding increases in combat troops.

Under the conference provision, a reduction of 18,000 troops from noncombatant military components in Europe will be required within 2 years—6,000 of them by next June 30 with correspond-

ing combat increases permitted. The Secretary of Defense will apportion the cuts among the Services at his discretion.

ACTIVE DUTY

With respect to the strengths of the active military services at the end of fiscal year 1975, the Senate approved a total of 2,103,100 in round numbers and the House approved about 2,149,300.

This was one of the extensively debated, sharply contested points of the conference. It became clear, however, that House conferees would not approve meaningful reductions in active duty end strengths this year. The conference finally agreed on the cut of 2,800 positions in the Air Force as voted by the House.

In that connection, I can further report that, during the conference, Secretary Schlesinger informed the conferees that he has already cut support manpower 7,000 spaces below the budget request and will make more reductions beyond that figure. The Secretary plans to convert manpower saved by support cuts into combat strength. These conversions are to be effected worldwide, not only in Europe as required in the conference NATO provision.

The Senate Armed Services Committee plans to watch these projected support reductions very carefully.

CIVILIAN MANPOWER

I want to remind the Senate the civilian employment by service components is addressed this year for the first time in this bill. The Senate bill recommended specific reductions totaling 44,600 from the 1,027,327 recommended by the Defense Department. The House bill cut the total by 15,000 with the Secretary of Defense authorized to apportion the reductions among the services.

The conferees, I am glad to say, approved an overall cut of 32,327 from the recommended total. The Secretary will allocate the reductions, and, under a provision approved by the conference, he will be empowered to exceed the civilian manpower ceilings by one-half of 1 percent—about 5,000 positions—in emergency situations if he reports the circumstances to the two Armed Services Committees.

VIETNAM

As Senators know, this military procurement authorization bill has authorized funds for the Indochina war over the years, in a program called military assistance service funded (MASF).

Now that program has narrowed down to military aid for South Vietnam.

This year, for fiscal 1975, the Senate reduced the $1.6 billion requested for that military aid for Vietnam to $900 million, and included language requiring better accounting and a separate appropriation for these funds. The House bill set the total at $1.126 billion—the total approved for MASF in the 1974 fiscal year.

Conferees approved a total of $1 billion and the language tightening up on administration of the funds.

HARDWARE PROGRAMS AND AMENDMENTS

Mr. President, I have distributed a news release detailing the major actions in procurement and R. & D. and also the action on some of the important language differences between the two bills.

Rather than go into detail on each of these points I propose to insert the news release into the RECORD. With these explanatory remarks, and the materials previously discussed, I believe the Senate will be well informed on the conference actions.

I ask unanimous consent that this news release on the bill be printed in the RECORD at this point along with the items I have described.

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

Senate and House conferees have agreed on a $22.159 billion compromise version of the annual Military Procurement Authorization Bill for Fiscal 1975, Senator John C. Stennis, Chairman of Senate conferees, announced today.

The compromise was $340.1 million more than the $21.8 billion measure voted by the Senate. It was $483.6 million less than the $22.6 billion bill approved by the House.

The conferees set the total for military aid to South Vietnam at $1 billion for the fiscal year beginning July 1.

The compromise, in summary:

[In billions of dollars]

	Administration request	House bill	Senate bill	Conference report
Procurement	13.8	13.6	12.9	13.258
R.D.T. & E.	9.325	9.0	8.952	[1] 8.901
Total	23.1	22.6	21.8	22.159

[1] Plus $35,700,000 to be obtained from reimbursement for foreign sales.

For Vietnam.—The aid program previously known as Military Assistance Service Funded (MASF)—the Defense Department had requested $1.6 billion for the 1975 fiscal year. The House voted $1.126 billion, the same total approved by Congress, for the current year, and the Senate reduced the total to $900 million.

In approving the $1 billion authorization, the conferees also approved Senate language which sets up a separate appropriation for these funds and requires that obligations be approved by the Secretary of Defense.

MANPOWER

NATO

The conferees approved new language which would require a reduction of 18,000 troops from U.S. non-combatant military components in Europe within two years—6,000 of them by June 30, 1975—and authorize a corresponding increase in combat components. The Secretary of Defense would have discretion to apportion these adjustments among the services.

The Senate had approved a reduction of 20 percent (about 23,000) from headquarters and other non-combatant U.S. Army personnel in Europe over two years—with half to be completed this year—and with authorization for corresponding increases in combat forces. The House bill contained no such provision.

Also approved by the conferees was an amended Senate-approved provision freezing the number of tactical nuclear weapons in Euope for one year while the NATO role of tactical nuclear weapons is studied by the Secretary of Defense.

Active duty manpower

With respect to active duty military manpower at the end of fiscal 1975, the Senate had voted two percent cuts in strength of each of the services, for a total reduction of 49,000 from the 2,152,000 recommended by the Defense Department. The House had recommended a cut of 2,800 positions in the Air Force.

The conferees, after extensive discussion, accepted the House reduction.

Civilian manpower

In the area of civilian employment in components of the Defense Department, the conferees recommended a cut of 32,327 from the 1,027,327 year end strength requested by the Department. The Senate had recommended a four percent reduction specified by service, to total 44,600. The House voted a 15,000 position cut in the force proposed by the end of fiscal 1975, with the reductions to be apportioned by the Secretary of Defense. The conferees agreed to let the Secretary apportion the 32,000 reduction among the services.

The conferees also approved a modified House amendment which would let the Department temporarily exceed the civilian manpower ceiling by one-half of one percent—about 5,000 positions—to meet emergency needs if the Secretary of Defense reported on the circumstances to the Armed Services Committees.

Reserve manpower

For military reserves, the conferees agreed on the following totals:

	House bill	Senate bill	Conference report
Army:			
Guard	408,000	390,000	400,000
Reserve	225,000	220,000	225,000
Navy Reserve	117,000	110,000	117,000
Marine Reserve	38,000	36,703	36,703
Air Force:			
Guard	95,000	93,412	95,000
Reserve	51,319	51,319	51,319
Total, DOD	934,319	901,434	925,022
Coast Guard	11,700	11,700	11,700

MAJOR WEAPONS IN DISPUTE

B–1 Bomber—The Senate bill reduced the $499 million request for development of the B–1 by $44 million, to $455 million, limiting the approved program for Fiscal 1975 to three prototype aircraft to permit flight testing and technical progress before further Congressional action. The House approved the full request which included starting a fourth prototype aircraft in Fiscal 1975.

The conferees voted $455 million, with language which would defer the fourth aircraft until after the first has been successfully flight-tested. At that time reprogramming within available B–1 funds could be requested to begin the fourth prototype.

Site Defense—The Senate had reduced to $110 million the Defense Department's $160 million request for R&D on Site Defense, the follow-on ABM program. The House voted $150 million for Site Defense.

Conferees voted $123 million in authorizations for Site Defense technology.

New nuclear missile-firing submarine—The Administration requested $16 million to begin development of a smaller ballistic missile submarine to complement the projected Trident force. The Senate bill deleted this authorization on grounds that approval this year would be premature. The House approved the full authorization.

The conferees deleted the $16 million in authorizations for development of this new submarine now.

Pershing II—The Senate bill rejected the request for $11.2 million in R&D authorizations for Pershing II, a tactical missile which would carry a nuclear warhead. The House approved the $11.2 million.

The Conference Committee approved $5 million in authorizations for Pershing II.

AWACS—The Senate approved the procurement of 12 E–3A AWACS radar warning

airplanes at a cost of $549.8 million, and added a restriction in the bill which provides the funds are available *only* for the AWACS program. The House approved six of the planes and a total program of $292.1 million.

The conferees approved six planes, long lead time procurement for the other six, and provided for a one-a-month delivery schedule which will protect the present contract. The conferees approved a $405.1 million program for Fiscal 1975.

A–10/A–7 Close Air Support—The Senate voted $192.7 million to be used for A–10 aircraft or A–7D aircraft depending on which won the fly-off then in progress between the two. Also approved was a procurement authorization for 4 additional A–10s transferred from R&D funding. An additional R&D authorization of $81.4 million was approved for use if the A–10 won the fly-off competition. The House voted a $173.8 million program for the A–10 and separately voted $100.1 million for 24 A–7Ds for the Air National Guard.

The conferees approved $192.7 million for the A–10 plus the $81.4 million R&D authorization and also included $104.9 million for the 24 A–7Ds plus certain spare parts.

F–14—The Senate reduced the 50 aircraft, $639.3 million F–14 request, by $22 million, to $617.3 million because of lower costs attributable to sales to Iran. The House had voted the full request.

The conferees approved the $617.3 million program.

Shipbuilding—The Senate approved a $2.856 billion total for the Navy's shipbuilding and conversion authorization deleting one of three proposed nuclear attack submarines (—$167.5 million); completion of the first Sea Control ship (—$142.9 million); four of seven proposed patrol frigates (—$250.5 million); and a destroyer tender (—$116.7 million). The House approved a $3.539 billion shipbuilding total including all those vessels.

The conferees approved a $3.156 billion shipbuilding and conversion authorization, restoring the submarine and the destroyer tender, but eliminating four of the frigates and reducing authorizations for the Sea Control ship (—$126.9 million) to $16 million.

Airlift—Conferees approved the $31 million procurement authorization voted by the Senate (but not the House) for stretching out the C–141 to increase cargo space. The Department had requested $50 million.

The conferees deleted the $25 million voted by the House (not the Senate) to begin a prototype program for modifying commercial jumbo-jetliners so that they could be used for airlift in an emergency. The DoD had requested $132.9 million for the program.

Acting on language provisions of the differing bills, the conferees also:

Approved a redrafted version of a Senate-approved amendment designed to *prohibit research with poison gases and other chemicals on dogs* for weapons research. Language in the report will state that the provision is not to inhibit research aimed at preserving human life.

Approved a Senate amendment barring, for fiscal 1975, *tests of Minuteman missiles* from operational silos in the northwest United States.

Combined provisions, separately approved by the House and Senate, into a new provision which will require 91 flying units in the Air National Guard in Fiscal Year 1975 and states the policy of Congress that the components of the *reserve*, rather than increases in active duty forces, should be tapped to increase the ratio of airlift crews to *airlift* planes.

Redrafted *"Nuclear Navy" language*, included in the House bill, to require that the Navy utilize nuclear power plants for future major combatant vessels—submarines, carriers, cruisers, frigates and destroyers—unless the President reported that this would not be in the national interest.

Dropped a Senate-approved amendment limiting the number of *enlisted aides* assigned to flag officers in the military services to 218. Substitute language will require the Defense Department to report within 90 days on 1) the military commands which require assistance of the type provided by enlisted aides; and 2) alternative methods by which such assistance might be provided. After the report is received one or both Armed Services Committees, will hold hearings on the matter.

Modified a Senate-approved amendment requiring statutory authorization for selling or otherwise *disposing of naval vessels*, larger than 2,000 tons or less than 20 years old, to another nation. Other vessel disposals would require 30 days notice to the Congressional Armed Services Committees.

Dropped a Senate-approved restriction on *domestic activities of the Central Intelligence Agency* on grounds that the proposal was not germane to the procurement bill under rules of the House.

Dropped a Senate-approved provision for *recomputation of certain military retired pay* on grounds that it was not germane under House rules.

Redrafted a Senate-approved amendment designed to assure careful *review of certain exports of goods, technology and industrial techniques* to Warsaw Pact nations and such other nations as the Secretary of Defense may determine. The conference provision would require the Secretary of Defense to make recommendations to the President on licensing such exports. If the President overrules a negative recommendation by the Secretary, Congress could deny the export by passing a concurrent resolution within sixty days.

Dropped a Senate-approved amendment requiring specific congressional authorization for transfer of *stockpiled defense materials* to any Asian nation.

Approved a redrafted Senate provision requiring the Navy to negotiate with Puerto Rican authorities for an alternate site for *weapons training* now conducted *on the Island of Culebra*. The report will note that, while the bill was in conference, the Department announced that weapons training would end by July 1, 1975, on Culebra and by December 31, 1975, on the adjoining keys.

EXHIBIT 1

U.S. HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
Washington, D.C., July 8, 1974.

Hon. JOHN C. STENNIS,
Chairman, Committee on Armed Services,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: In accordance with your request, I will attempt to outline in summary form the general problem confronting the House conference on H.R. 14592 on the substance of certain Senate amendments which, under the Rules of the House of Representatives are considered non-germane.

The authority of the Managers on the Part of the House at a conference is, generally speaking, limited by two considerations. The first limitation relates to the scope of the matter to be considered by the conferees. The conferees on the part of the House are limited to the differences between the House and Senate versions of the bill, and they are precluded therefore from accepting any matter which would have the effect of broadening the scope of the matter in disagreement.

The second limitation is concerned with germaneness. The Managers on the Part of the House must, as a matter of principle, oppose any matter which would be in violation of the provision of Clause 7 of Rule XVI. That Rule states that "no motion or proposition on a subject different from that under consideration shall be admitted under color of amendment." Stated another way, the fundamental purpose of an amendment must be directly related to the fundamental purpose of the bill. Therefore, if the House conferees accept an amendment which is non-germane, such matter, in accordance with Clauses 4 and 5 of the Rule XXVIII, and Clause 7 of Rule XVI, is automatically subject to a point of order on the question of germaneness. Therefore, under Clause 4 of Rule XXVIII, a separate vote may be demanded on any such Senate amendment and if the Senate amendment is rejected the conference agreement as a whole is considered rejected.

Although it would appear that accepting a meritorious and popular non-germane amendment would ordinarily receive House approval, such a practice raises grievous hazards because it gives opponents of the conference agreement, for whatever reason, several chances to defeat the conference report.

The rule of germaneness in the House is a matter of long standing and was established to facilitate the orderly processing of legislative business. It prohibits the consideration of legislative propositions or amendments which are not "germane" to the fundamental purpose of the bill under consideration. Thus, even those amendments that may be related to the subject matter of the bill might be ruled non-germane if they are not directed to the basic purpose of the legislation. For example, in a bill proposing to sell two battleships and build a new battleship with the proceeds, a proposed amendment to direct the proceeds of the sale of the battleships to the building of new roads was ruled to be non-germane.

Similarly, in a proposition to relieve destitute citizens of the United States in Cuba, an amendment declaring a state of war in Cuba would be non-germane.

The fundamental purpose of H.R. 14592 is to fulfill the statutory requirements of Section 138 of Title 10, United States Code, i.e., to provide annual authorization for appropriations for the Armed Forces. Therefore, any amendments not specifically directed to this general purpose of the legislation as expressed by the text of the House bill either in scope or germaneness is, under the Rules of the House, subject to a point of order.

As I had indicated earlier, though the Managers on the Part of the House may in some instances be persuaded as to the merits of a non-germane amendment, the likelihood of such an amendment receiving House approval is, at best, unpredictable. The reason for probable unfavorable House action stems from a variety of circumstances not the least being the traditional objection of House members to the acceptance of non-germane amendments to a legislative proposition. Obviously, the acceptance of non-germane matter, in almost every instance, automatically establishes a precedent for ignoring established House procedures and tradition and encourages the addition of extraneous matter to House-passed bills. Thus, this type of precedent frustrates the legislative process of the House by by-passing established Committee jurisdiction, avoiding public hearings and precluding the House members from amending propositions on the matter. In short, acceptance of non-germane amendments by House conferees would seriously erode the traditional legislative process of the House and contribute to, in the view of many House members, legislative chaos.

These are the circumstances therefore which require my fellow House conferees and me to reject non-germane matter in H.R. 14592.

The House/Senate conference on H.R. 14592 has been a very challenging, interesting, and rewarding experience. I am sure that I speak for all of my conferees when I observe that

the conference has proceeded in a true sense of compromise and achievement. Therefore, it is with great reluctance that my conferees and I are forced by the circumstances outlined above to oppose the acceptance of any non-germane matter in the Senate amendment to H.R. 14592. I would further like to take this opportunity to point out that this policy on rejection of non-germane Senate amendments will continue in the future.

I trust this will be helpful to you in understanding my position on this matter.

With best wishes and warmest personal regard.

Sincerely,

F. EDW. HÉBERT, *Chairman.*

SENATE AMENDMENTS AND COMMITTEE AMENDMENTS DROPPED

(H.R. 14592)

Amendment added by the Senate:

Title—Section, Sponsor, Amendment, and Reason Senate Receded:

VI–602, Javits, ROTC, The House insisted—colleges which unilaterally withdrew from ROTC should not receive military funds.

VII–703, Proxmire, CIA—restrict domestic activities. Non-germane—House has agreed to introduce comparable legislation.

VII–706, Biden, Prohibit all DoD Economic pump-priming. Non-germane.

VII–708, Hughes, Continuation pay to medical corps officers in initial residency training. Non-germane.

VII–710, Bayh, Use all forms of media in recruiting advertising. House insisted amendment unnecessary.

VII–712, Kennedy, Stockpiling for allies. House insisted amendment complex and deserving of further studying.

VII–714, Metzenbaum, Formal advertising required on contracts for medical supplies. Non-germane.

VII–715, Fong, Study to find island other than Kahoolawe for target practice. House insisted Kahoolawe essential for target practice.

VII–717, Metzenbaum, Require reports on competitive bidding. Non-germane.

VII–719, McGovern, Congressional awards for POWs. Non-germane; House will support bill.

VIII, Hartke, Recomputation. Non-germane.

Amendments added by committee.

The Conferees accepted all amendments added by the Senate committee.

CANADIAN OPPOSITION TO TRANS-CANADA GAS PIPELINE

Mr. STEVENS. Mr. President, in the continuing debate between proponents of a trans-Alaska versus a trans-Canada route for the first pipeline to carry Alaskan natural gas to market, little has been said of the feelings of Canadians toward the Arctic Gas Co. proposal.

In a recent conference in Ottawa, several strong Canadian-oriented arguments against the present trans-Canada gas line proposal were voiced. Major points of opposition were that Canadian manufacturing and engineering capacity would be overtaxed by the massive project, leaving the major portion of the work in the hands of American firms; that Canada would need for its own use most of the Mackenzie Delta gas and would have little excess for export to the United States; that acceleration of development of Canada's northern gas is of itself not necessarily advantageous to Canada; and that resolution of Canada's still unsettled native land claims could greatly slow the project.

The Federal Power Commission is now considering the gas line route issue. The final decision, however, is likely to come from Congress.

Mr. President, I strongly urge that the FPC—and, when the time comes, Congress—take a long, hard look at the objections brought up in the Ottawa conference.

For this Government to be lulled into believing that whichever route we finally approve will sail through on that basis alone would be a tragic mistake. That kind of naive decisionmaking could lead us to a delay even longer and more costly than that associated with the trans-Alaska oil pipeline.

This subject is dealt with in a recent editorial published in the Fairbanks Daily News-Miner. This editorial suggests that the FPC should not even consider the trans-Canada proposal a viable alternative until the serious problems within Canada have been overcome.

I ask unanimous consent that this editorial be printed in the RECORD.

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

CANADIANS SEE SOME FAULTS WITH TRANS-CANADA GAS LINE

Americans, particularly Alaskans, have been receiving the hard sell on the benefits which would come from the construction of a trans-Canada natural gas pipeline as opposed to a plan for a trans-Alaska line.

Canadians have also received the selling points, but not everyone is buying them. Some strong arguments against the construction of a trans-Canada line by Canadian Arctic Gas Study Ltd. came up at a recent conference in Ottawa sponsored by Canadian Arctic Resources Committee.

The overriding theme at the conference seemed to be in a difference on selling points. Canadians, apparently, are being sold the pipeline idea because of its ability to provide them with gas from the Mackenzie Delta. Americans are also being told that the line through Canada will provide us with gas from the delta reserves. Some at the conference took the stand for "Canadian gas for Canadians."

The major points brought out in opposition to the pipeline plans of Canadian Arctic Gas Study Ltd. (the Canadian version of Alaska Arctic Gas Co. in our state) included:

Canadian contractors and manufacturers are too small to gear up quickly for the construction and machinery and material for the pipeline would be built in American plants;

Engineering management would be dominated by Americans because only Americans can deal with a project of that size;

Canada needs most, if not all, of the gas the pipeline could bring south during the next decade just to avoid a substantial increase in Canadian energy costs, leaving no excess reserves for use in the U.S.;

Acceleration of the delta development to coincide with Prudhoe Bay is of no economic advantage to Canada unless it is a great deal cheaper than the proposed trans-Alaska plan;

Native land claims settlements are still up in the air in Canada and development could be greatly slowed, thus pushing up costs, just as happened in the case of the trans-Alaska crude oil pipeline.

Alaskans have been under a barrage of "selling" propaganda by officials of both the trans-Canadian proposal (Arctic Gas) and the trans-Alaska proposal (El Paso Natural Gas Co.) for about one year.

However, in almost all of the discussion which has taken place little reference has been made to the Canadian attitude toward the pipeline.

Instead it has been deliberated at will from the standpoint that whichever route is approved by the Federal Power Commission will automatically be built.

Not so, as the points above show. Not included in that list is the opposition which is sure to come from environmentalists as the trans-Canada line covers five times the virgin territory the trans-Alaska oil line does. We all know that the latter project was held up 4½ years because of environmental objections.

With the many unknowns on the Canadian side of the line it seems almost unnecessary for us to continue to debate the issue.

The FPC would be wise to adopt a position of having all of the hurdles within Canada cleared before even considering that routing.

The trans-Alaska proposal would have the gas line pretty much following the route of the oil pipeline, and those hurdles have already been cleared.

When, and only when, all of the Canadian obstacles are out of the way should the FPC make any kind of decision on which of the plans—the two prominent ones or any others—should be approved for a transportation system of natural gas from the North Slope.

ETHIOPIA CELEBRATES NATIONAL DAY

Mr. HARTKE. Mr. President, the oldest independent nation on the African continent, Ethiopia, celebrated its National Day yesterday. Out of respect for their beloved leader, Emperor Haile Selassie, the citizens decreed that July 23, Selassie's birthday, be declared the National Day.

Born on July 23, 1892, Haile Selassie has been Emperor of Ethiopia since 1930 and has governed his country for over 50 years, the world's longest reigning monarch. He has been internationally renowned since his famous speech at the League of Nations in 1936 when he pleaded for assistance in the face of an Italian invasion of his country. The League failed to respond to his request and Ethiopia was occupied by the Italians for 5 years.

The Emperor's abilities have enabled him to institute reforms to bring Ethiopia out of her international isolation and economic underdevelopment. He has established hospitals, abolished slavery, and encouraged agricultural development. He gave Ethiopia its first written constitution and also founded its parliament.

A leader in the formation of the Organization of African Unity, Haile Selassie has been called the "Father of African Unity." Because of his stature he has helped mediate several intra-African disputes. He has also been a strong proponent of mutual security and supporter of the peace-keeping actions of the United Nations.

A long standing, close friend of the United States, Haile Selassie has visited this country many times. A major U.S. communications facility, Kagnew Station, has been located in Ethiopia since the 1940's. Kagnew is being phased down as the new communications facility on Diego Garcia in the Indian Ocean becomes operational.

Recent months have been a difficult

but challenging period for Ethiopia. A very serious drought caused thousands of deaths and much suffering. Historical social and economic problems led to the downfall of former Prime Minister Aklilu's government and the military has assumed a larger role in the country's affairs. It is noteworthy, however, that the military has pledged its allegiance to the Emperor.

Emperor Haile Selassie has agreed to the recent political changes which have occurred in Ethiopia. While no one can predict the outcome with certainty, it now appears that these changes may usher in a new period of social progress and economic development.

I wish to extend my best wishes to the Emperor and people of Ethiopia on the occasion of Haile Selassie's 82d birthday, as well as my hope that the country will be able to find a solution to its current problems and emerge from them stronger than ever.

SUPPORT FOR 55-MILES PER HOUR SPEED LIMIT GROWS

Mr. PERCY. Mr. President, although our country is still faced with the very real possibility of fuel shortages, we have in recent months been fortunate in having adequate fuel supplies available. Our return to a near normal fuel situation would not have been possible were it not for the continued cooperation of individuals and State and local governments with Federal efforts to reduce fuel consumption and to distribute equitably those supplies that have been available.

On June 12, I wrote to the Governors of the 50 States commending their policies and programs of fuel conservation and urging their continued dedication to making energy conservation a habit of American life. In addition, I solicited the Governors' comments on S. 3556, a bill I introduced with Senators RANDOLPH, STAFFORD, and WEICKER to extend indefinitely the 55-miles per hour speed limit on the Nation's highways.

I have now received responses from 27 Governors. I am pleased to report that most of them share my conviction that the reduced speed limit is helping us save some 73 million barrels of fuel a year and is to a great extent responsible for the dramatic decline in traffic fatalities and disabling injuries we have witnessed since the 55-miles per hour speed limit went into effect. Most of the Governors are therefore enthusiastic in their endorsement of S. 3556, and several others support the general goals of that legislation.

In addition, Claude Brinegar, the Secretary of the Department of Transportation, recently endorsed the extension of the 55-miles per hour speed limit in a letter to the Senate Public Works Committee. Secretary Brinegar clearly outlines the reasons behind his endorsement of my proposed legislation, and I ask that excerpts from his letter to the committee be included in the RECORD.

I would also like to share with my colleagues the correspondence I have received from the Governors and I ask that their letters be printed at this point as well.

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

BRINEGAR

The temporary speed reduction was originally established to aid the national effort to conserve energy. The implementation of the Emergency Highway Energy Conservation Act has since shown that there is a separate substantial benefit flowing from the reduction, that is, the saving of thousands of lives. The reduced fatality tolls first appeared in the States that voluntarily reduced their speed limits late last year. The 16 States with reduced speed limits had a 15 to 20 percent reduction in fatalities in November 1973 as compared to November 1972, while the 34 States without reduced speed limits had only a 2 percent reduction. Subsequent statistics for the two groups of States provide a similar picture. For example, the figures for February 1974 versus February 1973 reveal a 30 percent reduction for the 33 States with reduced speed limits and a 3 percent reduction for the other 17 States. All of these 17 States adopted lower speed limits in late February and most registered substantial reductions during March.

In all, nearly 7,000 fewer people were killed during November 1973 through June 1974 than during the same 8-month period the year before. The current figures for the 1974 reductions in the 50 States are as follows:

ESTIMATED TRAFFIC FATALITIES AND CHANGES (50 STATES ONLY)

	1974	1973	Percent change
January	2,950	3,834	−23.1
February	2,625	3,479	−24.5
March	3,192	4,328	−26.2
April	3,442	4,454	−22.7
May	3,732	4,813	−22.5
June [1]	4,111	5,129	−19.8

[1] Pennsylvania estimated.

We believe that the primary contributing factors to these consistent reductions are public cooperation with and State enforcement of the lower speed limits. As the above discussion demonstrates, the substantial fatality reductions on a State-by-State basis correlate positively with the reduction of the limits. We estimate that the lower speed limits themselves are responsible for a 15 percent reduction. The balance of the reduction may be attributed to reduced highway travel. The slightly lower fatality reductions in the past several months may be due to gradual increases in highway travel and average highway speeds.

In view of the safety benefits of the speed reduction, we support the extension of the lower speed limits. While there are competing economic considerations, we believe at this time that they are outweighed by the increased safety on the highways. We would continue to study the impact that a permanent reduction in the speed limit is likely to have and, if necessary, would recommend appropriate amendments.

OFFICE OF THE GOVERNOR,
Augusta, Maine, June 17, 1974.

Hon. CHARLES H. PERCY,
U.S. Senator, Illinois,
Washington, D.C.

DEAR SENATOR PERCY: Thank you for your complimentary remarks about Maine's energy conservation efforts. We are continuing our efforts to sustain the public's appreciation for this serious problem.

Because I am persuaded that lower speeds will save lives as well as gasoline, I fully support perpetuation of the national 55 mile per hour limits.

Sincerely,

KENNETH M. CURTIS,
Governor of Maine.

COMMONWEALTH OF VIRGINIA,
OFFICE OF THE GOVERNOR,
June 19, 1974.

Hon. CHARLES H. PERCY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR PERCY: Governor Godwin has asked me to thank you for your kind letter of June 12 and to respond on his behalf.

We do share your concerns about the continued conservation of energy and I am particularly aware of the problems facing the motorists in Virginia, not only in the availability of gasoline but the extremely high costs which they are called upon to pay. The impact of the 55 mph speed limit in the area of conservation, when added to what we consider to be obvious safety advantages, make it, I feel, important that we continue to retain a reduced speed limit.

Our current experience is that the 55 mph speed limit is not being observed by the average motorist, particularly on the interstate systems in Virginia, and as a result, our arrests for speeding violations have gone up dramatically. Even recognizing this fact, however, the current speeds appear to us to be approximately ten miles per hour slower than the speeds at which the public was traveling prior to the imposition of the 55 mph speed limit.

We do agree, of course, that this is a problem which must be dealt with in a cooperative way, with the states carrying the brunt of the responsibility. At the present time, I feel that I can support the legislation which you are proposing.

We do appreciate being kept advised of legislative activities such as this.

Sincerely yours,

WAYNE A. WHITHAM.

OFFICE OF THE GOVERNOR,
Frankfort, Ky., June 19, 1974.

Hon. CHARLES H. PERCY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR PERCY: I agree with your position that we are going to have to have a vigorous energy conservation program for years to come. This will require coordinated Federal and State programs.

I have read your statement on retention of the 55 miles per hour speed limit. Kentucky's highway death rate for this year is some twenty-four percent under last year's.

Sincerely,

WENDELL FORD.

OFFICE OF THE GOVERNOR,
Des Moines, Iowa, June 19, 1974.

Hon. CHARLES H. PERCY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR PERCY: Governor Ray has asked that I acknowledge receipt of your letter.

We appreciate very much your letter and information relative to the energy crisis. Governor Ray is in the process of setting up an Office of Energy Management and he certainly agrees with you that the energy crisis is far reaching and will take a great deal of effort on into the future.

Thank you for writing Governor Ray.

Sincerely,

ELMER H. VERMEER,
Administrative Assistant.

OFFICE OF THE GOVERNOR,
Salt Lake City, June 19, 1974.

Hon. CHARLES H. PERCY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR PERCY: I am in strong and substantial agreement with the intent and purpose of the Highway Energy Conservation and Safety Act of 1974 as you introduced it in the Senate. I concur in your assessment that the easing of the energy crunch is only

a reprieve and that the hard decisions are still ahead of us as a nation. The development of new sources of energy is essential and the conservation of already existing sources is vital if we are to be free from dependence on foreign sources of crude oil. The imposition of a continuing 55 miles per hour speed limit with rigorous enforcement will temper us to the discipline we need to develop in our consumption of energy.

Additionally, there is the savings on human life that has resulted under a reduced speed limit. Utah has experienced a reduction in highway fatalities of 47 percent since implementation of the 55 m.p.h. speed limit. It makes good sense from this standpoint alone, and I plan to ask the legislature to consider making it the permanent speed limit in Utah.

Sincerely,

CALVIN L. RAMPTON,
Governor.

STATE OF MARYLAND,
EXECUTIVE DEPARTMENT,
Annapolis, Md., June 19, 1974.

Hon. CHARLES H. PERCY,
Dirksen Senate Office Building,
Washington, D.C.

DEAR SENATOR PERCY: Thank you for your letter concerning the proposed legislation to extend the 55 mph maximum speed limit.

I am strongly in favor of such legislation, and for reasons which go far beyond energy conservation. Like you, I feel that we can anticipate continued shortages of petroleum products, and the maintenance of the 55 mph limit is one way to hold down the conservation of gasoline.

Even more important, in my judgment, is the benefit of the increased highway safety. In Maryland, our experience has been startling—a very significant reduction in accidents and fatalities since we lowered the speed limit. I am sure this has been true across the country, and I think its another excellent reason to continue the 55 mph limit.

Sincerely,

MARVIN MANDEL,
Governor.

STATE OF VERMONT,
EXECUTIVE CHAMBER,
Montpelier, June 21, 1974.

Hon. CHARLES H. PERCY,
U.S. Senator,
New Senate Office Building,
Washington, D.C.

DEAR SENATOR PERCY: Thank you for your recent letter in regard to the legislation extending the 55 mile per hour speed limit. I am in full accord with the need to maintain present restrictions. As you may know, the National Safety Council Board of Directors has recently contacted all Governors indicating that the Council was committed to a vigorous campaign to persuade American motorists to drive at reduced speeds.

In the interest of both safety and energy conservation, I believe that we should retain present limitations. As your letter indicates, it is of utmost importance that Federal-State policies be coordinated and efforts such as yours will do much not only to effect coordination, but also to lend credence to state policies.

Sincerely,

THOMAS P. SALMON.

STATE OF SOUTH CAROLINA,
June 24, 1974.

Hon. CHARLES H. PERCY,
U.S. Senate Office Building,
Washington, D.C.

DEAR SENATOR PERCY: Thank you very much for your letter of June 12, 1974, concerning continuation of the 55 mile per hour speed limit.

I am personally committed to the maintenance of the 55 mile per hour limit both because of the gasoline conservation effects and the reduction in highway accidents. We are enforcing the 55 mile per hour speed limit in South Carolina and shall continue to do so as long as there is evidence that the lower speed saves lives and energy.

Sincerely,

JOHN C. WEST.

STATE OF RHODE ISLAND AND
PROVIDENCE PLANTATIONS,
Providence, June 24, 1974.

Hon. CHARLES H. PERCY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR PERCY: This is in response to your recent letter regarding the proposed extension of the 55 MPH speed limit beyond June 30, 1975.

It is most important that, while we work to insure that adequate supplies of energy will be available at reasonable prices, that we also limit the growth of our energy needs. The continuation of the 55 MPH speed limit on our nation's highway is clearly a measure which will effect substantial energy savings. Also, as you have mentioned, increased safety is an important additional benefit resulting from the lower speed limit.

Both short and long term energy problems are of first priority importance and demand immediate and continuing consideration at all levels of government. We must continue to develop and implement aggressive energy conservation programs and, at the same time, to work to provide energy to meet our long term needs.

I appreciate your advising me concerning the legislation which you have introduced to extend the 55 MPH speed limit.

Very truly yours,

PHILIP W. NOEL,
Governor.

STATE OF ALABAMA,
GOVERNOR'S OFFICE,
Montgomery, June 24, 1974.

Hon. CHARLES H. PERCY,
Senator, State of Illinois, U.S. Senate, Senate Office Building, Washington, D.C.

DEAR SENATOR PERCY: I appreciate your sharing your thoughts on the national energy matter with me in the form of your recent letter and a copy of the "Congressional Record" of May 30.

In Alabama we have established an Alabama Energy Management Board which is seeking to work out programs and methods of conserving all forms of fuel in this State. Under the circumstances, we feel that a commendable job has been done with a minimum of hardships to our citizens. It is my belief that at the state level, we have accomplished about all that is possible as the problem is a national, if not international, one.

In reference to the 55 mile per hour speed limit, we find that there have been fewer highway deaths since the beginning of the felt fuel shortage. Although the lowering of the speed limit is one of the factors in the serious reduction in highway deaths, there appears also to be a connection between such fewer deaths and the reduction in a corresponding number of vehicles traveling the highways. The National Safety Council is presently making a study of all the facts involved in the highway death rates and our Department of Public Safety is also analyzing these facts. At the present time, therefore, I would prefer to have the benefit of these studies prior to commenting on an indefinite 55 mile per hour speed limit.

I appreciate your giving me the opportunity to correspond with you in this regard.

With kind personal regards, I am

Sincerely yours,

GEORGE C. WALLACE,
Governor, State of Alabama.

STATE OF MINNESOTA,
OFFICE OF THE GOVERNOR,
Saint Paul, June 25, 1974.

Hon. CHARLES H. PERCY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR PERCY: Thank you for your kind words relative to Minnesota's approach in establishing an Energy Agency to deal with the energy crisis.

I read with interest your remarks in the May 30th Congressional Record. I support your proposal for extending indefinitely the 55 miles per hour speed limit. This limit will help make our citizens aware of the energy crisis.

With warmest personal regards.

Sincerely,

WENDELL R. ANDERSON.

STATE OF OHIO,
OFFICE OF THE GOVERNOR,
Columbus, June 25, 1974.

Hon. CHARLES H. PERCY,
U.S. Senator, U.S. Senate, Washington, D.C.

DEAR SENATOR PERCY: Thank you for your June 12 letter and the copy of your May 30th statement in the Congressional Record. Since the energy situation is of vital interest to all of us I am grateful for your comments and suggestions.

With warmest regards,

Sincerely,

JOHN J. GILLIGAN.

STATE OF ILLINOIS,
OFFICE OF THE GOVERNOR,
Springfield, June 25, 1974.

Hon. CHARLES H. PERCY,
U.S. Senate, Dirksen Office Building,
Washington, D.C.

DEAR CHUCK: Thanks for the kind words on our conservation efforts.

My staff will be reviewing your bill on the 55 miles per hour speed limit and I'll be glad to give you my reactions.

Sincerely,

DAN WALKER.

EXECUTIVE CHAMBERS,
Honolulu, June 26, 1974.

Hon. CHARLES H. PERCY,
U.S. Senator, U.S. Senate,
Washington, D.C.

DEAR SENATOR PERCY: Thank you for your letter of June 12 addressed to Governor Burns. Thank you also for the enclosure regarding S. 3556, of which you are a sponsor, that would extend indefinitely the 55 mph speed limit on the Nation's highways. I feel this is reasonable legislation and would generally be acceptable in Hawaii because we traditionally have had lower speed limits than the mainland States. Not too long ago, our maximum speed limit in Hawaii was 45 mph. It was then raised to 60 mph on completed sections of our Interstate highway and on a very few other links of the State highway system.

During the energy crisis, we attempted to lower our limit to 50 mph but were prohibited from doing so by the penalty of loss of Federal highway funds if we did not conform to the 55 mph limit imposed by Congress. We think the legislation should have allowed non-continguous States and territories to impose a lower speed limit than 55 mph if deemed appropriate by their legislative bodies.

The lowered speed limits have improved the highway safety record as evidenced by all the statistics; they have reduced the volume of traffic a little. And they have reduced the demand for vehicular fuel. I believe it is necessary for us in government to lead the way to a conservation ethic so that the rate of growth of energy consumption is reduced.

Energy shortages will face the Nation for

a number of years and it is doubtful if alternate sources other than petroleum can be developed in less than a decade. Certainly, ground and air transportation is the largest user of petroleum products and every effort should be made to reduce this consumption.

With warm personal regards, I remain,

Yours very truly,

GEORGE R. ARIYOSHI,
Acting Governor.

STATE OF ARKANSAS,
OFFICE OF THE GOVERNOR,
Little Rock, June 27, 1974.

Hon. CHARLES H. PERCY,
U.S. Senator,
Dirksen Senate Office Building,
Washington, D.C.

DEAR SENATOR PERCY: Thank you for your letter with which you enclosed a copy of your bill, S. 3556, regarding the need to extend the 55 mile per hour speed limit on the Nation's highways.

Our Department of Public Safety has issued a statistical report showing a drop in highway accident fatalities and serious injury since the implementation of the 55 m.p.h. limit. In Arkansas, highway speed limits are set by the Arkansas Highway Commission. I am sending a copy of your letter and S. 3556 to the Director of the Highway Department so that it can be brought to the attention of the Commission for their information and review. Copies also will be sent to our State Energy Office.

I share your belief that the energy crisis is still a reality and that we must go forward with our programs to develop new energy resources and at the same time devise more ways to conserve them.

I appreciate your writing and sharing your views with me.

Kindest regards.

Sincerely,

DALE BUMPERS.

STATE OF DELAWARE,
EXECUTIVE DEPARTMENT,
Dover, June 27, 1974.

Hon. CHARLES H. PERCY,
U.S. Senate Washington, D.C.

DEAR SENATOR PERCY: May I commend you on your introduction of S. 3556 which would extend indefinitely the 55 mph speed limit on the nation's highways.

I think the fact that my administration implement a 50 mph speed limit at the onset of the energy crisis is an indication that we in Delaware appreciate the numerous benefits of a reduced speed limit. Our highway fatalities are 55% lower this year than last.

As you indicated to your colleagues, the wisdom of a compromise for the trucking industry's sake became evident, so that we have realigned our thinking along those lines, and have instituted a 55 mph limit.

In recognition of the tremendous savings in human life as well as our precious natural resources, I most wholeheartedly endorse a continuation of the present 55 mph limit and would urge the active support of our Congressional Delegation.

Sincerely,

SHERMAN W. TRIBBITT,
Governor.

STATE OF CONNECTICUT,
EXECUTIVE CHAMBERS,
Hartford, June 28, 1974.

Hon. CHARLES H. PERCY,
U.S. Senator, New Senate Office Building,
Washington, D.C.

DEAR SENATOR PERCY: Thank you for your kind letter of June 12, 1974, and for providing me with a copy of Senate Bill 3556, "The Highway Energy Conservation and Safety Act of 1974" of which you are a co-sponsor.

After having reviewed Senate Bill 3556 in its entirety, I feel that the retention of the 55 mile per hour speed limit will result in phenomenal fuel savings over an extended period of time and will also result in a drastic reduction of the fatality rate on our nation's highways.

Further, I agree with your statement that "making the 55 mile per hour speed limit a continuing feature of Americans life is by no means an extreme measure, as driving slower is a habit most Americans have readily acquired in the past few months."

Again, thank you for providing me with this information, and should you find that I can be of assistance to you in the future, please do not hesitate to call upon me.

With best wishes,

Sincererly,

THOMAS J. MESKILL,
Governor.

STATE OF MICHIGAN,
OFFICE OF THE GOVERNOR,
Lansing, July 1, 1974.

Hon. CHARLES H. PERCY,
U.S. Senator,
Washington, D.C.

DEAR CHUCK: Thank you for your letter of June 12 regarding S. 3556 which would indefinitely extend the 55 mile per hour speed limit on the Nation's highways.

I also support the extension of the 55 mph speed limit for the reasons you mentioned: the savings in both gasoline consumption, and more importantly, in human lives. As you point out, the energy crisis is serious and is not likely to abate for some time and therefore we must all concentrate on methods of reducing energy consumption. In Michigan we continue to urge individual citizens to conserve energy, including strict adherence to the 55 mph speed limit. The figures available to us indicate that since the imposition of the 55 mph speed limit we have realized substantial savings of gasoline and, of course, there is a resulting savings in gasoline cost incurred by the individual motorist.

The savings in human life are also impressive. The accident, injury, and fatality figures for Michigan for the first four months of 1974 show a substantial reduction from the same time period in 1973. Total accidents were reduced by 12 percent, from 112,306 to 98,624; injuries dropped 25 percent, from 51,521 to 38,454. Most importantly, the number of fatalities dropped from 644 to 431—a drop of 33 percent. It is most interesting to note that the greatest reduction was in the number of fatalities, although all three safety indicators showed a decline.

For these reasons, I shall continue to support the 55 mph speed limit. Passage of legislation to continue this speed limit can do much toward reducing the carnage on our highways, as well as conserving much-needed fuel.

Thank you again for communicating your thoughts to me.

Warm personal regards.

Sincerely,

WILLIAM G. MILLIKEN.
Governor.

STATE OF NORTH CAROLINA,
GOVERNOR'S OFFICE,
Raleigh, July 2, 1974.

Hon. CHARLES H. PERCY,
U.S. Senate,
Washington, D.C.

DEAR CHUCK: I was pleased to receive your letter of June 12th on the subject of energy conservation and your Senate Bill to extend indefintely the nationwide 55 mph speed limit.

This matter has been the subject of discussions between personnel of our Energy Division in the Department of Military and Veterans Affairs and the Department of Transportation. All agree that your idea is a sound one from the standpoint of lives which may be saved and the reminder that there is an energy problem. However, in traveling over the highways of our State, we note that large numbers of our ciitzens are tending to increase their speeds beyond the 55 mph limit. Unfortunately, it will probably require that we undergo another critical situation, as experienced this past January and February in regards to the gasoline shortage, to impress upon the public that the problem is not a temporary aberration.

Sincerely,

JAMES E. HOLSHOUSER, Jr.

STATE OF KANSAS,
OFFICE OF THE GOVERNOR,
Topeka, Kans., July 2, 1974.

Hon. CHARLES H. PERCY,
U.S. Senator of Illinois,
Senate Office Building,
Washington, D.C.

DEAR SENATOR PERCY: Thank you for your recent letter alerting me to legislation you are sponsoring to extend indefinitely the 55 mph speed limit on United States Highways.

I certainly agree with the need for safety measures on our highways to reduce accidents, and the need for energy conservation measures. In Kansas, we have taken steps to achieve both objectives. I know that your proposal to extend indefinitely the highway maximum speed has been developed with the best of intentions, I oppose the federal government dictating to the states.

Too many times, it seems to me, the federal government resorts to blackmail in attempting to coerce the states into accepting legislation. I am opposed to the "gun to the head" approach used by the federal government to force the states to pass certain legislation developed in the Congress for all 50 states does not necessarily fit the needs of all 50 states; what is good legislation for New York or Massachusetts is not necessarily good legislation for Nevada or Kansas.

In my state, our problem is distance. Many persons oppose the 55 mph speed limit here because of the hardship it works on many persons and businesses.

Conservation and safety measures are needed. My request is that the federal government and the Congress allow the states to develop legislation that will achieve these goals with the best interests of their citizens foremost in mind.

Thank you for allowing me this opportunity to comment on your proposal for extending indefinitely the 55 mph speed limit.

With every good wish.

Yours sincerely,

ROBERT DOCKING,
Governor of Kansas.

THE COMMONWEALTH
OF MASSACHUSETTS,
EXECUTIVE DEPARTMENT,
Boston, Mass., July 8, 1974.

Hon. CHARLES H. PERCY,
New Senate Office Building,
Washington, D.C.

DEAR CHUCK: Many thanks for your letter and legislation concerning the 55 mph speed limit.

Last winter's energy crisis taught us much. Perhaps most importantly, we learned that our energy resources are finite and that they must be conserved. We learned that we must break our old, wasteful energy habits. And we learned that if we are ever to properly balance the energy equation of supply and demand, we've got to hold consumption down.

These are lessons which must not be forgotten—whether lines at filling stations are short or long. Conservation must be a permanent part of our lives, this summer and the year-round.

Driving a little slower is a vital part of that effort. The highway safety benefits of

the 55 mph speed limit, which you so properly emphasize, give us all the more reasons to hold our driving speed down. I certainly continue to support this effort to save energy and lives.

Last winter the people of Massachusetts did a magnificent job of conserving energy. As Governor, I will make every effort to see that conservation is an essential part of this state's energy future.

With best wishes,

Sincerely,

FRANCIS W. SARGENT.

STATE OF CALIFORNIA,
GOVERNOR'S OFFICE,
Sacramento, Calif., July 10, 1974.

Hon. CHARLES H. PERCY,
Members of the Senate, Senate Office Building, Washington, D.C.

DEAR CHUCK: Thank you for your letter concerning the 55 mph speed limit. I am pleased to have the opportunity to give you my comments on the bill S. 3556 you have introduced with Senators Randolph, Stafford, and Weicker.

In a recent report on energy needs for the future, our California Energy Planning Council stated:

"While economics may reduce demand and the importation of refined petroleum products may further reduce the short-fall, energy conservation measures will continue to be necessary. . . . A complete relaxation of energy conservation measures must be avoided lest we do to ourselves what the Arab nations could not."

California motorists are saving between 300 million and 350 million gallons (about 7.7 million barrels) of fuel per year. These figures confirm the estimate of 73 million barrels a year nationally that you quoted in your May 30 speech. California uses roughly 10% of the nation's highway fuel, and a much larger proportion of California travel takes place on urban freeways than would be the case nationally.

California's experience in the first five months of 1974 parallels the nation's experience with regard to traffic fatalities.

I am in favor of holding the speed limit at 55 mph at this time because of (1) energy conservation, and (2) until we can determine to what degree the reduction in fatalities is statistically linked to the speed limit.

Thank you again for your thoughtful letter. We seem to be in general agreement on the goals to be accomplished.

Sincerely,

RONALD REAGAN,
Governor.

OFFICE OF THE GOVERNOR,
Indianapolis, Ind., July 15, 1974.

Hon. CHARLES H. PERCY,
U.S. Senator,
Washington, D.C.

DEAR SENATOR PERCY: I am sorry I have been delayed in answering your letter concerning your remarks on the 55 mile per hour speed limit. I read with great interest your remarks which were inserted in the Congressional Record on May 30, 1974. I am an advocate of retention of the 55 mile per hour speed limit. We have, even before the 55 mile per hour speed limit went into effect, called attention to the traffic fatalities and its probable relation to speed. Obviously, many other factors were involved but speed, I believe, has proved to be one because we have in Indiana reduced the traffic fatalities by about 37 percent in the last year. We are saving right at 50 lives per month in Indiana and when this is coupled with the fact that for approximately every 1 that is killed 40 more are injured, one does not have to study long to see the savings in suffering, property damage, medical bills, hospital bills and lessened insurance costs to say nothing of the great lessening of man-hours of work lost. We are trying to gather other information to substantiate our advocacy of the 55 mile per hour speed limit.

Kindest personal regards.

OTIS R. BOWEN, M.D.,
Governor.

STATE OF FLORIDA,
July 16, 1974.

Hon. CHARLES H. PERCY,
U.S. Senator,
Washington, D.C.

DEAR SENATOR PERCY: Thank you for your recent letter relating to Senate Bill 3556 to extend indefinitely the 55 miles per hour speed limit on the Nation's highways. Your attached comments supporting the provisions of this bill are most interesting and informative.

Reports here in Florida and throughout the Nation have proven beyond doubt that the reduced speed limit on our Nation's highways has been a significant factor in reducing the traffic deaths and incapacitating injuries. As you know, Florida was one of the first states to reduce its highway speed limit to 55 miles per hour in view of the energy crisis. The results not only showed a reduction in energy consumption, but conservation of a more precious commodity—human lives. Taking these facts into consideration, it would be our desire to see a retention of the 55 miles per hour speed limit for an indefinite period of time.

With kind regards,

REUBIN ASKEW,
Governor.

STATE OF NEW YORK,
EXECUTIVE CHAMBER,
Albany, July 17, 1974.

Hon. CHARLES H. PERCY,
Senate Office Building,
Washington, D.C.

DEAR CHUCK: Thank you for your recent letter enclosing a copy of the Congressional Record for May 30th concerning energy conservation, particularly as it related to S. 3556.

Your thoughts and comments on the continuing need for both the public and private sectors to maintain the energy practices developed over the last several months are indeed well taken. I agree that it is most important to ensure that the "crisis" situation of last winter is never again allowed to develop and that our future needs will always be met. I am, therefore, pleased to note the federal government's actions to assure that our national energy goals are reached and that such actions are predicated on a close and coordinated working relationship with state governments. You may be assured of New York's continued cooperation in developing and implementing needed policies and programs in this area.

In view of the uncertainty concerning the fuel supply, I believe it would be prudent for Congress to extend the 55-mile-per-hour speed limit. I would favor a definite time extension rather than an indefinite extension so that positive action by the Congress would be required at the end of the extension period. A reappraisal of both the fuel and safety experience should then clearly indicate whether further extension would be in the national interest.

Kindest regards.

Sincerely,

MALCOLM WILSON.

EXECUTIVE OFFICE,
STATE OF MISSOURI,
Jefferson City, July 17, 1974.

Hon. CHARLES H. PERCY,
U.S. Senate,
Washington, D.C.

DEAR CHUCK: Thank you for your letter of June 12, 1974. Please excuse my belated reply pertaining to Senate Bill 3556 and the indefinite extension of the 55 mile-per-hour speed limit on the nation's highways. I have been evaluating the effects of the 55 mile-per-hour speed limit in Missouri and have worked with state agencies to determine its impact.

Our review indicates that the experience in Missouri on the 55 mile-per-hour speed limit to date has been most favorable. Traffic fatalities and accidents have been significantly reduced, and there has been a reduction in the over-all usage of motor fuel. However, we will continue to monitor this situation as results are obtained through the summer and into the fall.

At this point, I favor continuing the 55 mile-per-hour speed limit, but we shall continue to analyze the impact of the energy problems on the citizens of Missouri.

Sincerely,

CHRISTOPHER S. BOND,
Governor.

THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, the primary objections which have been raised during the 25 years since the Genocide Convention was first submitted to the Senate have concerned constitutional and other legal points.

Over the years, however, these objections have gradually subsided as it became apparent that the Genocide Convention in no way challenges or violates the Constitution or any Federal laws. As Supreme Court Justice William Rehnquist said when he was Assistant Attorney General:

Twenty years ago Solicitor General Perlman provided a detailed and scholarly statement to a subcommittee of the Foreign Relations Committee on the constitutional and other legal questions surrounding the Genocide Convention. In 1950 some of the questions concerning Federal jurisdiction and the treaty power were considered somewhat novel. However, developments in the intervening years—the extensive use of the treaty power and the growth of Federal criminal jurisdiction—have, it seems, illuminated both these areas to the point where I believe I can safely say that the questions before the Committee and the Senate are more matters of policy than questions of legal power.

It seems to me that the only matter of policy left is whether or not we want to oppose genocide as strongly and as officially as the United Nations Convention does. I can see many benefits in this position in terms of enhanced prestige abroad, and no drawbacks. Mr. President, I again call for the immediate ratification of this convention.

NEITHER BORROWER NOR LENDER BE—CAN AMERICA TURN CLOCK BACK?

Mr. GOLDWATER. Mr. President, Wisconsin's loss was Arizona's gain when Mr. Loyal Meek left Milwaukee about a year ago to become editor of the Phoenix Gazette. I say this not only because I have known of Mr. Meek over a long period of years, but because he has a knack of placing things in their proper perspective. For example, recently he informed the readers of the Gazette—and very graphically—on just how this country has changed in recent years. He did

it by drawing a picture of how shocked his parents would be if they could see how we "live it up" today.

Mr. President, we need more articles like the one Mr. Meek wrote for the readers of the Phoenix Gazette. We need a great deal more wisdom in the handling of our everyday problems.

Because of its great importance to the Members of this body, I ask unanimous consent to have Mr. Meek's article entitled "'Neither Borrower Nor Lender Be'—Can America Turn Clock Back?" printed in the RECORD.

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

"NEITHER BORROWER NOR LENDER BE"—CAN AMERICA TURN CLOCK BACK?

(By Loyal Meek)

My parents, God rest their souls, would be shocked out of their shoes if they could see how we live it up today.

How much people are paying for their houses, their food, their clothing, their pleasures.

How deep they are plunging into debt, not only for necessities, but for luxuries, such as a second car, a boat, a vacation, a swimming hole in the back yard.

They would be shocked, it should also be noted, by the other side of the ledger.

By how much money people make per hour.

By learning that what would have been regarded as a very comfortable annual income for a family in their day is now regarded as a poverty level income.

My reincarnated parents would also be mightily impressed to be shown through a shopping center. The choice of things to buy would, I'm sure, bedazzle them. Likewise the ease of purchasing anything a body could ever want—simply with a small plastic card—would fill them with wonderment.

Given time to recover from such initial shocks, my parents might begin to ask for explanations, at which point their surviving offspring would like find the going tough.

To begin with, how to explain that this country—which, to them, would appear to be made up of swarms of shoppers partaking of the abundance around the clock and twice on Sunday—is in sort of a recession?

A recession, one would have to explain, is, well, like the first stages of what in your day was called a depression—you know, hard times.

A resurrected Mom and Dad, seeing the manifestations of wealth all around us, would probably—I can almost see them now—shake their heads in bewilderment.

"You see," one might stumble on in trying to explain things, "our economy is trapped in this thing called inflation. You remember, like when ravaged Germany in the Twenties, only ours is not that bad—yet."

Washington, one might go on to explain, is to blame. The government has for years on end been spending more than it takes in—and you wouldn't believe how much the tax collectors take in, more than most folk's total income in your day.

Anyway, to make up for these deficits, the federal government simply prints more money, which keep getting to be worth less and less.

Of course, getting deeper into this explanation, the majority of the people have consistently voted for these deficit spenders. Besides, the people themselves have been no slouches at going into debt.

America's total debt, would you believe, is now about $2.5 trillion, of which $1.1 trillion is owed by corporations, some $821 billion by individuals and $593 billion by government.

Along about here in the explanation, I imagine, Mom would ask what ever happened to the advice: neither a borrower, nor a lender be.

Dead, I'd have to answer, almost as long as you. The thrift ethic has been buried by the "fly now, pay later" ethic—epitomized by those wonderful little plastic cards that let you buy so easily whatever you desire and for which you can keep putting off paying most of the cost, so long as you keep meeting the 18 per cent interest on the balance due.

As I said, I'd then have to tell my parents, we're trapped in this inflation thing, and nobody seems to know how to get us out—to stop our slide down this increasingly steeper and slipperyer slope.

If you have any ideas, I'd say to them, my generation would certainly like to hear them.

My long-deceased parents, I rather imagine, could only shake their heads some more, in disbelief at what has come to pass in their and our America the Beautiful—so materially rich and yet so poor and confused in spirit.

If they would respond at all, it would probably be to repeat those things they told us in the long ago when we were trying to scrounge a nickel for all the root beer we could drink. Such as:

"Money doesn't grow on trees:

"Waste not, want not.

"A penny saved is a penny earned."

If we all had only heeded such words of wisdom. But it's too late now. Or is it?

Or maybe my parents might say that to them it looks as though we must be spoiled by prosperity.

In spite of what your figures (they weren't worshipped as statistics in their day) show, they might say, you all appear to us to be mighty well off.

If you are in a mess, I can almost hear them conclude, the only way out is to do it yourself—don't expect the government that you blame for getting you into it to get you out of it—in other words, practicing self-discipline and buckling down to work!

How about that? To think that my departed parents would hit us with a four-letter word.

RALPH NADER: WAS HE MISREPRESENTED?

Mr. ALLEN. Mr. President, I received a remarkable letter from Mr. Ralph Nader earlier this week, a letter in which he asked me to make a public statement concerning a remark that I made July 22 during a discussion of the Consumer Protection Agency bill with the distinguished senior Senator from Connecticut (Mr. RIBICOFF) on the NBC–TV "Today Show."

I shall be glad to give Mr. Nader his due.

In his letter to me, a copy of which I shall append to these remarks, Mr. Nader, first, accuses me of an "unconscionable distortion" and "misrepresentations" of his views, and, second, he finds it "inconceivable" that I should be unfamiliar with his thinking on this subject.

Mr. Nader, third, also comments disparagingly upon a memorandum from my office which he managed to get his hands on without understanding its purpose or content.

As to Mr. Nader's first concern, he charges me as follows:

(Y)ou stated that I have denounced the Consumer Protection Agency (CPA) bill as a "consumer fraud." * * * The remarks to which you refer were made at least two years ago and were directed at the sharply weakened bill which passed the House of Representatives in October 1971.

I have secured a copy of the transcript of the TV show discussion in question, and will also append that to these remarks.

But let me quote here from my comments which Mr. Nader alleges are "unconscionable" because, according to him, I stated that he opposed this current bill now before us in 1974. Quoting from the transcript:

Senator RIBICOFF. * * * And, of course, Ralph Nader, the greatest consumer advocate that this Nation has, says it's (S. 707) the most important consumer's bill that's ever been before Congress.

Senator ALLEN. I'm glad you mentioned Ralph Nader because just in 1971, he denounced that consumer protection bill as a fraud on consumers. And it hasn't been pointed out how this is going to improve things. Mr. Nader says that the Consumer Advocacy Agency, and that's what this would be, is the way to reform the Government apparatus and to revolutionize Government. Those are his words. Well I don't want to reform Government along the lines suggested by Mr. Nader, adding bureaucracy to an already oversized Federal bureaucracy.

Two things are obvious from reading the transcript and comparing it with Mr. Nader's charges. The first is that he was wrong, I clearly distinguished between the two CPA bills, and the second is that Mr. Nader does not challenge my quotation of him as saying that this bill is intended to reform and revolutionize the Government—statements which are on the public record.

Another further observation may also be made. Many of the proponents of S. 707 have been fond of stating that this bill—this bill—has been before Congress for 5 or 6 years, that this bill—this bill—passed the Senate by a vote of 74 to 4 in 1970, that this bill passed the House in 1971 by a vote of 344 to 44, and that this bill passed the House again last year by a large margin.

Of course, none of the bills are the same. Indeed, the Senate Government Operations Committee majority report on the 1972 bill specifically disavowed the 1970 bill which passed this body.

Let me give you a recent example of such a misrepresentation by someone in a position to know better. Referring to S. 707, this person stated:

In 1970, the Senate passed this bill by the lopsided vote of 74 to 4. * * * Earlier in the session (of this Congress) the House passed the CPA bill by a three-to-one margin.

The person who made those misrepresentations is none other than Ralph Nader, in his syndicated column of June 9, 1974, which appeared in the Washington Star-News, in which he attacked Senator SAM ERVIN and others as "radical reactionaries" who dared to disagree with him.

Thus we see, when it suits them, Mr. Nader and other proponents of S. 707 will state or imply that it is identical to other, different bills which must be considered on their own merits, or lack of them, as would be a more appropriate characterization.

Now, let me turn to Mr. Nader's second problem, as to its being inconceivable that I should not know his views on the CPA. Perhaps I should first note that I find it inconceivable that Mr. Nader does

not know my views, seconds after hearing them on national television.

However, there is a very good reason for my not knowing Mr. Nader's views on this bill. Mr. Nader refused to personally appear and testify before our subcommittee on this bill, even though specifically invited and even though—Mr. Nader considers this bill to be the most important consumer legislation ever to come before Congress.

I was very disappointed when we learned that Mr. Nader had refused to appear before us, as I was looking forward to asking him the same tough questions which were put to businessmen, agency spokesmen, consumer advocates, and other public witnesses, who responded—often with reluctance—to invitations to appear before us.

Instead, Mr. Nader saw fit to send us a short letter declining the subcommitee invitation and making several comments on the bill, one of which was to urge us not to put any special interest exemptions in the bill—such as the ones for big labor and for broadcasters—which were later added to the bill and of which Mr. Nader, evidently, is unaware, judging from his unqualified support of the bill and, more important, his failure to criticize these exemptions when they emerged from the Senate Commerce Committee.

Mr. Nader's third concern, as you will see from his letter, has to do with a memorandum, and clearly a memorandum, from my office. He says that it is "being handed out by your staff to summer interns working in Washington."

Of course, there is nothing in this memorandum that is either embarrassing or inaccurate, but standing by itself without explanation could possibly confuse someone. I suppose, especially someone with Mr. Nader's perceptive abilities.

The memorandum is an outline intended for my personal use in debates on the bill, including my TV discussion with Senator RIBICOFF. It was typed from my handwritten notes to myself and is in memorandum form.

Among other things, the memorandum relates to the fact that in 1972 Mr. Nader and Congressman BENJAMIN ROSENTHAL were adamantly opposed to the bill which had passed the House the previous year. Mr. Nader, as he acknowledges, called it a fraud, and Mr. ROSENTHAL, after attempting to kill the bill on the House floor, voted against it.

In any event, Mr. Nader is again in error. The simple truth of the matter is that the memorandum was not and is not being handed out by my staff to summer interns as Mr. Nader categorically states in his letter.

The memorandum was given out by me personally to a group of summer interns who called by my office a few days ago to discuss S. 707. It should be pointed out that these interns are employed this summer by Mrs. Virginia H. Knauer, the President's Consumer Adviser.

Not that it makes any difference or comes as a surprise. I think it should also be noted that the memorandum found its way from Mrs. Knauer's office to the office of Mr. Nader. Presumably, there is quite an extensive exchange of paperwork and views between these two offices, even though the administration is publicly opposed to this bill.

By the way, this 1971 House-passed bill, which Mr. Nader considered a fraud on the consumer, is the only bill which the American Bar Association specifically endorsed—I repeat—the only such bill that the ABA endorsed.

Anyway, in this memorandum, I noted that opponents of a CPA bill in the last Congress apparently did Mr. Nader, Mr. ROSENTHAL, and consumers a service in defeating the bill.

If you will recall what happened during the last Congress when it became clear that the Senate bill would never pass, and that the administration was opposed to that bill, one of the leading proponents of a CPA, the senior Senator from Illinois (Mr. PERCY) made valiant efforts to get Senate and White House agreement on the House bill which both Mr. Nader and I considered a fraud.

Mr. President, I shall also include the memorandum in the RECORD at the conclusion of my remarks so that all may read and digest its contents.

Mr. President, I have now responded in public to Mr. Nader, as he requested. I now ask him to respond, perhaps with an apology, at least with a public recognition that he misrepresented the facts concerning the CPA bill and my comments and observations in connection therewith.

I ask unanimous consent that the letter I received from Mr. Nader, the transcript of the NBC Today Show, and the memorandum be printed in the RECORD.

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

WASHINGTON, D.C., *July 22, 1974.*

Senator JAMES B. ALLEN,
U.S. Senate,
Washington, D.C.

DEAR SENATOR ALLEN: This morning on the NBC–TV Today show, you stated that I have denounced the Consumer Protection Agency (CPA) bill as a "consumer fraud". It is inconceivable to me that someone as closely associated with the struggle to defeat Consumer Protection Agency legislation as you have been would be unfamiliar with my views on this subject. Since my support of S. 707 is fully known to you, it can only be assumed that your statement was an unconscionable distortion of my views.

A document being handed out by your staff to summer interns working in Washington has also come to my attention. Among other serious misstatements about CPA the following paragraph appears: "In 1972, when CPA died in (sic) Senate, apparently opposition thinking was similar to Ralph Nader's because he denounced (sic) bill as (sic) consumer fraud on consumers, and consumer advocate Rosenthal in (sic) House voted against the bill. So apparently opponents in 1972 performed (sic) service for Nader, Rosenthal and consumers in defeating (sic) bill. It has not been pointed out to me how (sic) present bill improves on (sic) 1972 bill."

The remarks to which you refer were made at least two years ago and were directed at the sharply weakened bill which passed the House of Representatives in October 1971. That bill differed substantially both from the bill passed by the House this year (H.R. 13163) and from the bill currently being debated by the Senate (S. 707). Your apparent unawareness of these differences should no longer serve as the basis for your misrepresentations of my position on the creation of a viable CPA.

In view of these facts, I would expect you in the interests of accurate representation to offer the proper public corrections.

Sincerely,

RALPH NADER.

AN INTERVIEW WITH SENATORS RIBICOFF AND ALLEN

JIM HARTZ. Impeachment is not the only item on the agenda for the Congress this week. The Senate will be taking up a bill that would set up a Consumer Protection Agency, a bill that is caught now in a crossfire between consumer organizations and business interests, not to mention facing a probable filibuster.

We want to talk about this now with Senator Abraham Ribicoff, a Democrat of Connecticut, the author of the bill, and one of its major opponents, Senator James B. Allen, Democrat of Alabama. They are in our Washington studio now with Today Washington editor Bill Monroe.

BILL MONROE. Senator Ribicoff, the consumer agency that you propose would not serve as a regulatory agency, but would be a spokesman for consumers. Would you give us an example of how it would work?

Senator ABRAHAM RIBICOFF. That is correct. Well, if you had the CAB raising the price of air travel, they could come in and object to it. If you had the Food and Drug Administration doing something on unsafe food or drugs, they could come in and be an advocate to present the other point of view. Or the Federal Power Commission raising gas and electricity rates, they could come in and talk about the position of the consumer.

MONROE. Sort of be a lawyer or a lobbyist for consumers before government agencies.

Senator RIBICOFF. That is right. It would be the advocate for the consumer to present the consumer's position. Today, there is no consumer position, and we find in our studies that the consumer is overweighted by 100-to-1 by business interests.

MONROE. Senator Allen, you feel this bill would do more harm than good.

Senator JAMES ALLEN. Of course I do. What I believe the consumer needs protection from is inflation, and this bill would just work at cross-purposes to that because it would set up a vast new bureaucracy. And I might point out that there are 32 Senate sponsors of this legislation, not a single conservative among that number, not but one Southern senator as one of the co-sponsors. These cosponsors, by and large, are the big spenders in the Senate, the senators who want to see more big government, more regulation of our daily lives.

And I'm glad that Senator Ribicoff says that it's not a regulatory agency. It will not help the consumer back in Alabama that has problems with his radio or his icebox or his aluminum siding or his automobile. It's an agency that would seek to force its views of what the consumer wants, and how it would find out, nobody knows because there's no input by the consumers into the CPA. The CPA, the administrator, would have the sole right to decide what's best for the consumers.

So this vast new bureaucracy, spending millions of dollars of the taxpayers' money every year, in order to do the work that's already provided for by existing government agencies, certainly is not in the public interest, in my judgment.

Senator RIBICOFF. I say this, Bill. This vast bureaucracy that my friend Senator Allen talks about is an agency of about 250 people, $15 million. The Commerce Department has a budget 60 times that. The—15 of the biggest corporations—17—spend $15 million just on legal fees alone.

So, you can't talk about a vast bureaucracy. It's a small organization. Virginia Knauer is for it, 31 governors . . .

MONROE. The President's consumer adviser.

Senator RIBICOFF. Consumers [sic] adviser is for it. Thirty-one governors are for it. The United States Conference of Mayors are for it. The United States Conference of Attorneys General. Some 10 organizations are for it. And, of course, Ralph Nader, the greatest consumer advocate that this nation has, says it's the most important consumer's bill that's ever been before the Congress.

MONROE. Senator . . .

Senator ALLEN. I'm glad you mentioned Ralph Nader because just in 1971, he denounced that consumer protection bill as a fraud on consumers. And it hasn't been pointed out how this is going to improve things. Mr. Nader says that the consumer advocacy agency, and that's what this would be, is the way to reform the government apparatus and to revolutionize government. Those are his words.

Well, I don't want to reform government along the lines suggested by Mr. Nader, adding bureaucracy to an already oversized federal bureaucracy.

MONROE. Senator . . .

Senator ALLEN. I feel we need to cut down on the bureaucracy, rather than add to it.

MONROE. Senator Allen, what about the theory that businessmen have their lobbies in Washington, well-paid? They're pretty well fixed for spokesman in Washington, but consumers are not as well fixed. Therefore, a government agency, speaking for consumers, would help balance things.

Senator ALLEN. Well, this agency would have far more power than any other agency in government. It would seek to force its will on all of government activity.

I was very much interested in one of the Senate sponsors just the other day, in a speech on the Senate floor, saying that one function it would do would be to go before the Federal Tariff Commission and advocate lower tariffs on shoes in order that we could get the cheap imports of shoes into this country. Well, I'm surprised that Senator Ribicoff, with a sick shoe industry there in New England, would advocate something that would encourage the import of shoes.

We have the situation—we'd have the same situation Bill, on steel and textiles in my home state of Alabama. We have voluntary imports of textiles, but these foreign steel mills can lay steel products down in my home town of Gadsden cheaper than they can be produced in our own steel mills.

Senator RIBICOFF. That isn't quite so, Bill. I mean what you have . . .

Senator ALLEN. Well, where is it wrong?

Senator RIBICOFF. The consumer advocate comes in where there's a clear-cut consumer's interest. Where there's a question of two sides, he presents both sides of the question and allows the agency to make the choice.

But the basic purpose of the consumer advocacy is to present the facts, which the agency depends generally now—the Federal Power Commission, the Federal Trade Commission, the FDA—on the lobbyists for big business and industry, without the consumers coming in and bringing the facts.

Well, the average consumer doesn't have the money, he doesn't have the knowledge to come before these great bureaucratic agencies and do the job. So what you have here is the time has come to have a spokesman for the consumer, 210 million people in this country. And a Harris poll just last week indicated that the overwhelming number of people in this nation feel that they are being taken. They have no protection against fraud, against high prices, against safety [sic], feeling they are powerless. And they are powerless.

MONROE. Senator Ribicoff, Senator Allen indicates that this agency that you propose to set up would be so independent as to be sort of freewheeling. There'd be no guaranty it would speak for consumers. It would be speaking more or less for itself.

Senator RIBICOFF. No, it would speak for consumers because consumers could make complaints. They could make surveys. They are appointed by the President. They have supervision by the Congress. In three years after the agency is formed, the GAO makes a survey to see if it's doing its job.

So generally, it has to be—you have a spokesman in this new agency for the consumers, and we feel that the consumer, 210 million people, are powerless. Every group in American society has someone speaking for it, except the lone consumer, who is being taken with high prices, bad quality, without knowing how to protect himself. The average person can't protect himself. He doesn't have the means or the time to do . . .

MONROE. Senator . . .

Senator ALLEN. I'll think he'll want to retract his statement where he said that the administrator would present both views to the regulatory agencies. That's absolutely wrong. That's what I proposed in the [unintelligible]* approach, which Senator Ribicoff helped defeat.

This requires the administrator to decide, for all consumers, what is the consumer interest in a particular question. And it assumes that all consumers think alike, they're motivated the same, they have the same interests, the same hopes, the same desires. And without any input by the consumers, this one man decides what's best for all consumers, and he proceeds accordingly.

MONROE. Let me see if Jim Hartz can get a question in. Jim?

HARTZ. We've got less than one minute. Senator Allen, I wanted to ask you—you said in your opening statement that this agency would promote inflation, and I want to know how an agency whose ostensible purpose would be to keep prices down and quality up would promote inflation.

Senator ALLEN. Well, they've already authorized $60 million for three years. Now these federal agencies have a way of escalating in size. There's one service that Senator Ribicoff and others put into the HEW Department just 10 years ago at an appropriation of $40 million. That mushroomed in less than 10 years to $2½ billion. So this would cost more money for regulation. It would cost business more money. It would cost individuals more money, and it would cost the government and the taxpayers . . .

MONROE. One sentence.

Senator RIBICOFF. . . . The consumers of America are being taken for billions of dollars by fraud and fly-by-night schemes. And the consumer advocate would be the man to protect the interest and save billions of dollars at a cost of $15 million.

Senator ALLEN. Well, how would he reach them? How would he reach them? Tell me that.

MONROE. Thank you very much, gentlemen, for being with us, Senator Ribicoff of Connecticut and Senator Allen of Alabama.

MEMORANDUM

1. The name is a *misnomer*. Everyone is for the protection of consumers. But any protection afforded a consumer as such term is commonly used under S. 707 is purely incidental. Furthermore, we already have a Consumer Products Safety Commission that is doing a good job in the field of consumer protection against unsafe products. Perhaps the powers of the Consumer Products Safety Commission could be expanded without setting up a new separate federal agency which would be a policing agency interfering with the orderly conduct of governmental functions.

2. The *consumer* interest should not be paramount to the *general public* interest for it is only an integral part of the all-encompassing consideration—the general public interest. If we set up a consumer interest as separate from general public interest, how can we answer demands for separate agencies such as Taxpayers Protection Agency, Labor Protection Agency (Labor is exempt under S. 707), Environmental Advocacy Agency and Small Business Protection Agency.

3. The CPA Administrator would have the unchallengable right to determine what is best for consumers. Consumers aren't just a bloc of people with the same views, motivations and interests. A matter might have a number of aspects presenting different consumer interests. An automobile has consumer interests in cost, safety, power, appearance, fuel consumption, speed, size, impact on the environment. Which interest would the CPA advocate? Trade negotiations might present the interests of cheap foreign goods versus American jobs. The consumer interest might be cheap goods but the American worker would lose.

4. CPA, a supposedly non-regulatory agency can challenge at will final decisions of regulatory agencies in court. The power to seek the overthrow of *final* governmental decisions at the request of another Government agency would have a coercive effect on agency decisionmaking and would overburden the courts and delay resolution of question in dispute. CPA would dominate all federal agencies with rare exception.

5. CPA would in effect be a fourth branch of the government unaccountable to any of the other three. We do not need this added eschelon of federal bureaucracy. If regulatory agencies are not doing their jobs replace members and step up Congressional oversight, don't just set up another agency to police them. Suppose CPA fails to please consumers or other advocates will we just set up more bureaucracy to police it? Where do we stop?

6. In agency proceeding, adding CPA as a party would constitute dual prosecutor with agency and CPA both being prosecutors with perhaps conflicting approaches to prosecution.

7. I favor *amicus* approach with CPA serving in advisory capacity to agencies making information and counsel available to agencies but not giving CPA power to intervene as party.

8. Being responsible to no one, a Consumer Protection Agency would speak the voice of its administrator and the specially annointed people he might select and not the consensus view of consumers. With all the divergence of opinion among the citizenry (consumers), it is impossible for there to be one representative voice.

9. In 1972, when CPA died in Senate, apparently opposition thinking was similar to Ralph Nader's because he denounced bill as fraud on consumers, and consumer advocate Rosenthal in House voted against the bill. So apparently opponents in 1972 performed service for Nader, Rosenthal and consumers in defeating bill. It has not been pointed out to me how present bill improves on 1972 bill.

*["Amicus"]

WASHINGTON INFORMATION: NATIONAL HEALTH INSURANCE

Mr. FANNIN. Mr. President, my colleague, Senator CLIFFORD P. HANSEN recently participated in an exclusive interview with Jeffrey A. Prussin, editor of Washington Information: National Health Insurance, during which he discussed his perspectives on the congressional situation of national health insurance.

I ask unanimous consent that the special report be printed into the RECORD.

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

SPECIAL REPORT: INTERVIEW WITH SENATOR HANSEN

SENATOR HANSEN SUPPORTS MEDICREDIT IN WINHI INTERVIEW

Senator Clifford P. Hansen (R-Wyo.) is the fourth ranking minority member of the Senate Finance Committee and one of the more vocal cosponsors of the American Medical Association's Medicredit proposal.

Hansen remains flexible

In an exclusive interview with Washington Information: National Health Insurance editor Jeff Prussin, Senator Hansen indicated that he is not wedded to Medicredit and "if it appears that chances of reasonable legislation being passed can be improved by cosponsoring something else, I will."

Final NHI bill will be a "conglomeration"

"Whatever kind of bill is passed . . . will be a conglomeration of the specific ideas contained in several different bills." The three major bills from which compromises will be made, according to Hansen, are the Kennedy-Mills CNHIA plan, "not because it is necessarily all that good, but because of the prominence of its two major sponsors," the Administration's CHIP proposal, and the Long-Ribicoff catastrophic plan.

Hansen leans to CHIP

If forced to choose among the three, Hansen would lean more towards CHIP than the other two. Of major concern to Hansen, however, are the rate regulation and compulsory employer participation provisions of CHIP which he feels would be better left out.

Chances for NHI pegged at 50 percent this year: Better next year

Chances for NHI passage in 1974 are 50–50, according to Hansen, because there is a "likelihood of impeachment being voted by the House and the Senate then having to sit in judgment." In addition, "the fact that this is an election year, with the obvious desire on the part of many members of Congress to get out and campaign, indicates that the Congress will shoot for an adjournment date in October. However, this is as much a spur to get something done as a detriment."

Hansen does feel that chances of an NHI plan being enacted in 1975 are "fairly good"; and since he does not "think that the need is so great and so pressing that we ought to pass almost any bill, I would hope that with more deliberation than we may . . . be able to give this year, we could come up with a better answer to our health problems than we might be able to formulate under the pressure of trying to get something passed just to say that we have passed a bill before we adjourn."

Deductibles necessary to contain utilization

Hansen believes that deductible provisions are necessary under National Health Insurance to contain unnecessary utilization. "If people have to pay part of the costs of their care, it would seem to me that you avoid the likelihood that people are going to abuse the privilege of a health care program by going in for needless consultations and medical procedures. I think that having a deductible makes awfully good sense." Without deductibles, NHI would "indeed overtax and strain the medical care delivery mechanisms we have in this country, including doctors, nurses, hospitals and the whole gamut."

However, individuals who are "completely indigent"—who are "at the very bottom of the economic scale" and cannot realistically pay anything toward medical care—should not have to pay deductibles.

Deductibles will not inhibit use of preventive services

Deductibles will not, however, act as a barrier to the use of preventive services, according to Hansen. Indeed, "the whole thrust of Medicredit is to try to bring about a program that will take advantage of the good judgment that I think is implicit in preventive medical care."

NHI must be a voluntary program

Hansen is opposed to making an NHI program mandatory. He cannot "escape the deep basic conviction that we have responsibilities as individuals to do certain things for ourselves; and if people do not have enough interest to do those things that they ought to do for themselves—well—you cannot spoonfeed good health or good society into people." Thus, while National Health Insurance should provide universal entitlement, it should definitely not force people to enroll in the program, Hansen said.

Alternative health delivery systems and health resources development funds should not be included under NHI

When questioned on whether or not a National Health Insurance plan should appropriately include specific funding for development of alternative delivery systems and health resources, Hansen referred to the "Analysis of the President's FY 1975 Budget and Preliminary Minimum Appropriation Recommendations for Federal Health Programs", published by the Coalition for Health Funding (Suite 322, 2233 Wisconsin Avenue, N.W., Washington, D.C. 20007), which itemized the Administration's $4.8 billion Fiscal Year 1975 request for Federal health program funds (exclusive of Medicaid and Medicare).

According to Hansen, innovative delivery systems and health resources development are already being funded by other legislation. For example, the President's requests for Fiscal Year 1975 include $60 million for HMOs, $9 million for the National Health Service Corps, $199 million for Community Mental Health Centers, $75 million for health resources planning, etc. "It does not appear that these programs need to be duplicated." He believes that funds for development of innovative delivery systems and health resources should be provided separately from National Health Insurance, as is currently being done, and that NHI should be limited to regulating and administering payments for health services. "The danger is that we may bite off more than we can chew."

Medical professions should be self-policing: Hansen opposes use of PSROs under NHI

While "it is not inappropriate for the Federal government to have some mechanism to assure that there aren't abuses of an NHI program, such as doctors performing procedures which are not necessary or hospitalizing patients for a longer period of time than is medically required," Hansen supports the idea that, within the framework of a peer review concept, professional organizations can be self-policing. He does not "think it necessarily has to be structured by a single mandated program that is inflexible." Indeed, PSROs disturb Hansen because they might often leave final judgments of a medical nature "to administrators, Federal bureaucrats, department heads, the Secretary of HEW, or lesser persons under him, who would be making professional judgments in areas outside of their training and professional competence." Therefore, according to Hansen, peer review should "be left as nearly exclusively as possible to doctors themselves, without putting a bureauacratic overlay on top of it."

States should be regulatory bodies under NHI

As the former Governor of Wyoming, Hansen strongly believes that NHI regulatory authority should be placed at the state, rather than the Federal, level so that the program can be tailored to meet the specific needs of the states. The price of medical care, for example, varies from state to state and region to region and therefore could not be made uniform throughout the country.

Hansen supports comprehensive benefits

Hansen generally supported a comprehensive benefit package which would include long-term care, comprehensive mental health services, with "good guidelines to prevent people from over utilizing the benefit just for their own personal satisfaction," comprehensive dental services, "which we will have to work into gradually and learn as we go along," and comprehensive prescription drug services since drugs are "as real a cost in health care as anything else."

Medicredit will be a major influence in final NHI bill

Even though Medicredit has over 180 cosponsors in the House and Senate, more than any other NHI proposal, it has, for the most part, been ignored as a viable alternative by witnesses before the House Ways and Means Committee and the Senate Finance Committee—except, of course, for the major sponsors of the bill. The reason for this, according to Hansen, may be that the prime sponsors of Medicredit do not "have the political sex appeal equal to that of those on the other bills. . . . For example, there has been talk of a Kennedy-Mills presidential ticket in 1976." However, Hansen expressed "enough confidence in the good judgment of the American people to believe that we might come up with a pretty good National Health Insurance plan—despite the political sex appeal that sponsors of some of the measures might have at the present moment." Therefore, when the final NHI plan is actually written, Hansen believes that Medicredit will exert a strong and productive influence.

DEMOCRACY, DEMOCRACY

Mr. HARTKE. Mr. President, today, the people of Greece are again shouting "Democracy, Democracy" in the streets of the nation that originated democracy. After 7 long years of military control, the military junta has begun the restoration of free government by returning Greek elder statesman Constantine Karamanlis to Athens to be sworn in as the premier of a government of the national union.

The human interest in, and understanding so vital to a democratic state were evident throughout the streets of Athens this week when it was learned that Karamanlis was coming home.

Mr. President, I ask unanimous consent to have printed in the RECORD following my remarks an article appearing in the July 24 Washington Post entitled "Greek Junta Bows Out, Civilian Rule Restored" depicting the joy of the people of Greece in their opportunity to regain civilian democratic rule.

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

(See exhibit 1.)

Mr. HARTKE. No free society or free man can tolerate the suppression of a free mind by military force. Since the 1967 military coup, which I had predicted a year earlier, I have continuously opposed the establishment of a military dictatorship in Greece, truly the cradle of democracy.

I have fought consistently for freedom for the Greek people, and against the disastrous policy pursued by American leaders of support for the dictatorship. The decision this week removes the burden of tyranny from millions of Greeks

who cannot contain their emotions at the realization that freedom is again at hand. The anti-American slogans that may have appeared during the Greek demonstration are the burden we must bear for a foreign policy that supported a military dictatorship. The history of people and their governments is replete with instances of suppression, coercion, tyranny, and dictatorships which ignore the democratic faith that the power to govern lies with the people. It is only when the people are able to decide their own destiny through the democratic process that military ventures like Cyprus will not be tolerated.

We must hope that the swing to representative government will prevail during the tense parleys now going on between the former military leaders and the new civilian officials. Until democracy has been fully restored, the Government of Greece cannot fully represent the ideals laid down more than 2,000 years ago by the classic Greek political thinkers.

EXHIBIT 1

GREEK JUNTA BOWS OUT, CIVILIAN RULE RESTORED

ATHENS, July 24.—Greek elder statesman Constantine Karamanlis was called home from exile and sworn in as premier of a government of national union following the military's junta's decision yesterday to restore civilian rule in Greece.

Shaken by the crisis it set off by backing a coup in Cyprus that has led to the brink of war with Turkey, the junta called upon Greece's conservative and moderate politicians to form a government to rescue the situation .

After conferring with the major opponents of the junta still inside the country. President Phaedon Gizikis called Karamanlis in Paris and urged him to come home to head the new government.

Arriving to find an enthusiastic crowd of thousands waiting for him at the Athens airport, Karamanlis said, "I feel greatly moved at finding myself back in the country again. . . . I know that the Greek people in difficult moments are united, and, together, I hope to be able to construct a new democracy."

Troops and police at the airport to control the crowd joined in the emotional shouting of "Long Live Karamanlis," "Democracy, Democracy" and other slogans.

As premier for eight years from 1955 to 1963, Karamanlis enjoyed the longest continuous rule as political leader of Greece since the country won its independence from Turkey in 1830.

Karamanlis, 67, has been both a measured critic of the junta and a measured supporter of Constantine, the deposed king. The new premier has for some time been considered the only figure who could reconcile the armed forces and the politicians.

As the news of the forthcoming transfer of power raced through Athens yesterday there were scenes of joyous pandemonium. Thousands of Athenians surged into the streets around the huge Constitution Square, the center of the city. People hugged each other, cheered, waved Greek flags and made victory signs.

During the breaks in a conference between the military and the politicians, young people mobbed the civilian leaders, hugging and kissing them.

Not since Greece was liberated from the Nazi occupation in 1945 had there been such mass demonstrations of joy in Athens.

Although it was not immediately clear just how much power the junta was willing to surrender to the civilians, today's developments may mark the end to more than seven years of military dictatorship in Greece.

"The Greek armed forces, in view of the situation in which the country finds itself, have decided to entrust a civilian government with the running of the country," an official announcement said.

It seemed unlikely that Karamanlis would have agreed to return unless he had been given a relatively free hand.

"Pray for me," Karamanlis asked newsmen as he boarded a plane provided by the French government for the four-hour flight to Athens.

Thousands of Athenians rushed to the airport to welcome him hours before he could possibly arrive. "He is coming, he is coming," chanted another crowd around the presidential palace.

The junta held long sessions during the day with a group of civilian politicians representing every major non-leftist group. Those who attended the session included practically all of the leaders who headed a succession of weak governments from 1963 until the junta took power in 1967.

All of the civilian participants opposed the 1967 military takeover.

Conspicuously absent from the meeting was junta leader Brig. Gen. Dimitrios Ioannides, chief of the national police and leader of the group that took over the junta in November.

There were numerous immediate signs of liberalization. The newspaper Vradyni, banned in December for violating the censorship, put out a special edition yesterday with a full-page photograph of Karamanlis and the banner headline "He's Coming."

It was announced that two other newspapers, Imera and Athaniaki, which have not been published at all during the seven-year military rule, would soon reappear.

Karamanlis denounced the Athens-backed coup, July 15, against the leftist-leaning President Archbishop Makarios of Cyprus as a "national disaster."

Karamanlis called upon the armed forces last week to restore democracy as "a national necessity of the highest importance" and placed himself "at the disposal of the nation for such an effort to restore normality and achieve national reconciliation."

In an earlier statement that created a major stir last year, Karamanlis said that King Constantine should be returned to power to reign over an "experienced and strong government."

The implication was clearly that Karamanlis meant to forestall any attempt by the exiled king to resume a policymaking role. The young King's attempts to influence the country's politics were among the reproaches that preceded his downfall.

But Karamanlis supported an abortive countercoup against the junta eight months after it came to power in 1967 to restore Constantine's position.

The armed forces' announcement of a return to civilian government came during a break in a meeting at the office of Premier Adamantios Androutsopoulos between the generals and the politicians.

The politicians in the talks were ex-Premier Panayotis Kanellopoulos, leader of the National Radical Union, the party that Karamanlis headed until he resigned the premiership in 1963; George Mavros, leader of the left-of-center Center Union Party; ex-Premier George Athanassiades-Novas; ex-Premier Stephanos Stephanopoulos, former prominent Cabinet ministers Evangelos Averoff-Tossitsa, Petros Garoufalias, Solon Gikas and Spiros Markezinis; and the former governor of the Bank of Greece, Xenophon Zolotas.

One of the politicians who attended the session told a Reuter correspondent that he thought the military men were sincere in their desire to give up power.

Premier Androutsopoulos submitted the resignation of his mixed civilian and military government, but he will remain in office until a new Cabinet has been named.

One of the new government's first priorities will be to decide what line it should pursue at the forthcoming talks in Geneva with Turkey and Britain to restore peace to embattled Cyprus.

Unconfirmed reports in Athens said that the key man responsible for the change in government was Lt. Gen. Ioannis Davos, commander of the Greek 3d corps headquartered in the northeastern port city of Salonika.

Gen. Davos took part in the meetings yesterday between the generals and the politicians.

During the current crisis, his troops were shifted from their usual positions along the border with Bulgaria to be massed on the frontier with European Turkey.

The Turkish official radio had reported yesterday that Davos had staged a coup and set up a new government in the town of Larissa in central Greece.

Even though the reports of Davos's coup came, from enemy broadcasts in the midst of a near-war situation, they received wide credence in Greece.

The rumors of a change in government were officially denied by Constantine Rallis, a Cabinet minister without portfolio, in a special radio-TV address just before noon yesterday in Athens.

"Foreign radio stations known for their anti-Greek tactics are systematically distorting the truth and drawing conclusions detrimental to our country," he said on behalf of the government while behind-the-scenes negotiations were already under way for the Cabinet to step down.

The crowd in Constitution Square today was estimated at about 100,000. Among the slogans that were chanted were, "Democracy, Democracy"; "Out With the Americans"; "Makarios, Makarios" and "Down With the Torturers and Military Police."

Police forces cordoned off the square and called over loudspeakers for the crowds to disperse, warning that the country is still under martial law and that demonstrations are forbidden. But the police were ignored.

The armed forces issued a later statement saying, "As was announced previously, the country is obtaining a civilian government. We advise the people to keep their calm and self-control for the sake of the nation."

The mood of delirious joy was in complete contrast to the muted reception given just over a year ago to the announcement that King Constantine had been deposed and a republic declared.

As cars jammed the roads, driving around in circles and orchestrating the din with their horns, one young man did a slalom run through the traffic, bare-chested and waving his blue shirt above his head. Such nudity violates the moral code laid down by the junta. Police made no move to stop him.

In a quieter expression of joy, some women walked through the streets carrying lighted candles.

Gen. Gizikis, who presided over the change in regime, is the former 1st Army commander. He is considered a rightist and a friend of King Constantine. Gizikis became president in November in a bloodless coup that overthrew President George Papadopoulos.

A communique at the time said that Papadopoulos was ousted because he was pushing Greece toward parliamentary rule too fast and straying from the goals of the 1967 military coup that put the former colonel into power.

NATIONAL SOCIETY OF ARTS AND LETTERS

Mr. PERCY. Mr. President, I was recently honored by an invitation from the National Society of Arts and Letters to speak at a luncheon meeting of its 30th anniversary convention here in Washington.

Apart from my great personal interest in this organization—my talented concert violinist and delightful mother is a vice president of the Chicago chapter and I am pleased to be a member of its advisory council—I think it should be singled out generally for its truly dynamic and determined support of hundreds of talented young Americans whose careers might have otherwise floundered or never come to flower. Talent needs a friend; it needs encouragement; it needs a chance. It needs recognition and appreciation. And talent needs financial help. All of these things the National Society of Arts and Letters has provided, and in doing so, has enriched our own lives and our national culture as well. Its scholarships to young musicians, writers, actors, dancers, and artists have in turn given the rest of us the gift of enjoyment to intellect, senses, and spirit. A nation that does not nurture its talent becomes arid and bleak. I am proud that this is a nation that is both technically sophisticated to an unparalled degree and yet one that can rejoice in things of the mind and the soul.

Mr. President, as one who grew up with the sound of music and a love of literature in his own home, I am pleased to have the opportunity to salute an organization, its officers, directors, and members that work so tirelessly to make these things a part of every citizen's life.

Mr. President, I ask unanimous consent that my remarks and the minutes of the 30th Anniversary Convention of the National Society of Arts and Letters be printed in the RECORD.

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

REMARKS BY SENATOR CHARLES H. PERCY

INTRODUCTION

It's a pleasure to be here with you this afternoon. You know, if you are going to be doing any public speaking, you should always try to be introduced by your mother, as I was.

I can assure you that no one else is as aware of your accomplishments or more confident of your potential than a mother.

In 1972 in the Senate campaign in Illinois it was a Percy versus Pucinski race, but I wasn't always sure which Percy was running for office—Mother or me.

I though Loraine and I campaigned awfully hard, but Mother was always one step ahead of us playing her violin at nursing home after nursing home to entertain the residents and—not always incidentally—to urge them to vote for me.

In that way, Mother was a brilliant example of incorporating the arts into our national life. But she has always had music and literature in her life, and because of that her family and her friends have regarded her as a complete person.

I would like to see the enrichment that the arts have brought to Mother's life extend to all Americans, as I know you would. The arts give a meaning to our lives that nothing else really can.

You will appreciate the truth of an observation made by a great artist, Isaac Stern. The violinist pointed out that the arts are *not* "a casual adornment to an affluent society, but truly basic to the civilizational needs and aspirations of a great society."

There has been, from the time of the first settlers in this country, a spirit of daring-do which has worked both to our development and our detriment. I read recently a fascinating analysis of that American urge to "do something."

Daniel Boorstin, the historian, suggested that when the first settlers came to this country they brought with them the culture of 17th Century London and tried to establish it in a wilderness that had not even gone through the equivalent of the Middle Ages.

Certainly the ingenuity of those pioneers led us to make technological and economic progress that was amazing, but it also left little time for development of the spirit. That is the tragedy of it: We Americans, by tradition, devote only a small part of our time and energies to encouraging the arts. We have always been too busy solving problems, building and expanding.

I think one of the most promising aspect of our Bicentennial celebration will be a renewed interest in our American cultural endeavors. After all, our artists, writers and musicians do have a flair that is truly American. Georgia O'Keefe, Walt Whitman, and Rodgers and Hammerstein, just to name a few, have brought a new scope to their respective arts that are clearly part of the American experience.

As we celebrate the Bicentennial, celebrate all that is American, we will want to place special emphasis on the achievements of our artists.

For many years the cultivation of the arts in this country was left to private groups such as yours. From these endeavors, we have seen great accomplishment, but that wasn't really enough. There has always been a place for the federal government in supporting the arts and, finally, the government seems to be assuming its role.

In the last decade federal funding for the National Endowment for the Arts has grown from $2.5 million to a record $111,775,000. That latter figure, I'm sure you will agree, is more in line with our needs.

During President Nixon's first term in office, the appropriations for the Endowment for the Arts rose from $8 million in fiscal 1970 to nearly $40 million in FY '74.

Last year that figure swelled to nearly $112 million. Even that high figure was $25 million less than the amount authorized by the Senate. As a major supporter of the Senate figure, I was disappointed in the cut, but still I realize what great progress was made.

I have the privilege to serve as Chairman of the Trustees of the Kennedy Center, and in that position I have worked hard to secure funding for it. The Kennedy Center has brought a new spirit to the nation's capital and added a dimension that our city needed badly.

President Nixon must be given credit for urging funding for the arts as strongly as he has. He has worked hard through legislative channels and through his own personal appearances at artistic events to encourage more support.

It seems that with the encouragement of the President's interest in this matter, the Congress has finally come to its senses regarding expenditures for this vital area of our lives.

I would think that particularly in these dark days of our national life when crisis tumbles down upon crisis, we all—Congressmen and private citizens alike—are recognizing the need to seek ways to sooth our thoughts and to emphasize the works that set man apart from his everyday troubles. Surely if we have ever needed to be transported, it is now. Through all the art forms we can look up and thank heaven for our imagination which sets mankind apart from all other living things.

I see only good things ahead for the arts in this country. As I indicated earlier, the President and the Congress finally seem determined to allocate the necessary funds for support of the arts. There has also been a surge of participation by state and local governments. And, we can all hope that groups such as yours will continue their support and encouragement.

We cannot survive as a society without the gracious presence of the arts in our lives. They are not the frosting on the cake; they must be at the very heart of our civilization. We must continue to strengthen our cultural lives just as we do the technological aspects of our lives.

If you have visited the beautiful Kennedy Center, you undoubtedly have seen the quote from President Kennedy carved on the outside of the building. President Kennedy acknowledged the balance that must be struck between culture and technology when he said:

"There is a connection, hard to explain logically, but easy to feel, between achievement in public life and progress in the arts. The Age of Pericles was also the Age of Phidias. The Age of Lorenzo de Medici was also the Age of Leonardo de Vinci. The Age of Elizabeth was also the Age of Shakespeare."

I believe that with the combined efforts of the government and private citizens to support our artists and a love of art we can make this a golden age in American arts.

MINUTES OF 30TH ANNIVERSARY CONVENTION

The National Society of Arts and Letters (NSAL) held its 30th Anniversary Convention in Washington, D.C., May 14–19, with headquarters at the Washington Hilton Hotel.

There were about 205 members in attendance including delegates and alternates, representing some 2,000 members of the Society. Twenty-five of the thirty-two chapters throughout the United States were represented, with the Honolulu Chapter of Hawaii travelling the furtherest distance. Other states represented were: Alabama, Arizona, Arkansas, California, District of Columbia, Florida, Illinois, Indiana, Kentucky, Louisiana, Missouri, Minnesota, New Jersey, New York, Ohio, Pennsylvania, and Texas.

In addition, there was a guest representative from a new chapter being formed in Connecticut. Another chapter is being added in Boston.

NSAL is an organization of individuals who are engaged professionally in one or more of the arts or who are actively sponsoring the work of young artists.

The National Society of Arts and Letters was founded 30 years ago—October 21, 1944—in Chevy Chase, Maryland, by two dynamic, capable women, with vision and inspiration, Mollie Davis Nicholson of Chevy Case, and Francesca Falk Miller Nielsen of Chicago, Illinois.

Mrs. Nicholson, a columnist, editor and lecturer, was also active in civic, patriotic and political organizations. Mrs. Nielsen paralleled the diverse interests and abilities of her co-founder, being an accomplished concert soprano and an equally successful author of poetry, plays and books.

They envisioned an organization which would not only uphold standards in the various fields of arts and letters, but also provide financial assistance to young people pursuing their goals. Thus, the organization was born, which became a pioneer in the field of private scholarships in all the fields of the arts and letters.

The national organization, together with its local chapters, has given an estimated half a million dollars in awards and scholarships since its founding in 1944. Scholarships are given in all five categories—art, dance, drama, literature, and music—each year in the local chapters, with a national award rotating between the different categories on the national level every five years. Scholarship and award winners have included such talents as Malcolm Frager, Jessye Norman, and Diane Young (Summerfield).

"The Washington Post," in an article during the convention, described NSAL as a kind of "privately supported National Endowment for the Arts. . . ."

The Society also provides occasions to showcase the talents of their scholarship winners.

The stated aims and objectives of the Society are:

Encourage and assist young artists.

Give scholarships and awards to non-members after competition in any of the creative arts.

Create opportunities for artistic endeavor and expression.

Conduct or assist non-competitive exhibitions in art, dance, drama, literature, and music.

Encourage higher standards of professional ethics.

Promote a greater public interest in the creative arts.

Carrying on in their own Chapters of NSAL now are two daughters of the two founders—Dorothy Nicholson Stabell of the Washington, D.C. Chapter, daughter of Mrs. Nicholson, and Mrs. Bruce Strong of the Chicago Chapter, daughter of Mrs. Nielsen.

Chairman for the 1974 Convention was Mrs. MacKenzie Gordon of Washington, D.C.; the Assistant Chairman was Mrs. W. Allan Saylor, Silver Spring.

Activities began with a pre-convention party Tuesday evening, May 14, at the South African Embassy. The occasion honored the National NSAL Board and was hosted by The Ambassador of South Africa and Mrs. Botha and the daughters of the two founders of the organization, Mrs. Dorothy Stabell and Mrs. Bruce Strong.

Robert Portney, violinist, who was first prize scholarship winner in violin in 1973 for the Washington, D.C. Chapter and national fourth place winner the same year, performed for the group. He now plays concert tours across the nation, plus carrying a regular college program at Harvard University.

Following the opening business session with the National President, Mrs. Carleton A. Reeves (Alice), presiding on Wednesday morning, May 15, John Ciardi, poet, critic, member of NSAL National Advisory Council gave the keynote address "The Act of Language" at a luncheon at the hotel honoring Chapter Presidents and founders of Local Chapters. The luncheon event began with a presentation of colors and a musical salute by the United States Air Force Ceremonial Band. Marilyn Hoffman from *The Christian Science Monitor*, who had just returned from Asia, made a few remarks.

The cultural fest continued at 4:30 p.m. with a "Forum on the Arts", with Ciardi as moderator. Panelists were Fannie Taylor, Director of Program Information, National Endowment for the Arts; Dr. Robert W. Miller, Senior Associate Administrator of The American Bicentennial Administration; Dr. Alexander Hollander, Internationally known biologist, member of The Academy of Sciences and Consultant to the National Institutes of Health.

Dr. Gordon H. Smith, Professor of Music at The American University in Washington, D.C., spoke to the group following a buffet supper at the Cosmos Club at 7:30 p.m. Victoria Noyes, second prize violin scholarship winner for the Washington, D.C. Chapter, 1973, presented a short recital.

Business sessions continued Thursday, May 16, with members and delegates breaking for a 4:00 p.m. tour of The Department of State Diplomatic Reception Rooms, hosted by the Assistant to the Curator, Mrs. Patrick Daly.

"Scholarship Night" was the title, with displays of talent and past winners from the Washington area, for dinner that evening at The International Club. There was an exhibit of sculpture and painting. Francis Conlon, now a piano instructor at Catholic University, performed. There was poetry reading by Robert Wickless, now a student at The University of Maryland. Christine Wright, a student at The Washington School of Ballet, danced. This was followed by an informal talk by Richmond Crinkley, Joint Producer of The Kennedy Center Productions, Inc.

It was a full day on Friday, May 17. After business meetings in the early morning, NSAL delegates took a quick tour of the Capitol and then had lunch with Senator Charles Percy from Illinois and listened attentively as he told them what Congress was doing to promote the arts in America. Mrs. Edward Percy (Elizabeth), the Senator's mother, introduced her son. Mrs. Percy is a musician and a vice president of the Chicago Chapter and her son, the Senator, is a member of the Chicago Advisory Council. The Honorable Louise Gore, former Ambassador to UNESCO and NSAL member, attended the luncheon.

This event was followed by tea and a tour of The White House.

The scene then shifted to the Concert Hall of the John F. Kennedy Center, where at 8:30 p.m. the National Society of Arts and Letters held its first national benefit, under the patronage of Mrs. Nixon, for a Mamie Doud Eisenhower Award. Mrs. Eisenhower has been a supporter and Honorary member of NSAL for twenty years.

The Benefit was during an evening of the Mozart festival with Stanislaw Skrowaczewski of the Minneapolis Symphony conducting The National Symphony Orchestra in Symphonies No. 34 and 39. Joerg Demus, as guest soloist, played the Piano Concerto No. 27. A reception followed in the Atrium.

Mrs. Theodore Bedwell, McLean, Virginia, was the Benefit Chairman, with Mrs. Dorothy Stabell and Mrs. Brue Strong serving as Co-Chairmen.

The event honored the National Honorary members—Mrs. Nixon, Mrs. Johnson, Mrs. Eisenhower, Mrs. Truman—the National Advisory Council—Maria Tallchief, Van Cliburn, Jerome Hines, Helen Hayes, Orlin and Irene Corey, Dr. Carl Weinhardt, Jr. Victor Borge, John and Anne Coover, Faith Baldwin, and John Ciardi.

Saturday morning, May 18, was set aside exclusively for students, as delegates and contestants gathered at the Folger Shakespeare Library Theater at 9:30 a.m. for the national drama competition in acting. Contestants eligible to participate were winners of local contests from the thirty-two chapters.

Winners were: Patricia Conwell, first place, San Antonio Chapter Contestant; Kristin Rudrud, second place, Northern Minnesota Chapter Contestant; Cynthia Mayfield, third place, Columbus Chapter Contestant; Michael Leighton, fourth place, Clearwater Chapter Contestant Margaret Kemp, Arizona Valley of the Sun Chapter Contestant, and Marcy MacDonald, Santa Barbara Chapter Contestant, shared fifth place.

Others who entered the contest were: Kim Morin, Birmingham Chapter entree; Susan Solt, Bloomington Chapter entree; Cheryl Rhoads, Chicago Chapter entree; Stacy Graves, El Paso Chapter entree; Diana Lanza, Empire State Chapter entree; Robert Schenkman, Evanston Chapter entree; Larry Welch, Little Rock Chapter entree; Ed Gero, New Jersey Chapter entree; Marilyn Leggett, Ohio River Valley entree; Randall Haynes, Pittsburgh Chapter entree; Richard McGougan, St. Louis Chapter entree; Wendy Buchwald, Shreveport Chapter entree; Sherry Skinker, Washington, D.C. Chapter entree; and David Penn, Kentucky Chapter entree.

Three judges made the determination of the winners—Professor Alan B. Hanson, St. Louis University; Charles W. Raison, Executive Director, American Academy in New York; and Louis W. Scheeder, Producer-Director, Folger Theatre Group.

A total of $2300 was presented to the students, which will be used to further their acting careers.

The National Scholarship Chairman was Mrs. William Sistrom from the Arizona Valley of the Sun Chapter and the National Drama Chairman was Mrs. Norman J. McDonough of the St. Louis Chapter.

Delegates were guests on Saturday evening of His Excellency, Ambassador Ardeshir Zahedi, at the Iranian Embassy for the Society's traditional Red Rose Dinner. At this event each year the award winners are announced and they then perform for the delegates. On this particular evening, the group also heard brief remarks about "The Origin of the Iranian People" by Mr. Madj, Minister of the Embassy of Iran. The Director of the Washington Performing Arts Society, Patrick Hayes, also spoke briefly on "John Adams Was Right—America Has Become an Artistic Society".

Dignitaries attending included Mr. and Mrs. Charles Robb—Mrs. Robb is the former Lynda Byrd Johnson, the daughter of the late President Johnson. Dr. and Mrs. Kazemian—Dr. Kazemian is Minister of Culture of the Embassy of Iran. Senator and Mrs. Percy also attended.

The finale ended with the first annual "Prayer Breakfast" on Sunday morning, May 19. Former actress Colleen Townsend, now Mrs. Louis H. Evans, Jr., wife of the minister of the National Presbyterian Church, spoke on the "Beatitudes", which she has written about in her book, *A New Joy*. There was music by members of the National Presbyterian Church Choir, and lastly the installation of new national officers for the next two years.

Mrs. Donald Bates Murphy of Silver Spring, Maryland is the new national president.

Other officers include: Mrs. Reece Tannehill Geissinger, Pittsburgh, first vice president; Mrs. Harold O. MacLean, Santa Barbara, second vice president, Mrs. Courtney F. Ellis, Kentucky, third vice president; Mrs. Henry Lester Smith, Bloomington, fourth vice president; Mrs. R. Samuel Watkins, El Paso, fifth vice president; Mrs. Norman M. Kronick, Honolulu, sixth vice president; Mrs. W. M. Ewing, New Jersey, recording secretary; Mrs. Robert W. Miller, Washington, D.C., corresponding secretary; Mrs. J. John Brouck, St. Louis, treasurer; Mrs. Holmes Gardner, St. Louis, assistant treasurer; Mrs. Maximo Iturralde, El Paso, auditor; Mrs. Orlo Campbell, New Jersey, registrar; Mrs. Courtney Campbell, Clearwater, librarian; Miss Sylvalyn Brown, Los Angeles, historian; Mrs. Heiskell B. Kelley, Little Rock, chaplain; Mrs. John H. Herweck, San Antonio, parliamentarian.

WAYNE L. MORSE

Mr. HARTKE. Mr. President, earlier this week, this country lost one of its outstanding citizens, Wayne Lyman Morse.

Wayne Morse was born in 1900 on a farm near Madison, Wis. His love of the farm never left him. For 25 years, he

maintained a farm in Maryland, where the late President Lyndon Johnson went to buy a prize Devon bull and the late Drew Pearson went to swap hay, calves, and political stories.

In 1949, Wayne Morse was elected to the Senate as a Republican from the State of Oregon. He had already proved himself to be outspoken as a member of the War Labor Board 7 years earlier. Although a Republican, he remained true to his conscience and his beliefs by supporting the late Adlai E. Stevenson in the 1952 presidential race.

For more than 2 years, Wayne Morse was a man without a party—an independent. During that period, Collier's magazine referred to him as the "Loneliest Man in Washington." He was removed from his old committee assignments and received only minor assignments in return. Two years later, he joined the ranks of the Democratic Party.

To those who knew him well, Wayne Morse was full of humor and joviality. Most of all, he harbored a refusal to compromise on any issue which he considered to be a matter of principle. In a legislative body which exists of the necessity for compromise, tenacity is not looked upon as a virtue, but it was that tenacity—that devotion to his own conscience—which caused Wayne Morse to speak out against the war in Vietnam.

In 1954, when the Eisenhower administration announced its policy of containment of Southeast Asia, Wayne Morse said that the United States was "in great danger of being catapulted into the Indochinese war." In 1964, when the Senate was considering the Gulf of Tonkin resolution, Morse characterized the United States as the "provocateur" and said:

> We have been making covert war in Southeast Asia for some time, instead of seeking to keep the peace.

Just as he had been outspoken on other matters of conscience, Wayne Morse remained consistently outspoken in his opposition to American military involvement in Southeast Asia. Every time that involvement escalated, he escalated his verbal assault.

Wayne Morse left the Senate after 1968, but he never lost his love for it. He failed in one attempt to return in 1972, but was embroiled in another campaign at the time of his death.

Wayne Morse was a colleague and a friend, and I best remember him as he was described in A. Robert Smith's 1962 biography—"The Tiger." Wayne Morse was a tiger and we will all miss his outspoken voice and his fidelity to conscience.

NATIONAL HEALTH INSURANCE—THE BRITISH EXPERIENCE

Mr. HANSEN. Mr. President, the article, "British National Health Plan, Financially Undernourished," as printed in the Washington Post, Saturday, July 6, 1974, was of great interest to me. It would seem most appropriate, while developing a national health plan of our own, that we study carefully the experiences of other countries, like Britain, and profit from what they have learned.

This article dramatically points out the pitfalls of a national health insurance program wherein the finances for comprehensive free, or low-cost medical services are raised through Government taxation and compete with other national priorities within a political arena. There is never enough money to go around, and issues of lower priority inevitably suffer as tax moneys are funneled into the most politically popular projects. The result in Britain has been chronic under-funding of the whole health care delivery system, underpaid doctors, and mediocre quality medical care.

A comparable situation can be found in proposals currently before this Congress that would finance national health insurance from social security taxes matched by general revenue contributions wherein comprehensive medical services would be bought by the Government for the public.

This situation can be prevented by offering Government assistance to individuals based on need and ability to pay, and through a tax credit finance base that retains actual expenditures and purchase within the hands of the consumer.

I ask unanimous consent that the article be printed in the RECORD.

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

BRITISH NATIONAL HEALTH PLAN "FINANCIALLY UNDERNOURISHED"

(By Peter Mosley)

LONDON.—Britain's National Health Service, often touted as the world's finest example of socialized medicine, is tottering through its worst crisis and may need drastic surgery before long.

"Chronic financial undernourishment" was the diagnosis of one expert recently.

But instead of the massive infusion of funds which is patently necessary if the 26-year-old institution is to survive, the NHS has been bled of $264 million by a cut in capital spending imposed last December.

The effect is just beginning to bite. It has been estimated that at least $300 million a year in extra funding is needed just to maintain present standards.

The health service has an annual budget, raised from taxes, of more than $7 billion. This makes it one of the largest civilian enterprises in the world.

Today, Britain's economic plight and persistent inflation—the basic reasons for December's budget cut—are not only preventing improvement of standards in the already creaking health service, but actually lowering them in many cases.

The result: longer and longer waiting lists for scarce hospital beds and an alarming militancy by the underpaid, overworked NHS staff, particularly nurses and medical technicians.

The health service commissioner—"ombudsman" for the NHS—reported recently, for example, that some people needing treatment at the ear, nose and throat department of one hospital were having to join a six-year waiting list. Understaffing was the major reason.

Some 100,000 nurses, about one-third of the total, were brought to the brink of an unprecedented strike and called it off only when they were promised a full inquiry into their pay and conditions.

They earn only a fraction of the wages paid to colleagues who have opted out of the NHS and have signed on with commercial nursing agencies which contract out their labor to the state hospitals.

The doctors and specialists have also reached the point of anger and despair over increased workloads and falling standards of living.

An independent review body has recommended a pay rise amounting to an overall 7.5 per cent for doctors and dentists, ranging from 15 per cent for some of the lowly paid junior hospital doctors to 6.5 per cent for family doctors and .6 per cent for some senior specialists.

But the review body itself acknowledged that these increases, the maximum permitted under the government's incomes policy, would not enable the medical profession to make up lost ground.

"Doctors have fallen substantially behind other comparable income groups," said Dr. Derek Stevenson, secretary of the British Medical Association.

He underlined the review body's warning that lowering of the relative level of doctors' and dentists' earnings threatened the efficiency of the health service.

The BMA itself is facing revolt by many of its members, especially the hospital doctors, who accuse it of being too soft.

Many have already defected to a militant organization, the Hospital consultants and Specialists Association (HCSA), which has drawn up plans for a private employment agency similar to the nursing agencies.

This would open the way for doctors to resign from the NHS and could precipitate its final breakdown.

"We are setting up an agency which could act as an alternative employer and demand fees more closely related to what a doctor is worth," said an HCSA spokesman.

"I should say the crunch will come in about a year's time if the national health service's terms are not redrawn on an entirely new footing."

While the furor rages, the NHS is undergoing a major bureaucratic reorganization designed to streamline its operation. This has reaped only muddle and confusion, a proliferation of committees at every level.

A change of government and a rethinking of basic policy have created ever more uncertainty.

Health service finance experts dismiss as alarmist the rising fears that the whole medical care system is on the verge of bankruptcy and that hospitals will have to close down simply because they are "broke."

They say extra funds can be made available from the treasury through existing parliamentary machinery should things really become desperate.

A more positive approach, however, is to look at ways of saving money in the health service without detracting from efficiency, they say. As a long-term proposition, the argument has some merit.

It is false economy, for example, to spend some $500 million a year patching up and maintaining antiquated hospitals when new buildings would be cheaper to run.

Beefing up the community care services could help take the load off the psychiatric hospitals, now housing 10,000 patients at an annual cost of around $43 million.

Small, general-purpose "cottage" hospitals are a much more economical proposition than large, expensively equipped big-city hospitals where an estimated 27,000 beds are inappropriately occupied at an annual cost of $100 million.

NHS civil servants also decry such benevolent gestures as the last Parliament's decision to make birth control pills and other contraceptives free under the NHS.

Admirable though the principle may be, this action will impose another huge financial load on the system. Most doctors regard as wildly optimistic official estimates that free contraceptive supplies will cost only $2.5 million a year. That sum, they note, would keep about 170,000 women in pills, but an estimated quarter-million British women are taking the pill at present.

Regardless of all this, most experts are gloomily convinced that in the short term at least, the NHS is facing a financial abyss.

Emergency funding through established procedures may help, but still more drastic action seems inevitable as well.

Higher charges for prescriptions, higher taxes, cutbacks on hospital building programs and medical research, a total revision of priorities to identify and rectify the most unjust of the health service anomalies—all may be necessary, and soon.

THE AMERICAN HORSE PROTECTION ASSOCIATION

Mr. ABOUREZK. Mr. President, the American Horse Protection Association is an amazingly influential, yet still relatively small, humane organization. AHPA was founded 8 years ago. Mrs. Paul M. Twyne is its president and Mrs. William L. Blue is its vice president. These two constitute the active day-to-day management of this organization, which is the only national, nonprofit, tax exempt organization dedicated solely to the welfare of horses, both domestic and wild.

Since the founding of the organization 8 years ago, it has grown to some 6,000 members. But, more important, are the achievements that this small organization has made. Individual members of the American Horse Protection Association helped to bring about the passage of the 1970 Horse Protection Act. These same individual members, under the guidance of Mrs. Twyne and Mrs. Blue, helped to pass the 1971 Wild and Free Roaming Horses and Burros Act. Last year this organization filed a suit to enforce the 1971 Wild Horse Act. It is the only such suit which has been filed under the act to force the Government to enforce the law which Congress passed in 1971.

Mrs. Twyne and Mrs. Blue are already actively responding to requests from the Congress as to how that law can be strengthened. Again, individual members of this organization are hard at work, and from what I have seen, we can expect more victories because of the dedication of Pearl Twyne and Joan Blue and the members of the American Horse Protection Association.

Mr. President, the recent testimony given by Mrs. Blue to the Senate Interior Committee is most illustrative of my point as to their hard work and to their willingness to stand up against the Government when it is wrong, as it was in the case of allowing the brutal slaughter of a herd of some 60 wild horses in Idaho. I ask unanimous consent that Mrs. Blue's testimony be printed in the RECORD.

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

TESTIMONY OF MRS. WILLIAM L. BLUE

Mr. Chairman and distinguished Senators all.

I am Mrs. William L. Blue. I am Vice President of the American Horse Protection Association. Our President is Mrs. Paul M. Twyne of 629 River Bend Road, Great Falls, Virginia. That address is also our Association's address.

Had it not been for you, Mr. Chairman, and others of this Committee, there would not have been a wild horse protection act to begin with. The American Horse Protection Association recognizes that all of us—the humane societies and the citizens of this Country, owe a great debt of gratitude for the foresight and courage demonstrated by you, Mr. Chairman, in sponsoring and helping to pass what is now known as P.L. 92–195, the Wild and Free Roaming Horses and Burros Act of 1971. The school children of America, in particular, have expressed their appreciation for the passage of this law to preserve this historic animal from the selfishness and cruelty of petty men.

Our organization, the American Horse Protection Association, is, as you know, the only charitable, tax exempt, humane organization devoted exclusively to the prevention of cruelty to, and the preservation and protection of, both domestic and wild horses. The Committee will perhaps recall that it was many of the members of the American Horse Protection Association whose testimony and whose efforts brought about the enactment of the Horse Protection Act of 1970, a law to prevent the vicious soring of the Tennessee Walking Horse. And, Mr. Chairman, I am sure you and other members of this Committee will recall that it was again many of the individual members of the American Horse Protection Association who stood behind you and encouraged you in your leadership in the passage of the 1971 Wild and Free Roaming Horses and Burros Act.

The American Horse Protection Association is also involved with the Humane Society of the United States in the only Court action which has been filed against the Department of Interior and Agriculture, their Secretaries, and 13 individual employees in those two departments for their misfeasance, malfeasance and non-feasance in their handling of the brutal massacre of some 60 wild horses near Howe, Idaho. That suit is pending here in the District of Columbia, having been filed a year ago. The Government has tried everything they can to get the suit dismissed or get the venue changed so that the suit is moved to Idaho. So far, we have been able to maintain the suit in this jurisdiction and we are hopeful that the suit will be tried this Fall.

As the Chairman knows, one significant consequence from our lawsuit has been the forcing of the Government to turn over to us and to this Committee the Joint Investigative Report conducted by Interior and Agriculture after that bloody slaughter out in Idaho.

We testify today in the hopes that this law can be strengthened so that other humane organizations will not have to go through the expense of suing the Government for the enforcement of the law of the land concerning wild and free roaming horses and burros.

Mr. Chairman, we have heard the Department of Interior and the Bureau of Land Management testifying for additional funds and additional personnel. We have heard them complain that the law is too vague and too difficult to administer. Their story never changes. Instead of trying to administer the law and protect the wild horses, the Bureau of Land Management would rather continue their cozy relationship with the cattlemen and sheep growers at the expense of the protection of the wild and free roaming horses and burros. We oppose the ill-served and inhumane request by the Bureau of Land Management to be able to dispose of so-called excess wild horses. We believe that nature can handle that much better than the present occupants of the hierarchy of the Bureau of Land Management.

This Committee is aware of the senseless slaughter of a herd of wild horses in Idaho last year. That slaughter, Mr. Chairman, occurred after the statute had been on the books for almost a year and a half.

Instead of learning a lesson from their wanton and destructive conduct in Idaho, the Bureau of Land Management has had the audacity to schedule additional roundups, and has asked for funds to help destroy the so-called excess wild horse population and to otherwise continue to ignore the law as it is now written.

It should be made clear, Mr. Chairman, that neither the American Horse Protection Association nor any other reputable humane organization has a personal vendetta against the Bureau of Land Management or any of its officers or agents. However, in the time of Watergate when all of us citizens are looking for honest and good government, the Bureau of Land Management continues to give government a bad name. They are responsible for the destruction of that herd in Idaho. They tried to cover it up. They do not believe that wild horses should be protected. The Joint Advisory Board has members on it who by law should never have been appointed to the Board. They lie with their figures—in one case, they'll tell you that there are as few as 20,000 wild horses and in their next release, they will say there are 40,000. They do not care, Mr. Chairman, what you and I think. They basically do not believe that we have any right to have an opinion about wild horses since we do not live out there. They believe that the wild horses are their exclusive province to be protected or killed, rounded up or driven off particular ranges at their discretion, and as they think best.

The American Horse Protection Association thinks that the law as it is, if properly enforced, would be sufficient. But since we can no longer expect the Department of Interior or the Bureau of Land Management to uphold the law as it is written, the American Horse Protection Association respectfully asks that consideration be given to changing the law in the following respects:

1. We recommend that the words "manage" and "management" should be deleted wherever they appear in the statute and that the words "preserve" and "protect" be substituted therefore;

2. P.L. 92–195 should be made specifically subject to the Administrative Procedures Act. By specifically writing the Administrative Procedures Act into the Wild and Free-Roaming Horses and Burros Act, the requirements of notice and of public hearings and the other protections built into the Administrative Procedures Act would cut down on frivolous claims for wild horses, reduce the number of roundups, and give all interested parties a sufficient amount of time in which to prepare to argue against a removal or a claiming procedure;

3. Sections 4, 5 and 6 should make it explicit that the horses roaming on the public lands of the United States are the property of all of the citizens of the United States. If the case should arise where a horse or horses are claimed, the Federal Government should appoint a Federal Hearing Examiner to determine the merit of the claim. If the horse is found not to be the property of the Federal Government, then, and only then, should the state estray and branding laws be applicable to that animal;

4. P.L. 92–195 should explicitly require Interior and Agriculture to file impact statements prior to any roundup or other contemplated activities which involve wild horses;

5. The law should require that any rancher who requests a permit to graze a horse on the public land (a) should first have to brand or lip tattoo that horse and (b) the Forest Service and the Bureau of Land Management should have to enter that brand or tattoo into their books. If the Bureau of Land Management and the Forest Service will tighten their permit system and if the law will require some identifying marks on domestic horses to be grazed on the public lands, a presumption will arise that any

horse not so branded or catalogued is indeed a wild and free roaming horse;

6. We further suggest that Section 8 would be made much stronger as to civil and criminal penalties. We would suggest that a separate section be made applicable to officials and agents of Interior and Agriculture if they fail to discharge their responsibilities under the law;

7. The Government has asked that they be allowed to use helicopters to make a survey of the herds of wild horses and burros. The American Horse Protection Association would be absolutely opposed to that request. The law on the books now prohibits the Government or any private individual from harassing wild horses and burros from any motorized vehicle, including helicopters. The American Horse Protection Association feels that if it is so important for the Government to make a survey of every last wild horse in the West, that they should find some other means of doing it more discreetly and less menacingly than to fly helicopters down over a herd of wild horses and thereby harass and perhaps injure those horses.

In conclusion, Mr. Chairman, we are strongly against allowing the Government to dispose of excess animals, believing that nature has always been able to maintain its own natural balance among the herds of wild horses and burros. We believe that that balance is more logical than that so-called wisdom that the Bureau of Land Management would have you allow them to apply. Further, we ask that you give our recommended amendments every possible consideration.

And finally, Mr. Chairman, the American Horse Protection Association wants you and the members of this Committee to know how much we appreciate what you have done to stand up against the interests of greedy men and petty bureaucrats in passing a law to declare that there are some things in life which do not have a price. By passing the Wild and Free Roaming Horses and Burros Act of 1971 and by further strengthening with amendments such as here suggested, the Senate Interior Committee continues to be the voice of the young, the voice of conservation, and most importantly, the conscience of all Americans who believe in the history of this Country and the humane treatment and preservation of the majestic wild horses who help to remind us of our Country's humble beginnings.

FAA ADMINISTRATOR BUTTERFIELD GIVES ALASKAN NATIONAL AWARD

Mr. STEVENS. Mr. President, recently a fellow Alaskan, Arthur H. Walker, director of maintenance for Alaska International Air, Inc., was selected by the Federal Aviation Administration as the national winner of the 11th annual Aviation Mechanics Award in the air carrier category.

The basis for Mr. Walker's selection was his extraordinary initiative and leadership in directing the repair and rebuilding of a 4-engine Hercules cargo plane which had crashed in February 1973 during a landing on remote Fletcher's Ice Island, 400 miles from the North Pole. Mr. Walker headed an eight-man maintenance crew in an on-the-site repair operation. Their task was to prepare the aircraft for a one-time flight to Fairbanks for permanent repair. The Hercules had sustained structural damage to both wings, the center wing section, fuselage, engines, and propellers. Part of the aircraft had been destroyed by fire.

During their 6-month stay on the ice island, Mr. Walker and his crew worked under extremely harsh conditions, and in temperatures that often dropped to —45°. Supplies of necessary tools, equipment, and foodstuffs were accomplished by air drops every 20 days. The men worked without benefit of special alinement jigs and often had to improvise. For example, lacking a transit, a level was improvised by using plastic tubing and coffee.

On July 4, the Hercules was flown off the 26-square-mile ice floe and landed safely at Fairbanks International Airport where final repair work was completed.

In honor of this outstanding achievement, Mr. Walker was flown to Washington, D.C., where Alexander P. Butterfield, Administrator of the Federal Aviation Administration, presented him with the Mechanics Award.

Mr. President, I ask unanimous consent that Alan Crawford's article which appeared in the Washington Post concerning Mr. Walker's repair of the crashed Hercules aircraft be printed in the RECORD at the end of my remarks.

At a luncheon at the Aero Club of Washington honoring the winners of the FAA's national aviation mechanic safety awards program, Mr. Butterfield acknowledged the outstanding work of all mechanics who have advanced aviation safety through their maintenance efforts. Addressing the Aero Club, Mr. Butterfield also spoke about two subjects of special interest and importance to all of us. The first is the present state of our airports and what needs to be done to accommodate future air transportation. The second concerns the FAA's role in effectively meeting the environmental issues which confront the aviation industry.

Mr. President, I ask unanimous consent that Mr. Butterfield's speech before the Aero Club of Washington be printed in the RECORD.

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

[From the Washington Post, July 7, 1974]

FAA HONORS ALASKA AIRLINE MECHANIC

(By Alan Crawford)

Problem: A multimillion-dollar, four-engine Hercules cargo plane carrying up to 25 tons of supplies lies stranded on a rapidly melting ice floe in the Arctic Ocean, 350 miles from the North Pole. Both wings are dragging on the ice, the entire center section wing is broken off, the propellers are torn from the aircraft and parts of the plane have been destroyed by fire.

What to do?

The Air Force, which owned the crippled ship, took one look and said, "Forget it. Let it sink."

Art Walker, a young maintenance manager for Alaska International Airlines in Fairbanks, surveyed the wreckage and said he thought he could fix it. Give him a crew, he suggested, and he'd get the plane back safely to Fairbanks where it could be repaired permanently.

Which is exactly what he did. And the feat was enough to earn Walker the title of "Mechanic of the Year," conferred Tuesday by the Federal Aviation Administration.

With an eight-man crew, Walker toiled 12 hours a day for six months in subzero weather to repair the Hercules. On Independence Day, the plane was flown off the 26-square-mile ice floe and landed safely in Fairbanks International Airport.

"It was a challenge," Walker said. "It was just something we wanted to do. Here we were, a nothing airlines from nowhere and here was our chance to do something big."

The plane had crashed February, 1973, after departing from Fairbanks airport for Fletcher's Island in the Arctic, carrying a cargo of supplies for the Naval Arctic Research lab on the island. The crew was unharmed.

After an insurance company settlement, Alaska International Airlines bought the craft.

The first task for Walker and his crew was to tear down the remains and determine what needed to be done to revitalize the aircraft. "It was the most depressing thing I ever saw," Walker recalled. "The more we dug into it, the more damage we found."

In addition to damage to the wings and propellers, the fuselage and engines were found to have been damaged as well.

The crew's work was plagued by bad weather—and good. In the winter, snowdrifts made digging the plane out from the snow a daily chore. And during the summer, snow and ice kept melting from under supports the crew had built around the base of the plane.

"You couldn't trust the ice," Walker said. "We had a crane to lift the center section into place but the ice kept melting from under it and the crane kept sinking into the island."

By April, the ice was getting so soft that cargo planes could no longer land. So parts and supplies had to be air-dropped.

Walker said the toughest phase of the project was repairing the center wing, something he said had never been done outside a factory. The 5,000-pound wing section had to be lifted into place with a crane that had only a 4,800-pound capacity.

Upon his return to Fairbanks, Walker, a bachelor who has since been promoted to director of maintenance at Alaska International, was offered an all-expense paid vacation to anywhere in the world.

But he declined the vacation in order to stay on and supervise final work on the plane at Fairbanks.

REMARKS PREPARED FOR DELIVERY BY ALEXANDER P. BUTTERFIELD, JUNE 25, 1974

After sixteen months on the job at the FAA, I find myself appearing before the Aero Club membership for the second time. Needless to say, I am pleased you are having me back. I have accepted both invitations with the greatest of pleasure, not only because we have so much in common, but because your annual spring luncheon honors the winners of the FAA's National Aviation Mechanic Safety Awards Program.

I hold the Mechanic Safety Awards Program in the highest regard for, as I noted last year, it identifies in a tangible way some of the wonderful people in our business whose efforts make it possible for the rest of us to take aircraft reliability for granted. It unites the varied and sometimes diverse elements of our industry in a common cause.

This year we received more than 500 entries from the 50 States. Selection of the two winners was made by a special panel of The Flight Safety Foundation from a list of 22 regional winners—11 in the air carrier category and 11 in the general aviation category, all of whom are sharing in prizes totaling more than $10,000.

The National award winners represent the best of the finest, and I want to introduce them to you now. The winner of the National Aviation Mechanic Award in the air

carrier category is Mr. Arthur H. Walker. Art is Director of Maintenance for Alaska International Air, Inc., of Fairbanks, Alaska. The winner in the general aviation category is Mr. Hugh D. Fink. Hugh is owner, operator and service manager of Burbank Piper Sales and Service, Burbank, California.

Now, while they are standing, let me say just a word about each of them. Mr. Walker was named for extraordinary initiative and leadership in directing an 8-man maintenance crew in the repair and rebuilding of a 4-engine Hercules transport that crashed in February 1973, during a landing on remote Fletcher's Ice Island, 400 miles from the North Pole. Art and his team prepared the aircraft for a one-time flight to Fairbanks for permanent repair. The plane had sustained extensive structural damage to both wings, the center wing section, fuselage, engines and propellors. The job took six months and was done under extremely harsh Arctic conditions, and in weather that often dropped to 45 degrees below zero.

Hugh Fink, winner in the general aviation category, was cited for his great initiative and professionalism in designing improved parts for pilot side windows, propeller controls, fuselage attach bracket stabilizers, alternator switches, and throttle control rod end bearings for several models of light aircraft. He notified the FAA and the manufacturer of his ideas, and that resulted in the issuance of manufacturers' service bulletins and an FAA Airworthiness Directive.

Earlier today I had the privilege of presenting to these gentlemen their FAA awards in ceremonies at our Independence Avenue Headquarters. We are really pleased to have Messrs Walker and Fink with us for lunch, and I am most grateful to our club president, Jim Bass, and to all of you for your continuing support of this all important industry-wide safety program.

Now, I want to review with you two subjects which to me are of special interest and importance. One of them is airports—or more specifically, what we have got to do about our airports so that air transportation has the space it needs to grow. The second subject concerns the leadership role that FAA must take (and now incidentally is taking) regarding industry environmental issues.

On the matter of airports and their ground-related transportation accommodations, both have trailed far behind aircraft. In fact, aircraft, with new wide-bodied sizes and high speed performance clearly challenge the capabilities of present airport facilities. And such airport inadequacies are a legacy of ad hoc planning—planning without any kind of a total transportation system in mind. Access roads have become increasingly saturated, terminals congested, and passenger delays altogether unacceptable.

If we think about it we know very well that the demands on our airport system in the 1980 to 1995 time frame cannot be met simply by the construction of additional runways and new airports based only on present design standards and current methods of handling passengers and baggage. There's just no way . . . unless and until we make airport "believers" out of environmentalists, and "enthusiasts" out of those who live near airports and oppose all activity there. So this need for more airport capacity is without question the major issue confronting the orderly growth of air transportation.

There is a positive message worth telling that describes the immense economic, social and cultural benefits that air transportation, via the airport, brings to a city. A few of you are aware of that message, but I believe all of you should be. The airport, like the seaports of antiquity, bring vitality to a city. And high on the list of factors accelerating the decay of the city is a fallacy that has sent us in past years scurrying in the wrong directions doing the wrong things. We have sought to address the ills of the city by focusing primarily on *social* problems. Urban programs have been characterized by educational, recreational, medical and other related rehabilitation efforts—all of which serve to attract more and more people to areas where there may be less and less *real economic opportunity*. Once the vicious circle is triggered, and it has been in many (perhaps even most) of our urban areas, we become victims of a "wrong way" political system—a political system which accelerates in the wrong direction. An aircraft engineer would call it "dynamic instability."

Well if that's the wrong approach, what should we be doing?

The answer is quite uncomplicated. It's something some of us have been making noises about for a good long while—but evidently not loud enough to get attention. We have got to convince the public that the city is basically an economic system, and that people are simply another of its many products. The contrary view is an emotional quibble with self-defeating consequences. Our first responsibility is to insure that the city has a growing economic *reason* for existence. When the shopping center in suburbia becomes easier to get to than the one downtown, it doesn't take a genius to predict the money flow. This same idea can be applied to the economic need for, and the continuing development of, this Nation's airports.

Now I really don't think that there are any regional community planning programs worthy of their names that fail to include airports as a primary concern. Airport requirements must be considered just as requirements for highways, railroads, industrial zones, business centers, housing and recreation are considered.

But a flood of environmental constraints over the past 8–10 years has created truly formidable obstacles to the development of new and necessary transportation solutions. Local government has clung tenaciously to the power of land use control as the best insurance available for the protection of the community. On the other hand, State and Federal governments have moved timidly in the last decade in exercising any direct control over land-use decisions, although there have been some signs that the tide may be turning. Regional planning and review bodies have been largely defensive alliances of local governments fending off intrusions upon their jurisdictions rather than seeking out positive solutions to urgent regional requirements. The compulsion to preserve the political balance of power in the urban community has created tremendous inertia which militates against local initiative.

To my way of thinking, these are ailments of a fat anl lazy society, a society which has hypnotized itself with past successes and deludes itself with the great current American myth—that things will happen because they make sense. Well, they won't! They just won't! And no policy, national or local, which is based on making the fewest waves, will see it done either. Things will happen *only* when we discern what needs to be done and master the will to do it. Precisely how do we proceed? Well, first of all, we must recognize that strategic planning is essential. It is that first important step—and the responsibility falls to those in government who represent your interests. But we can't stop here. We can't stop with the role of government respresentatives. That's been one of our big troubles to date.

For the aviation community to play effectively *its* important role in shaping the national economy and to obtain all it needs in the way of governmental enablement, it must be prepared to devote sufficient time and resources to frame a total strategy sweeping the entire spectrum of national life, political and legal, technical and operational. The aviation partisan must be prepared to leave the comfortable aeronautical community with its familiar concepts and language and enter the other world of the town meeting, the county board, the regional planning bodies and federal policy and program making, not merely to respond to invitations to attend their hearings but to take the initiative in demanding new directions of governmental endeavor. If we expect a healthy and balanced economic development of the country, all the initiatives can't be left to the Nader groups, the Sierra Clubs and the Friends of the Earth. We've got to be involved. We've got to be certain that our initiatives don't pass to these "other groups" by default. The Noise Control Act of 1972 is a case in point. The Act upset the aviation industry because for the first time the EPA became a major factor in recommending environmental programs for implementation by the aviation industry without a clear understanding of aviation's highly technical and operational problems.

The response from all segments of the aviation industry to EPA's new aeronautical responsibilities was that FAA should take the leadership role in all environmental areas and put forth an effective improvement program.

Well, we took this to be your mandate and, as the result, we adopted a moderate and logical, but absolutely necessary program, designed to both enhance the environment and insure the promotion of aviation interests.

The major keystones of FAA's environmental program are retrofitting of the existing 90% of the jet fleet that do not now meet Federal noise standards, and the enunciation of a Federal policy on curfews—not necessarily a program of curfews but a statement of Federal policy in this area.

It is disturbing to me, however, that since FAA has taken the leadership role, so urgently requested but a few short months ago, we are now criticized by many segments of the aviation community who strongly oppose the proposed retrofit program and are unable to discuss the curfew issue in sensible, logical terms.

Unfortunately, emotionalism has become the dominant trait of the industry. But what is needed is a coordinated and positive industry response to our environmental program if we are to prevent serious adverse consequences to our airport system; if we are to have a continued strong development of interstate air commerce; and, if we are to maintain the economic viability of general aviation and the scheduled air carriers. Personally, I believe, in the case of retrofit, the industry collectively is being shortsighted. The lack of support for retrofit will effectively destroy FAA's ability to provide environmental leadership as urged by the industry. In short, leadership must be positive and aggressive—not protectionist and retrogressive.

In this connection, I will be sending to the industry this week a draft of FAA's five-year environmental program. This draft indicates the specific project plans that I believe are necessary to minimize undesirability of environmental effects and to promote a strong aviation system. This plan, as part of our consultative planning process, is being coordinated simultaneously with industry, other governmental agencies and our FAA offices and services. I believe the simultaneous release of this document is a clear indicator of my commitment to the consultative principle.

To conclude, if the aviation community is to voice a position so forceful and clear as to command national attention, internal carping which pits industry against industry and saps the energy and resources of all, must give way to more effective target selection and tactics. You have never been reluc-

tant to apply the heat to FAA when you thought it necessary.

If we are to have the air transport system that we're going to need in the decades ahead, in particular the airport network, it's high time to begin strategic planning. I also suggest it's time for a close look at the allies we will need to help in our joint endeavor. They're sitting here today. I'm talking about each of you and the organizations you represent.

Thank you.

NIXON YEARS HELD ECONOMIC DISASTER

Mr. HARTKE. Mr. President, a study of history shows that down through the ages, the heads of government have traditionally sought to cover their ineptitude in managing their countries' affairs at home by creating some kind of sensation abroad.

I wonder if we are not faced with this same situation in the United States today.

Secretary Kissinger—and the President—have recently returned from triumphal processions abroad that have brought a shaky truce in the Middle East and which have produced some comforting headlines about improving relations with our most dangerous adversary, the Soviet Union.

I do not mean to throw doubt on these achievements—if history indeed decides that they have some concrete value. But the fact remains that while the administration was demonstrating so much ingenuity tending to overseas affairs, we have seen no corresponding concern for our very real problems here at home.

Our economy is suffering. Labor Department figures show more than 5 million people out of work; the Commerce Department reports two consecutive quarters of decline in production, the traditional sign of a recession; and prices last month advanced at an annual rate of 12 percent.

I think the magnitude of our problems, and the lack of ability or desire of this administration to deal with these problems, have been most cogently described in a recent column by Sylvia Porter, a nationally syndicated writer who specializes in making complex economic developments understandable to the nonexpert. I ask unanimous consent that her column from the July 17 issue of the Washington Star-News, be printed in the RECORD.

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

[From the Washington Star-News, July 17, 1974]

NIXON YEARS HELD ECONOMIC DISASTER

(By Sylvia Porter)

No matter how history ultimately judges President Nixon as a foreign policymaker or as a political leader, his place in U.S. economic history is already clear.

The Nixon years will go into the books as the most disastrous of this century to date, with the possible exception of the catastrophic depression of the '30s.

Not ever has inflation raged with such violence and for so long as since Nixon entered the White House in 1969.

Not ever have interest rates skyrocketed to such devastating levels and with such minor constructive impact.

The stock market has been a disaster area. Millions of investors have taken a bloodbath—and the only reason there hasn't been a panic is because they have been investors using and losing their own cash rather than speculators using borrowed money.

The forced mergers, takeovers and bankruptcies among financial houses in recent years may be nothing compared to the cleanout that lies ahead.

The bond markets have been a ravaged area, too. Uncounted numbers of investors also have taken bloodbaths as interest rates on new securities have soared and thereby steadily depressed the prices of outstanding fixed-income securities sold to them with lower coupons in the past.

The banking system is in a bind. The Federal Reserve Board has sent the banks an unmistakable warning: "Either stop making inflationary loans at this furious pace or sell the securities you own at horrendous losses to get the loan funds, for the Federal Reserve will not supply you with the extra credit."

If some banks take the losses they have, they'll be in terrible trouble; if some businesses can't get loans, they'll be in terrible trouble.

Housing is in a depression. With mortgage money restricted and expensive, it's hard to build houses or sell houses or buy houses. Yet, the construction workers are winning wage contracts that are terrifyingly inflationary.

Only over-all unemployment has been kept under control—but there's a real question about how long this will be so if the squeeze on credit really begins to work in earnest in today's exceedingly queasy economy.

What's more, if all the industrialized nations adopt strong anti-inflation policies without synchronizing them, the mounting talk of global depression won't be just chit chat.

Of course, it's obviously ridiculous to blame it all on Nixon! There were many forces in the inflation explosion of 1973 beyond the control of this country.

Among those forces were the bad weather, droughts and crop failures of 1972–73 which led to the food price spiral; the Arab boycott; soaring energy prices and the grandiose entrance of the Arab nations into global politics, the awesome coincidence of booms around the world in 1973 superimposed on our own and the * * * and goods.

But there were also many forces the White House could have controlled. The administration shockingly underestimated the impact of our foreign sales of foodstuffs, most notable the sale of wheat to Russia; it dreadfully misunderstood the impact of our successive devaluations which vastly stimulated our agricultural exports; it has continued to pursue inflationary fiscal policies while paying lipservice to anti-inflation policies.

And worst of all, there still is no leadership in the sphere of economics coming out of Washington nor is there any promise of leadership. Finger-shaking from weak second- or third-echelon administration spokesmen is hardly the same as leadership.

My fundamental optimism about my country cannot be killed, nor will I give up my deep belief in the theory that when nearly everybody else is bearish, it's time to become bullish.

But I'll admit it publicly: It's getting awfully lonely out here.

GLOBAL PLAN TO CURB POPULATION

Mr. PERCY. Mr. President, a few years ago, when Paul Ehrlich's book "The Population Bomb" was published, millions of Americans were aroused by the threats presented by unrestrained population growth. For a time, population control was a popular and much-discussed issue in this country. Whether as a result of that public concern or of other factors, the birth rate in the United States has dropped dramatically in the last decade, and the anxiety of many formerly concerned citizens has diminished.

Overpopulation of the Earth is much too serious an issue to deserve the here-today-gone-tomorrow treatment so often characteristic of American social concern. The public is not to blame, however, for our citizens have without a doubt been plagued in the last several years by a numbing series of critical problems and tragic events. That world population growth has receded into the background as a public issue is easily understandble, but we cannot afford to allow this situation to remain unchallenged.

William H. Draper, Jr., is one American who has done more than his share to keep population growth a matter of public interest and to seek solutions to the complex problems of global overpopulation. He is currently the honorary chairman of the Population Crisis Committee and the U.S. member of the United Nations Population Commission. Colonel Draper has written a fine article delineating the seriousness of world overpopulation and the current activities by the U.N. designed to facilitate global cooperation in achieving population stabilization. I ask unanimous consent that William Draper's article be printed in the RECORD.

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

[From the Chicago Daily News, July 15, 1974]

WORLDWIDE PLAN TO CURB POPULATION

(By William H. Draper Jr.)

The General Assembly of the United Nations has proclaimed 1974 as World Population Year in the hope that the spotlight of world attention will acquaint people and governments everywhere with the seriousness and immediacy of the problem and its thrust to all of us.

Representatives of all UN member governments will meet in Bucharest Aug. 19 through 30 to consider, discuss and debate the issues and alternatives involved. It is hoped the conference will adopt a world plan of action designed to bring about sensible and humanitarian solution to this world problem in time to avoid its most serious consequences.

In 1945 world population was more than 2 billion people, and was increasing by 25 million each year. Since 1945 only a single generation has passed; yet in that short time those then living have almost doubled in numbers to reach a present total of nearly 4 billion.

And now, in 1974, we are adding 75 million more each year; more than 6 million a month; 200,000 each day!

For generations man has fought hunger, disease and plague to maintain life. Now, through increased production and better health, human numbers are increasing so fast they threaten to pollute the environment and even to exhaust the world's food and other natural resources. And if we assume continuance of the world's present annual growth of 2 per cent, more than 6.5 billion people would crowd and devastate Earth in the year 2000. Even today more than half the world's population lives in poverty and is hungry and undernourished.

The UN has now begun to exert much needed world leadership in publicizing the population problem and in helping countries with it. More than 80 developing coun-

tries have asked for and received such assistance from the $150 million so far contributed by interested governments to the UN Fund for Population Activities.

A 30-page draft World Plan of Action has been distributed to governments for their consideration before and at the conference. The draft was hammered out over the last year by the secretary general and his staff.

Where is the problem so serious?

Certainly, it is not in the United States or Japan or Russia, all of which have reduced their growth rates by half since World War II. And certainly it is not in Europe, which averages about ½ of 1 per cent growth rate a year.

It is in Asia, in Africa and in Latin America, with nearly 3 billion people and with an annual growth rate of 2½ per cent—three times our own—where the world's population problem must be solved.

The basic difference is that more than 60 per cent of our own fertile women are now protected by the regular use of contraceptives.

In the developing countries only 10 per cent are protected by contraceptives. Some way must be found to supply the 800 million fertile couples of the developing world, of whom only 80 million couples are now protected, with the information and the means to limit their families.

The couples of the developing world must be generally motivated to want small families and to use these necessary services. The fact that there are some 40 or 50 million legal and illegal abortions a year clearly indicates that many already are motivated to want fewer children.

Let me try to explain some of the fundamental problems in developing countries. As the draft World Plan of Action points out, the expectation of life today in the developed countries is 71 years—whereas in Latin America it is 63 years, in Asia 57 years, and in Africa only 46 years.

In the developed countries only 1 baby in 40 dies before its first birthday—in Latin America 1 in 15 dies before becoming a year old—in Asia 1 in 10—and in Africa 1 in 7, 15 per cent of all those born.

So the plan of action aims at an eventual balance between birth rates and death rates, but at a low level for both.

And the double aim is to reduce death rates further but birth rates faster.

The plan proposes regular censuses every 10 years to see just how rapidly the populations are growing; adequate research to improve population policies and programs and to find better contraceptives; training of sufficient manpower to carry on both operating and educational activities, and finally strongly recommends that each government place a population unit high in the national bureaucracy and give it high priority.

Stop to think for a moment what that means, and the scope and breadth of what it proposes.

Our own government has started such a program. The Chinese government is trying to furnish contraceptive facilities to its 800 million people. And now the plan proposes family-planning facilities as a matter of good economic development and health and conservation of resources to all the governments of the world.

You may well ask: "What would such a plan cost?"

The studies by the UN Population Fund indicate that in general a countrywide contraceptive program should cost about a dollar a year per capita for the entire population. As a yardstick, the 2 billions of people in the developing world, leaving out China and its 800 millions, would require about $2 billion a year to run their family-planning programs full scale. This is a big sum, of course, but it is less than one-tenth of 1 per cent of the world's Gross National Product, and if too rapid population growth actually threatens the world's economic future, as I believe, it is indeed a small price to pay.

At present some $400 million is being so spent, or 20 per cent of that required. About half comes from the developing countries' own budgets, and about half through the UN or International Planned Parenthood Federation. So if the developed and developing countries are to continue dividing the cost equally, it would mean each of them would have to gear up to about a billion dollars a year.

Such a worldwide program would certainly be financially and operationally feasible over the next 10 years if the nations of the Earth actually decide that in principle every couple in the world should be able effectively to decide the number of its children, and that governments should help to the extent needed.

ABUSE OF MONOPOLY AUTHORITY BY FOREIGN CARRIERS

Mr. CANNON. Mr. President, the international airlines of the United States are experiencing severe financial pressure. Their continued ability to maintain a viable U.S.-flag air transportation system will depend, in large part, upon the degree to which the U.S. Government can insure that equal competitive opportunities are available to our airlines.

Last August the Civil Aeronautics Board completed a study of the competitive conditions that the U.S. airlines face in their efforts to compete throughout the world with large government-owned, government-controlled and government-financed foreign airlines. Our private enterprise carriers are confronted with a wide variety of foreign government and foreign airline unfair practices that make it extremely difficult, if not impossible, for them to compete on an equal footing. The CAB study revealed abuses that our Government should long ago have sought to correct. In view of the current economic pressures on our international airlines, it is all the more imperative that immediate and appropriate action be taken to bring these practices to an end.

One such practice revealed by the study involves situations where the domestic services in a foreign country are a monopoly operation by the same airline that operates that country's international services. As my colleagues are aware, most of the large European airlines, which are the principal competitors of the U.S.-flag carriers on the traffic dense North Atlantic, not only operate international services to and from the United States, but also are the sole airline operating the internal services within their own country.

The CAB study revealed clear abuses of this domestic monopoly by the foreign airline in an effort to improve their competitive position on international services. A good example of this abuse occurs when U.S. passengers seeking connecting space on the monopoly domestic services to another point in that country find that space is not available unless the transatlantic trip is made on the foreign carrier and not on a U.S. airline. For example, travel agents in the United States have been told by representatives of Alitalia, the Italian flag airline, that space is not available to fly from Rome to Palermo in Sicily. The message has been made clear to the agent, however, that should the agent book those passengers from the United States to Rome on Alitalia rather than the U.S. airline the space might become available.

Another problem caused by the existence of a domestic monopoly is the extreme difficulty U.S. airlines have in obtaining connecting space for passengers and cargo in Germany. So poor is the availability of space between Frankfurt and Dusseldorf, for example, that the U.S. airlines have had to resort to trucking air freight between these cities. The authorities at Dusseldorf Airport apparently do not care for this practice—even though the U.S. airlines have been forced to do it—because they impose substantial fees on these trucks just to enter airport property for distribution of the cargo.

I submit that this is a totally unfair and abusive situation which requires the immediate attention of the appropriate U.S. Government authorities. These and other situations like them should not be allowed to continue.

The airlines of the countries I just discussed have open access to the U.S. domestic airline system and they make full use of it. Foreign airline domination of the United States-Europe market amply testifies to this fact. I do not single these two out as the only countries where these problems exist. Similar problems are present in many other countries. While there are variations on the theme, the existence of a domestic monopoly is used as a competitive weapon on international services.

The inability of U.S. airlines to obtain a fair share of the traffic originating in foreign countries can, in no small measure, be attributed to the abuse of domestic monopoly authority. Travel agents in some countries have been threatened with loss of domestic ticket stock if they write too much international business on U.S. airlines. Free domestic and international barter travel, which our airlines are not permitted to give, is freely dispensed to travel agents, tour operators, members of the press and others who influence the travel patterns in that country in return for support of their international services. In some cases, the domestic fare is rebated to a foreign passenger if the international transportation is on the foreign airline that also operates the domestic system. This, I submit, is a clear abuse which unfairly inhibits U.S. airlines in their effort to compete on an equal basis.

Mr. President, this is merely one of a whole series of practices uncovered by the CAB study which require the urgent attention of our Government if the competitive position of our flag carriers is not to be further eroded. Strong, stern initiatives must be taken and I for one, as chairman of your Aviation Subcommittee, will do everything in my power to press the executive branch out of the doldrums. We are now considering legislation (S. 3481) which I believe will make clear the Congress desire that our Government take immediate initiatives to correct these inequities. We have been quiescent long enough. Strong legislative

support for our international airlines is necessary to insure competitive equality. The executive departments and the CAB must be given clear direction by the Congress to move and move now.

JUVENILE JUSTICE AND DELINQUENCY PREVENTION ACT OF 1974

The ACTING PRESIDENT pro tempore. The hour of 10:30 having arrived, under the previous order the Senate will now proceed to the consideration of S. 821, which the clerk will report.

The second assistant legislative clerk read as follows:

A bill (S. 821) to improve the quality of juvenile justice in the United States and to provide a comprehensive, coordinated approach to the problems of juvenile delinquency, and for other purposes.

The Senate proceeded to consider the bill (S. 821) which had been reported from the Committee on the Judiciary with an amendment to strike out all after the enacting clause, and insert:

That this Act may be cited as the "Juvenile Justice and Delinquency Prevention Act of 1974".

TITLE I—FINDINGS AND DECLARATION OF PURPOSE

FINDINGS

SEC. 101. The Congress hereby finds—

(1) that juveniles account for almost half the arrests for serious crimes in the United States today;

(2) that understaffed, overcrowded juvenile courts, probation services, and correctional facilities are not able to provide individualized justice or effective help;

(3) that present juvenile courts, foster and protective care programs and shelter facilities are inadequate to meet the needs of the countless neglected, abandoned, and dependent children, who, because of this failure to provide effective services, may become delinquents;

(4) that existing programs have not adequately responded to the particular problems of the increasing numbers of young people who are addicted to or who abuse drugs particularly nonopiate or polydrug abusers;

(5) that States and local communities, which experience the devastating failures of the juvenile justice system, do not presently have sufficient technical expertise or adequate resources to deal comprehensively with the problems of juvenile delinquency;

(6) that the adverse-impact of juvenile delinquency results in enormous annual cost and immeasurable loss in human life, personal security, and wasted human resources;

(7) that existing Federal programs have not provided the direction, coordination, resources, and leadership required to meet the crisis of delinquency; and

(8) that juvenile delinquency constitutes a growing threat to the national welfare requiring immediate, comprehensive, and effective action by the Federal Government.

PURPOSE

SEC. 102. It is the purpose of this Act—

(1) to provide the necessary resources, leadership, and coordination to improve the quality of juvenile justice in the United States and to develop and implement effective prevention and treatment programs and services for delinquent youth and for potentially delinquent youth, including those who are dependent, abandoned, or neglected;

(2) to increase the capacity of State and local governments, and public and private agencies, institutions, and organizations to conduct innovative, effective juvenile justice and delinquency prevention and treatment programs and to provide useful research, evaluation, and training services in the area of juvenile delinquency;

(3) to develop and implement effective programs and services to divert juveniles from the traditional juvenile justice system and to increase the capacity of State and local governments to provide critically needed alternatives to institutionalization;

(4) to develop and encourage the implementation of national standards for the administration of juvenile justice, including recommendations for administrative, budgetary, and legislative action at the Federal, State, and local level to facilitate the adoption of these standards;

(5) to guarantee certain basic rights to juveniles who come within Federal jurisdiction;

(6) to establish a centralized research effort on the problems of juvenile delinquency, including an information clearinghouse to disseminate the findings of such research and all data related to juvenile delinquency;

(7) to provide for the thorough and prompt evaluation of all federally assisted juvenile delinquency programs;

(8) to provide technical assistance to public and private agencies, institutions, and individuals in developing and implementing juvenile delinquency programs; and

(9) to establish training programs for persons, including professionals, paraprofessionals, and volunteers, who work with delinquents or potential delinquents or whose work or activities relate to juvenile delinquency programs.

DEFINITIONS

SEC. 103. Section 601 of title I of the Omnibus Crime Control and Safe Streets Act of 1968, as amended (82 Stat. 197; 84 Stat. 1881; 87 Stat. 197), is further amended by adding the following new subsections:

"(p) the term 'community-based' facility, program, or service, as used in part F, means a small, open group or home or other suitable place located near the adult offender's or juvenile's home or family and programs of community supervision and service which maintain community and consumer participation in the planning, operation, and evaluation of their programs which may include, but are not limited to, medical, educational, vocational, social, and psychological guidance, training, counseling, drug treatment, and other rehabilitative services;

"(q) the term 'Federal juvenile delinquency program' means any juvenile delinquency program which is conducted, directly, or indirectly, or is assisted by any Federal department or agency, including any program funded under this Act;

"(r) the term 'juvenile delinquency program' means any program or activity related to juvenile delinquency prevention, control, diversion, treatment, rehabilitation, planning, education, training, and research, including drug abuse programs; the improvement of the juvenile justice system; and any program or activity for neglected, abandoned, or dependent youth and other youth who are in danger of becoming delinquent.".

TITLE II—AMENDMENTS TO THE FEDERAL JUVENILE DELINQUENCY ACT

DEFINITIONS

SEC. 201. Section 5031 of title 18, United States Code, is amended to read as follows:

"§ 5031. Definitions.

"For the purposes of this chapter, a 'juvenile' is a person who has not attained his eighteenth birthday, or who has not attained his twenty-first birthday and is alleged to have committed an act of juvenile delinquency prior to his eighteenth birthday, and 'juvenile delinquency' is the violation of a law of the United States committed by a person prior to his eighteenth birthday which would have been a crime if committed by an adult."

DELINQUENCY PROCEEDINGS IN DISTRICT COURTS

SEC. 202. Section 5032 of title 18, United States Code, is amended to read as follows:

"§ 5032. Delinquency proceedings in district courts; transfer for criminal prosecution.

"A juvenile alleged to have committed an act of juvenile delinquency shall not be proceeded against in any court of the United States unless the Attorney General, after investigation, certifies to an appropriate district court of the United States that the juvenile court or other appropriate court of a State (1) does not have jurisdiction or refuses to assume jurisdiction over said juvenile with respect to such alleged act of juvenile delinquency, or (2) does not have available programs and services adequate for the rehabilitation of juveniles.

"If the Attorney General does not so certify, such juvenile shall be surrendered to the appropriate legal authorities of such State.

"If an alleged delinquent is not surrendered to the authorities of a State or the District of Columbia pursuant to this section, any proceedings against him shall be in an appropriate district court of the United States. For such purposes, the court may be convened at any time and place within the district, in chambers or otherwise. The Attorney General shall proceed by information, and no criminal prosecution shall be instituted for the alleged act of juvenile delinquency except as provided below.

"A juvenile who is alleged to have committed an act of juvenile delinquency and who is not surrendered to State authorities shall be proceeded against under this chapter unless he has requested in writing upon advice of counsel to be proceeded against as an adult, except that, with respect to a juvenile sixteen years and older alleged to have committed an act after his sixteenth birthday which if committed by an adult would be a felony punishable by a maximum penalty of ten years imprisonment or more, life imprisonment, or death, criminal prosecution on the basis of the alleged act may be begun by motion to transfer of the Attorney General in the appropriate district court of the United States, if such court finds, after hearing, that there are no reasonable prospects for rehabilitating such juvenile before his twenty-first birthday.

"Evidence of the following factors shall be considered, and findings with regard to each factor shall be made in the record, in assessing the prospects for rehabilitation: the age and social background of the juvenile; the nature of the alleged offense; the extent and nature of the juvenile's prior delinquency record; the juvenile's present intellectual development and psychological maturity; the nature of past treatment efforts and the juvenile's response to such efforts; the availability of programs designed to treat the juvenile's behavioral problems.

"Reasonable notice of the transfer hearing shall be given to the juvenile, his parents, guardian, or custodian and to his counsel. The juvenile shall be assisted by counsel during the transfer hearing, and at every other critical stage of the proceedings.

"Once a juvenile has entered a plea with respect to a crime or an alleged act of juvenile delinquency, subsequent criminal prosecution or juvenile proceedings based upon such alleged act of delinquency shall be barred.

"Statements made by a juvenile prior to or during a transfer hearing under this section shall not be admissible at subsequent criminal prosecutions."

CUSTODY

SEC. 203. Section 5033 of title 18 United States Code is amended to read as follows:

"§ 5033. Custody prior to appearance before magistrate.

"Whenever a juvenile is taken into custody for an alleged act of juvenile delinquency, the arresting officer shall immediately advise such juvenile of his legal rights, in language comprehensible to a juvenile, and shall immediately notify the Attorney General and the juvenile's parents, guardian, or custodian of such custody. The arresting officer shall also notify the parents, guardian, or custodian of the rights of the juvenile and of the nature of the alleged offense.

"The juvenile shall be taken before a magistrate forthwith. In no event shall the juvenile be detained for more than twenty-four hours before being brought before a magistrate."

DUTIES OF MAGISTRATE

SEC. 204. Section 5034 of title 18, United States Code, is amended to read as follows:

"§ 5034. Duties of magistrate.

"If counsel is not retained for the juvenile, or it does not appear that counsel will be retained, the magistrate shall appoint counsel for the juvenile. Counsel shall be assigned to represent a juvenile when the juvenile and his parents, guardian, or custodian are financially unable to obtain adequate representation. In cases where the juvenile and his parents, guardian, or custodian are financially able to obtain adequate representation but have not retained counsel, the magistrate may assign counsel and order the payment of reasonable attorney's fees or may direct the juvenile, his parents, guardian, or custodian to retain private counsel within a specified period of time.

"The magistrate may appoint a guardian ad litem if a parent or guardian of the juvenile is not present, or if the magistrate has reason to believe that the parents or guardian will not cooperate with the juvenile in preparing for trial, or that the interests of the parents or guardian and those of the juvenile are adverse.

"If the juvenile has not been discharged before his initial appearance before the magistrate, the magistrate shall release the juvenile to his parents, guardian, custodian, or other responsible party (including, but not limited to, the director of a shelter-care facility) upon their promise to bring such juvenile before the appropriate court when requested by such court unless the magistrate determines, after hearing, at which the juvenile is represented by counsel, that the detention of such juvenile is required to secure his timely appearance before the appropriate court or to insure his safety or that of others."

DETENTION

SEC. 205. Section 5035 of this title is amended to read as follows:

"§ 5035. Detention prior to disposition.

"A juvenile alleged to be delinquent may be detained only in a juvenile facility or such other suitable place as the Attorney General may designate. Whenever possible, detention shall be in a foster home or community based facility located in or near his home community. The Attorney General shall not cause any juvenile alleged to be delinquent to be detained or confined in any institution in which adult persons convicted of a crime or awaiting trial on criminal charges are confined. Alleged delinquents shall be kept separate from adjudicated delinquents. Every juvenile in custody shall be provided with adequate food, heat, light, sanitary facilities, bedding, clothing, recreation, education, and medical care, including necessary psychiatric, psychological, or other treatment."

SPEEDY TRIAL

SEC. 206. Section 5036 of this title is amended to read as follows:

"§ 5036. Speedy trial.

"If an alleged delinquent who has been detained pending trial is not brought to trial within thirty days from the date when such juvenile was arrested, the information shall be dismissed with prejudice, on motion of the alleged delinquent or at the direction of the court, unless the Attorney General shows that additional delay is unavoidable, caused by the juvenile or his counsel, or consented to by the juvenile and his counsel. Unavoidable delay may not include delays attributable solely to court calendar congestion."

RIGHTS

SEC. 207. Section 5037 of this title is amended to read as follows:

"§ 5037. Rights in general.

"A juvenile charged with an act of juvenile delinquency shall be accorded the constitutional rights guaranteed an adult in a criminal prosecution, with the exception of indictment by grand jury. Public trial shall be limited to members of the press, who may attend only on condition that they not disclose information that could reasonably be expected to reveal the identity of the alleged delinquent. Any violation of that condition may be punished as a contempt of court."

DISPOSITION

SEC. 208. A new section 5038 is added, to read as follows:

"§ 5038. Dispositional hearing.

"(a) If a juvenile is adjudicated delinquent, a separate dispositional hearing shall be held no later than twenty court days after trial unless the court has ordered further study in accordance with subsection (c). Copies of the presentence report shall be provided to the attorneys for both the juvenile and the Government at least three court days in advance of the hearing.

"(b) The court may suspend the adjudication of delinquency or the disposition of the delinquent on such conditions as it deems proper, place him on probation, or commit him to the custody of the Attorney General. Probation, commitment, or commitment in accordance with subsection (c) shall not extend beyind the juvenile's twenty-first birthday or the maximum term which could have been imposed on an adult convicted of the same offense, whichever is sooner.

"(c) If the court desires more detailed information concerning an alleged delinquent, it may commit him, after notice and hearing at which the juvenile is represented by counsel, to the custody of the Attorney General for observation and study by an appropriate agency. Such observation and study shall be conducted on an outpatient basis, unless the court determines that inpatient observation and study are essential. No alleged delinquent may be committed to the custody of the Attorney General for study and observation without the consent of his attorney and his parent, custodian, or guardian. Unless the juvenile upon advice of counsel consents, no judge who has read or heard social data regarding an alleged delinquent as a result of such study, or in the course of a transfer hearing, shall preside over the hearing to adjudicate the delinquency of the juvenile. In the case of an adjudicated delinquent, such study shall not be conducted on an inpatient basis without prior notice and hearing. The agency shall make a complete study of the alleged or adjudicated delinquent to ascertain his personal traits, his capabilities, his background, any previous delinquency or criminal experience, any mental or physical defect, and any other relevant factors. The Attorney General shall submit to the court and the attorneys for the juvenile and the Government the results of the study within thirty days after the commitment of the juvenile, unless the court grants additional time."

JUVENILE RECORDS

SEC. 209. A new section 5039 is added, to read as follows:

"§ 5039. Use of juvenile records.

"(a) Upon the completion of any formal juvenile delinquency proceeding, the district court shall order the entire file and record of such proceeding sealed. After such sealing, the court shall not release these records except under the following circumstances:

"(1) inquiries received from another court of law;

"(2) inquiries from an agency preparing a presentence report for another court;

"(3) inquiries from law enforcement agencies where the request for information is related to the investigation of a crime or a position within that agency;

(4) inquiries, in writing, from the director of a treatment agency or the director of a facility to which the juvenile has been committed by the court; and

"(5) inquiries from an agency considering the person for a position immediately and directly affecting the national security. Information about the sealed record may not be released when the request for information is related to an application for employment, license, bonding, or any civil right or privilege. Responses to such inquiries shall not be different from responses made about persons who have never been involved in a delinquency proceeding.

"(b) The entire file and record of juvenile proceedings where an adjudication of delinquency was not entered shall be destroyed and obliterated by order of the court.

"(c) District courts exercising jurisdiction over any juvenile shall inform the juvenile, and his parent or guardian, in writing, of rights relating to the sealing of his juvenile record. The information in these communications shall be stated in clear and nontechnical language.

"(d) During the course of any juvenile delinquency proceeding, all information and records relating to the proceeding, which are obtained or prepared in the discharge of official duty by an employee of the court or an employee of any other governmental agency, shall not be disclosed directly or indirectly to anyone other than the judge, counsel for the juvenile and the government, or others entitled under this section to receive sealed records.

"(e) Unless a child who is taken into custody is prosecuted as an adult—

"(1) neither the fingerprints nor a photograph shall be taken, without the written consent of the judge; and

"(2) neither the name nor picture of any child shall be made public by any medium of public information in connection with a juvenile delinquency proceeding."

COMMITMENT

SEC. 210. A new section 5040 is added, to read as follows:

"§ 5040. Commitment.

"A juvenile who has been committed to the Attorney General has a right to treatment and is entitled to custody, care, and discipline as nearly as possible equivalent to that which should have been provided for him by his parents. No juvenile may be placed or retained in an adult jail or correctional institution.

"Every juvenile who has been committed shall be provided with adequate food, heat, light, sanitary facilities, bedding, clothing, recreation, education, and medical care, including necessary psychiatric, psychological, or other care.

"Whenever possible, the Attorney General shall commit a juvenile to a foster home or

community-based facility located in or near his home community."

SUPPORT

SEC. 211. A new section 5041 is added, to read as follows:

"§ 5041. Support.

"The Attorney General may contract with any public or private agency or individual and such community-based facilities as halfway houses and foster homes, for the observation and study and the custody and care of juveniles in his custody. For these purposes, the Attorney General may promulgate such regulations as are necessary and may use the appropriation for 'support of United States' prisoners' or such other appropriations as he may designate."

PAROLE

SEC. 212. A new section 5042 is added, to read as follows:

"§ 5042. Parole.

"The Board of Parole shall release from custody, on such conditions as it deems necessary, each juvenile delinquent who has been committed, as soon as the Board is satisfied that he is likely to remain at liberty without violating the law."

REVOCATION

SEC. 213. A new section 5043 is added to read as follows:

"§ 5043. Revocation of parole or probation.

"Any juvenile parolee or probationer shall be accorded notice and a hearing with counsel before his parole or probation can be revoked."

SEC. 214. The table of sections of chapter 403 of this title is amended to read as follows:

"Sec.
"5031. Definitions.
"5032. Delinquency proceedings in district courts; transfer for criminal prosecution.
"5033. Custody prior to appearance before magistrate.
"5034. Duties of magistrate.
"5035. Detention prior to disposition.
"5036. Speedy trial.
"5037. Rights in general.
"5038. Dispositional hearing.
"5039. Use of juvenile records.
"5040. Commitment.
"5041. Support.
"5042. Parole.
"5043. Revocation of parole or probation.".

TITLE III—JUVENILE JUSTICE AND DELINQUENCY PREVENTION ADMINISTRATION

ESTABLISHMENT OF ADMINISTRATION

SEC. 301. (a) There is hereby created within the Department of Health, Education, and Welfare the Juvenile Justice and Delinquency Prevention Administration (referred to in this Act as the "Administration").

(b) There shall be at the head of the Administration a Director (referred to in this Act as the "Director") who shall be appointed by the President, by and with the advice and consent of the Senate.

(c) The Director shall be the chief executive of the Administration and shall exercise all necessary powers, subject only to the direction of the Secretary of the Department of

TITLE III—JUVENILE JUSTICE AND DELINQUENCY PREVENTION OFFICE

SEC. 301. Title I of the Omnibus Crime Control and Safe Streets Act of 1968, as amended (82 Stat. 197; 84 Stat. 1881; 87 Stat. 197), is further amended by adding after part E a new part F to read as follows:

"PART F—JUVENILE DELINQUENCY PREVENTION AND CONTROL

"ESTABLISHMENT OF OFFICE

"SEC. 471. (a) There is hereby created within the Department of Justice, Law Enforcement Assistance Administration the Office of Juvenile Justice and Delinquency Prevention (referred to in this Act as the 'Office').

"(b) There shall be at the head of the Office a Director (referred to in this Act as the 'Director') who shall be appointed by the Administrator of the Law Enforcement Assistance Administration.

"(c) The Director shall exercise all necessary powers, subject to the direction of the Administrator of the Law Enforcement Assistance Administration.

"(d) There shall be in the Office a Deputy Director who shall be appointed by the Administrator of the Law Enforcement Assistance Administration. The Deputy Director shall perform such functions as the Director from time to time assigns or delegates, and shall act as Director during the absence or disability of the Director or in the event of a vacancy in the office of the Director.

"(e) There shall be established in the National Institute of Law Enforcement and Criminal Justice an Assistant Director, who shall be appointed by the Administrator, whose function shall be to supervise and direct the National Institute for Juvenile Justice established under section 501 of this Act.

"PERSONNEL, SCECIAL PERSONNEL, EXPERTS, AND CONSULTANTS

"SEC. 472. (a) The Administrator is authorized to select, employ, and fix the compensation of such officers and employees, including attorneys, as are necessary to perform the functions vested in him and to prescribe their functions.

"(b) The Administrator is authorized to select, appoint, and employ not to exceed three officers and to fix their compensation at rates not to exceed the rate now or hereafter prescribed for GS–18 of the General Schedule by section 5332 of title 5 of the United States Code.

"(c) Upon the request of the Administrator, the head of any Federal agency is authorized to detail, on a reimbursable basis, any of its personnel to the Director to assist him in carrying out his functions under this Act.

"(d) The Administrator may obtain services as authorized by section 3109 of title 5 of the United States Code, at rates not to exceed the rate now or hereafter prescribed for GS–18 of the General Schedule by section 5332 of title 5 of the United States Code.

"VOLUNTARY SERVICE

"SEC. 573. The Administrator is authorized to accept and employ, in carrying out the provisions of this Act, voluntary and uncompensated services notwithstanding the provisions of section 3679(b) of the Revised Statutes (41 U.S.C. 664(b)).

"CONCENTRATION OF FEDERAL EFFORTS

"SEC. 474. (a) The Administrator shall establish overall policy and develop objectives and priorities for all Federal juvenile delinquency programs and activities relating to prevention, diversion, training, treatment, rehabilitation, evaluation, research, and improvement of the juvenile justice system in the United States. In carrying out his functions, the Administrator shall consult with the Interdepartmental Council and the National Advisory Committee for Juvenile Justice and Delinquency Prevention.

"(b) In carrying out the purposes of this Act, the Administrator is authorized and directed to—

"(1) advise the President as to all matters relating to federally assisted juvenile delinquency programs and Federal policies regarding juvenile delinquency;

"(2) assist operating agencies which have direct responsibilities for the prevention and treatment of juvenile delinquency in the development and promulgation of regulations, guidelines, requirements, criteria, standards, procedures, and budget requests in accordance with the policies, priorities, and objecitves he establishes;

"(3) conduct and support evaluations and studies of the performance and results achieved by Federal juvenile delinquency programs and activities and of the prospective performance and results that might be achieved by alternative programs and activities supplementary to or in lieu of those currently being administered;

"(4) coordinate Federal juvenile delinquency programs and activities among Federal departments and agencies and between Federal juvenile delinquency programs and activities and other Federal programs and activities which he determines may have an important bearing on the success of the entire Federal juvenile delinquency effort;

"(5) develop annually with the assistance of the Advisory Committee and submit to the President and the Congress, after the first year the legislation is enacted, prior to September 30, an analysis and evaluation of Federal juvenile delinquency programs conducted and assisted by Federal departments and agencies, the expenditures made, the results achieved, the plans developed, and problems in the operations and coordination of such programs. This report shall include recommendations for modifications in organization, management, personnel, standards, budget requests, and implementation plans necessary to increase the effectiveness of these programs;

"(6) develop annually with the assistance of the Advisory Committee and submit to the President and the Congress, after the first year the legislation is enacted, prior to March 1, a comprehensive plan for Federal juvenile delinquency programs, with particular emphasis on the prevention of juvenile delinquency and the development of programs and services which will encourage increased diversion of juveniles from the traditional juvenile justice system; and

"(7) provide technical assistance to Federal, State, and local governments, courts, public and private agencies, institutions, and individuals, in the planning, establishment, funding, operation, or evaluation of juvenile delinquency programs.

"(c) The Administrator may request departments and agencies engaged in any activity involving any Federal juvenile delinquency program to provide him with such information and reports, and to conduct such studies and surveys, as he may deem to be necessary to carry out the purposes of this Act.

"(d) The Administrator may delegate any of his functions under this title, except the making of regulations, to any officer or employee of the Administration.

"(e) The Administrator is authorized to utilize the services and facilities of any agency of the Federal Government and of any other public agency or institution in accordance with appropriate agreements, and to pay for such services either in advance or by way of reimbursement as may be agreed upon.

"(f) The Administrator is authorized to transfer funds appropriated under this Act to any agency of the Federal Government to develop or demonstrate new methods in juvenile delinquency prevention and rehabilitation and to supplement existing delinquency prevention and rehabilitation programs which the Director finds to be exceptionally effective or for which he finds there exists exceptional need.

"(g) The Administrator is authorized to make grants to, or enter into contracts with, any public or private agency, institution, or individual to carry out the purposes of this Act.

"(h) All functions of the Administrator under this Act shall be coordinated as appropriate with the functions of the Secretary of the Department of Health, Education, and

Welfare under the Juvenile Delinquency Prevention Act (42 U.S.C. 3801 et seq.).

"JOINT FUNDING

"SEC. 475. Notwithstanding any other provision of law, where funds are made available by more than one Federal agency to be used by any agency, organization, institution, or individual to carry out a Federal juvenile delinquency program or activity, any one of the Federal agencies providing funds may be requested by the Administrator to act for all in administering the funds advanced. In such cases, a single non-Federal share requirement may be established according to the proportion of funds advanced by each Federal agency, and the Administrator may order any such agency to waive any technical grant or contract requirement (as defined in such regulations) which is inconsistent with the similar requirement of the administering agency or which the administering agency does not impose.

"INTERDEPARTMENTAL COUNCIL

"SEC. 476. (a) There is hereby established an Interdepartmental Council on Juvenile Delinquency (hereinafter referred to as the 'Council') composed of the Attorney General, the Secretary of Health, Education, and Welfare, the Secretary of Labor, the Director of the Special Action Office for Drug Abuse Prevention, the Secretary of Housing and Urban Development, or their respective designees, and representatives of such other agencies as the President shall designate.

"(b) The Attorney General or his designee shall serve as Chairman of the Council.

"(c) The function of the Council shall be to coordinate all Federal juvenile delinquency programs.

"(d) The Council shall meet a minimum of six times per year and the activities of the Council shall be included in the annual report required by section 474(b)(5) of this title.

"(e) The Chairman shall appoint an Executive Secretary of the Council and such personnel as are necessary to carry out the functions of the Council.

"ADVISORY COMMITTEE

"SEC. 477. (a) There is hereby established a National Advisory Committee for Juvenile Justice and Delinquency Prevention (hereinafter referred to as the 'Advisory Committee') which shall consist of twenty-one members.

"(b) The members of the Interdepartmental Council or their respective designee shall be ex officio members of the Committee.

"(c) The regular members of the Advisory Committee shall be appointed by the President from persons who by virtue of their training or experience have special knowledge concerning the prevention and treatment of juvenile delinquency or the administration of juvenile justice, such as juvenile or family court judges; probation, correctional, or law enforcement personnel; and representatives of private voluntary organizations and community-based programs. The President shall designate the Chairman, a majority of the members of the Advisory Committee, including the Chairman, shall not be full-time employees of Federal, State, or local governments. At least seven members shall not have attained twenty-six years of age on the date of their appointment.

"(d) Members appointed by the President to the Committee shall serve for terms of four years and shall be eligible for reappointment except that for the first composition of the Advisory Committee, one-third of these members shall be appointed to one-year terms, one-third to two-year terms, and one-third to three-year terms; thereafter each term shall be four years. Any members appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed, shall be appointed for the remainder of such term.

"DUTIES OF THE ADVISORY COMMITTEE

"SEC. 478. (a) The Advisory Committee shall meet at the call of the Chairman, but not less than four times a year.

"(b) The Advisory Committee shall make recommendations to the Administrator at least annually with respect to planning, policy, priority, operations, and management of all Federal juvenile delinquency programs.

"(c) The Chairman may designate a subcommittee of the members of the Advisory Committee to advise the Administrator on particular functions or aspects of the work of the Administration.

"(d) The Chairman shall designate a subcommittee of five members of the Committee to serve as members of an Advisory Committee for the National Institution for Juvenile Justice to perform the functions set forth in section 407 of this title.

"(e) The Chairman shall designate a subcommittee of five members of the Committee to serve as an Advisory Committee to the Administrator on Standards for the Administration of Juvenile Justice to perform the functions set forth in section 409 of this title.

"COMPENSATION AND EXPENSES

"SEC. 479. (a) Members of the Advisory Committee who are employed by the Federal Government full time shall serve without compensation but shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in carrying out the duties of the Advisory Committee.

"(b) Members of the Advisory Committee not employed full time by the Federal Government shall receive compensation at a rate not to exceed the rate now or hereafter prescribed for GS–18 of the General Schedule by section 5332 of title 5 of the United States Code, including traveltime for each day they are engaged in the performance of their duties as members of the Advisory Committee. Members shall be entitled to reimbursement for travel, subsistence, and other necessary expenses incurred by them in carrying out the duties of the Advisory Committee."

SEC. 302. Parts F, G, H, and I of title I of the Omnibus Crime Control and Safe Streets Act of 1968, as amended (82 Stat. 197; 84 Stat. 1881; 87 Stat. 197), are redesignated parts G, H, I, and J, respectively.

TITLE IV—FEDERAL ASSISTANCE FOR STATE AND LOCAL PROGRAMS

SEC. 401. Title I of the Omnibus Crime Control and Safe Streets Act of 1968, as amended (82 Stat. 197; 84 Stat. 1881; 87 Stat. 197), is further amended by adding the following sections to new part F thereof:

"FORMULA GRANTS

"SEC. 480. The Administrator is authorized to make grants to States and local governments to assist them in planning, establishing, operating, coordinating, and evaluating projects directly or through contracts with public and private agencies for the development of more effective education, training, research, prevention, diversion, treatment, and rehabilitation programs in the area of juvenile delinquency and programs to improve the juvenile justice system.

"ALLOCATION

"SEC. 481. (a) In accordance with regulations promulgated under this part, funds shall be allocated annually among the States on the basis of relative population of people under age eighteen. No such allotment to any State shall be less than $200,000, except that for the Virgin Islands, Guam, and American Samoa, no allotment shall be less than $50,000.

"(b) Except for funds appropriated for fiscal year 1974, if any amount so allotted remains unobligated at the end of the fiscal year, such funds shall be reallocated in a manner equitable and consistent with the purposes of this part. Funds appropriated for fiscal year 1974 may be obligated in accordance with subsection (a) until June 30, 1976, after which time they may be reallocated. Any amount so reallocated shall be in addition to the amounts already allotted and available to the State, the Virgin Islands, American Samoa, and Guam for the same period.

"(c) In accordance with regulations promulgated under this part, a portion of any allotment to any State under this part shall be available to develop a State plan and to pay that portion of the expenditures which are necessary for efficient administration. Not more than 15 per centum of the total annual allotment of such State shall be available for such purposes. The State shall make available needed funds for planning and administration to local governments within the State on an equitable basis.

"STATE PLANS

"SEC. 482. (a) In order to receive formula grants under this part, a State shall submit a plan for carrying out its purposes. In accordance with regulations established under this title, such plan must—

"(1) designate the State planning agency established by the State under section 203 of this title as the sole agency for supervising the preparation and administration of the plan;

"(2) contain satisfactory evidence that the State agency designated in accordance with paragraph (1) (hereafter referred to in this part as the 'State planning agency') has or will have authority, by legislation if necessary, to implement such plan in conformity with this part;

"(3) provide for an advisory group appointed by the chief executive of the State to advise the State planning agency and its supervisory board (A) which shall consist of not less than twenty-one and not more than thirty-three persons who have training, experience, or special knowledge concerning the prevention and treatment of juvenile delinquency or the administration of juvenile justice, (B) which shall include representation of units of local government, law enforcement and juvenile justice agencies such as law enforcement, correction or probation personnel, and juvenile or family court judges, and public agencies concerned with delinquency prevention or treatment such as welfare, social services, mental health, education or youth services departments, (C) which shall include representatives of private organizations: concerned with delinquency prevention or treatment; concerned with neglected or dependent children; concerned with the quality of juvenile justice, education, or social services for children; which utilize volunteers to work with delinquents or potential delinquents; community-based delinquency prevention or treatment programs; and organizations which represent employees affected by this Act, (D) a majority of whose members (including the Chairman) shall not be full-time employees of the Federal, State, or local government, and (E) at least one-third of whose members shall be under the age of twenty-six at the time of appointment;

"(4) provide for the active consultation with and participation of local governments in the development of a State plan which adequately takes into account the needs and requests of local governments;

"(5) provide that at least 50 per centum of the funds received by the State under section 481 shall be expended through programs of local government insofar as they are consistent with the State plan, except that this provision may be waived at the discretion of the Administrator for any State if the services for delinquent or potentially delinquent youth are orgaanized primarily on a statewide basis;

"(6) provide that the chief executive officer of the local government shall assign re-

sponsibility for the preparation and administration of the local government's part of a State plan, or for the supervision of the preparation and administration of the local government's part of the State plan, to that agency within the local government's structure (hereinafter in this part referred to as the 'local agency') which can most effectively carry out the purposes of this part and shall provide for supervision of the programs funded under this part by that local agency;

"(7) provide for an equitable distribution of the assistance received under section 481 within the State;

"(8) set forth a detailed study of the State needs for an effective, comprehensive, coordinated approach to juvenile delinquency prevention and treatment and the improvement of the juvenile justice system. This plan shall include itemized estimated costs for the development and implement of such programs;

"(9) provide for the active consultation with and participation of private agencies in the development and execution of the State plan; and provide for coordination and maximum utilization of existing juvenile delinquency programs and other related programs, such as education, health, and welfare within the State;

"(10) provide that not less than 75 per centum of the funds available to such State under section 481, whether expended directly by the State or by the local government or through contracts with public or private agencies, shall be used for advanced techniques in developing, maintaining, and expanding programs and services designed to prevent juvenile delinquency, to divert juveniles from the juvenile justice system, to establish programs as set forth in section 482(11), and to provide community-based alternatives to juvenile detention and correctional facilities. That advanced techniques include—

"(A) community-based programs and services for the prevention and treatment of juvenile delinquency through the development of foster-care and shelter-care homes, group homes, halfway houses, homemaker and home health services and any other designated community-based diagnostic, treatment, or rehabilitative service;

"(B) community-based programs and services to work with parents and other family members to maintain and strengthen the family unit, so that the juvenile may be retained in his home;

"(C) youth service bureaus and other community-based programs to divert youth from the juvenile court or to support, counsel, or provide work and recreational opportunities for delinquents and youth in danger of becoming delinquent;

"(D) comprehensive programs of drug abuse education and prevention and programs for the treatment and rehabilitation of drug addicted youth, and 'drug dependent' youth (as defined in section 2(g) of the Public Health Service Act (42 U.S.C. 201(g));

"(E) educational programs or supportive services designed to keep delinquents or youth in danger of becoming delinquent in elementary and secondary schools or in alternative learning situations;

"(F) expanded use of probation and recruitment and training of probation officers, other professional and paraprofestional personnel and volunteers to work effectively with youth;

"(11) provides for a statewide program through the use of probation subsidies, other subsidies, other financial incentives or disincentives to units of local government, or other effective means, that may include but are not limited to programs designed to:

"(A) reduce the number of commitments of juveniles to any form of juvenile facility as a percentage of the State juvenile population;

"(B) increase the use of nonsecure community-based facilities as a percentage of total commitment to juvenile facilities; and

"(C) discourage the use of source incarceration and detention.

"(12) provides for the development of an adequate research, training, and evaluation capacity within the State;

"(13) provide within two years after submission of the plan that juveniles who are charged with or who have committed offenses that would not be criminal if committed by an adult, shall not be placed in juvenile detention or correctional facilities, but must be placed in shelter facilities;

"(14) provide that juveniles alleged to be or found to be delinquent shall not be detained or confined in any institution in which they have regular contact with adult persons incarcerated because they have been convicted of a crime or are awaiting trial on criminal charges:

"(15) provide for an adequate system of monitoring jails, detention facilities, and correctional facilities to insure that the requirements of section 482 (13) and (14) are met, and for annual reporting of the results of such monitoring to the Administrator;

"(16) provide assurances that assistance will be available on an equitable basis to deal with all disadvantaged youth including, but not limited to, females, minority youth, and mentally retarded or emotionally handicapped youth;

"(17) provide for procedures to be established for protecting the rights of recipients of services and for assuring appropriate privacy with regard to records relating to such services provided to any individual under the State plan;

"(18) provide that fair and equitable arrangements are made to protect the interests of employees affected by assistance under this part;

"(19) provide for such fiscal control and fund accounting procedures necessary to assure prudent use, proper disbursement, and accurate accounting of funds received under this title;

"(20) provide reasonable assurance that Federal funds made available under this part for any period will be so used as to supplement and increase, to the extent feasible and practicable, the level of State, local, and other non-Federal funds that would in the absence of such Federal funds be made available for the programs described in this part, and will in no event supplant such State, local, and other non-Federal funds;

"(21) provide that the State planning agency will from time to time, but not less often than annually, review its plan and submit to the Administrator an analysis and evaluation of the effectiveness of the programs and activities carried out under the plan, and any modifications in the plan, including the survey of State and local needs, which it considers necessary; and

"(22) contain such other terms and conditions as the Administrator may reasonably prescribe to assure the effectiveness of the programs assisted under this title.

"(b) The Board appointed pursuant to section 482(a)(3) shall approve the State plan and any modification thereof prior to submission to the Administrator.

"(c) The Administrator shall approve any State plan and any modification thereof that meets the requirements of this section.

"(d) In the event that any State fails to submit a plan, or submits a plan or any modification thereof, which the Administrator, after reasonable notice and opportunity for hearing in accordance with sections 509, 510, and 511, determines does not meet the requirements of this section, the Administrator shall make that State's allotment under the provisions of 481(a) available to public and private agencies for special emphasis prevention and treatment programs as defined in section 483.

"SPECIAL EMPHASIS PREVENTION AND TREATMENT PROGRAMS

"SEC. 483. (a) The Administrator is authorized to make grants to and enter into contracts with public and private agencies, organizations, institutions, or individuals to—

"(1) develop and implement new approaches, techniques, and methods with respect to juvenile delinquency programs;

"(2) develop and maintain community-based alternatives to traditional forms of institutionalization;

"(3) develop and implement effective means of diverting juveniles from the traditional juvenile justice and correctional system;

"(4) improve the capability of public and private agencies and organizations to provide services for delinquents and youths in danger of becoming delinquent; and

"(5) facilitate the adoption of the recommendations of the Advisory Committee on Standards for Juvenile Justice as set forth pursuant to section 409.

"(b) Not less than 25 per centum of the funds appropriated for each fiscal year pursuant to this part shall be available only for special emphasis prevention and treatment grants and contracts made pursuant to this section.

"(c) Among applicants for grants under this part, priority shall be given to private organizations or institutions who have had experience in dealing with youth.

"CONSIDERATIONS FOR APPROVAL OF APPLICATIONS

"SEC. 484. (a) Any agency, institution, or individual desiring to receive a grant, or enter into any contract under section 483, shall submit an application at such time, in such manner, and containing or accompanied by such information as the Administrator may prescribe.

"(b) In accordance with guidelines established by the Administrator, each such application shall—

"(1) provide that the program for which assistance is sought will be administered by or under the supervision of the applicant;

"(2) set forth a program for carrying out one or more of the purposes set forth in section 482;

"(3) provide for the proper and efficient administration of such program;

"(4) provide for regular evaluation of the program;

"(5) indicate that the applicant has requested the review of the application from the State planning agency and local agency designated in section 482, when appropriate, and indicate the response of such agency to the request for review and comment on the application;

"(6) provide that regular reports on the program shall be sent to the Administrator and to the State planning agency and local agency, when appropriate; and

"(7) provide for such fiscal control and fund accounting procedures as may be necessary to assure prudent use, proper disbursement, and accurate accounting of funds received under this title.

"(c) In determining whether or not to approve applications for grants under section 483, the Administrator shall consider—

"(1) the relative cost and effectiveness of the proposed program in effectuating the purposes of this part;

"(2) the extent to which the proposed program will incorporate new or innovative techniques;

"(3) the extent to which the proposed program meets the objectives and priorities of

the State plan, when a State plan has been approved by the Administrator under section 482(c) and when the location and scope of the program makes such consideration appropriate;

"(4) the increase in capacity of the public and private agency, institution, or individual to provide services to delinquents or youths in danger of becoming delinquents;

"(5) the extent to which the proposed project serves communities which have high rates of youth unemployment, school dropout, and delinquency; and

"(6) the extent to which the proposed program facilitates the implementation of the recommendations of the Advisory Committee on Standards for Juvenile Justice as set forth pursuant to section 409.

"GENERAL PROVISIONS

"Withholding

"SEC. 485. Whenever the Administrator, after giving reasonable notice and opportunity for hearing, to a recipient of financial assistance under this title, finds—

"(1) that the program or activity for which such grant was made has been so changed that it no longer complies with the provisions of this title; or

"(2) that in the operation of the program or activity there is failure to comply substantially with any such provision;

the Administrator shall initiate such proceedings as are appropriate under sections 509, 510, and 511 of this title.

"USE OF FUNDS

"SEC. 486. Funds paid to any State public or private agency, institution, or individual (whether directly or through a State or local agency) may be used for—

"(1) securing, developing, or operating the program designed to carry out the purposes of this part;

"(2) not more than 50 per centum of the cost of the construction of innovative community-based facilities for less than twenty persons (as defined in sections 601(f) and 601(p) of this title) which, in the judgment of the Administrator, are necessary for carrying out the purposes of this part.

"PAYMENTS

"SEC. 487. (a) In accordance with criteria established by the Administrator, it is the policy of Congress that programs funded under this title shall continue to receive financial assistance providing that the yearly evaluation of such programs is satisfactory.

"(b) At the discretion of the Administrator, when there is no other way to fund an essential juvenile delinquency program not funded under this part, the State may utilize 25 per centum of the formula grant funds available to it under this part to meet the non-Federal matching share requirement for any other Federal juvenile delinquency program grant.

"(c) Whenever the Administrator determines that it will contribute to the purposes of this part, he may require the recipient of any grant or contract to contribute money, facilities, or services.

"(d) Payments under this part, pursuant to a grant or contract, may be made (after necessary adjustment, in the case of grants, on account of previously made overpayments or underpayments) in advance or by way of reimbursements, in such installments and on such conditions as the Administrator may determine."

TITLE V—ESTABLISHING INSTITUTES WITHIN THE NATIONAL INSTITUTE OF LAW ENFORCEMENT AND CRIMINAL JUSTICE

NATIONAL INSTITUTE FOR JUVENILE JUSTICE

SEC. 501. Title I of the Omnibus Crime Control and Safe Streets Act of 1968, as amended (82 Stat. 197; 84 Stat. 1881; 87 Stat. 197), is further amended by adding the following after section 402:

"SEC. 403. (a) There is hereby established within the National Institute of Law Enforcement and Criminal Justice a National Institute for Juvenile Justice.

"(b) The National Institute for Juvenile Justice shall be under the supervision and direction of the Administrator, and shall be headed by an Assistant Director of the National Institute of Law Enforcement and Criminal Justice appointed under section 4[illegible](e).

"INFORMATION FUNCTION

"SEC. 404. The National Institute for Juvenile Justice is authorized to—

"(1) serve as an information bank by collecting systematically and synthesizing the data and knowledge obtained from studies and research by public and private agencies, institutions, or individuals concerning all aspects of juvenile delinquency, including the prevention and treatment of juvenile delinquency;

"(2) serve as a clearinghouse and information center for the preparation, publication, and dissemination of all information regarding juvenile deliquency, including State and local juvenile deliquency prevention and treatment programs and plans, availability of resources, training and educational programs, statistics, and other pertinent data and information.

"RESEARCH, DEMONSTRATION, AND EVALUATION FUNCTIONS

"SEC. 405. The National Institute for Juvenile Justice is authorized to—

"(1) conduct, encourage, and coordinate research and evaluation into any aspect of juvenile delinquency, particularly with regard to new programs and methods which show promise of making a contribution toward the prevention and treatment of juvenile delinquency;

"(2) encourage the development of demonstration projects in new, innovative techniques and methods to prevent and treat juvenile delinquency;

"(3) provide for the evaluation of all juvenile delinquency programs assisted under this title in order to determine the results and the effectiveness of such programs;

"(4) provide for the evaluation of any other Federal, State, or local juvenile delinquency program, upon the request of the Administrator; and

"(5) disseminate the results of such evaluations and research and demonstration activities particularly to persons actively working in the field of juvenile delinquency.

"TRAINING FUNCTIONS

"SEC. 406. The National Institute for Juvenile Justice is authorized to—

"(1) develop, conduct, and provide for training programs for the training of professional, paraprofessional, and volunteer personnel, and other persons who are or who are preparing to work with juveniles and juvenile offenders;

"(2) develop, conduct, and provide for seminars, workshops, and training programs in the latest proven effective techniques and methods of preventing and treating juvenile delinquency for law enforcement officers, juvenile judges, and other court personnel, probation officers, correctional personnel, and other Federal, State, and local government personnel who are engaged in work relating to juvenile delinquency.

"INSTITUTE ADVISORY COMMITTEE

"SEC. 407. The Advisory Committee for the National Institute for Juvenile Justice established in section 478(d) shall advise, consult with, and make recommendations to the Assistant Director for the National Institute for Juvenile Justice concerning the overall policy and operations of the Institute.

"ANNUAL REPORT

"SEC. 408. The Assistant Director for the National Institute for Juvenile Justice shall develop annually and submit to the Administrator after the first year the legislation is enacted, prior to June 30, a report on research, demonstration, training, and evaluation programs funded under this title, including a review of the results of such programs, an assessment of the application of such results to existing and to new juvenile delinquency programs, and detailed recommendations for future research, demonstration, training, and evaluation programs. The Administrator shall include a summary of these results and recommendations in his report to the President and Congress required by section 474(b)(5).

"DEVELOPMENT OF STANDARDS FOR JUVENILE JUSTICE

"SEC. 409. (a) The National Institute for Juvenile Justice, under the supervision of the Advisory Committee on Standards for Juvenile Justice established in section 478(e), shall review existing reports, data, and standards, relating to the juvenile justice system in the United States.

"(b) Not later than one year after the passage of this section, the Advisory Committee shall submit to the President and the Congress a report which, based on the recommended standards for the administration of juvenile justice at the Federal, State, and local level—

"(1) recommends Federal action, including but not limited to administrative and legislative action, required to facilitate the adoption of these standards throughout the United States; and

"(2) recommends State and local action to facilitate the adoption of these standards for juvenile justice at the State and local level.

"(c) Each department, agency, and instrumentality of the executive branch of the Government, including independent agencies, is authorized and directed to furnish to the Advisory Committee such information as the Committee deems necessary to carry out its functions under this section.

"SEC. 410. Records containing the identity of individual juveniles gathered for purposes pursuant to this title may under no circumstances be disclosed or transferred to any individual or other agency, public, or private."

SEC. 502. Sections 403, 404, 405, 406, and 407 of title I of the Omnibus Crime Control and Safe Streets Act of 1968, as amended (82 Stat. 197; 84 Stat. 1881; 87 Stat. 197), are redesignated sections 411, 412, 413, 414, and 415, respectively.

TITLE VI—AUTHORIZATION OF APPROPRIATION

SEC. 601. To carry out the purposes of this Act there are hereby authorized to be appropriated $100,000,000 for the fiscal year ending June 30, 1974; $200,000,000 for the fiscal year ending June 30, 1975; and $300,000,000 for the fiscal year ending June 30, 1976.

SEC. 602. Not more than 15 per centum of the funds appropriated annually for the purposes of this Act shall be used for purposes authorized under title V.

TITLE VII—NATIONAL INSTITUTE OF CORRECTIONS

SEC. 701. Title 18, United States Code, is amended by adding a new chapter 319 to read as follows:

"Chapter 319—NATIONAL INSTITUTE OF CORRECTIONS

"SEC. 4351. (a) There is hereby established within the Bureau of Prisons a National Institute of Corrections.

"(b) The overall policy and operations of the National Institute of Corrections shall be under the supervision of an Advisory Board. The Board shall consist of fifteen members. The following five individuals shall serve as members of the Commission ex officio: The Director of the Federal Bureau of Prisons or his designee, the Administrator of the Law

Enforcement Assistance Administration or his designee, the Chairman of the United States Parole Board or his designee, the Director of the Federal Judicial Center or his designee, and the Assistant Secretary for Human Development of the Department of Health, Education, and Welfare or his designee.

"(c) The remaining ten members of the Board shall be selected as follows:

"(1) Five shall be appointed initially by the Attorney General of the United States for staggered terms; one member shall serve for one year, one member for two years, and three members for three years. Upon the expiration of each member's term, the Attorney General shall appoint successors who will each serve for a term of three years. Each member selected shall be qualified as a practitioner (Federal, State, or local) in the field of corrections, probation, or parole.

"(2) Five shall be appointed initially by the Attorney General of the United States for staggered terms; one member shall serve for one year, three members for two years, and one member for three years. Upon the expiration of each member's term the Attorney General shall appoint successors who will each serve for a term of three years. Each member selected shall be from the private sector, such as business, labor, and education having demonstrated an active interest in corrections, probation, or parole.

"(d) The members of the Board shall not, by reason of such membership, be deemed officers or employees of the United States. Members of the Commission who are full-time officers or employees of the United States shall serve without additional compensation, but shall be reimbursed for travel, subsistence, and other necessary expenses incurred in the performance of the duties vested in the Board. Other members of the Board shall, while attending meetings of the Board or while engaged in duties related to such meetings or in other activities of the Commission pursuant to this title, be entitled to receive compensation at the rate not to exceed the daily equivalent of the rate authorized for GS–18 by section 5332 of title 5, United States Code, including travel time, and while away from their homes or regular places of business may be allowed travel expenses, including per diem in lieu of subsistence equal to that authorized by section 5703 of title 5, United States Code, for persons in the Government service employed intermittently.

"(e) The Board shall elect a chairman from among its members who shall serve for a term of one year. The members of the Board shall also elect one or more members as a vice chairman.

"(f) The Board is authorized to appoint, without regard to the civil service laws, technical or other advisory committees to advise the Institute with respect to the administration of this title as it deems appropriate. Members of these committees not otherwise employed by the United States, while engaged in advising the Institute or attending meetings of the committees, shall be entitled to receive compensation at the rate fixed by the Board but not to exceed the daily equivalent of the rate authorized for GS–18 by section 5332 of title 5, United States Code, and while away from their homes or regular places of business may be allowed travel expenses, including per diem in lieu of subsistence, equal to that authorized by section 5703 of title 5, United States Code, for persons in the Government service employed intermittently.

"(g) The Board is authorized to delegate its powers under this title to such persons as it deems appropriate.

"(h) The Board shall be under the supervision of an officer to be known as the Director, who shall be appointed by the Attorney General after consultation with the Board. The Director shall have authority to supervise the organization, employees, enrollees, financial affairs, and all other operations of the Institute and may employ such staff, faculty, and administrative personnel, subject to the civil service and classification laws, as are necessary to the functioning of the Institute. The Director shall have the power to acquire and hold real and personal property for the Institute and may receive gifts, donations, and trusts on behalf of the Institute. The Director shall also have the power to appoint such technical or other advisory councils comprised of consultants to guide and advise the Board. The Director is authorized to delegate his powers under this title to such persons as he deems appropriate.

"SEC. 4352. (a) In addition to the other powers, express and implied, the National Institute of Corrections shall have authority—

"(1) to receive from or make grants to and enter into contracts with Federal, State, and general units of local government, public and private agencies, educational institutions, organizations, and individuals to carry out the purposes of this section and section 411;

"(2) to serve as a clearinghouse and information center for the collection, preparation, and dissemination of information on corrections, including, but not limited to, programs for prevention of crime and recidivism, training of corrections personnel, and rehabilitation and treatment of criminal and juvenile offenders;

"(3) to assist and serve in a consulting capacity to Federal, State, and local courts, departments, and agencies in the development, maintenance, and coordination of programs, facilities, and services, training, treatment, and rehabilitation with respect to criminal and juvenile offenders;

"(4) to encourage and assist Federal, State, and local government programs and services, and programs and services of other public and private agencies, institutions, and organizations in their efforts to develop and implement improved corrections programs;

"(5) to devise and conduct in various geographical locations, seminars, workshops, and training programs for law enforcement officers, judges and judicial personnel, probation and parole personnel, correctional personnel, welfare workers, and other persons, including lay, ex-offenders, and paraprofessional personnel, connected with the treatment and rehabilitation of criminal and juvenile offenders;

"(6) to develop technical training teams to aid in the development of seminars, workshops, and training programs within the several States and with the State and local agencies which work with prisoners, parolees, probationers, and other offenders;

"(7) to conduct, encourage, and coordinate research relating to corrections, including the causes, prevention, diagnosis, and treatment of criminal offenders;

"(8) to formulate and disseminate correctional policy, goals, standards, and recommendations for Federal, State, and local correctional agencies, organizations, institutions, and personnel;

"(9) to conduct evaluation programs which study the effectiveness of new approaches, techniques, systems, programs, and devices employed to improve the corrections system;

"(10) to receive from any Federal department or agency such statistics, data, program reports, and other material as the Institute deems necessary to carry out its functions. Each such department or agency is authorized to cooperate with the Institute and shall, to the maximum extent practicable, consult with and furnish information to the Institute;

"(11) to arrange with and reimburse the heads of Federal departments and agencies for the use of personnel, facilities, or equipment of such departments and agencies;

"(12) to confer with and avail itself of the assistance, services, records, and facilities of State and local governments or other public or private agencies, organizations or individuals;

"(13) to enter into contracts with public or private agencies, organizations, or individuals, for the performance of any of the functions of the Institute; and

"(14) to procure the services of experts and consultants in accordance with section 3109 of title 5 of the United States Code, at rates of compensation not to exceed the daily equivalent of the rate authorized for GS–18 by section 5332 of title 5 of the United States Code.

"(b) The Institute shall on or before the 31st day of December of each year, submit an annual report for the preceding fiscal year to the President and to the Congress. The report shall include a comprehensive and detailed report of the Institute's operations, activities, financial condition, and accomplishments under this title and may include such recommendations related to corrections as the Institute deems appropriate.

"(c) Each recipient of assistance under this title shall keep such records as the Institute shall prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such assistance, the total cost of the project or undertaking in connection with which such assistance is given or used, and the amount of that portion of the cost of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit.

"(d) The Institute and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for purposes of audit and examinations to any books, documents, papers, and records of the recipients that are pertinent to the grants received under this chapter.

"(e) The provision of this section shall apply to all recipients of assistance under this title, whether by direct grant or contract from the Institute or by subgrant or subcontract from primary grantees or contractors of the Institute.

"SEC. 4353. There is hereby authorized to be appropriated such funds as may be required to carry out the purposes of this chapter."

The ACTING PRESIDENT pro tempore. Time for debate on this bill is limited to 2 hours, to be equally divided and controlled by the Senator from Indiana (Mr. BAYH) and the Senator from Nebraska (Mr. HRUSKA), with 30 minutes on any amendment, and with 20 minutes on any debatable motion or appeal.

Who yields time?

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. On whose time?

Mr. MANSFIELD. That the time be taken out of neither side.

The PRESIDING OFFICER. Without objection, it is so ordered, and the clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. BAYH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. BAYH. Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator will state it.

Mr. BAYH. Mr. President, is the pending order of business S. 821, as amended?

The ACTING PRESIDENT pro tem-

pore. S. 821 is the pending order of business.

Mr. BAYH. Mr. President, I call up my amendment No. 1578 to S. 821, and I ask unanimous consent that for purposes of amendment it be considered as original text.

The ACTING PRESIDENT pro tempore. Is there objection? Without objection, the amendment will be considered as original text.

The amendment will be stated.

The second assistant legislative clerk proceeded to read the amendment.

Mr. BAYH. Mr. President, for the sake of avoiding an expensive printing bill, it seems to me that there is no need to print the voluminous text of this amendment at this time, since it was printed in the RECORD on Thursday last at page S12832. That is, if the Senator from Nebraska has no objection.

Mr. HRUSKA. I have no objection.

Mr. BAYH. Mr. President, I ask unanimous consent that the Senator from Mississippi (Mr. EASTLAND), the Senator from South Dakota (Mr. MCGOVERN), and the Senator from Hawaii (Mr. INOUYE) be added as cosponsors of the substitute amendment which we are now considering, amendment No. 1578.

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

Mr. BAYH. Mr. President, I ask unanimous consent that Dorothy Parker and Quincy Rodgers be permitted access to the floor during the debate on this matter.

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

Mr. BAYH. Mr. President, as chairman of the Senate Subcommittee To Investigate Juvenile Delinquency, it is with particular pleasure that I speak in support of S. 821, the Juvenile Justice and Delinquency Prevention Act of 1974, legislation which I introduced more than a year ago. This legislation is the product of an exhaustive study by the subcommittee of the inadequacies of the existing Federal delinquency programs in the face of the continually rising juvenile crime crisis. S. 821 will provide the needed Federal direction and coordination combined and the necessary resources to establish in our State and localities effective programs for the improvement of juvenile justice and for the prevention and treatment of juvenile delinquency. Its major purpose is to provide services to youth to prevent delinquency, to divert juveniles from the juvenile justice system, and to provide community-based alternatives to traditional juvenile detention and correctional facilities.

I have been privileged to lead this 3-year effort to determine the best way for the Federal Government to help in the prevention and treatment of juvenile delinquency in this Nation. I can say without any doubt that this bill is the best possible solution that could be devised by the Congress at this time to deal with the delinquency crisis. The measure we now have before us reflects an excellent dialog I have had on this subject with my friend and respected colleague, the Senator from Nebraska (Mr. HRUSKA). I am gratified that the following Members of the Senate, including most of the members of the Judiciary Committee, have joined us in cosponsoring this comprehensive legislation: Mr. MATHIAS, Mr. EASTLAND, Mr. MCCLELLAN, Mr. COOK, Mr. FONG, Mr. HART, Mr. SCOTT of Pennsylvania, Mr. KENNEDY, Mr. THURMOND, Mr. BURDICK, Mr. GURNEY, Mr. TUNNEY, Mr. ABOUREZK, Mr. BIBLE, Mr. BROCK, Mr. CANNON, Mr. CASE, Mr. CHURCH, Mr. CLARK, Mr. CRANSTON, Mr. GRAVEL, Mr. HUMPHREY, Mr. INOUYE, Mr. MCGEE, Mr. MCGOVERN, Mr. MONDALE, Mr. MONTOYA, Mr. MOSS, Mr. PASTORE, Mr. PERCY, Mr. RANDOLPH, and Mr. RIBICOFF.

The goals of this measure initially received strong support when I introduced a similar bill in the 92d Congress. I reintroduced the Juvenile Justice and Delinquency Prevention Act, S. 821, on February 8, 1973. In recent weeks I have been working closely with the distinguished ranking minority member of the Judiciary Committee, Mr. HRUSKA, to develop the substitute amendment, which provides for administration of the Federal juvenile delinquency effort by the Law Enforcement Assistance Administration—LEAA—along with guarantees which will assure that the program achieves the goals of S. 821 as originally introduced. This approach has been endorsed by juvenile delinquency experts and youth-serving organizations throughout the country. It has received the support of many of the major organizations working in the field of youth development and delinquency prevention such as: National Council on Crime and Delinquency, the National Council of Juvenile Court Judges, the American Federation of State, County, and Municipal Employees, National Youth Alternatives Project, American Institute of Family Relations, American Parents Committee, B'nai B'rith Women, the National Council of Jewish Women, the National Association of State Juvenile Delinquency Program Administrators, National Governors' Conference, and National League of Cities and U.S. Conference of Mayors. Also, the Interagency Collaboration on Juvenile Justice comprised of the Boys' Clubs of America, Boy Scouts of America, Camp Fire Girls, Future Homemakers of America, Girls' Clubs of America, Girl Scouts of the U.S.A., National Board of YMCA's, National Board of the YWCA's of the U.S.A., National Federation of Settlements and Neighborhood Centers, National Jewish Welfare Board, and Red Cross Youth Service programs set forth in House testimony earlier this year on companion legislation criteria for effective juvenile justice legislation—criteria with which this bill is wholly consistent. Their testimony as major private agency providers of services to children and youth includes a statement of the basic elements they saw as essential for effective juvenile justice legislation. Those six elements are:

First. A new, national program to coordinate and give leadership to all levels of delinquency prevention efforts;

Second. Adequate funding for prevention and rehabilitation, and creation of alternatives to institutionalization of juveniles both within and outside the juvenile justice system;

Third. Establishment of a National Institute of Juvenile Justice to provide for independent compilation, evaluation, and dissemination of program information;

Fourth. National standards for the operation of juvenile courts at all stages—intake, adjudication, disposition, and conditions of confinement;

Fifth. Emphasis on community-based prevention, diversion, and treatment facilities; and

Sixth. Significant participation of private voluntary agencies in carrying out this program, with express funding eligibility

I am pleased to state that the substitute amendment to S. 821 provides for a program which in all respects meets the criteria stated by these experienced national youth serving organizations, upon whom we will greatly depend for the successful implementation of this legislation.

NEED FOR LEGISLATION

The Juvenile Delinquency Subcommittee held 10 days of hearings on S. 821 and its forerunner S. 3148 focusing on the adequacy of the response of the Federal Government to the delinquency problem. These hearings demonstrated the need for a comprehensive restructuring of Federal delinquency programs. Juvenile delinquency is not now a priority concern of any department of the Federal Government and uncoordinated juvenile delinquency programs are scattered throughout the Departments of Health, Education, and Welfare, Justice, Labor, and Housing and Urban Development as well as other agencies.

During 1971, the Federal Government funded 197 programs involving about 120,000 separate grants in the juvenile delinquency and youth development areas. Efforts at the State and local level to combat delinquency are equaly uncoordinated. Federal fragmentation reflects the lack of coordination at the State and local level and many public and private agencies crucial to the fight against delinquency do not see themselves as part of the solution to the delinquency problem. Unfortunately the investigations of the subcommittee over 3 years confirmed my initial impression that the requisite direction and coordination are missing from the Federal approach to the delinquency problem and that a complete overhaul of Federal juvenile delinquency programs is required.

This legislation offers a comprehensive response to the juvenile delinquency crisis in this country, and in doing so offers real hope for dealing constructively with all crime. Young people account for more than half the crime in this country. During the past 12 years arrests of persons under 18 for violent offenses have risen 216 percent. Arrests for serious property offenses have risen 90 percent. Juveniles under 18 constitute almost half the arrests for serious crime. And the trend of rising crime and delinquency continues. Recent FBI statistics indicate that crime has risen 5 percent in the last year and in the first quarter of this year crime has increased 15 percent.

The cost of juvenile crime to our society is devastating in lost and damaged lives, diminished personal security,

squandered opportunities, and wasted economic and social resources. In 1969, the cost of juvenile crime was estimated at over $16 billion but that is a conservative estimate considering the continuing rise in juvenile crime and inflation. At least $5 billion a year out of a total of $11.7 billion is spent by the Federal, State, and local criminal justice systems to catch, to process, and to institutionalize children below the age of 18. A 1971 survey by LEAA found that almost 60,000 is the average daily population of youth institutions such as detention, diagnostic, and training schools, et cetera. Over 600,000 are admitted yearly to these institutions. In addition, on any given day there are close to 8,000 juveniles held in jails in the United States. Moreover, an estimated 100,000 youths spend 1 or more days each year in adult jails or police lockups. The price of juvenile delinquency is enormous not only in an unproductive expensive juvenile system but also in the wasted young lives.

Sadly, we must conclude that our present juvenile justice system has proven itself incapable of turning these young people away from lives of crime. The recidivism rate for person under 20 is the highest of any age group, close to 75 percent within 4 years. Witnesses before the subcommittee have repeatedly testified about the tragic failure of our juvenile justice and correctional system. Our overcrowded, understaffed juvenile courts, probation services, and training schools rarely have the time, energy, or resources to offer the individualized treatment which the juvenile justice system should provide.

Between 1960 and 1970 the number of cases coming before the juvenile court doubled and the number is still increasing with the exception of a slight decrease in 1972. The worst aspect of the increased caseload is that the rate of delinquency cases is increasing faster than the rate of juvenile population growth so our society is continually losing ground in its fight on delinquency

The tragedy of the failure of the juvenile justice system is further compounded by the fact that nearly one-half of the juvenile court's caseload involves noncriminal offenses, such as dependency, neglect, and status offenses including incorrigibility, waywardness, and beyond control, which are crimes of which only children can be guilty. Due to the juvenile court's jurisdiction over these noncriminal offenses the treatment of such offenses as truancy and runaway along with such serious crimes as robbery and burglary has meant that children who are guilty of serious offenses.

The result has been not the decriminalization of crimes committed by adolescents but the criminalization of such social and adjustment problems as running away and incorrigibility. Once a young person enters the juvenile justice system for whatever reason, he will probably be picked up again for delinquent acts and eventually he will, more often than not, graduate to a life of crime.

Some of the reasons for the failure of our current methods of handling children in trouble were explained in a statement in support of the committee bill by Allen F. Breed, president of the National Association of State Juvenile Delinquency Program Administrators, to the subcommittee on February 22, 1973, who said in part:

> The structural and procedural system has two built-in patterns that tend to be self defeating. First, the youth in need of trouble is identified and labeled. As he is labeled, certain sanctions are imposed and certain critical stances assumed. The sanctions and the stance tend to convince the individual that he is a deviant, that he is different, and to confirm any doubts he may have had about his capacity to function in the manner of the majority.
>
> Second, as the label is more securely affixed, society's agencies (police, schools, etc.) lower their level of tolerance of any further deviance; the curfew violator who is an identified parolee or probationer may go into detention; the non-labeled offender will frequently go home; and the misbehaving probationer will be remanded to the vice-principal's office faster than his non-probation fellow. As these discriminations are made, the youth is further convinced of the difference and of society's discrimination.
>
> If the unacceptable behavior continues and the youngster penetrates further into the justice and correctional apparatus, he is subjected to an increasing degree of segregation from others of his kind—from special schools to detention to state correctional school—each step invites a greater identification with the subculture of the delinquent, and so, again, his anti-adult-antisocial-peer-oriented values are reinforced and confirmed and the socializing conformity-producing influences of the majority society are removed further from him.
>
> Thus, as the state's "treatment" is intensified, so too is the rejection, both covert, and overt, and as we try harder to socialize the deviant, we remove him further from the normal socializing processes.
>
> Our objective must be, therefore, to minimize the youngster's penetration into all negative labeling, institutional processes. To this end, we must exploit all of the available alternatives at each decision point, i.e., suspension, expulsion, arrest, detention, court wardship, commitments, parole revocation. At each critical step, we should exhaust the less rejecting, the less stigmatizing recourses before taking the next expulsive step.

Witnesses before the subcommittee have emphasized their frustration that in many communities there are few if any services for a youth until he becomes involved in the juvenile justice system. Equally frustrating for those involved in the juvenile justice system, is how few alternatives are available within the juvenile justice system. Frequently a juvenile judge only has the possibility of returning a juvenile to his home, putting the child on probation, or in an institution. What is needed are programs in communities aimed at preventing children with a high probability of delinquent involvement from behavior leading into the juvenile justice process. At each step along the way that children seem headed for trouble, the community should be able to choose the least amount of intervention necessary to change the undesirable behavior.

It is often vital that the youth be reached before becoming involved with the formal juvenile justice system. In the first instance, preventive services should be available for identifiable, highly vulnerable groups to reduce their expected or probable rate of delinquency. If children commit acts which result in juvenile court referral, then an attempt should be made to divert them from the juvenile court. When youth commit serious crimes and must clearly be subjected to the jurisdiction of the juvenile justice system, then the preferred disposition should be community-based treatment.

Given the history of failure in preventing delinquency, there is a compelling need for a thoroughgoing national response to this problem. It is essential to prevent children from coming under the jurisdiction of the juvenile court or being involved with the traditional juvenile correctional system if that is possible or being labeled as delinquent or predelinquent. All alternatives to counterproductive involvement of young people in the juvenile justice system must be realized at every point of decisionmaking—from arrest through detention, court appearance, commitment, probation, and parole. If the child must go into the juvenile justice system for a serious offense, then alternatives for different needs and circumstances should be available to the juvenile court. This bill provides, at the State and local levels, where this battle must be won, long overdue alternatives for youth both outside and inside the juvenile justice system.

THE LEGISLATION

The substitute amendment we are now considering contains the key provisions of S. 821, as originally introduced. Our goal is to make the prevention of delinquency a number one national priority of the Federal Government, and in doing so to save tens of thousands of young people from the ravages of a life of crime, helping them, their families and society. As I said at the time I introduced S. 821:

> The Juvenile Justice and Delinquency Prevention Act which we are introducing today will provide the comprehensive, coordinated Federal effort combined with the massive resources that have so long been needed to deal effectively with the crisis of delinquency. This bill creates a new national Office of Juvenile Justice and Delinquency Prevention to insure national coordination of Federally assisted delinquency programs and provides substantial new resources for delinquency prevention, treatment, and rehabilitation programs, It creates a centralized research, training data collection, and evaluation effort in a new Institute of Juvenile Justice. It provides for the development of model uniform standards for the administration of the juvenile justice system, including conditions of confinement in detention and correctional institutions. Finally, it establishes basic procedural rights for juveniles who come under Federal jurisdiction.

The concept of S. 821 as originally introduced and as contained in the substitute amendment was to establish a new office, a central coordinator for the entire Federal delinquency effort. S. 821 does not propose the termination or relocation of existing juvenile delinquency programs, but rather it gives the new office in LEAA the authority to establish priorities and objectives for all Federal delinquency programs, including training, evaluation, research, prevention, rehabilitation and treatment activities.

S. 821 originally proposed the creation

of the central coordinating office to administer this program in the Executive Office of the President. The Subcommittee to Investigate Juvenile Delinquency was concerned about placing S. 821 in the White House at a time when there is a need to strengthen existing governmental departments. S. 821, as reported by the Subcommittee to Investigate Juvenile Delinquency created a new Office within the Department of Health, Education and Welfare due to HEW's experience in administering programs related to the success of a delinquency prevention effort. S. 821 as reported by the Judiciary Committee on July 16, 1974, placed the new Office in the Law Enforcement Assistance Administration.

Since that time I have worked with Senator HRUSKA to develop the constructive response to the delinquency problem which is contained in the substitute amendment which is before the Senate today. This amendment preserves not only the broad outline of the original bill but also its spirit and goals. It is far less important where this new Office of Juvenile Justice and Delinquency Prevention is located, than it is to make certain that office has the programs, power and resources to do the difficult job which lies ahead.

The bill has benefited in the 2½ years since I introduced the original bill S. 3148 on February 8, 1972, from the suggestions not only from my distinguished colleagues but also the testimony of the many expert witnesses including State and local officials, juvenile court judges, representatives of private agencies, social workers, criminologists, criminal justice planners and youth, particularly juveniles who have been under the jurisdiction of the juvenile justice system.

The extensive hearings conducted by the subcommittee contain eloquent testimony of the desperate need for this legislation. Eighty witnesses who were dedicated and concerned about children gave almost 1,000 pages of testimony and statements in overwhelming support of the principles behind this legislation. In particular, these witnesses emphasized the failure of the existing juvenile correctional institutions such as large custodial training schools which do not reform juveniles. Many witnesses provided support for a principle of this legislation from its inception—that many delinquents who have previously been incarcerated can be better and more humanely handled in community settings with greater chances of true rehabilitation. As Dr. Charles Shireman testified on behalf of the National Association of Social Workers:

> We in social work have come to believe that the concept of commitment of juveniles to large-scale correctional institutions as a therapeutic or rehabilitative device must be abandoned. Youth should be committed to correctional institutions only upon a finding of the existence of a clear and present danger to the security of other citizens.

State officials in testifying before the subcommittee have emphasized the necessity for comprehensive, coordinated Federal funding to assist the States in carrying out their efforts to rehabilitate youth in community settings. The Governor of Massachusetts, the Honorable Francis Sargent, and the Governor of Ohio, the Honorable John Gilligan, were eloquent in describing the urgent need for this legislation. The deputy director of the Kentucky Department of Child Welfare, Bill Ryan, confirmed the feeling of many State administrators in urging passage of this bill:

> Quite frankly, when I first read the bill and Senator Bayh's comments in the Congressional Record, I wanted to shout "Allelula," somebody has finally developed a comprehensive piece of legislation that makes sense. It should provide a real opportunity for all of us if we want to be serious about resolving problems facing youthful offenders.

The National Governors' Conference in May 1974 in supporting the need for this legislation emphasized the necessity of a "Federal commitment to the prevention of delinquency".

I ask unanimous consent to have printed in the RECORD the resolution of the National Governor's Conference.

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

(See exhibit 1.)

Mr. BAYH. S. 821 in its final improved form provides a new structure within LEAA for the long-needed Federal commitment to prevent delinquency and to create alternatives for institutionalizing youth. The amended bill provides for strong Federal leadership combined with the incentives for States and local governments as well as public and private agencies to establish effective community-based services to reduce delinquency and to rehabilitate delinquents. I want to briefly summarize the significant feature of this bill and I ask that a summary of the entire bill be included in the RECORD immediately following my remarks.

Title I incorporates the findings and purposes of the Juvenile Justice and Delinquency Prevention Act into the Declaration of Purpose of the Omnibus Crime Control and Safe Streets Act which established the Law Enforcement Assistance Administration. The statement of purposes clearly mandates LEAA to conduct effective programs at the local, State, and National level to prevent delinquency, to divert juveniles from the juvenile justice system and to provide alternatives for youth to institutionalization.

Title II, which I will discuss at greater length later, amends the Federal Juvenile Delinquency Act to provide for the rights of juveniles under Federal jurisdiction in accordance with the Constitution.

Title III establishes a new Office of Juvenile Justice and Delinquency Prevention in the Law Enforcement Assistance Administration to impiement the entire Federal juvenile delinquency effort. This will be the one place in the Federal Government where citizens or representatives of States, localities, or public and private agencies, can go to find answers and solutions to the delinquency problem.

One of the vital objectives of S. 821 from its introduction has been to establish an office within the Federal Government which can provide the desperately needed leadership for the entire Federal delinquency effort. The provisions of title III provide for this leadership combined with the authority and resources to give direction within LEAA for all its juvenile delinquency programs. Section 471(a)(c) establishes within LEAA an Office of Juvenile Justice and Delinquency Prevention headed by an Assistant Administrator who shall be appointed by the President with the advice and consent of the Senate. The appointment of the Assistant Administrator by the President will give this program the status required for national focus; it will emphasize the congressional intent of making this effort succeed. The need for a focal point for all Federal programs has been recognized by numerous witnesses who testified before the subcommittee. I am confident that the rank of Assistant Administrator combined with Presidential appointment and Senatorial approval will enable LEAA to find an outstanding individual experienced in the field of juvenile delinquency to provide committed leadership to this program.

As the leader of the Senate subcommittee which has worked for so many years to assure the passage of this legislation, I can assure you that I will examine the appointment of the head of this program with all the care required to be certain that the choice is capable of providing strong creative leadership to this program. With the appointment of a person of the caliber required, I have every confidence that such leadership will be forthcoming.

Title III also creates a new part F to the Crime Control Act of 1973, containing a new juvenile delinquency prevention, diversion and community-based alternative program. This program, for which $75 million is to be authorized in fiscal 1975, and $150 million authorized in fiscal 1976, will be administered by the new Office of Juvenile Justice and Delinquency Prevention. That Office will also provide policy direction for all prior-existing LEAA juvenile programs, to insure coordination of this effort within LEAA. In recent months, in response to the changes in the Crime Control Act of 1973, LEAA has created a Juvenile Justice Division which can be expected to provide a nucleus for a greater effort authorized by S. 821. It is expected that the goals of all the LEAA juvenile programs will be brought in line with the goals of the juvenile delinquency programs established under part F, with the Assistant Administrator providing direction and leadership for the entire LEAA delinquency effort.

Section 471(a) provides for a Deputy Assistant Administrator of the Office who shall direct the National Institute of Juvenile Justice. A great many colleagues of the Congress have long been interested in a similar concept as the Institute for Continuing Studies of Juvenile Justice.

A number of witnesses have testified before the subcommittee concerning the need for a clearinghouse and for research, training, and evaluation concerning juvenile delinquency programs. I am

gratified that S. 821 creates the Institute as part of the Office of Juvenile Justice and Delinquency Prevention thus strengthening both the work of the entire Office and the work of the Institute. I have long felt that it is essential to provide in one place for the problems of juvenile delinquency due to the fact that juvenile programs always seem to come second whenever they are coordinated with programs concerning adults. It is also essential that the National Institute of Juvenile Justice works closely with the Office to see that the results of research and evaluation become part of the program planning for all LEAA delinquency programs.

Let me emphasize, Mr. President, the Office of Juvenile Justice and Delinquency will provide overall planning and policy, as well as establishing objectives and priorities for all Federal juvenile delinquency programs. This includes all activities relating to prevention, diversion, training, treatment, rehabilitation, evaluation, research, and improvements of the juvenile justice system. The Office will review the operation of programs in other agencies, and will be responsible for reporting on their effectiveness and for making budgetary and program recommendations to the President through the Attorney General. It will report annually to the President and Congress on Federal juvenile delinquency programs and it will develop annually and submit to the President and Congress a comprehensive plan for Federal juvenile delinquency programs with particular emphasis on prevention and diversion of juveniles from the traditional juvenile justice system. We must strive to stop delinquency in the first instance, and to rehabilitate juveniles who might otherwise be headed down the dark path of crime.

The need for centralized authority for Federal delinquency programs, a key of this legislation has been recognized by many State and local officials and representatives of private agencies who have told us of their problems in working with the Federal Government due to the fragmentation of responsibility for delinquency programs. The Office of Juvenile Justice and Delinquency Prevention will provide a focus for a coordinated national attack on the juvenile crime crisis.

One of the problems in carrying out delinquency prevention, diversion and rehabilitation programs by public and private agencies in all parts of the country at all levels of government has been the lack of sufficient technical expertise or know-how on how to develop and to implement these programs. The Office of Juvenile Justice and Delinquency Prevention is authorized to provide technical assistance to Federal, State, and local governments and public and private agencies in implementing delinquency programs. In addition, the Administrator is authorized to utilize the services of any agency of the Federal Government or to transfer funds to any Federal agency or to enter into contracts with public or private agencies to carry out the goals of the program. Thus the Office has a broad range of authority to assure that it can provide the resources to the many public and private institutions which deal with the delinquency problem in this country.

From its inception, it has been recognized in S. 821 that the Office will need the support and advice of private citizens and agencies actively involved in working on the problem of juvenile delinquency. With this thought in mind, S. 821 provides for a National Advisory Committee on Juvenile Justice and Delinquency Prevention—referred to as the Advisory Committee, of 21 members knowledgeable in the prevention and treatment of juvenile delinquency, to make recommendations to the Administrator of LEAA with respect to the planning, operations and management of Federal juvenile delinquency programs. So that the voice of youth is heard, one-third of its members shall not be 26 years of age at the date of their appointment. It is our expectation that some of the members of the Advisory Committee should have had personal experience under the jurisdiction of the juvenile justice system, so that the National Advisory Committee will have the benefit of their experience in its deliberations.

The act also continues the Interdepartmental Council on Juvenile Delinquency composed of the Attorney General, the Secretary of Health, Education, and Welfare, the Secretary of Labor, Director of the Special Action Office for Drug Abuse Prevention, and the Secretary of Housing and Urban Development. The Attorney General will serve as chairman and shall appoint the Executive Secretary of the Council. This Interdepartmental Council is expected to provide overall coordination of all Federal juvenile delinquency programs and members of the Interdepartmental Council are ex-officio members of the National Advisory Committee. The Council has functioned intermittently in the past and not met its congressional mandate. In fact it has done little except prepare reports. I am hopeful that a rejuvenated Interdepartmental Council as part of the National Advisory Committee with its own staff will be able to work toward coordination of the work of the departments in the juvenile delinquency field.

S. 821 has always been built on the premise that solutions to the delinquency problem must be found at the State and local level. The Federal Government can and must provide leadership in the national goals to reduce juvenile delinquency, as well as adequate resources to help State and local governments develop and implement juvenile delinquency prevention and rehabilitation programs.

Title IV establishes a program of Federal assistance through LEAA of block grants to State and local governments to assist them in planning, operating, and evaluating projects directly, or through contracts with public and private agencies, for the development of more effective education, research, prevention, diversion and rehabilitation programs in the area of juvenile delinquency and the juvenile justice system.

Funds will be allocated to States based on population under the age of 18, although no allotment to any State shall be less than $200,000. In order to receive any funding a State is required to submit a comprehensive juvenile justice plan which meets the requirements set forth in section 482 (a) and (b) of part F and the existing requirement for a comprehensive juvenile justice plan in section 303(a) of the Crime Control Act of 1973. This provision establishes clearly that the States are required to submit one comprehensive juvenile justice plan in order to receive the State's allotment under this legislation.

The substitute amendment provides that the State plan must designate the State planning agency established under section 203 of the Omnibus Crime Control and Safe Streets Act as the sole agency for supervising the preparation of the State plan.

At the core of LEAA's success at the State and local level is the State planning agency and its regional planning units which administer the program at the State and local levels, respectively. The State planning agency determines the needs and priorities for improving the law enforcement and criminal justice system in each State. Each State planning agency has a supervisory board which determines the policy for LEAA programs in that State. It has long been felt that these Boards should be representative of citizen and community organizations in addition to law enforcement and criminal justice officials. This is particularly true in the juvenile delinquency prevention field where private agencies have a long tradition of dealing with the problems of children and youth in trouble. No process can legitimately set the priorities for a State to deal with such a pressing issue as crime and delinquency without involving the citizens and agencies most affected. I am pleased that section 301 of S. 821 amends section 203(a) of the Crime Control and Safe Streets Act of 1973 to require that the State planning agency and any regional planning units must be representative of citizen, professional and community organizations, including organizations directly related to delinquency prevention.

For the first time, State planning agencies and all regional units must have representatives of citizen and community groups including delinquency prevention organizations which are concerned about crime and delinquency. In addition, this section is further amended to require that the State planning agency and all regional units shall be representative of not only local governments, law enforcement and other criminal justice agencies, but also agencies related to the prevention and control of juvenile delinquency. According to the Report of the National Advisory Commission on Criminal Standards and Goals only 5 percent of the membership on State planning agency supervisory boards have had a functional background in the area of juvenile delinquency.

The substitute amendment opens supervisory boards to public agencies concerned with delinquency prevention or treatment such as juvenile justice agencies, juvenile court judges and wel-

Whether it's in the United Nations, the State Department, or the Agency for International Development (AID)—the fact is, the international response to the Sahel represents a pattern of inertia, insensitivity, and racism. For the Sahel does not have much strategic, political, or economic value to the U.S. Government which is the basis for most (sic) "humanitarian" assistance.

Black Africa never received much U.S. aid and Washington's rhetoric notwithstanding, we're still doing less than we proclaim. In the last 19 years, Black Africa received only five percent of the $6.3 billion worth of excess food given away by the U.S.—which is the world's breadbasket. This past year, AID has given more to feed the Sahel's starving masses than it has given in the last 19 years. But even this aid is deceptive.

For this year, in a sleight of hand, AID juggled its money. First it decreased economic aid to Black Africa by $13 million to $160 million, and then cut another $50 million which it redirected to South Vietnam. Later, under Congressional prodding, AID agreed to an additional $25 million for the six countries of the Sahel—but lumped this sum to the total of the slashed African aid package to cover up the huge cut.

And now, it's been revealed that last year $87 million in food credits to the African states was actually $50 million, and starting July 1, food grants went down to $5 million.

But whatever the amount, it's precious little, and represents what old "African hands" at the State Department call "presence money." After the early euphoria of the Kennedy administration for assisting the emerging nations of Black Africa, by 1966 the all-consuming passion of the Johnson administration had riveted most assistance for Vietnam.

The U.S. adopted a policy of benign neglect toward Black Africa—rationalized in a report only partially declassified last year, which to this date remains the basis of U.S. policy in Africa.

The "Korry Report" was written by a State Department task force headed by former U.S. Ambassador to Chile, Edward M. Korry, who was then Ambassador to Ethiopia.

Korry suggested an "emphasis country policy," concentrating U.S. aid in those Third World countries that could be used as pawns on the chessboard of global power politics. Rewards were to go only to explicit collaborators, or where the U.S. had economic self-interests.

What little aid was destined for Africa went to Ethiopia, Liberia, and Morocco—where there were military installations; resource-rich Uganda, Zaire, and Tanzania, as well as oil-rich Nigeria, and Ghana and Kenya—where Korry saw European influence eroding.

For the remainder of Africa, Korry suggested "regional self-help" projects, with minimal U.S. financing, because he didn't consider these nation-states as much more than conglomerations of tribes, rather than nations.

Korry's brand of imperialism is extraordinary. In sections of the report still classified, he wrote: "A quantitative distinction (should be made) explicit between resources for economic development and for *political* purposes . . . But these resources should be recognized for what they are: a limited but indispensable tool. . . ."

Regarding former French West Africa, the heartland of the Sahel. Korry suggested a hands-off policy. "It is not desirable at this time to challenge the special position of France in tropical Africa," he argued, because despite our differences with Paris, "the benefits of French influence . . . on the proper political organization of the African continent" are considerable.

The French record of neglect speaks for itself. The Sahel exists today in a time capsule, as it tries to shake loose the shackles of colonial servitude while leaping across centuries of economic development. The six nations—Chad, Mali, Mauritania, Niger, Senegal, and Upper Volta—carved out of what was once semiarid French West Africa, are still scarred by the worst kind of economic Balkanization, perpetrated by artificial national boundaries imposed by a colonial power.

So by 1972, when the drought was officially "recognized," it's understandable that the Sahelian governments felt they had no place to turn for relief.

There are stories of African ambassadors roaming the halls of the State Department asking for help, and of AID officials suggesting the effects of the drought were being exaggerated.

By Christmas 1972, the Sahelian states turned to the United Nations. During the closing days of the annual General Assembly session, the Secretary General, Kurt Waldheim, was informed by his Secretariat and African ambassadors about what was happening. His response was to order a study of the problems of "desert encroachment."

In early 1973, as the horror stories and reports increased, UN agencies debated what to do, and whether the UN should issue a public appeal for aid. It's a measure of the moral bankruptcy of the UN that the agencies procrastinated another five months before anything was done.

In March 1973, the Sahelian governments met in Ouagadougou, Upper Volta, and issued a formal plea for help. Walheim's staff placed the Sahel on his agenda for his weekly staff meetings. But it wasn't until May that he discussed the drought.

By then, the situation had deteriorated to the point where—just as Martin Walker of the Manchester Guardian reported in the New York Times Magazine is happening again this year—the fumbling had screwed up the delivery of emergency food, necessitating an expensive and frantic airlift in early summer before the monsoons washed out roads.

But while the international community slowly galvanized itself to do *something* last summer—under the prodding from church and black groups, a bizarre but tragic thing happened.

On its own initiative the U.S. Public Health Service in Atlanta, Georgia sent a team of physicians to West Africa to assess the situation. They reported 100,000 deaths with levels of starvation greater than that of the historic famine in Bangladesh.

To prevent further mortality, the Public Health Service mapped a plan for special children's rations, vaccine against measles (a major killer, and food distribution. The PHA report quotes official AID reports identifying some U.S. relief shipments of sorghum (a high-protein cereal) to West Africa as "animal feed." Indeed, "indigestible" sorghum appeared in AID documents as lifesaving relief, according to some Washington sources. while in Sahelian refugee camps, it was cramps and diarrhea.

The Public Health Service reports were largely ignored by AID and the State Department—and, in fact, covertly concealed. In October, the State Department publicly spoke of "pockets" of malnutrition existing in West Africa. And this February, the President's Disaster Relief Coordinator told Congress that "widespread starvation was prevented."

Could the U.S. have done more? Last year of the aid given Africa, more than 40 per cent was in the form of excess food commodities. But the emergency food assistance given the Sahel came out of a special fund. Section 451 of the Foreign Assistance Act of 1961, the "Contingency Fund," authorized AID to spend funds for unforeseen catastrophes. However, AID has taken it upon itself to allocate funds "for situations involving the *security* of the United States."

During fiscal 1973, only half of the Contingency Fund was spent on disaster relief. Other grants were made for financing livestock research in the Bahamas, and an international plan to combat cholera. But in prior years, the funds were put to more dubious use.

During fiscal 1973, only half of the Contingency Fund was spent on disaster relief. Other grants were made for financing livestock research in the Bahamas, and an international plan to combat cholera. But in prior years, the funds were put to more dubious use.

During 1972, $24.5 million of $30 million in Contingency Funds was misallocated for "security assistance," such as:

$9.5 million to Malta to "support economic and political stability of the government . . ."

$15 million to Jordan to "maintain its political stability."

Under pressure from black legislators—in particular. Representative Charles Diggs, head of the African Affairs Subcommittee—AID reallocated its funds in the closing months of 1973—reducing aid for earthquake-shaken Nicaragua to make up the difference for the Sahel.

But between the Bahamas project and other misuses, at least $12 million in disaster relief funds were misallocated.

The drought this year is worse than last year. There was almost no harvest last fall. It's reflective of the UN's poor coordination that the Food and Agricultural Organization in Rome told the world the Sahel will be short 650,000 tons of grain this year when actually the total need is double that amount—1.2 million tons—to stave off famine threatening 200,000 people.

It is doubtful whether that much grain will ever be donated, to say nothing of the milk, vaccine, and other human and animal provisions—and then gotten to where it's needed.

Whether we can or will find the political will to prevent the tragic recurrence of the human devastation that plagued the Sahel last year is still very much of an open question.

In the Sahel, which is a forbidding land under the best of circumstances, emergency relief is wasteful without giving people the means to rehabilitate the land and salvage what remains of their once pastoral existence. For not only are people dying, but centuries of culture and nomadic way of life are being extinguished.

Meanwhile, the drought is spreading to Ethiopia and other parts of East Africa—putting the lie to the rationale of the AID technocrats who say that the people of the Sahel are responsible for their own fate because of cattle overgrazing and human overpopulation.

Meteorologists indicate that significant shifts have occurred in the weather patterns over Africa which may be cyclical, but perhaps permanent. The immediate reality, though, is that the drought could be one of mankind's greatest natural catastrophes.

GEORGIA FARMERS UNHAPPY WITH MR. EARL BUTZ

HON. DAWSON MATHIS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 24, 1974

Mr. MATHIS of Georgia. Mr. Speaker, as many Members of this House know by now, flue-cured tobacco farmers in Georgia, and other tobacco-producing States, are suffering as a result of U.S. Department of Agriculture policy as

services in the community. Nationally it is my hope that S. 821 can become the vehicle for the creation of services for these children, particularly for girls, for whom services are practically nonexistent and that these services can be provided without labeling the children Services for such youth, who are now stated to be "children in need of supervision" or "persons in need of supervision" in the juvenile court setting, should be created outside of the juvenile justice system. Through the uses of the community-based services provided for in S. 821 juveniles will be able to receive the help they need while remaining close to family and friends who are so necessary to rehabilitative efforts.

The creation of these innovative community-based facilities and services at the State and local level may result in changes in employment opportunities which will affect current State, county, and local governmental employees. The burden of these desirable changes in the handling of delinquents should not be made to fall on the employees alone. Our bill requires the State plan to include provisions for fair and equitable arrangements to protect the interests of employees affected by this act. These provisions assure that in dealing with children we do not deal unfairly with employees.

In addition to the funds for States and localities S. 821 also provides funds for direct special emphasis grants to public and private agencies to develop and implement new methods of delinquency prevention, treatment, and rehabilitation. Direct funding authority will provide additional overall resources for juvenile delinquency programs and maintain the funding flexibility required to develop innovative approaches to the problems of delinquency. Moreover, the ability of the Administrator to develop and implement an effective, coordinated Federal delinquency effort will be enhanced by making funds available to him for direct grants to implement needed programs.

The bill provides that at least 20 percent of the funds for special emphasis prevention and treatment contracts shall be available for private nonprofit organizations or institutions who have had experience in dealing with youth. The intent of this provision is to enable those private nonprofit organizations which have established program services for youth to expand, extend and improve upon their services for youth in trouble. The principal youth-serving organizations which are working with millions of young people, have testified that they are already spending hundreds of millions of their own money, are utilizing hundreds of thousands of dedicated volunteers, and are demonstrating the effective approaches to prevention of delinquency. They cannot cope with the delinquency problem in this country unless they can combine their private resources with additional resources and leadership from Government. I believe that we can best serve young people by giving these experienced youth-serving organizations that assistance.

This provision may be used to meet such needs as: augmenting staff with specialities to reach hard-to-reach youth; acquiring professionals to provide in-depth counseling and guidance for young people remanded by court; creating alternate or satellite schools for potential dropouts; early career ladder development for upward mobility for poor minority girls; training national professionals to do inter-agency collaboration work with hard-to-reach youth; developing pilot programs to discover successful approaches unique to specific geographic areas and age groups; and developing programs of cross-age communication between young people and parents.

This provision guarantees that a beginning can be made in providing those funds which are so essential if our youth-serving agencies are going to escalate their efforts.

As I noted above, one of the major features of S. 821 is the creation of a National Institute for Juvenile Justice within the Office of Juvenile Justice and Delinquency Prevention. The proposed Institute will have the national prestige, the authority and the resources required to develop long-range strategies for dealing effectively with the problems of juvenile delinquency. Most important, the Institute would be an integral part of the new national Office so promising research and evaluation results can be translated promptly into effective operating programs in the field.

The Institute will be responsible for the evaluation of programs assisted under this act as well as other juvenile delinquency programs as requested by the Administrator. In the past there has been little evaluation of federally assisted delinquency programs and it is vital that analysis of delinquency programs be commenced on a systematic basis. In addition, the Institute will provide vitally needed leadership in developing effective research, training, and information services in the field of juvenile delinquency. It is an essential part of the new comprehensive, coordinated Federal approach, contained in S. 821.

Title II of the Juvenile Justice and Delinquency Prevention Act amends the Federal Juvenile Delinquency Act designed to guarantee certain basic protections to juveniles under Federal jurisdiction. I have worked with the distinguished Senator from Arkansas (Mr. McCLELLAN) to reach an agreement on the provisions of title II which are contained in the substitute amendment because this title also falls within the purview of the criminal codification effort currently underway in the Subcommittee on Criminal Laws and Procedures.

Whenever possible, juveniles should be processed through State and local juvenile courts and correctional systems. Unfortunately, neither the Federal courts nor the Federal correctional system has ever been properly equipped to handle large numbers of juveniles, and as a result numbers of juveniles have been sent to institutions far from their home communities. Under title II, in juvenile cases, Federal courts would be required to defer to State courts unless the Attorney General certifies that the State does not have or refuses jurisdiction or does not have services to meet the needs of juveniles.

Title II contains a prohibition against detention or confinement of any juvenile in institutions in which the juvenile has regular contact with adults who are convicted or awaiting trial are confined. Insofar as possible alleged juveniles shall be kept separate from adjudicated delinquents. Juveniles who are incarcerated with sophisticated criminals or hardened delinquents merely learn more about crime and criminal ways and only harm can come from such a policy.

Under present law, a juvenile alleged to have committed an act which if committed by an adult would be a felony could be handled either in juvenile proceedings or in criminal proceedings. Title II would require a hearing before a Federal district judge before an eligible juvenile could be transferred to adult criminal court and then only if the judge finds that such a transfer would be in the interest of justice according to specific listed criteria. Transfer proceedings could be instituted only against a juvenile aged 16 or older who has committed certain serious felonies. In all other cases, the youth would be treated as a juvenile.

Title II also provides against unnecessary detention of juveniles. The bill requires that immediately upon arrest the juvenile be advised of his legal rights and that the juvenile's parents or guardian be notified forthwith of such custody and of such juvenile's rights. The juvenile must be taken before a magistrate forthwith who shall release him to his parents or guardian unless, after hearing, the magistrate determines that detention is necessary to secure the juvenile's timely appearance before the appropriate court or to insure his safety or that of others.

The proposed amendments would implement recent Supreme Court decisions dealing with the right to counsel. The arresting officer would be required to inform the juvenile that he has the right to be represented by legal counsel at all critical stages of the juvenile proceedings, and the magistrate must insure that the juvenile is represented by counsel before proceedings.

The title guaranteeing a juvenile all the rights of an adult in a criminal trial has been deleted without any suggestion that any such deletion implies that the rights of juveniles are necessarily less extensive than those of adults in a criminal trial. It is simply a conclusion that at this time decisions of the rights of a juvenile should be decided by the courts on a case by case basis under the Constitution. In accordance with this view, for example, it has been held that trial by jury is not constitutionally required in juvenile proceedings.

The proposed amendments contain a number of other protections for juveniles under Federal jurisdiction. A detained juvenile has a right to a speedy trial. Whenever possible, a juvenile shall be detained or confined in a community-based facility located in or near his home

community. A juvenile in detention or confinement must be provided adequate food, clothing, housing, education, and all other necessary care and treatment. There are provisions for the sealing of juvenile records and preventing their unnecessary disclosure. The proposed amendments provide many due process protections for juveniles which are basic to our system of justice.

I want to note before closing that a National Institute of Corrections in the Federal Bureau of Prisons is established in title VII. The rising crime rate and the general ineffectiveness of institutions in the corrections field indicate that an effort such as this institute is needed to provide direction and leadership to the corrections system.

Mr. President, we recognize that substantial resources are needed to implement this far-seeing comprehensive delinquency program. Title VI provides that LEAA shall maintain the same level of financial assistance for existing juvenile delinquency programs as LEAA did in fiscal year 1972—namely $140 million. In addition, the bill authorizes $75 million in fiscal year 1975 and $150 million in fiscal year 1976 for the new programs created in this act. These provisions are vital to creating within LEAA the priority for juvenile delinquency programs that is essential to the success of the new part F created by S. 821.

In this connection, I want to observe that the Senate subcommittee has worked for many years to persuade LEAA to make an effort in the delinquency field commensurate with the fact that juveniles are responsible for half the crime in this country. In fiscal 1970, LEAA spent 12 percent of its funds on juvenile delinquency programs, and in fiscal 1971, although the percentage increased somewhat, it still was only 14 percent. In fiscal year 1972, under 21 percent went to juvenile delinquency programs. In addition there is a tremendous difference in the level of funding of juvenile programs at the State level.

According to an analysis of the State plans by the National Council on Crime and Delinquency, the percentage spent of part C LEAA funds on juvenile justice and delinquency prevention ranges from a high of 56 percent in Guam to a low of 0.29 percent in Kansas. In the years ahead, it will be necessary for LEAA to provide leadership on the national level to assure that the truly national effort to prevent delinquency becomes a reality. It is not merely a question of the total expenditure for delinquency programs. It is also vital that all States become involved in the effort so that there ceases to be such a tremendous disparity among the States on their approach to delinquency.

S. 821 provides the structure and the resources for LEAA to create the long-needed national priority concern by the Federal Government to prevent delinquency, divert juveniles from the juvenile justice system, provide meaningful alternatives to the traditional juvenile detention and correctional facilities and to improve the quality of justice for juveniles in this country. I will vigilantly review LEAA's activities to assure that the strong accountable Federal responsibility to the delinquency crisis required by S. 821 is forthcoming. With the resources and authority contained in S. 821, I have every confidence that this will be the case.

Mr. President, I ask unanimous consent to have printed in the RECORD the analysis by the National Council on Crime and Delinquency to which I have referred.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. (See exhibit 2.)

Mr. BAYH. Mr. President, I ask unanimous consent to have printed in the RECORD a summary and analysis of the Juvenile Justice and Delinquency Prevention Act of 1974.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. (See exhibit 3.)

EXHIBIT 1

NATIONAL GOVERNORS' CONFERENCE RESOLUTION ON JUVENILE DELINQUENCY

In recognition of the key role which state governments play in the intergovernmental effort to prevent and control juvenile delinquency, the National Governors' Conference urges each State to act as the focal point for the coordination of planning and services of all state and federal agencies which contribute to the prevention, control and treatment of juvenile delinquency.

To achieve that objective, greater emphasis should be placed on coordination of effort between the numerous federal agencies with juvenile delinquency programs and between federal and state agencies.

Recognizing that juvenile delinquency is a problem broader than the criminal justice system, planning for programs should promote coordination and utilization of private and public, social and educational services to youth to the maximum extent feasible.

Further, recognizing that the key to a meaningful reduction in juvenile delinquency lies in its prevention, each State should emphasize and strengthen its commitment to basic prevention programs giving particular emphasis to home, school and community centered programs aimed at youth in danger of becoming delinquent.

The States have increasingly recognized the importance of preventive programs and made notable progress in implementing new programs and experimenting with new ways of preventing delinquency. What is lacking is a federal commitment to the prevention of juvenile delinquency. The National Governors' Conference, therefore, urges the Congress to adequately fund and amend legislation to support state juvenile delinquency prevention efforts. Such legislation should focus on the following objectives:

1. Encourage expanded juvenile jurisdiction and funding by LEAA and those programs at the State and local level, and improving coordination of federal programs affecting juveniles. Such coordination should provide a clear delineation of authority and responsibility between programs funded by the Law Enforcement Assistance Administration and those of the Department of Health, Education, and Welfare.

2. Broadening and planning structure and capabilities at the local and state levels.

3. Substantially increased funding for action and special impact by States and localities. A portion of the federal funds under the act should be available for the matching requirements of other federal funds, thus increasing the scope of the funding.

4. Providing an ongoing capability for legislative and staff monitoring and evaluation of all programs and activities funded under the act as a basis for developing hard data for making decisions on long range needs.

5. Utilization of the existing structure of the State Planning Agencies for law enforcement in the achievement of the above objectives.

EXHIBIT 2

PLANNED EXPENDITURES OF LEAA FUNDS FOR JUVENILE JUSTICE THROUGH THE 55 STATE AND TERRITORIAL PLANNING AGENCIES, FISCAL YEAR 1973, PREPARED BY THE NATIONAL COUNCIL ON CRIME AND DELINQUENCY

The National Council on Crime and Delinquency has long been concerned about the adequacy of the federal response to the nation's problems of juvenile delinquency, prevention and justice. The Law Enforcement Assistance Administration (LEAA) of the U.S. Department of Justice is the government's primary vehicle for crime reduction through state and local planning. The category of delinquency prevention and juvenile justice is but one of the major mandated LEAA State Planning Agency (SPA) targets. This analysis, therefore, was undertaken to determine the financial and program planning directions of the nation's 55 jurisdictions in response to the problems of juvenile delinquency through the auspices of the LEAA program.

The accompanying data was collected from the Comprehensive Criminal Justice Plans for FY 1973 for all but four of the 55 states and territories. The plans are submitted to LEAA to substantiate the requests for assistance for "Part C" block grant funds and "Part E" correctional funds in accordance with the Omnibus Crime Control and Safe Street Act of 1968 and subsequent amendments (the most recent legislation was the Crime Control Act of 1973, Public Law 93-83, August 6, 1973). The plans for California, Michigan, New Mexico, and North Carolina were not available in the LEAA library at the time of data collection, thus data contained herein does not include figures for these states.

The data indicates that the percentage of available block grant funds intended for programs in the arena of juvenile justice and delinquency prevention ranges from a high of 56% in Guam, to a low of .29% in Kansas. The national average on the basis of the 51 plans was 15.4% in FY 1973. Although the data for FY 1972 has not yet been compiled, this represents a slight increase over resources allocated in FY 1970 (14.3%), and FY 1971 (16.2%). However, juvenile and youth crime reportedly accounts for half of the nation's crime problem and NCCD questions whether this resource allocation is sufficient and proportionate in relation to the nation's needs.

The data also indicates that the emphasis on "community-based correctional alternatives" is considerable—with 40% of the total juvenile justice funds destined for programs in that broad arena. Although this appears encouraging, it must be noted that the planned expenditure of funds in this programmatic category is difficult to pin down according to types of "alternatives" as program descriptions are vague and generic.

It must also be noted that less than 2% of all juvenile justice funds were planned for research and evaluation purposes. Because there were so few programs identified in this arena, they have been included with programs aimed toward public education and other miscellaneous targets.

Table I is a state-by-state summary of the juvenile justice effort through utilization of the LEAA block grant funds.

Table II is a comprehensive analysis of the state-by-state effort fiscally and programmatically.

Table III is a summary comparison of the overall national programmatic effort in ju-

venile justice based on the data from the 51 state plans.

It must be noted that this data for planned expenditures does not necessarily mean that the money has actually been spent as intended. Although the state plans are an outline of the intended directions for spending, follow-up data is difficult to secure with any degree of accuracy. One reason is the lack of standardized reporting of past progress in a programmatic category; another reason is the flexibility which occurs between planning a program effort and implementing it.

Many of the state plans indicated general program efforts which would be directed to both juveniles and adults. Few of the plans specified the financial allocation to each age group. Thus, half of the total program effort for such programs was determined to be a reasonable, albeit optimistic, allocation for our purposes.

In summary, this material is presented as indicative of general trends and thrusts in juvenile justice planning throughout the country under the auspices of the LEAA block grant program.

TABLE 1.—FISCAL YEAR, JUVENILE JUSTICE EFFORT

State	Available LEAA block grant funds	LEAA funds planned for juvenile justice	Percentage of total LEAA funds
Alabama	8,026,000	1,382,530	17
Alaska	700,000	158,000	23
Arizona	4,127,000	471,487	11
Arkansas	4,482,000	827,000	18
Colorado	5,143,000	415,000	8
Connecticut	7,064,000	1,912,000	27
Delaware	1,277,000	394,750	31
Florida	15,821,000	2,745,250	17
Georgia	10,695,000	1,611,945	15
Hawaii	1,791,000	522,000	29
Idaho	1,660,000	95,804	6
Indiana	12,102,000	3,301,998	27
Illinois	25,898,000	2,200,000	8
Iowa	6,581,000	1,033,105	16
Kansas	5,235,000	15,000	.29
Kentucky	7,500,000	1,187,500	16
Louisiana	8,485,000	83,965	5
Maine	2,312,000	213,211	9
Maryland	9,140,000	2,550,000	28
Massachusetts	13,257,000	1,983,458	15
Minnesota	8,866,000	2,110,000	24
Mississippi	5,166,000	1,011,570	20
Missouri	10,897,000	2,208,440	20
Montana	1,618,000	130,000	8
Nebraska	3,457,000	801,000	23
Nevada	1,139,000	177,350	16
New Hampshire	1,719,000	174,000	10
New Jersey	16,703,000	3,091,000	19
New York	42,496,000	4,500,000	15
North Dakota	1,439,000	123,000	9
Ohio	24,821,000	4,661,371	19
Oklahoma	5,964,000	1,489,000	25
Oregon	4,873,000	1,155,996	24
Pennsylvania	27,482,000	3,499,502	13
Rhode Island	2,206,000	98,818	4
South Carolina	6,036,000	364,745	6
South Dakota	1,551,000	183,482	12
Tennessee	9,143,000	420,000	5
Texas	26,091,000	1,670,000	6
Utah	2,468,000	397,718	16
Vermont	1,035,000	117,750	11
Virginia	10,832,000	1,836,500	17
Washington	7,944,000	2,080,000	26
West Virginia	4,064,000	580,000	14
Wisconsin	10,294,000	1,000,000	10
Wyoming	755,000	40,000	5
American Samoa	63,000	24,150	38
Guam	198,000	110,967	56
Puerto Rico	6,320,000	1,726,100	27
Virgin Islands	146,000	57,000	39
Washington, D.C.	1,763,000	359,114	20
Total	398,845,000	61,602,576	15.4

Note: Plans were not available for California, Michigan, New Mexico, and North Carolina.

EXHIBIT 3

SUMMARY AND ANALYSIS OF THE JUVENILE JUSTICE AND DELINQUENCY PREVENTION ACT OF 1974

TITLE I—FINDINGS AND DECLARATION OF PURPOSE

This title incorporates the findings and purpose of this legislation into the findings and purposes of the Omnibus Crime Control and Safe Streets Act (the Crime Control Act of 1973). These findings include the high incidence and cost of delinquency which require comprehensive action by the Federal government to reduce and to prevent delinquency. Moreover, it is the policy of Congress to provide the necessary leadership and resources to develop effective methods of preventing and reducing juvenile delinquency, diverting juveniles from the juvenile justice system, and providing critically needed alternatives to incarceration. These statements indicate that the purpose of S. 821 is to give LEAA a clear mandate to conduct effective programs to prevent delinquency and provide alternatives for youth to institutionalization.

TITLE II—AMENDMENTS TO THE FEDERAL JUVENILE DELINQUENCY ACT

This title sets forth a series of specific amendments to the Federal Juvenile Delinquency Act (Secs. 5031–5042 of Title 18) designed to guarantee certain basic rights to juveniles who come within Federal jurisdiction.

Definitions

A "juvenile" is a person under 18 or for proceedings under this chapter a person who is under 21 and "juvenile delinquency" is the violation of a law of the United States committed by a juvenile which would have been a crime if committed by an adult.

Deference to local courts

In cases involving juveniles, Federal courts would be required to defer to state courts unless the Attorney General certified that the state does not have jurisdiction or refuses jurisdiction or does not have available adequate services to meet the needs of juveniles. The Federal courts and the Federal correctional system have never been properly equipped to handle large numbers of juveniles with the result that Federal juvenile delinquents are frequently transferred away from their home communities for treatment. By deferring jurisdiction to state courts, the harmful effects of this dislocation would be reduced.

Delinquency proceedings and transfer hearings

In Federal cases, a juvenile alleged to have committed a crime shall be proceeded against as a juvenile delinquent unless he is 16 years or older. Where a juvenile age 16 and older alleged to have committed a serious felonious act could be prosecuted either as a juvenile or as an adult, a Federal District judge would be required to conduct a hearing and find that such a transfer would be in the interest of justice. Specific criteria are listed by which the court shall assess the interests of justice and findings are required with regard to each criterion before a juvenile could be prosecuted as an adult criminal. Subsequent proceedings (including criminal prosecution) on the basis of the alleged act are banned once a plea of guilty has been entered or the proceeding has reached the stage that evidence has begun to be taken. Juvenile proceedings are designed to rehabilitate a youthful offender and no eligible child should face criminal prosecution without careful decision by a court. Under the present law, the Attorney General now has sole discretion to make this determination.

Right to counsel

The bill implements Supreme Court decisions guaranteeing the right to counsel during the transfer hearing and every other critical stage of the proceedings including the right of indigent juveniles to have court-appointed counsel.

Procedural safeguards

The bill requires that juveniles be advised of their rights along with parents, guardian or custodian, and taken before a committing magistrate forthwith upon arrest, and that pre-adjudication detention is permitted only if a magistrate determines, after hearing, that detention is necessary to secure the juvenile's timely appearance before the appropriate court or to protect his safety or the safety of others. Whenever possible, detention shall be in a foster home or community-based facility located in or near his home community. If a detained juvenile is not brought to trial within thirty days the information shall be dismissed unless the Attorney General can show the delay was caused or consented to by the juvenile and his counsel or would be in the interest of justice.

Prohibition against commingling

The bill prohibits the detention or confinement of juveniles in institutions in which the juvenile has regular contact with adults who are convicted or awaiting trial are confined. Juveniles who are incarcerated with adults are not only less likely to be rehabilitated, but are also likely to learn the ways of criminals. For similar reasons, the bill provides that alleged delinquents insofar as possible must be kept separate from adjudicated delinquents.

Study and disposition

This legislation provides that the court may suspend the sentence of the delinquent, place him on probation, or commit him to the custody of the Attorney General. If the juvenile is adjudicated delinquent, a separate dispositional hearing shall be held no later than 20 days after trial unless further study has been ordered. If the court desires more detailed information concerning an alleged or adjudicated delinquent, it may commit him after notice and hearing at which the juvenile is represented by counsel. Such study shall be conducted on an out-patient basis, unless the court determines that in-patient study is necessary. In the case of an alleged delinquent, in-patient study can only be ordered with the consent of the juvenile and his attorney.

A juvenile who has been detained or committed to the Attorney General should have custody, care and discipline as nearly as possible equivalent to that which should have been provided for him by his parents. The juvenile shall be provided with adequate food, clothing, bedding, education, all other necessary care and treatment. A juvenile shall be placed whenever possible in a foster home or community-based facility located in or near his home community.

Parole and probation

The Board of Parole is required to release on parole any juvenile delinquent who has been committed as soon as satisfied that he is likely to remain at liberty without violating the law and when such release would be in the interest of justice. Furthermore, a juvenile cannot have parole or probation revoked without a hearing with counsel for the juvenile. The provision is in accordance with the trend of recent court decisions and enables the juvenile to prepare himself for a normal life in the community.

Juvenile records

The record of any juvenile proceeding shall be sealed upon completion and only released by the court under certain very limited and prescribed circumstances. Juvenile records are all too frequently used inappropriately to eliminate adjudicated delinquents from meaningful opportunities in our society.

The provisions of Title II as a whole guarantee a juvenile under Federal jurisdiction the basic rights of our system of justice and increase the probability of his rehabilitation while still protecting the safety of the public.

TITLE III—JUVENILE JUSTICE AND DELINQUENCY PREVENTION OFFICE

The first section of this title amends Section 203(a) of Title I of the Omnibus Crime Control and Safe Streets Act which provides

for the composition of the State Planning Agency and any regional planning units within the State. According to the substitute amendment, the State Planning Agency and any regional planning units must be representative of agencies related to the prevention and control of juvenile delinquency and must include representatives of citizen, professional, and community organizations including organizations directly related to delinquency prevention. It is intended that the organizations listed for membership in the Advisory Group to the State program in Sec. 482(a)(3) are all eligible for appointment to the State Planning Agency and its regional units.

This title creates a new Part F of the Omnibus Crime Control and Safe Streets Act. This title establishes an Office of Juvenile Justice and Delinquency Prevention (hereinafter referred to as the "Office") in the Department of Justice, Law Enforcement Assistance Administration, headed by an Assistant Administrator appointed by the President with the advice and consent of the Senate. The Assistant Administrator shall exercise all necessary powers subject to the direction of the Administrator of the Law Enforcement Assistance Administration. The Assistant Administrator will be assisted by a Deputy Assistant Administrator, and such other employees as are necessary to perform the duties vested in him. A position of Deputy Assistant Administrator is established to supervise and direct the National Institute of Juvenile Justice which is part of the Office. The Office shall administer Part F and shall administer or provide policy direction for all prior-existing LEAA juvenile programs to ensure coordination within LEAA.

The Office will be the central coordinator of the entire Federal juvenile delinquency effort. This concept is important to the bill. There is general agreement that the Federal effort to date has been badly fragmented and lacking in direction and has had virtually no impact in reducing the spiralling rate of juvenile crime. This bill recognizes that there is a need for a centralized Federal response to the juvenile delinquency crisis. The Office will implement overall policy and develop priorities for all Federal juvenile delinquency programs.

Annual report

The Assistant Administrator will be required to report annually on the activities of the Office to the President and Congress on problems encountered in the operation and coordination of the various Federal juvenile delinquency programs, and on the effectiveness of Federal efforts to deal with juvenile delinquency. He is also required to develop annually and submit to the President and Congress a comprehensive plan for Federal juvenile delinquency programs with particular emphasis on prevention and diversion.

The Administrator may provide technical assistance to any Federal, state or local government, courts, public or private agencies in the planning, establishment or operation or evaluation of juvenile delinquency programs. The Administrator is authorized to make grants to any public or private agency to carry out the purposes of this Act and is further authorized to transfer funds to any agency of the Federal government to develop or demonstrate new methods of juvenile delinquency prevention and rehabilitation.

Interdepartmental Council

This title establishes the Interdepartmental Council on Juvenile Delinquency, composed of the Attorney General, the Secretary of Health, Education, and Welfare, the Secretary of Labor, the Director of the Special Action Office for Drug Abuse Prevention, the Secretary of Housing and Urban Development, or their respective designees, and such representatives of other agencies as the President designates. The Council is to coordinate all Federal juvenile delinquency programs, to meet six times a year, and include its activities in the annual report prepared according to Sec. 474(b)(5). The Attorney General will serve as Chairman of the Council, and may appoint an Executive Secretary and such personnel as are necessary.

National Advisory Committee

A National Advisory Committee for Juvenile Justice and Delinquency Prevention of 21 members and members of the Interdepartmental Council ex-officio will advise the Administrator of LEAA with respect to the planning, operations and management of Federal juvenile delinquency programs. One-third of its members shall be under the age of 26 and it is expected that some of its members will be individuals with experience within the juvenile justice system. A subcommittee of five members will serve as an Advisory Committee on the overall policy and operations of the National Institute of Juvenile Justice. Another subcommittee of five members will serve as an Advisory Committee on Standards for the Administration of Juvenile Justice.

The National Advisory Committee will bring citizen participation and cooperation to the work of the Administration. The bill recognizes that we will only be able to do something meaningful about juvenile delinquency with the help and support of the public.

TITLE IV—FEDERAL ASSISTANCE FOR STATE AND LOCAL PROGRAMS

This title establishes a Federal assistance program of block grants to state and local governments and for direct special emphasis grants to public and private agencies to develop and implement comprehensive juvenile justice programs with particular emphasis on the prevention of delinquency.

State and local formula grants

Funds appropriated under this part shall be allocated for grants to the states based on relative population under 18 (no allotment to any state shall be less than $200,000). In order to receive this grant, a state shall submit a state plan which meets the requirements of Section 482 (a) and (b) and Section 303(a) of Title I of the Omnibus Crime Control and Safe Streets Act. The plan must contain the following fundamental requirements:

(a) designate the state planning agency established by the Omnibus Crime Control and Safe Streets Act as the sole agency to prepare and administer the plan;

(b) provide for an advisory group consisting of persons knowledgeable about juvenile justice and juvenile delinquency appointed by the Governor to advise the state planning agency and its supervisory board and to approve the state plan and any modification of the state plan prior to submission to LEAA;

(c) provide for a detailed study of state needs for an effective, comprehensive, coordinated approach to juvenile justice and delinquency prevention;

(d) provide for expenditure of at least 50 percent of the state's funds through local government programs;

(e) provide for expenditure of three-quarters of the funds a state receives on the development and use of advanced techniques designed to prevent juvenile delinquency, to divert juveniles from the juvenile justice system, to establish probation subsidy programs, to provide community-based alternatives to traditional detention and correctional institutions. The advanced techniques include community-based prevention, diversion, and rehabilitation efforts through development of foster-care and shelter care facilities, group homes, halfway houses, and other diagnostic or rehabilitative facilities; expanding use of probation; funding of probation subsidy programs; training of probation personnel, other professionals and paraprofessionals to work with youth; and comprehensive drug abuse prevention and education programs and treatment and rehabilitation programs for drug addicted and dependent youth. Such techniques also include community-based services to work with parents to retain the juvenile in his home and educational or supportive services designed to keep the juvenile in school or alternative learning situations and to provide work and recreational opportunities for delinquents or youth who may become delinquent and youth initiated programs and outreach programs designed to assist youth who otherwise would not be reached by assistance programs;

(f) provide for consultation with local governments and private agencies in the development of the plan and provide for maximum coordination and utilization of existing juvenile delinquency programs and related programs, such as education, health and welfare within the state;

(g) provide that, within two years after the submission of the plan, juveniles who are not charged with or have not committed substantive, criminal offenses shall not be placed in juvenile correctional facilities, but must be placed in shelter facilities. (This would include runaways, truants, neglected children, persons in need of supervision (PINS) and incorrigibles.);

(h) provide that juveniles will not be kept in any institution in which they have regular contact with adult criminals or alleged criminals;

(i) provide for state monitoring of jails and detention and correctional facilities to assure that juveniles are not in jail and juveniles involved in status offenses are in shelter facilities;

(j) provide assurances that assistance will be available on an equitable basis to deal with all disadvantaged youth and that procedures will be established to assure the rights of recipients of services;

(k) provide for procedures to protect the rights of recipients of service and to assure privacy of records regarding such services;

(l) provide that fair and equitable arrangements are made to protect the interests of employees affected by assistance under this part; and

(m) provide for prudent fiscal control and accounting procedures.

In the event that a state fails to submit a plan or have one approved after notice and hearing, the Administrator shall make the state's allotment available to public and private agencies for special emphasis prevention and treatment programs.

If the plan does not meet the requirements of S. 821 due to oversight or neglect, the Administrator shall endavor to make the state's allotment available to public and private agencies in that state for direct special emphasis grants as defined in Section 483. A number of private agencies including some in my home state of Indiana are concerned that if a state does not complete its plan, that insufficient funds will be available in that state for delinquency programs. Others are concerned that if a state could obtain all the funds under the act without completing the plan that there would be no incentive to complete the plan. For this reason, the section was drafted to avoid automatic placement in the state if no plan is approved but neglect or oversight is intended to include inaction or red-tape that leads to non-filing of the plan.

Special emphasis prevention and treatment programs

Funds under this part will be used for contracts with public or private agencies to develop innovative juvenile delinquency prevention and diversion programs; to develop and implement means of diverting ju-

veniles from the traditional juvenile justice and correctional system, and to improve the capability of public and private agencies to provide services for delinquents and youth in danger of becoming delinquent; criteria for approval of contracts by the Administrator are also set forth.

These special emphasis grants will add flexibility and resources to the work of the Office. The new Office of Juvenile Justice and Delinquency Prevention will be able to develop national programs for youth in trouble and to assure technical assistance to local agencies. Not less than 25 percent or more than 50 percent of the funds appropriated for each fiscal year to Part F shall be available for special emphasis and treatment grants. At least 20 percent of the funds available for special emphasis grants and contracts shall be available to private non-profit agencies who have had experience dealing with youth.

In addition, there are provisions in Title IV relating to the withholding of funds, the use of funds, and conditions of payments. Of particular interest is a provision that it is the declared policy of Congress that programs funded under this part shall continue to receive financial assistance providing the yearly evaluation of the programs is satisfactory.

TITLE V—NATIONAL INSTITUTE FOR JUVENILE JUSTICE

This title establishes a National Institute for Juvenile Justice (hereinafter referred to as the "Institute") headed by a Deputy Assistant Administrator of the Office of Juvenile Justice and Delinquency Prevention, which will be the research and training arm of the new Office. The Institute is expected to be closely tied to the operation of the Office. Research, training and evaluation performed by the Institute should improve the operation of all Federal juvenile delinquency programs. This title also provides that records of the identity of juveniles which were gathered for research purposes may not be disclosed to any public or private individual or agency.

Information clearinghouse

The Institute will serve as an information clearinghouse, both collecting all data related to juvenile delinquency and disseminating it throughout the country. There is general agreement that the impact of various research and demonstration program results has been severely limited due to the lack of any centralized source of information. Further, it is extremely difficult for a prospective grantee to obtain compresensive information of Federal resources available in the area of juvenile delinquency. The Institute is intended to serve as a clearing house for delinquency information, including statistics, research, availability of resources, and Federal, state and local juvenile delinquency programs.

Research, demonstration and evaluation

Research, demonstration and evaluation will be central functions of the Institute, conducted both by Institute personnel and by outside agencies, institutions or individuals. The quality of the research and demonstration projects will be regularly evaluated and the findings widely disseminated. In addition, the Institute will provide for the evaluation of all programs funded under this part and any other delinquency programs at the request of the Administrator. Those programs which prove effective can then be adapted for use on a broad scale in various parts of the country. By relating the research, demonstration and evaluation functions closely to the program funding function of the Office the bill will permit promising results to be translated promptly into operating programs in the field.

Training

The Institute is also responsible for conducting training programs (directly or by contract) throughout the country for persons working in the juvenile justice and delinquency field, such as policemen, judges, probation officers, and corrections personnel. In addition, the Institute would train professional, paraprofessional and volunteer personnel who work with young people to prevent and treat juvenile delinquency.

The Institute, under the supervision of the Advisory Committee on Standards for Juvenile Justice, shall review existing reports and standards relating to the juvenile justice system in the United States. Not later than one year after the passage of the Act, the Committee will submit to the President and Congress a final report which—based on recommended standards for the administration of juvenile justice at the Federal, state and local level—(1) recommends Federal administrative budgetary and legislative action to facilitate the adoption of the standards; and (2) recommends state and local action to facilitate the adoption of these standards at the state and local level.

We have been told repeatedly of the wide disparities between states governing the treatment of juveniles at all stages of the court and correctional process. By creating national standards of juvenile justice backed by Federal leadership and funds, we can help assure that state and local governments will meet these standards.

TITLE VI—AUTHORIZATION OF APPROPRIATIONS

This title authorizes for purposes of part F appropriations of $75 million for the fiscal year ending June 30, 1975 and $150 million for the fiscal year ending June 30, 1976.

In addition to the funds appropriated in this section, the Administration shall maintain the same level of financial assistance for juvenile delinquency programs assisted by the LEAA during fiscal year 1972. LEAA spent $140 million on juvenile delinquency programs in FY 1972 and appropriations for part F are to be in addition to this sum.

TITLE VII

Title VII establishes a National Institute of Corrections in the Federal Bureau of Prisons by amending Title 18 U.S.C. by adding a new Chapter 319.

Mr. BAYH. Mr. President, as I said, I would like to inform those who are interested in following the course of this legislation, that on Thursday last the RECORD contained the full text of the amendment which is now before the Senate. This is the substitute on which the Senator from Nebraska (Mr. HRUSKA) and the Senator from Indiana, and their collective staffs have labored mightily, and which we hope, with minor alterations and no altercations, will pass the body and become law.

Mr. President, while I am presenting a formal statement for the RECORD, let me reiterate this amendment to S. 821 is the culmination of a 3-year effort undertaken by the Subcommittee To Investigate Juvenile Delinquency of the Committee on the Judiciary, which it has been my privilege to chair.

I have worked very closely with the Senator from Nebraska, the Senator from Maryland (Mr. MATHIAS), and the Senator from Kentucky (Mr. COOK), and several other members of the committee. The Senator from Illinois (Mr. PERCY) has also shown a keen interest in our efforts. We have had a number of days of hearings. We have had dozens of witnesses. I think we are now prepared to make a significant contribution to the cause of juvenile justice.

When we undertook this study 3 years ago the Nation was then, and continues to be, concerned about crime. We studied the problem of juvenile delinquency and its relationship to the hardened adult criminal. The more deeply we studied the problem, the more we became aware that we were working on the wrong end of the problem. Fifty percent of all serious crimes were, and are, committed by young people under the age of 21.

Mr. President, if you take a look at our adult prisons, you have to be impressed by the fact that most adult felons in this country start out with juvenile records, which means that our Nation and our system of justice has not been doing the kind of rehabilitation job that is necessary. We have not been doing the kind of prevention job that is necessary.

All of us, from the time that we become old enough to talk, have been told that an ounce of prevention is worth a pound of cure. We have not applied this action to the system of justice prevailing in our Nation, in our effort to dampen the ever-increasing crime problem.

Mr. President, to sum it up in a few words, this bill is designed to change our thrust in the way we handle juveniles and juvenile delinquents. I want to emphasize the difference between those two categories. It is hoped that the resources and the direction of this bill will give as much or more attention to preventing that first juvenile delinquency act so that we will not have to spend as much time in the second aspect of the bill, namely, improving rehabilitation.

The committee has benefited tremendously, let me say, from the expertise of many private groups and agencies that have shown a great deal of leadership in this area. I would ask unanimous consent that a list of some of these many organizations be included at this time. I will not try, by memory, to start down that list myself, because I am apt to omit some people who have helped us a great deal.

The PRESIDING OFFICER (Mr. METZENBAUM). Without objection, it is so ordered.

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

LIST

National Council on Crime and Delinquency, the National Council of Juvenile Court Judges, the American Federation of State, County and Municipal Employees, National Youth Alternatives Project, American Institute of Family Relations, American Parents Committee, B'nai B'rith Women, the National Council of Jewish Women, the National Association of State Juvenile Delinquency Program Administrators, National Governors' Conference, National League of Cities and U.S. Conference of Mayors, and the Interagency Collaboration on Juvenile Justice which includes the Boys' Clubs of America, Boy Scouts of America, Camp Fire Girls, Future Homemakers of America, Girls' Clubs of America, Girl Scouts of the U.S.A., National Board of YMCA's, National Board of the YWCA's of the U.S.A., National Federation of Settlements & Neighborhood Centers, National Jewish Welfare Board and Red Cross Youth Service Programs.

Mr. BAYH. Mr. President, these folks are in the field now. They have been working mightily to solve this problem, but they, too, have been hampered by

the fact that the public responds to serious crime and not to the possibilities of prevention.

One of the major thrusts of this piece of legislation is to try to find a way—and we believe we have found it—to coordinate the private and the public effort. We should be able to have a more coordinated effort, more expertise delivered in the field of prevention and rehabilitation, with better results in the final analysis.

This bill has gone through several drafts. It has been considered by the White House, HEW, and the Department of Justice.

The Senator from Indiana was originally of the opinion that HEW would be the best vehicle to handle this particular problem. The Senate Judiciary Committee felt otherwise. In studying this problem and looking at our new draft, I think we have been able to come up with a bill that can handle this effectively, perhaps even more so as far as results are concerned, than would have been the case if the jurisdiction had been at HEW.

I think we have to face up to a rather tough fact. That is, it has traditionally been very difficult for Congress to get resources to deal with the problems of rehabilitation and prevention through the appropriation process for HEW. We presently have a $75 million authorization for HEW funding in this area. This year we are operating under a $10 million appropriation and the job is not being done as it should be.

LEAA, on the other hand, has had almost unlimited success at getting resources and programs.

What our bill is designed to do is to take advantage of LEAA's capacity to get resources, to put a new organizational feature into LEAA, and to provide a new assistant administrator at LEAA who will have policy control not only over the new programs created by this bill, but over the existing juvenile programs that are in LEAA.

We are providing an additional $75 million worth of authorized resources this year and $150 million in the next fiscal year. Add that to the $140 million which LEAA has said they are spending, give total policy jurisdiction over all those funds to this new assistant administrator, and I think that anyone who has followed this whole juvenile delinquency area will see that this will be a significant improvement.

We have given the assistant administrator rather unique authority. We have provided that the President appoint the assistant administrator and this body should provide advice and consent so that we give to that assistant administrator different standing than any other assistant administrator in LEAA. That should be a declaration of national policy, that we are through fooling around in our efforts to deal with the problems of young people in this country.

As the law exists now, you can go to dozens of different agencies in this city which provide services for young people in more than 100 different programs. We want one person to coordinate it. By establishing this new organization within LEAA, and by giving this advise and consent status, we think we will have emphasized this national goal as it has not been emphasized before. We set out new programs of block grants to go back to the States for new techniques to prevent delinquency, to divert offenders, and to provide alternatives to incarceration.

I want to emphasize the important role that private agencies are going to play in establishing alternatives to the present system of dealing with the problems of juveniles. I think we are going to have a lot more effective program by giving these private agencies the kind of resources they need to expand the very worthwhile services they are already providing.

In this bill we were able to guarantee not only an adequate voice for public and private agencies with expertise in delinquency prevention and working with juveniles in policy determination in the LEAA Administration in Washington, but we were also able to change the manner of composition of LEAA's existing State planning agencies to require input from these same groups.

Also these groups will be represented on the regional boards where LEAA programs are planned. We will also have the State advisory group to provide still another vehicle for consulting with these professionals who have significant expertise.

Mr. President, what we have done is to say, "All right, if we are going to put juvenile justice in LEAA, we are going to insist that the State planning agencies have somebody on the board who is knowledgeable about prevention, somebody on that board who is knowledgeable about rehabilitation, and also somebody on that board who represents the private agencies, who have not been represented in the past," and we mandate these specifically.

We also provide for the establishment of an Institute for Juvenile Justice within the new Office of Juvenile Justice and Delinquency Prevention in LEAA. This will give us significant research capacity and proper training of the paraprofessionals to create these new alternatives. I think it should be noted that Congressman RAILSBACK, our colleague in the House from Illinois, has been a very strong leader in this area. I am hopeful that we will like this new approach because it is founded on the kind of leadership that he has provided.

Mr. President, also in this bill we guarantee basic rights of juveniles who come within Federal jurisdiction. We set national standards in the administering of juvenile justice. It seems to me we should not have two classes of justice and give second-class justice to our juveniles. We ought to treat them equally, or we ought to treat them better.

What we are doing here is establishing a national standard for due process in the system of juvenile justice.

I believe LEAA can do this job. We have had significant successes in LEAA, in the Youth Service Bureaus in my State and elsewhere. Our subcommittee intends to continue monitoring this program to see that it goes the way we want it to go. We have had too many double shuffles as far as our efforts to see that programs passed by this body to deal with juveniles are being administered properly. This is a national commitment to do a better job, and our subcommittee intends to see that it is carried out in that manner.

Mr. President, I should like to yield to the distinguished Senator from Nebraska; but before doing so, I want to state once again, publicly, the gratitude that the chairman of the subcommittee has for the cooperation and concern that have been expressed by this distinguished Member of the Senate (Mr. HRUSKA). He has helped immeasurably. We have had differences of opinion; but, in the spirit of compromise, and always with the desire to see that the young people were the beneficiaries, I think we have come up with a proposal that is going to reach the goal we set out to reach some 3 years ago.

I yield to my friend and colleague, the Senator from Nebraska.

Mr. HRUSKA. Mr. President, I thank the Senator from Indiana for his generous words.

It is easy to get a great deal done if there is the degree of cooperation that has existed among the staffs as well as the Senators who are the principal proposers of this substitute amendment. Certainly, the Senator from Indiana has been very exemplary in the development of this legislation.

It was a week ago today that the full text of the substitute amendment was printed in the RECORD. At that time, both the Senator from Indiana and this Senator engaged in a discussion of the bill, an explanation of it, and its rationale. I will not cover that ground again, but commend its reading to my colleagues and to others who may be interested in the efforts we have made in this regard.

Mr. President, this amendment is of vital importance in achieving a solution to the problems of juvenile delinquency. It is clear from the subcommittee deliberations that the control of crime in this Nation hinges to a great extent upon taking active and effective measures to prevent juvenile delinquency, to minimize the involvement of youth in the juvenile and criminal justice system, and to reintegrate delinquent youth into the community. The high percentage of juveniles arrested for all categories of serious crime and the comparative increase in juvenile crime arrests, indicate the need to dedicate Federal assistance and resources to assist State and local governments in the fight to control and eliminate juvenile delinquency.

Lack of national priorities and administrative accountability has hurt the Federal participation in juvenile delinquency effort in the past. We now have an opportunity to not only treat the juvenile justice system as entity but to integrate it into the total law enforcement and criminal justice effort mandate given to the Law Enforcement Assistance Administration in 1968. In my view, this is essential if the Federal Government is to help provide meaningful assistance.

The need for a unified approach to this problem is evidenced by the fact that in 1972, 40 percent of the children processed by the formal juvenile justice sys-

tem had committed no criminal act. These status offenders must be channeled into a wide range of community resources dealing in human services. By unifying the system, as this legislation will do, these status offenders can be more effectively serviced outside the formal system by appropriate referral. The coordination required to accomplish this need can only be effected by placing the coordination responsibility within a unified juvenile delinquency system.

Since 1968 LEAA has funded many millions of dollars in delinquency prevention and juvenile justice programs. Forty of LEAA's 55 State planning agencies were, by the end of 1970, also administering the Juvenile Delinquency Prevention and Control Act program for the Department of Health, Education, and Welfare. In 1971, amendments to the Omnibus Crime Control and Safe Streets Act gave LEAA a stronger mandate to give attention to juvenile delinquency programs by including reduction of juvenile delinquency as part of the definition of law enforcement activity and by authorizing community-based delinquency prevention and correctional programs. By 1972, $140 million of LEAA funds for that fiscal year had been allocated for juvenile delinquency programs.

The 1973 amendments to the Omnibus Crime Control and Safe Streets Act focused even more heavily on juvenile delinquency, requiring State plans to include a comprehensive juvenile justice program in order to be approved by LEAA. New initiatives have been undertaken by LEAA, including the establishment of juvenile justice divisions in its Office of National Priority Programs and National Institute of Law Enforcement and Criminal Justice and the establishment of a juvenile delinquency initiative as a major new thrust of LEAA in fiscal years 1974, 1975, and 1976.

LEAA already has the program elements necessary to implement a comprehensive juvenile delinquency program. The block grant mechanism and the network of State planning agencies will operate to fully analyze juvenile delinquency needs and develop a comprehensive approach to juvenile delinquency prevention and control. Implementation of this bill can be done quickly and effectively by using these existing mechanisms, assisted as they will be by the provisions of the substitute amendment. Specific attention is given in this amendment to the matter of developing State plans within the revenue-sharing block grant system embodied in LEAA.

There may be a few technical amendments offered to the substitute amendment. I hope they will be nominal in content. This bill has received very thorough canvassing and reconciliation among the several points of view expressed by committee members as S. 821 was being processed. Therefore, I believe the substitute amendment should be adopted, to the extent possible, in its present form.

It should be noted, Mr. President, that any other Federal agency would have to build from a new base, leading to lengthy and wasteful process which would bring delay and fragmentation to the Federal juvenile delinquency effort. LEAA is equipped to immediately make the efforts needed to prevent juvenile crime, to divert the juvenile offenders from the justice system to social service and human resources, and to deal with the serious juvenile offender.

While LEAA has made substantial progress within the limits of its current authority, it can be fully expected that the Juvenile Justice and Delinquency Prevention Act of 1974 will give LEAA a wider range of alternatives in satisfying the need of Federal assistance to help solve this serious problem.

I urge my colleagues to support this amendment.

Mr. President, this legislation addresses one of the most pressing national problems of today—juvenile crime. In my view, the Federal Government must make a substantial effort to help prevent and control juvenile delinquency and to offer treatment alternatives to the traditional juvenile justice system.

To date, Federal leadership and coordination have been lacking with various Federal delinquency programs spread among many agencies. The result has been overlapping and duplication. Viewing the juvenile justice system as an entity, the appropriate Federal role must be to provide a comprehensive and coordinated approach to solving this serious problem.

This effort requires, and the amended bill provides, the Federal leadership and resource coordination necessary to develop and implement State and local programs for the prevention and treatment of juvenile delinquency. This problem must be attacked on the State and local level since juvenile delinquency is essentially a State and local problem.

The National Advisory Commission on Criminal Justice Standards and Goals after an exhaustive study of the problem of crime in America and of the solution to the crime problem, stated that the first priority in reducing crime was preventing and controlling juvenile delinquency. In its report "A National Strategy To Reduce Crime," the Commission stated:

> The highest attention must be given to preventing juvenile delinquency, to minimizing the involvement of young offenders in the juvenile and criminal justice system and to reintegrating delinquent and young offenders into the community.

The reasons the Commission reached this position are readily apparent when one realizes that the arrests of juveniles under 18 for violent crimes such as murder, rape, and robbery as reported by the FBI Uniform Crime Reports, have increased 216 percent from 1960 to the present. During the same period, juvenile arrests for property crime, such as burglary and auto theft, have increased 91 percent. Juveniles under 18 are responsible for 51 percent of the total arrests for property crime, 23 percent for violent crimes, and 45 percent for all serious crimes.

Juvenile crime takes an enormous toll each year. In 1970, it was estimated in testimony before the Senate Judiciary Committee in hearings on the Juvenile Delinquency Prevention and Control Act Amendment of 1971 that the material cost was in excess of $4 billion. Even more costly was the immeasurable losses in human terms to both the victims of juvenile crime and to the juveniles themselves. The total of juvenile arrests increased almost seven times faster than the total of adult arrests and juvenile arrests for violent crimes increased almost three times faster than that for adult arrests. It is generally agreed that the policemen, judges, and the probation, parole, and corrections officers who deal with juveniles are extremely dedicated. Too often, however, their efforts are hampered and negated by outmoded procedures, a lack of funds and inadequate facilities for caring for youthful offenders. Such deficiencies seriously weaken rehabilitation efforts.

In addition, in many instances, the criminal justice system is viewed as a catchall for those children too difficult to be dealt with by normal community facilities. Nearly 40 percent—one-half million per year—of the juveniles incarcerated today in institutions, jails, and detention facilities have committed acts which are not classified as crimes when committed by adults. This figure is staggering when viewed with recognition of the detrimental effects that incarceration has been shown to produce with first offenders and juveniles. These children and youth should be channeled to those social service agencies which are more competent to deal with the substantive human and social issues involved in these areas.

Since the traditional juvenile procedures and criminal justice system are ineffective and inappropriate in many instances, there is a strong need to provide a viable diversion mechanism for dealing with these youths. Alternative programs utilizing resources other than the police, courts, and corrections can provide necessary rehabilitation without the harmful stigmatization that sometimes accompanies contact with the criminal juvenile justice system. Efforts must be directed at preventing delinquency but there is an equal need to deliver services and attention in such a way and at such a time as to prevent the development of criminal careers. While involvement with the juvenile justice system is to be minimized, its sanctions are necessary for the control of some juveniles. The quality of this system must be improved so that the youthful offender is helped to become a responsible, law abiding citizen.

BLOCK GRANTS

Under the Omnibus Crime Control and Safe Streets Act of 1968, as amended, annual block grants are made to each of the States for planning and for implementing action programs to improve law enforcement and criminal justice. Allocation of these lump sum funds is based on population. A condition precedent to the award of the block grant is approval by the Law Enforcement Assistance Administration of a comprehensive statewide plan submitted by the State.

Each State planning agency determines needs and priorities throughout the entire State. It then develops and

correlates programs to improve and strengthen law enforcement for the State and units of local government. The compehensive statewide plan is then submitted to LEAA for approval.

Congress in the 1971 and 1973 amendments to the Omnibus Crime Control and Safe Streets Act of 1968, as amended, required LEAA to place an even greater emphasis on juvenile delinquency. The amendments made a number of charges relative to juvenile delinquency. The 1971 amendments made express provision for the prevention and control of juvenile delinquency. This led to an increased LEAA emphasis on juvenile delinquency with the result that in fiscal year 1972 almost $140 million had been allocated for juvenile delinquency programs and in fiscal year 1973 almost $100 million was actually expended on juvenile delinquency programs. The Crime Control Act of 1973 made reduction and prevention of juvenile delinquency a purpose of the act and required for the first time that each State plan, to qualify as comprehensive, must include a comprehensive program, whether or not funded by the act, for the improvement of juvenile justice.

While LEAA has gone a long way within the limits of its authority, incorporation of part F in the LEAA mandate will, in my opinion, provide the infusion of greater resources needed to supplement its current efforts and further assure a comprehensive juvenile delinquency program. Since many of the program areas provided for in this bill are currently funded by LEAA and States under the block grant program, a separate system would simply confound the planning and funding efforts of both agencies. Separate efforts would lead to fragmentation and there could be duplication of certain programs and omissions of others. The block grant system of funding has proven to be extremely successful in assisting law enforcement and criminal justice systems on the State and local level while at the same time providing needed Federal direction, coordination and control of a diversion and multifaceted system. The comprehensive juvenile delinquency program fits naturally into the framework of this system.

Indeed, it is evident that more progress has been made in the juvenile delinquency area through the vehicle of block grant funding than under any other system of Federal assistance utilized since the inception of Federal juvenile delinquency programing. This is the opportune time to merge juvenile delinquency programing into the broad conceptual framework of the block grant concept. Just as part E, added by the 1973 amendments to the Omnibus Crime Control and Safe Streets Act of 1968, as amended, gave special attention to the correctional area, including juvenile corrections, part F will logically supplement efforts in the delinquency area. It would be unwise to create another categorical grant program with numerous new structures and strings just at the time that the block grant program has demonstrated results. Incorporation of the part F program into the block grant framework will promote greater coordination, and the integration of programs so vital in the effort against juvenile delinquency. Indeed, S. 821 anticipates that the part F plan requirement can be incorporated into the comprehensive plans submitted by the States under parts B and C of the safe streets program.

COMMITMENT

As noted, LEAA has the administrative structure and block grant approach necessary to minimize duplication and time lag. Perhaps the most compelling reason, however, that LEAA should administer the program is the dedicated commitment to juvenile delinquency prevention and control that it has made over the past five years. An objective comparison between LEAA and HEW, the other agency with concurrent primary responsibility in this area, clearly demonstrates that LEAA is the best agency to do the job.

LEAA was initially given a very limited role in juvenile delinquency prevention and control. However, LEAA has initiated and expanded its own programs to include a multitude of programs in the juvenile justice area.

The term juvenile delinquency was never mentioned in the Omnibus Crime Control and Safe Streets Act of 1968 because HEW was given primary responsibility in this area under the Juvenile Delinquency Prevention and Control Act of 1968. However, LEAA had a strong interest in this area and by the end of 1970, over 40 of the State planning agencies created to administer the LEAA program were also administering the Juvenile Delinquency Prevention and Control Act program.

Amendments to the Omnibus Crime Control and Safe Streets Act enacted in 1971 expressed congressional intent that LEAA focus even greater attention on the juvenile delinquency program. A new definition of law enforcement was formulated specifically incorporating "programs relating to the prevention, control or reduction of juvenile delinquency." Grants were authorized by the amendments for community-based delinquency prevention and rehabilitation centers for the guidance and supervision of potential repeat youthful offenders. Furthermore, Congress added the new part E corrections program which required as a condition of receipt of funds an application which demonstrates a satisfactory emphasis on programs for delinquents and youthful offenders.

Congress in the Crime Control Act of 1973, realizing the potential of LEAA in this area, required LEAA to place an even greater emphasis on juvenile delinquency. The Omnibus Crime Control and Safe Streets Act of 1968 was amended to include the reduction and prevention of juvenile delinquency as a purpose of the act. Additionally, the act was amended to require that the State's comprehensive plan address the improvement of juvenile justice as a condition for approval as a comprehensive plan.

These congressional mandates have prompted LEAA to take a number of new initiatives. Juvenile justice and delinquency prevention is one of LEAA's four national priority programs. A Juvenile Justice Division has been established in LEAA's Office of National Priority Programs and a Juvenile Justice Section has been established in the National Institute of Law Enforcement and Criminal Justice, the research arm of LEAA. It is important to note that S. 821, as amended, provides for the establishment of a National Institute of Juvenile Justice within the newly created Juvenile Justice and Delinquency Prevention Office. Locating this body here will expand the level and nature of delinquency research already conducted by LEAA and will increase the focus on the prevention of delinquency.

The same commitment toward preventing and controlling delinquency is lacking in HEW. The accomplishments of HEW in this field have been disappointing at best. It has proceeded in an ineffective and half-hearted manner and only recently, since the prospect of LEAA administration of the juvenile delinquency program, has HEW begun to show any interest at all.

In 1968, the Congress assigned HEW the responsibility for national leadership in developing new approaches to solving the problems of delinquency and authorized a funding level for 1968 to 1971 of $150 million. HEW requested only 49.2 million and expended just half of that amount. The 1971 amendment extended the program for an additional year and authorized $75 million for the fiscal year ending in June of 1972. Only $10 million for that fiscal year was requested. In 1972 the Juvenile Delinquency Prevention and Control Act was extended for 2 years under the name "Juvenile Delinquency Prevention Act." This act limited, at HEW's request, the scope of HEW's activities to include only prevention programs outside the traditional juvenile justice system. LEAA's history, on the other hand, is one of increased emphasis on juvenile delinquency programs. LEAA has spent over $300 million for juvenile delinquency programs in its first 5 years. During the fiscal year 1972, LEAA awarded nearly $140 million on a wide ranging juvenile delinquency program. The breakdown of this expenditure is as follows: $21 million or 15 percent was for prevention; nearly $16 million or 12 percent was for diversion; almost $41 million or 30 percent went for rehabilitation; $33 million or 24 percent was spent to upgrade resources; $17 million or 13 percent went for drug abuse programs; and 6 percent financed the comprehensive juvenile delinquency component of the high impact anticrime program. In fiscal year 1973, the amount of funds for juvenile delinquency prevention programs alone has increased to $34 million.

Both the National Governor's Conference and the National Conference of State Planning Agency Directors have endorsed putting the juvenile delinquency program in LEAA. The National Conference of State Legislators, public safety task force, has recommended a similar resolution for August action by the full body.

It is unquestionable that LEAA has the capability, capacity and the desire to

do the job. To fail to give LEAA a comprehensive mandate as proposed by this legislation would seriously weaken the Federal juvenile delinquency prevention and control effort.

LEAA POSSESSES THE ADMINISTRATIVE MECHANISM NECESSARY FOR EFFECTIVE AND EFFICIENT OPERATION OF THE JUVENILE DELINQUENCY PROGRAM

The substitute amendment, makes provision for the appropriation of $225 million under part F of the Omnibus Crime Control and Safe Streets Act over a 2-year period. This provides a sufficient time frame to develop and implement delinquency prevention, diversion, and treatment programs and provide for the necessary planning, research, training, and evaluation. The program will test LEAA's ability to implement a highly coordinated effort among the Federal, State, and local units of government.

The Federal Government must provide the needed financial assistance and resources for the endeavor. Since the delinquency problem is essentially a State and local problem, the State will serve as the focal point for juvenile justice planning and program implementation at the State and local level.

Many considerations make LEAA the natural choice to administer the program. LEAA already possesses the experience, the relevance and the organizational structure at the State and local level to take maximum advantage of the increased Federal commitment. LEAA has emerged as the lead agency in Federal juvenile delinquency prevention and control programs and has both the legislation mandate and program elements required to administer S. 821, as amended.

Currently LEAA has in operation 55 State planning agencies which plan, coordinate, and implement various programs of LEAA. These State agencies already have developed forms, regulations, grant funding mechanisms, guidelines, and other procedures necessary for efficient operation of the juvenile delinquency program. All of these State agencies are in fact already involved in juvenile delinquency programs. They have undertaken comprehensive crime and delinquency oriented analysis to develop a coordinated approach to preventing and reducing crime and delinquency. Under LEAA guidelines every State planning agency is required to complete a detailed analysis of the problems of crime and delinquency in the State and establish detailed goals, standards, and priorities for reducing crime and delinquency within the State by 1976.

The same agencies have, since their creation in 1968, planned, developed and funded a large number of diverse juvenile delinquency programs. Administratively, these State agencies are ideally suited to assume further responsibilities in the juvenile delinquency field.

The LEAA program presently involves several thousand people in a coordinated effort at the Federal, State, and local levels. With a minimum of modification, the existing structure, with its qualified and competent personnel, can go into operation immediately to implement this legislation. For example, LEAA's research arm, the National Institute of Law Enforcement and Criminal Justice, has already established a Juvenile Delinquency Division which provides many of the functions required in sections 491 to 493 of this bill. These functions can be smoothly transferred to the National Institute for Juvenile Justice. It is estimated that all of the functions required can be provided within 2 months of the passage of this legislation by intensifying present recruitment and program efforts. To establish the national institute in another agency would involve much time and wasteful duplication of effort.

In short, to provide for the administration of the juvenile delinquency program in an agency other than LEAA would waste the available resources of a viable Federal agency and 55 State planning organizations. Delays, administrative foulups, and additional time for the development of organizational processes and procedures must be anticipated if another agency has to undergo the learning process that LEAA experienced in its first years of operation before it developed an effective and efficient program. I believe LEAA has proven itself in this regard. We cannot afford to waste resources or sacrifice demonstrated efficiency and coordination in the juvenile delinquency field by failing to utilize the existing administrative structure.

ANALYSIS OF AMENDED BILL, S. 821, AS PROPOSED BY MR. BAYH AND MR. HRUSKA

The substitute amendment to S. 821, No. 1578, is designed to make certain technical changes to the amendment in the nature of a substitute I successfully offered to S. 821 before the Committee on the Judiciary.

The major thrusts of the changes in the amendment are to make the sections amending the Omnibus Crime Control and Safe Streets Act of 1968, as amended, fit more smoothly into the existing sections of that act, to clarify the administrative structure created by the bill, and to revise the appropriation authorization provided in S. 821, as originally reported by the Judiciary Committee.

This amendment differs from the bill reported out of committee in the following respects:

The amendment:

First, provides that the representation of law enforcement and criminal justice agencies in the State planning agency shall include agencies directly related to the prevention and control of juvenile delinquency and shall include representatives of citizens, professional, and community organizations including organizations directly related to delinquency prevention—section 203(a);

Second, provides that there shall be at the head of the Office of Juvenile Justice and Delinquency Prevention an Assistant Administrator, rather than a director, who shall be appointed by the President with the advice and consent of the Senate, instead of appointment by the Administrator of LEAA—section 471;

Third, provides for the establishment of a National Institute of Juvenile Justice within the Juvenile Justice and Delinquency Prevention Office as opposed to placement in the National Institute of Law Enforcement and Criminal Justice—section 490(a); and

Fourth, establishes at section 483(5)(b) an upper limit of 50 percent for the availability of funds appropriated under this part for special emphasis prevention and treatment programs. In addition, it is provided that at least 20 percent of the funds available pursuant to this section shall be available to private nonprofit agencies, organizations, and institutions who have had experience in dealing with youth.

Those provisions in the amendment which are similar to those contained in the bill reported by the Committee are offered for the same purposes and intent as stated in the Senate Report, No. 93-1011. This report should be referenced to show the intent of the committee with respect to those areas which are substantially the same, as well as to show the overall intent of the Committee on the Judiciary in developing juvenile delinquency legislation.

I would like to summarize for the record the major provisions of the amended bill, highlighting the significant changes proposed to be made to the committee bill as reported to the Senate.

TITLE I

Title I, sections 101 and 103, states the findings and declaration of purpose of the legislation and defines certain terms. Section 101 amends the Omnibus Crime Control and Safe Streets Act, incorporating therein two new findings related to juvenile delinqunecy into title I of that Act, and in addition incorporates four new purposes related to juvenile delinquency into the purposes enumerated in title I of that act.

Section 103 amends section 601 of the Omnibus Crime Control and Safe Streets Act of 1968, as amended by adding at the end of that section definitions of the term "community-based" facility, program or service, "Federal juvenile delinquency program," and "juvenile delinquency program."

TITLE II

Title II makes amendments to the Federal Juvenile Delinquency Act, that portion of the Criminal Code—title 18 of the United States Code—which pertains specifically to juveniles. Seven sections of title 18 are amended and five new sections are added.

Section 201 amends section 5031 of title 18, United States Code, to redefine the terms juvenile and juvenile delinquency. A "juvenile," for the purposes of this chapter, is a person under 18 years of age, or for the purpose of proceedings and disposition for an alleged act of juvenile delinquency, a person who has not obtained his 21st birthday. "Juvenile delinquency" is defined as the violation of a law of the United States committed by a person prior to his 18th birthday which would have been a crime if committed by an adult.

Section 202 amends section 5032 of title 18, United States Code, to provide for delinquency proceedings in district courts and transfer for criminal prosecution. A

juvenile alleged to have committed an act of juvenile delinquency may not be proceeded against in a U.S. court unless the Attorney General, after investigation, certifies that no State court has or wants jurisdiction, or that the State does not have adequate programs and services available for the needs of juveniles. A juvenile shall not be proceeded against as an adult in a U.S. court unless he has so requested in writing on advice of counsel, or unless a motion of the Attorney General to transfer is granted in the case of a juvenile over 16. The appropriate district court must find that such transfer would be in the interest of justice to grant the motion. Evidentiary factors to be considered and procedural safeguards are specifically set forth.

Section 203 amends section 5033 of title 18, United States Code, to require that an arrested juvenile be immediately advised of his legal rights, that the Attorney General and the juvenile's parents, guardian, or custodian be advised of the juvenile's custody and nature of the alleged offense, and that the juvenile be brought before a magistrate within a reasonable period of time.

Section 204 amends section 5034 of title 18, United States Code, to specify the duties of a magistrate in a case involving a juvenile. The juvenile must be represented by counsel before the magistrate can proceed with critical stages of the proceedings. The magistrate may appoint a guardian ad litem if necessary. The juvenile is to be released to a responsible party unless the magistrate determines, after a hearing, that detention of the juvenile is required to secure his presence or to insure his safety or that of others.

Section 205 amends section 5035 of title 18, United States Code, to provide that a juvenile alleged to be delinquent may be detained only in a juvenile facility or other suitable place, as designated by the Attorney General. Foster homes and community-based facilities are favored. Juveniles may not be detained or confined where regular contact with adult persons convicted of crime or awaiting trial on criminal charges are confined. Insofar as possible alleged delinquents may not be detained with adjudicated delinquents.

Section 206 amends section 5036 of title 18, United States Code, to require dismissal of an information brought against a juvenile if he is not brought to trial within 30 days of detention, unless the Attorney General shows that additional delay was caused by the juvenile or his counsel, or consented to by the juvenile and his counsel, or would be in the interest of justice in the particular case. Delays caused solely by court calendar congestion are not in the interest of justice. Only in extraordinary circumstances may an information dismissed for such delay be reinstated.

It should be noted that this provision amends the committee bill which required dismissal with prejudice unless the Attorney General showed that additional delay beyond 30 days from the date of arrest was unavoidable, caused by the juvenile or his counsel, or consented to by the juvenile and his counsel. Dismissal with prejudice, raising the bar of double jeopardy, is removed by this substitute amendment in order to allow reinstatement of a dismissed information in extraordinary circumstances and to bring this section into harmony with similar provisions of the Speedy Trial Act of 1974, S. 754, as enacted by the Senate on July 23, 1974.

Section 207 amends section 5037 of title 18, United States Code, to provide for a separate dispositional hearing within 20 days after a juvenile had been adjudicated delinquent. The adjudication of delinquency or the dispositional hearing may be suspended by the court on such conditions as it deems proper. If further information is needed, the alleged or adjudicated delinquent may be committed to the custody of the Attorney General for observation and study, preferably to be conducted on an outpatient basis. Inpatient observation and study may be conducted where necessary to obtain the desired information but for an alleged delinquent consent of the juvenile and his attorney is required. Probation, commitment, or commitment for study and observation shall not extend beyond the juvenile's 21st birthday, or the maximum term which could have been imposed on an adult, whichever is sooner, or a period not to exceed the lesser of 2 years or the maximum term which could have been imposed on an adult convicted of the same offense.

Section 208 adds a new section 5038 to title 18, United States Code, to provide for the safeguarding of records from disclosure throughout any juvenile delinquency proceeding and for the sealing of the entire file and record of any juvenile delinquency proceeding on its completion. Release of the information is proper only to the extent necessary to meet certain law enforcement, criminal justice or national security purposes. Similar strict limitations are provided for during the course of an adjudication. The section additionally contains a prohibition against photographing or fingerprinting juveniles not proceeded against as an adult, unless the presiding judge consents in writing.

Section 209 adds a new section 5039 to title 18, United States Code, which assures that no juvenile committed to the Attorney General will be placed or retained in an adult jail or correctional institution in which he would have regular contact with incarcerated adults. Foster homes and community-based facilities are favored.

Section 210 adds a new section 5040 to title 18, United States Code, which permits the Attorney General to contract with public or private agencies for the observation, study, custody, and care of juveniles, provides for the promulgation of regulations and allows use of certain appropriations.

Section 211 adds a new section 5041 to title 18, United States Code, which requires that the Board of Parole will release a committed juvenile delinquent as soon as it is satisfied that he is likely to remain at liberty without violating the law and when such release would be in the interest of justice.

Section 212 adds a new section 5042 to title 18, United State Code, which provides for notice and a hearing with counsel before a juvenile's parole or probation is revoked.

Section 213 revises the table of sections of chapter 403 of title 18, United States Code, to reflect the changes made by the legislation.

TITLE III

Title III further amends the Omnibus Crime Control and Safe Streets Act to provide representation of juvenile justice experts in the planning process and to add a new part F dealing with juvenile justice and delinquency prevention and control to title I of that act.

Section 301 is a new provision, added by the substitute amendment, to amend section 203(a) of the Omnibus Crime Control and Safe Streets Act to provide for representation of agencies and organizations related to juvenile delinquency to State planning agencies and regional planning units.

Section 302(a) redesignates parts F, G, H, and I of title I of the Omnibus Crime Control Act, as amended, as parts G, H, I, and J, respectively.

Section 302(b) amends the Omnibus Crime Control and Safe Streets Act, as amended, by adding a new part F, entitled "Juvenile Justice and Delinquency Prevention." The title of part F reflects the need to encompass the entire juvenile justice system in attacking the problem of delinquency. The nine new sections added in part F are as follows:

Section 471 creates within the Department of Justice, Law Enforcement Assistance Administration—LEAA—an Office of Juvenile Justice and Delinquency Prevention Office, to be headed by an Assistant Administrator nominated by the President, by and with the advice and consent of the Senate, and subject to the direction of the Administrator of LEAA. Two Deputy Assistant Administrators are also provided for. One Deputy Assistant Administrator is to supervise and direct the National Institute for Juvenile Justice established under section 490 of the act.

Provision is made for three additional supergrades.

Section 472 authorizes the Administrator to select, employ and fix the compensation of officers and employees without regard to civil service and classification laws. Three officers may be appointed at a rate not above that prescribed for Government grade GS–18. Provision is also made for use of experts and consultants and the detailing of employees from other Federal agencies.

Section 473 permits the acceptance of voluntary and uncompensated services, notwithstanding the provisions of 31 U.S.C. 665(b).

Section 474 requires the Administrator to establish overall policy and develop objectives and priorities for all Federal juvenile delinquency, juvenile justice and related programs and activities. The Administrator shall consult in this effort with the Interdepartmental Council on Juvenile Delinquency and the National Advisory Committee for Juvenile Justice and Delinquency Prevention. To carry out the purposes of the act, the Administrator is authorized and directed to

undertake a number of responsibilities. These include advising the President, assisting other agencies when necessary, conducting and supporting evaluations and studies of juvenile delinquency programs and activities, coordinating programs and activities among Federal departments, developing analysis and evaluation of Federal functioning under the act, developing a comprehensive plan for Federal juvenile delinquency programs, and providing technical assistance. The Administrator may utilize the services of other Federal agencies on a reimbursable basis, and may request information and reports from the agencies as necessary. Funds may be transferred to other Federal agencies for the development of new methods or supplement existing programs in the area of juvenile delinquency prevention and rehabilitation. The Administrator is further authorized to make grants and enter into contracts to carry out the purposes of the act, and he may delegate any functions except that of making regulations. The Administrator must coordinate his activities as necessary with the Secretary of HEW as regards the Juvenile Delinquency Prevention Act (42 U.S.C. 3801, et seq.).

Section 475 provides for unified administration of juvenile delinquency programs funded by more than one Federal agency. The Administrator may request one agency to act for all. A single non-Federal share requirement may be established, and technical requirements may be waived where inconsistent.

Section 476 establishes an Interdepartmental Council on Juvenile Delinquency consisting of the heads of various Federal agencies whose programs have a direct bearing on the problems surrounding juvenile delinquency. The Attorney General is to serve as chairman on the council. The Council must meet a minimum of six times per year and must coordinate all Federal juvenile delinquency programs. An executive secretary and such personnel as necessary must be appointed by the chairman. Provision is made for the designees of the council members to serve in their place.

Section 477 establishes a National Advisory Committee for Juvenile Justice and Delinquency Prevention consisting of 21 members. Interdepartmental council members or their designees are to be ex-officio members of the committee. The regular members are to be appointed by the President and are to have special knowledge or experience concerning juvenile delinquency and juvenile justice. A majority of the members, including the chairman designated by the President, are not to be full-time employees of Federal, State, or local governments. At least seven of the members must be under the age of 26 at their appointment. The members must be appointed to 4-year terms on a staggered basis.

Section 478 specifies the duties of the Advisory Committee. As the name indicates, the committee is solely advisory and does not have authority independent of the President and the Administrator of LEAA. The committee must meet a minimum of four times a year and may make recommendations to the Administrator regarding planning, policy, priorities, operations, and management of all Federal juvenile delinquency programs. Subcommittees may be designated for particular purposes. One five-member subcommittee will form an Advisory Committee for the National Institute for Juvenile Justice. Another five-member subcommittee will form an Advisory Committee on Standards for Juvenile Justice.

Section 479 provides for the reimbursement of expenses of Advisory Committee members and for the compensation of members not employed by the Federal Government.

TITLE IV

Title IV adds eight additional sections to the newly created part F of title I of the Omnibus Crime Control and Safe Streets Act of 1968, as amended. These provisions establish a Federal assistance program for State and local government for juvenile justice, delinquency and related programs. Sections 480 through 482, create a block grant program. Sections 483 and 484 provide for special emphasis prevention and treatment programs.

Section 401 is the operative provision of title IV. The eight sections added to part F are as follows:

Section 409 authorizes the Administrator to make grants to States and local government to assist them with programs and activities related to juvenile justice and juvenile delinquency.

Section 431 provides for allocation of funds under part F among the States on the basis of population of people under age 18. No State is to get less than $200,000, except for certain island territories, which are to receive a minimum of $50,000. Funds unallocated at the end of any fiscal year are to be reallocated in an equitable manner. Any reallocated amounts are in addition to the amounts already available. Not more than 15 percent of a State's allotment may be used for developing a State plan and administering the program. Local governments may share in this planning and administration money. Where the State has already substantially absorbed the burden under the Safe Streets Act of the State and local planning process, this amendment would allow the State to continue planning for local juvenile delinquency efforts. It is anticipated that, for the most part, the States and local governments will utilize the existing sub-State planning structure currently in operation.

Section 482 requires that each State have a plan for carrying out the purposes of the legislation in order to get bloc grants. The amendment requires that the plan conform with the requirements of section 303(a) of the Safe Streets Act. Essentially, this provision means that the plan required under section 480 must conform with and may even be part of the comprehensive State plan required under parts B and C of the Safe Streets Act. Further requirements for the State plans are set forth in 21 enumerated paragraphs and are as follows:

The State planning agency already established to implement the Omnibus Crime Control and Safe Streets Act is to be solely responsible for planning and administration of the plan;

The State planning agency must be shown to have authority to implement the plan;

An advisory group shall be appointed by the chief executive of the State to advise the State planning agency and its supervisory board. The makeup of the advisory group, similar to that of the National Advisory Council for Juvenile Justice and Delinquency Prevention, is specified. Similarly, the function of this group is solely advisory and it has no authority independent of the chief executive of the State or the State planning agency and its supervisory board.

Local governments must be actively consulted and local needs taken into account;

Fifty percent of the funds received by a State are to be expended through local government programs, unless waived by the Administrator because juvenile services are organized primarily on a statewide basis;

The chief executive officer of the local government, as necessary, shall designate a local agency responsible for administration and supervision of any local part of the State plan and local programs funded;

Funds received must be equitably distributed within a State;

A detailed study of State needs for an effective, comprehensive, coordinated approach to juvenile justice and delinquency prevention must be set forth. This study is to include an estimate cost for implementation;

Private agencies are to be consulted and participate in development and execution of the State plan. Existing programs are to be used where feasible;

Seventy-five percent of the funds available to a State are to be used for advanced techniques and programs for prevention of delinquency, diversion of juveniles from the juvenile justice system, use of probation subsidies, and to provide community-based alternatives to detention. Eight examples of advanced techniques are specified. These examples are not exhaustive and funds need not be spent for all of the named techniques;

An adequate research, training, and evaluation capacity is to be developed within the State;

Within 2 years after submission of the plan, the State must assure that juveniles who have committed or been charged with offenses not criminal if committed by an adult, are placed in shelter facilities rather than correction or detention facilities;

Juveniles alleged or adjudicated to be delinquents are not to be detained or confined in any institution in which they have regular contact with alleged or adjudicated adult criminals;

The State must provide for monitoring of jails and detention and correctional facilities to assure that the requirements of the preceding two paragraphs are complied with. Findings are to be reported to the Administrator annually;

Assurance must be made that assist-

ance will be equitably available to all youths, including those who may be handicapped, females, or a member of a minority group;

Procedures are to be established for protecting the rights of recipients of services and assuring privacy of records regarding such services;

Arrangements are to be made to protect the interests of employees affected by assistance under the act;

Fiscal control and fund accounting must be provided for;

Assurance must be made that Federal funds available will be used to supplement and increase, not supplant, other available State, local, and non-Federal funds;

The State planning agency must review its plan at least annually and submit an analysis, evaluation, and any necessary modifications to the Administrator;

The plan is to contain such other terms and conditions as the Administrator reasonably prescribes to assure program effectiveness.

The State supervisory board of the State planning agency is to approve the State plan and any modifications prior to its submission. The Administrator is to approve any plan which meets the requirements of the section. If a State does not submit a plan, or submits one which the Administrator finds, after notice and hearing, does not meet the section's requirements, then the Administrator may make the State's allotment available to public and private agencies of any State for special emphasis prevention and treatment programs. However, if the plan fails to meet the requirements due to oversight or neglect, rather than explicit conscious decision, the allotment is to be available to public and private agencies within the State for special emphasis prevention and treatment programs, as defined in section 483.

Section 483 authorizes the Administrator to make grants and enter into contracts for developing and implementing new approaches, techniques, and methods for juvenile delinquency programs; for developing and maintaining community-based alternatives to institutionalization for developing and implementing new means of diversion; for improving the capability of public and private agencies to provide services to delinquents and those in danger of becoming delinquents; and for facilitating adoption of the recommendations of the Advisory Committee on Standards for Juvenile Justice. Not less than 25 percent or more than 50 percent of the funds appropriated each fiscal year pursuant to part F are to be available for special emphasis prevention and treatment programs. At least 20 percent of the funds available for grants and contracts under the section are to be available to private nonprofit agencies, organizations, or institutions who have had experience in dealing with youth. The proposed amendment places a ceiling on the amount of discretionary funds at a maximum of 50 percent. It is anticipated that in determining whether the 20-percent figure has been met, the following will be included: Indirect grants and contracts and expenditures under these grants and contracts, as well as direct grants and contracts and expenditures under these grants and contracts.

Section 484 requires submission of an application for grants under section 483 and sets forth the requirements for such application. The application must provide for supervision by the applicant, a program carrying out one of the purposes of section 483, proper and efficient administration, regular evaluation, review by the State planning agency when appropriate, regular reports to the Administrator, and necessary fiscal control and fund accounting procedures. In determining whether or not to approve applications, the Administrator must take into account cost and effectiveness of proposed programs, the extent the program is new or innovative, the extent to which the program is consistent with the State's plan, the increase in capacity of the applicant to provide necessary services, the rate of youth unemployment, school dropout and delinquency in the community to be served, and the extent to which the program facilitates the implementation of the recommendations of the Advisory Committee on Standards for Juvenile Justice as set forth in Section 496.

Section 485 provides for operation of the withholding provisions of the act if the Administrator finds that a program or activity which was the subject of a grant has so changed that it no longer complies with the provisions of the title or operates without so complying. Such a finding will be made only after due notice and hearings as provided by the Omnibus Crime Control and Safe Streets Act, as amended.

Section 486 provides that funds paid may be used for securing, developing or operating programs carrying out the purpose of part F and for up to 50 percent of the construction cost of innovative community-based facilities for less than 20 persons which the Administrator feels are necessary for carrying out the purposes of the part.

Section 487 sets forth the policy of Congress that programs should receive continued funding if evaluation is satisfactory. At the Administrator's discretion, a State may use 25 percent of the funds available to it under the part to meet the non-Federal matching share requirement for any other Federal juvenile delinquency grant, provided that it is adequately documented that there is no other way for a necessary project to be funded. Otherwise, the Administrator may require a grant recipient to contribute money, facilities, or services. Methods of payment in advance or by way of reimbursement are provided.

TITLE V

Title V further amends the Omnibus Crime Control and Safe Streets Act of 1968, as amended, to establish within the Juvenile Justice and Delinquency Prevention Office a National Institute of Juvenile Justice. Section 501 is the operative provision of the title. Seven new sections are added immediately after the new part F, as follows:

Section 490 establishes a National Institute for Juvenile Justice within the Juvenile Justice and Delinquency Prevention Office. It is to be under the supervision and direction of the Assistant Administrator and headed by a Deputy Assistant Administrator of the Office.

Section 491 authorizes the National Institute for Juvenile Justice to serve as an information bank by collecting and synthesizing data concerning juvenile delinquency, and to serve as a clearinghouse and information center for the preparation, publication, and dissemination of all information regarding juvenile delinquency.

Section 492 authorizes the National Institute for Juvenile Justice to conduct, encourage, and coordinate research and evaluation into any aspect of juvenile delinquency, encourage development of demonstration projects using new and innovative techniques, evaluate all assisted programs and any other Federal, State, or local juvenile delinquency programs and disseminate the results of evaluations, research, and demonstration projects.

Section 493 authorizes the National Institute for Juvenile Justice to develop, conduct, and provide for training programs, seminars, and workshops for personnel engaged in work or preparing to work in areas related to juvenile delinquency.

Section 494 provides that the Advisory Committee for the National Institute for Juvenile Justice—established in section 478(d)—shall advise, consult with, and make recommendations regarding the overall policy and operations of the Institute.

Section 495 provides that the Assistant Director is to report annually on the programs of the Institute to the Administrator. A summary of this report shall be included in the Administrator's annual report to the President and Congress, as required by section 474(b)(5).

Section 496 requires the National Institute for Juvenile Justice, under the supervision of the Advisory Committee on Standards for Juvenile Justice, to review existing reports and data and develop standards relating to juvenile justice. Within 1 year of passage of the section, a report is to be made to the President and Congress recommending Federal, State, and local action to facilitate adoption of the standards developed. The Advisory Committee can obtain information as needed from other Federal agencies.

Section 497 provides that records containing the identity of individual juveniles gathered for purposes of the title may not be disclosed or transferred to any individual or other public or private agency. However, this provision is not intended to limit dissemination or use of such records for purposes for which they were collected, including the purposes specified in this title.

TITLE VI

Title VI, section 601 amends the Omnibus Crime Control and Safe Streets Act by adding at the end of section 520 of title I the following:

There are authorized appropriations for the purpose of part F of $75,000,000 for the fiscal year ending June 30, 1975,

and $150,000,000 for the fiscal year ending June 30, 1976, It is required that LEAA maintain the same level of financial assistance for juvenile delinquency programs assisted as during fiscal year 1972. This provision of the substitute amendment reduces the authorized appropriations from the level of the committee bill.

TITLE VII

Title VII establishes a National Institute of Corrections within the Department of Justice, Bureau of Prisons by amending title 18, United States Code, to add a new chapter 319 composed of two sections.

Section 701 is the operative provision of title VII. The new sections added in the new chapter 319 are as follows:

Section 4351 establishes within the Bureau of Prisons a National Institute of Corrections. A 15-member advisory board is to supervise the overall policy and operations of the National Institute of Corrections. Five Federal officials are designated as ex officio members. Five members are to be qualified as a practitioner in the field of corrections, probation or parole, while five are to be from the private sector. Advisory board members are to be appointed by the Attorney General for 3-year, staggered terms. A chairman and vice chairman are to be elected from among the board's members. Provision is made for compensation and reimbursement for expenses.

The Advisory Board is authorized to appoint advisory and technical committees as necessary, without regard to the civil service laws, and may delegate its powers. A director, appointed by the Attorney General after consultation with the board, will have general supervisory powers over functioning of the institute.

Section 4352 sets out certain powers of the National Institute of Corrections. Essentially there are as follows:

To receive or make grants and contracts with governmental and private agencies and individuals;

To serve as a clearinghouse and information center for information regarding corrections;

To assist Federal, State, and local agencies in the development and maintenance of programs and facilities for offenders;

To encourage and assist improved corrective programs;

To conduct seminars, workshops, and training sessions for personnel connected with the treatment and rehabilitation of offenders;

To develop technical training teams;

To conduct, encourage and coordinate research;

To formulate and disseminate correction policy, goals, and standards recommendations;

To conduct evaluation programs;

To receive information and data from other Federal agencies;

To reimburse other Federal agencies for the use of personnel, facilities, and equipment;

To confer with and get assistance from governmental and private organizations and individuals;

To contract with public or private agencies, organizations, or individuals for performance of institute functions; and,

To procure services of experts and consultants.

The National Institute of Corrections must report annually to the President and Congress. Each recipient of assistance must keep complete records on its activities. Books and records pertinent to grants received shall be open to the Institute and the Comptroller of the United States, or their authorized representatives. These provisions apply to all recipients of assistance, whether direct grantees or contractors, or subgrantees or subcontractors.

Mr. President, I send to the desk an amendment authored by the distinguished Republican leader, the Senator from Pennsylvania (Mr. HUGH SCOTT).

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. HRUSKA. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

At the end of the bill add a new title as follows:

TITLE IX—EXTENSION AND AMENDMENT OF THE JUVENILE DELINQUENCY PREVENTION ACT

YOUTH DEVELOPMENT DEMONSTRATION

SEC. 801. Title I of the Juvenile Delinquency Prevention Act is amended (1) in the caption thereof, by inserting "AND DEMONSTRATION PROGRAMS" after "SERVICES"; (2) following the caption thereof, by inserting "PART A—COMMUNITY-BASED COORDINATED YOUTH SERVICES"; (3) in sections 101, 102(a), 102(b)(1), 102(b)(2), 103(a) (including paragraph (1) thereof), 104(a) (including paragraphs (1), (4), (5), (7), and (10) thereof) and 104(b), by striking out "title" and inserting "part" in lieu thereof; and (4) by inserting at the end of the title the following new part:

"PART B—DEMONSTRATIONS IN YOUTH DEVELOPMENT

"SEC. 105. (a) For the purpose of assisting the demonstration of innovative approaches to youth development and the prevention and treatment of delinquent behavior (including payment of all or part of the costs of minor remodeling or alteration), the Secretary may make grants to any State (or political subdivision thereof), any agency thereof, and any nonprofit private agency, institution, or organization that submits to the Secretary, at such time and in such form and manner as the Secretary's regulations shall prescribe, an application containing a description of the purposes for which the grant is sought, and assurances satisfactory to the Secretary that the applicant will use the grant for the purposes for which it is provided, and will comply with such requirements relating to the submission of reports, methods of fiscal accounting, the inspection and audit of records and other materials, and such other rules, regulations, standards, and procedures, as the Secretary may impose to assure the fulfillment of the purposes of this Act.

"(b) No demonstration may be assisted by a grant under this section for more than one year."

CONSULTATION

SEC. 802. (a). Section 408 of such Act is amended by adding at the end of subsection (a) thereof the following new subsection:

"(b) The Secretary shall consult with the Attorney General for the purpose of coordinating the development and implementation of programs and activities funded under this Act with those related programs and activities funded under the Omnibus Crime Control and Safe Streets Act of 1968";

and by deleting subsection (b) thereof.

(b) Section 409 is repealed.

REPEAL OF MINIMUM STATE ALLOTMENTS

SEC. 804. Section 403(b) of such Act is repealed, and section 403(a) of such Act is redesignated section 403.

EXTENSION OF PROGRAM

SEC. 805. Section 402 of such Act, as amended by this Act, is further amended in the first sentence by inserting after "fiscal year" the following: "and such sums as may be necessary for FY '75".

Mr. HRUSKA. I yield myself 3 minutes.

Mr. President, on behalf of Senator HUGH SCOTT, I want to point out that this amendment has been discussed with the managers of the bill and members of the committee on both sides of the aisle. The amendment simply extends the HEW juvenile delinquency program for 1 year, to allow an orderly transfer of the program to the LEAA.

Mr. President, I ask unanimous consent to have printed in the RECORD a statement by Senator HUGH SCOTT, in which he discusses the substance and the impact of the amendment.

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

STATEMENT BY SENATOR HUGH SCOTT

This amendment adds a Title IX to the "Juvenile Justice and Delinquency Prevention Act of 1974." Title IX would extend the Juvenile Delinquency Prevention Act, administered by the Secretary of Health, Education, and Welfare through FY 1975. The program is already operating under a continuing resolution, and this amendment would extend the program to the end of the current fiscal year. This would allow for the orderly transfer of functions from the Department of Health, Education, and Welfare to the Law Enforcement Assistance Administration. This amendment provides time to wind down the activities funded under the Juvenile Delinquency Prevention Act without an abrupt, disruption of the programs.

Added also is a requirement consistent with S. 821 that the Secretary consult with the Attorney General for the purpose of coordinating the development and implementation of programs and activities funded under the Juvenile Delinquency Prevention Act with those related programs and activities funded under the Omnibus Crime Control and Safe Streets Act of 1968, as amended.

Title IX repeals the minimum State allotments, which have constituted more than 50 percent of the program monies and are inappropriate in a program which is essentially to provide demonstration project grants to establish youth service systems, and not to finance service delivery.

The title also authorizes demonstration grants in the field of youth development. The program would authorize the Secretary of Health, Education and Welfare to make grants to public and nonprofit private agencies, institutions, and organizations to assist in the demonstration of innovative approaches to youth development and the prevention and treatment of problems of, and leading to, juvenile delinquency.

In effect, Mr. President, this amendment merely provides for an orderly transfer of functions from HEW to LEAA and during the interim attempts to complement, rather than conflict with, the provisions of the subject bill.

Mr. BAYH. Mr. President, the Senator from Indiana has no objection to this amendment.

Before we vote on the amendment, I should say for the record that the purpose of the amendment is as specified by the Senator from Nebraska and the Senator from Pennsylvania, to provide a year for transition.

It does not make any sense for us to establish a bill in which one person is going to be the man with the plan, so to speak, and with the authority to implement it, and then, even before the bill is passed, to have a little caveat and say "but." I know that the Senator from Nebraska does not desire that.

Anybody in this bureaucracy who may think this is still going to give them a foot in the door had better recognize that if they do not get that toe out of there in the next year, they are liable to lose it. We want one program, administered fairly and efficiently, with new resources. Unfortunately, the way the HEW program has existed, it has not provided the kind of sterling leadership we need in this matter.

Without being critical of those people down there, the Senator from Nebraska will recall that when we discussed this matter last year and the year before, we almost did not extend it, because we were not satisfied with the job they were doing. With this new proposal, it is only fair to give them a chance to move the worthwhile services they are providing over to this new office and, at the end of this time provided in the amendment, to close their doors and get about doing something else.

Mr. HRUSKA. Mr. President, I fully agree with the thoughts expressed by the Senator from Indiana. There is a relatively small program involved here. It was thought by Senator HUGH SCOTT that the personnel could be folded into some of the administrative work in LEAA and there would be an orderly transition of the functions and the programs. That is the justification for the amendment.

Personally, I would have preferred a much shorter time. However, after consultation with the agency and with the Senator from Pennsylvania, a 1-year extension was agreed upon.

Mr. BAYH. Mr. President, one last observation. The people who will read the RECORD, as well as the people who will be affected by this amendment, have not been privy to some of the conversations the Senator from Nebraska and I have had in trying to work out the measure before the Senate.

It is fair to say, is it not, that the purpose of this amendment is to make it possible for us to take those worthwhile services that are now being provided by HEW and move them under the new office provided for by this bill, but it does not mandate that people who are presently in positions of authority in this program, who are not doing the job, have to be transferred with the authority of the program?

Mr. HRUSKA. The Senator is correct. There is no mandate that these people be moved bodily to LEAA or that they be furnished with equal positions or equal authority in the new program. That is a matter of negotiation, selection, and recruitment, pursuant to regular procedures.

I ask for a vote, Mr. President. I yield back the remainder of my time.

Mr. BAYH. I yield back the remainder of my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment of the Senator from Pennsylvania.

The amendment was agreed to.

Mr. BAYH. Mr. President, on behalf of the distinguished senior Senator from Arkansas (Mr. MCCLELLAN) I offer an amendment to S. 821, which is the text of amendment 1578 that we are now considering as a bill.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. BAYH. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered, and the amendment will be printed in the RECORD.

The amendment is as follows:

At the end thereof add the following new title:

"TITLE VIII—FEDERAL SURPLUS PROPERTY

"SEC. 801. (a) Section 203(j) of the Federal Property Administrative Services Act of 1949, as amended (40 U.S.C. 484(j)), is amended—

"(1) by striking out 'or civil defense' in the first sentence of paragraph (1) and inserting in lieu thereof 'civil defense, or law enforcement and criminal justice';

"(2) by striking out 'or (4)' in the first sentence of paragraph (1) and inserting in lieu thereof '(4), or (5)';

"(3) by striking out 'or paragraph (4)' in the last sentence of paragraph (2) and inserting in lieu thereof a comma and '(4), or (5)';

"(4) by inserting after paragraph (4) a new paragraph as follows:

"'(5) Determination whether such surplus property (except surplus property allocated in conformity with paragraph (2) of this subsection) is usable and necessary for purposes of law enforcement and criminal justice, including research, in any State shall be made by the Administrator, Law Enforcement Assistance Administration, who shall allocate such property on the basis of need and utilization for transfer by the Administrator of General Services to such State agency for distribution to such State or to any unit of general local government or combination, as defined in section 601 (d) or (e) of the Crime Control Act of 1973 (87 Stat. 197), designated pursuant to regulations issued by the Law Enforcement Assistance Administration. No such property shall be transferred to any State agency until the Administrator, Law Enforcement Assistance Administration, has received, from such State agency, a certification that such property is usable and needed for law enforcement and criminal justice purposes in the State, and such Administrator has determined that such State agency has conformed to minimum standards of operation prescribed by such Administrator for the disposal of surplus property.';

"(5) by redesignating paragraphs (5), (6), and (7) as paragraphs (6), (7), and (8), respectively;

"(6) by striking out 'and the Federal Civil Defense Administrator' in paragraph (6), as redesignated, and inserting in lieu thereof a comma and 'the Federal Civil Defense Administrator, and the Administrator, Law Enforcement Assistance Administration'; and

"(7) by striking out 'or paragraph (4)' in paragraph (6), as redesignated, and inserting in lieu thereof a comma and '(4), or (5)'.

"(b) Section 203(k)(4) of such Act, as amended (40 U.S.C. 484(k)(4), is amended—

"(1) by striking out 'or' after the semicolon in clause (D);

"(2) by striking out the comma after 'law' in clause (E) and inserting in lieu thereof a semicolon and 'or'; and

"(3) by adding immediately after clause (E) the following new clause:

"'(F) the Administrator, Law Enforcement Assistance Administration, in the case of personal property transferred pursuant to subsection (j) for law enforcement and criminal justice purposes,'.

"(c) Section 203(n) of such Act, as amended (40 U.S.C. 484(n)), is amended—

"(1) by striking out in the first sentence 'and the head of any Federal agency designated by either such officer' and inserting in lieu thereof 'the Administrator, Law Enforcement Assistance Administration, and the head of any Federal agency designated by any such officer'; and

"(2) by striking in next to the last sentence 'law enforcement' and inserting in lieu thereof 'law enforcement and criminal justice', and in the same sentence striking 'or (j)(4)' and inserting in lieu thereof a comma and '(4), or (5)'."

Mr. BAYH. Mr. President, I have a statement prepared by my distinguished colleague, the senior Senator from Arkansas (Mr. MCCLELLAN) which I would like to read at this time. This amendment is a technical amendment to correct inadvertent omission of certain conforming amendments from the recently enacted Crime Control Act of 1973—Public Law 93–83, August 6, 1973. The Crime Control Act of 1973 included a provision which was intended to provide the Administrator of the Law Enforcement Assistance Administration with full authority to donate, through the General Services Administration—GSA—surplus property to State agencies for use in their criminal justice systems.

GSA late last year rendered an opinion to the effect that section 525 is inoperative due to a drafting oversight. Thus, the clear intent of the Congress has been frustrated in this respect. The amendment offered at this time on behalf of the Senator from Arkansas corrects the defect which was found to exist by GSA.

I ask unanimous consent that a more detailed statement by the distinguished Senator from Arkansas be printed in the RECORD at this time.

The PRESIDING OFFICER. Without objection it is so ordered.

STATEMENT BY SENATOR MCCLELLAN

I offer an amendment to S. 821 which is solely a technical amendment to correct inadvertent omission of certain conforming amendments from the recently enacted Crime Control Act of 1973. These amend-

ments are needed to conform the Federal Property and Administrative Services Act of 1949 to implement authority for the Law Enforcement Assistance Administration to donate surplus Federal property to a State agency for law enforcement and criminal justice purposes.

On March 27, 1974, the Senate, by voice, accepted these same provisions as an amendment to the bill H.R. 6274 which has been awaiting action by the House on the Senate amendment. It is hoped that an amendment here today will come to final enactment.

The Crime Control Act of 1973 (Public Law 93-83) amended Section 525 of the Omnibus Crime Control and Safe Streets Act of 1968 to extend authority of LEAA to donate surplus Federal property to State agencies for criminal justice purposes. This was done by amending only section 203(n) of the Federal Property and Administrative Services Act to reflect the authority of LEAA. The conference reports of both the Senate and the House clearly reflected the new authority to donate surplus property, stating:

"The Senate amendment provided LEAA with authority to donate excess or surplus Federal property to State agencies thereby vesting in the grantee title to such property. The conference substitute accepted the Senate provision." [S. Rept. 93-349, p. 33; and H. Rept. 93-401, p. 33.]

Comments when the conference report was submitted to the Senate clearly reflect the intent of the provision. [See. Cong. Rec., July 26, 1973, at S 14746, and Cong. Rec., Aug. 2, 1973, at S 15561 (daily eds.).]

Following enactment of the Crime Control Act of 1973, the Law Enforcement Assistance Administration received a number of requests for surplus property under the new authority. The LEAA attempted to provide for certain needs at the devasted Oklahoma State Prison in McAlester, Oklahoma by requesting the General Service Administration to donate surplus proprety to this Prison. Hundreds of law enforcement agencies were requesting surplus military helicopters, which were and are still available.

However, shortly after enactment of the Crime Control Act of 1973, the General Counsel of the General Services Administration advised the Law Enforcement Assistance Administration that amending section 203(n) of the Federal Property and Administrative Services Act was not sufficient to authorize the Administrator of General Services to donate surplus property for law enforcement purposes. According to the General Counsel, section 203(n) designates the purposes for which such surplus property may be used, but the section is not independent authority to donate such property—that amendments to subsections 203(j) and (k) are also required.

The amendment I propose today perfects the operative language of subsections 203(j) and (k) of the Federal Property and Administrative Services Act by adding the words "law enforcement and criminal justice" to subsection 203(j)(1) so as to authorize the Administrator of General Services to donate surplus property usable and necessary for law enforcement and criminal justice, educational, public health, or civil defense purposes.

It also adds a new subsection (j)(5) to permit the Administrator, Law Enforcement Assistance Administration, upon a determination that surplus property is usable and necessary for the purposes of law enforcement and criminal justice, to allocate such property on the basis of needs and utilization for transfer by the Administrator of General Services to such State agencies recognized pursuant to regulations issued by the LEAA.

In addition, Section 203(k)(4) of the Federal Property and Administrative Services Act is amended by adding a new clause (f) to authorize the Administrator, Law Enforcement Assistance Administration, to enforce compliance with terms and conditions on personal property donations in the same manner as other agencies designated therein. The necessity for this amendment is explained in detail in a letter of October 23, 1973, from the General Counsel of the General Services Administration to the General Counsel of LEAA. I ask unanimous consent that this letter be printed in the record following these remarks.

Mr. President, many law enforcement agencies in every State and territory have urgent need for the surplus property items. The only thing lacking is the perfecting authority to make the surplus helicopters and other property and supplies available to state and local law enforcement and criminal justice programs.

The technical amendment offered assures that LEAA will be able to distribute surplus property to law enforcement and criminal justice organizations of the State without the wasteful and burdensome Federal accountability procedures now required. This was the intent of the Crime Control Act of 1973 and would now be the procedure but for the inadvertent failure to include the proper amendments. Without the amendments, the LEAA is authorized to acquire personal property items which are classified as Federal excess property.

Under present authority, LEAA can only place the property on loan to its grantees for use in their grant-supported law enforcement programs. Title to the Federal excess property remains vested in the Federal government and property accountability records must be maintained by the grantee in accordance with the requirements, criteria, formats and procedures of the lending Federal agency. The loan of this excess property does augment the effectiveness of the grant funded programs.

However, it places a substantial administrative burden on both the grantee and the Federal agency since elaborate accounting records must be kept and inventory and disposition procedures must be maintained to safeguard the identity and presence of the Government property. Where high cost and highly durable items are involved the record keeping procedures may be justified to insure that the equipment will be best used in support of programs of all Federal agencies.

However, in the case of low cost, expendable, consumable or low durability items the accounting procedures place an economically unjustifiable burden upon the grantee and the LEAA. Items such as clothing, electrical fixtures, conduit supplies, minor laboratory equipment, etc., are normally retained by the grantee until they are reduced to scrap. Excess Government property, even in this condition, must be accounted for under the Federal agencies procedures and reported to the Federal agency for rescreening. Disposition instructions are obtained at the end of the screening period and the items are shipped to disposal points or otherwise disposed of as GSA determines.

Surplus property is property which has been offered to all Federal agencies and has not been requested by any agency during its screening period. This property which is not needed by any Federal agency for its own needs often is appropriate and needed for State and local law enforcement programs. Surplus Federal property once donated will become State property and its management and accountability responsibility will be vested primarily in the State. The entire accounting procedure is thus simplified.

The example at the Oklahoma State Prison, following the riots there, points out the present difficulties. Approximately $250,000 worth of supplies and equipment were loaned from Federal excess property and used to temporarily repair the facility and provide shelter, clothing and services for the prisoners. Although the use of the Federal property was effective, it now poses a significant accountability and usage problem. If the assets could have been obtained from surplus inventories they would now be the property of the State of Oklahoma, or the prison, rather than the Federal Government.

Another example of the need for this authority exists in the Virgin Islands. With LEAA grant participation a new confinement facility is being constructed on St. Croix. Due to limited funds, the Office of the Commissioner has requested LEAA to provide the necessary equipment and supplies, leaving the local government financial able to provide a staff. My proposed amendment would simplify record keeping and accountability procedures in this case.

Mr. President, the type of authority I am suggesting is not unusual. More than $5 billion worth of surplus property of all kinds is presently available. Last year $396.5 million worth of property was donated through State agencies for the purposes of education, public health and civil defense.

Law enforcement and criminal justice systems are faced with many pressing problems. Authorizing the donation of surplus Federal property for law enforcement and criminal justice needs is a priority we must address, as was the intent when the Crime Control Act of 1973 was enacted.

By accepting the perfecting amendment I am offering, we will be carrying out the intent of the Congress to assist States and local governments through effective use of a surplus property program for law enforcement and criminal justice agencies.

GENERAL SERVICES ADMINISTRATION,
Washington, D.C., October 23, 1973.

THOMAS J. MADDEN, Esquire,
General Counsel, Law Enforcement Assistance Administration, Department of Justice, Washington, D.C.

DEAR MR. MADDEN: Reference is made to your request for an opinion concerning the applicability of section 203(k)(4) of the Federal Property and Administrative Services Act of 1949, as amended, to donations of personal property.

* * * * *

Section 203(k)(4) provides "Subject to the disapproval of the Administrator within thirty days after notice to him of any action to be taken under this subsection.

(A) The Secretary of Health, Education, and Welfare, through such officers or employees of the Department of Health, Education, and Welfare as he may designate, in the case of property transferred pursuant to the Surplus Property Act of 1944, as amended, and pursuant to this Act, to States, political subdivisions, and instrumentalities thereof, and tax-supported and other nonprofit educational institutions for school, classroom, or other educational use;

(B) the Secretary of Health, Education, and Welfare, through such officer or employees of the Department of Health, Education, and Welfare as he may designate, in the case of property transferred pursuant to the Surplus Property Act of 1944, as amended, and pursuant to this Act, to States, political subdivisions and instrumentalities thereof, tax-supported medical institutions, and to hospitals and other similar institutions not operated for profit, for use in the protection of public health (including research);

(C) the Secretary of the Interior, in the case of property transferred pursuant to the Surplus Property Act of 1944, as amended, and pursuant to this Act, to States, political subdivisions, and instrumentalities thereof, and municipalities for use as a public park, public recreational area, or historic monument for the benefit of the public;

(D) the Secretary of Defense, in the case of property transferred pursuant to the Surplus Property Act of 1944, as amended, to States, political subdivisions, and tax-supported instrumentalities thereof for use in the training and maintenance of civilian components of the armed forces; or

(E) the Federal Civil Defense Administrator, in the case of property transferred pursuant to this Act to civil defense organizations of the States or political subdivisions or instrumentalities thereof which are established by or pursuant to State law, is authorized and directed—

(i) to determine and enforce compliance with the terms, conditions, reservations, and restrictions contained in any instrument by which such transfer was made;

(ii) to reform, correct, or amend any such instrument by the execution of a corrective, reformative or amendatory instrument where necessary to correct such instrument or to conform such transfer to the requirements of applicable law; and

(iii) to (I) grant release from any of the terms, conditions, reservations and restrictions contained in, and (II) convey, quitclaim, or release to the transferee or other eligible user any right or interest reserved to the United States by, any instrument by which such transfer was made, if he determines that the property so transferred no longer serve the purpose for which it was transferred, or that such release, conveyance, or quitclaim deed will not prevent accomplishment of the purpose for which such property was so transferred: PROVIDED, That any such release, conveyance, or quitclaim deed may be granted on, or made subject to, such terms and conditions as he shall deem necessary to protect or advance the interests of the United States."

Since the provision appears as part of section 203(k), your question whether its application is limited solely to real property or whether it is applicable to both real and personal property.

It is our opinion that section 203(k)(4) relates to both real and personal property and not merely to real property. We believe that the language ". . . action to be taken under this subsection" is intended, in this instance, to relate to actions under subparagraph (i), (ii), and (iii) of (k)(4) and not as limiting the authority to subsection (k) transactions. This interpretation has prevailed at both the HEW and GSA since the Property Act was enacted in 1949. Congress is aware of such interpretation.

In July of 1956, Congress amended the Federal Property Act to provide authorization for donation for Civil Defense purposes, and the Act of July 3, 1956, which deals solely with donations of *personal property* for Civil Defense purposes specifically amended section 203(k). The legislative history indicates as the reason therefor the following:

"Section 2 provides for amending section 203(k) of the Federal Property and Administrative Services Act of 1949, as amended, to give the Federal Civil Defense Administrator comparable authority for enforcing compliance of terms and conditions on property donations in the same manner as the Secretary of Health, Education, and Welfare is authorized to enforce restrictions on property donated for health or educational purposes. This is a conforming amendment, and is identical to section 5 of H.R. 7227 as approved by the House of Representatives."

In addition, both GSA and HEW by current regulations interpret section 203(k)(4) as being applicable to both personal property and real property. It should be noted that in section 203(k)(4) the term "property" is used. In all other sections of section 203(k) the term "real property" is used when referring to property. We believe that under such circumstances the term "property" must be deemed to include both real and personal property (see section 3(d) of the Federal Property Act defining "property").

Accordingly, you are advised that section 203(k)(4) is applicable to both personal property and real property and any amendment of 203(j) should take such factor into consideration.

You have raised the further question whether in view of the amendment to section 203(j) relating to the imposition of terms, conditions, restrictions and reservations upon the use of any single item of personal property donated having an acquisition cost of $2500 or more whether an amendment to section 203(k)(4) is necessary.

We have reviewed the legislative history concerning the amendment of section 203(j), referred to above. In our view, the purpose of the amendment was to restrict in dollar terms the imposition of terms and conditions. It was not intended, nor does it, in our opinion, affect the authorizations under sections 203(k)(4). Section 203(k)(4) deals with enforcement of compliance with the terms, conditions, reservations and restrictions contained in any instrument by which such transfer was made; or to the reformation, correction or amendment of an instrument or to the granting of releases to any terms, conditions, restrictions and reservations contained in the transfer instrument.

There is nothing in the legislative history which indicates that section 203(j)(5) was intended to supersede the authorities under section 203(k)(4). Rather, as previously indicated, the express purpose was to limit the imposition of terms and conditions to donations above a certain dollar value.

GSA, as indicated in its regulations, considers section 203(k)(4) as being applicable to personal property donations notwithstanding paragraph (5) of section 203(j). At best, it would require substantial construction of section 203(j)(5) to imply authorities clearly and expressly granted under section 203(k)(4). Even if implied authority could be argued under 203(j)(5) to permit certain actions expressly authorized under 203(k)(4), under no circumstances could, in our opinion, release of restrictions imposed be implied. In addition, a failure to amend 203(k)(4) at this time, in view of the legislative history and prior interpretations, could be interpreted as a failure by Congress to authorize Law Enforcement Assistance Administration (LEAA) to take the actions authorized under subparagraphs (i), (ii), and (iii) of 203(k)(4) since in all other cases an amendment to 203(k)(4) was made.

As a practical matter, we have been informally advised by the Department of Health, Education, and Welfare that actions under 203(k)(4) are substantial, numbering in the hundreds.

In view of the opinions set forth herein, should your agency amend 203(j) and assuming that you intend to take the actions presently authorized under 203(k)(4), we would strongly recommend that an amendment be made to section 203(k)(4) to appropriately include the Administrator of LEAA.

Sincerely,

WILLIAM E. CASSELMAN, II,
General Counsel.

Mr. BAYH. I ask for the consideration of the amendment.

Mr. HRUSKA. Mr. President, would the Senator yield for 2 minutes?

Mr. BAYH. I would be glad to yield.

Mr. HRUSKA. It is true that the Senate approved the substance of this amendment in March of this year. It is contained in H.R. 6274, now pending in the House and has not yet been acted upon. This is a technical amendment perfecting an authority intended by both the House and Senate to have been extended to LEAA by the Crime Control Act of 1973.

At present, there is a lack of technical language which prevents LEAA from possessing that power. The inadvertent omission of these conforming amendments to the Federal Property and Administrative Services Act should be promptly corrected for the reasons summarized by the Senator from Arkansas and by the Senator from Indiana.

I shall support the amendment.

Mr. BAYH. I yield back my time.

Mr. HRUSKA. I yield back my time.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Arkansas.

The amendment was agreed to.

The PRESIDING OFFICER. Who yields time?

Mr. HRUSKA. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk proceeded to read the amendment.

Mr. HRUSKA. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered, and the amendment will be printed in the RECORD.

The amendment is as follows:

On page 37, delete lines 21 through 23, inserting in lieu thereof the following:

"(b) The Supervisory Board designated pursuant to Section 482(a), after consultation with the advisory group referred to in section 482(a) shall approve the State plan and any modification thereof prior to submission to the Administrator.

Mr. HRUSKA. I yield myself 2 minutes.

Mr. President, during the course of drafting changes in S. 821, this technical amendment was discovered as one of the points that should be provided.

As this juvenile delinquency and prevention program was developed into an integral part of LEAA, it was intended that ultimate authority for State level approval would reside with the State planning administrators under the LEAA umbrella in accordance with the current operation.

However, it was intended that a strong consultation role would be played by the State juvenile delinquency and prevention advisory group which has formed under part F.

This amendment merely eliminates any construction problems in this regard. I hope it will be adopted to clarify this matter.

The PRESIDING OFFICER. Who yields time

Mr. BAYH. Mr. President, I yield myself whatever time may be necessary.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. BAYH. Mr. President, I would like to make a couple of observations about this amendment, and I will not oppose it, but again, I think, as chairman of the subcommittee, it is important that we make absolutely certain that those who

are charged with administering this bill know the intent of Congress.

When we started out with this proposal, this comprehensive revision of our system of juvenile justice, we were moving to put the program in HEW and moving to have a separate administration in the States.

When we finally came to the determination that we could get more resources and perhaps have more initiative in the light of today's political realities and have more coordination as well if we put it in LEAA, it just did not make much sense to have a competitive advisory board.

But as I assess the purpose and the intent of my distinguished colleague from Nebraska, it is to prohibit this duplication, not to lessen the commitment that the measure makes, that S. 821 will make with the new text, to see that we have a coordinated effort in which those who are knowledgeable in the area of juvenile justice will have a direct role at the State planning level.

Is that the way the Senator from Nebraska reads the thrust of his technical amendment?

Mr. HRUSKA. Yes.

Mr. BAYH. I thank the Senator from Nebraska.

I would like to also address myself to the wording of this language because I think we have to reemphasize what additional responsibilities this language of the new S. 821 places on State planning agencies and also on regional agencies.

I quote the following language from title III, section 301:

The State planning agency and any regional planning units within the State shall within their respective jurisdiction be representative of the law enforcement and criminal justice agencies including—

And I emphasize this—

agencies directly related to the prevention and control of juvenile delinquency.

And then it states:

Units of general local governments, public agencies maintaining programs to reduce and control crime—

And then I want to emphasize the following—

and shall include representatives of citizen, professional, and community organizations, including organizations directly related to delinquency prevention.

Now, the way the Senator from Indiana reads this amendment is that we are clarifying the role of the advisory group in the field of juvenile delinquency and your technical amendment accomplishes that. But in exchange we are requiring that the composition of the State planning board of LEAA be expanded to include those individuals who have experience and who are knowledgeable and professional in the field of prevention and control of juvenile delinquency, and also we are mandating that private agencies be represented on the State planning board.

Now, is that the way the Senator from Nebraska reads the thrust of the technical amendment in conjunction with the language which is in section 301?

Mr. HRUSKA. It is indeed. There was some question in my mind, however, whether a bill of this kind should provide for certain types, or perhaps quotas, or classes of people who will serve on such a board. I believe the language used here is ample for the purpose, without being too specific in its effect so as to be inflexible. The Senator from Indiana is correct. The idea is to have representation from those who are cognizant of the problems in this area, who have had some experience in it, and who have exhibited some degree of interest and activity in the field by way of organizational work, civic work, or in other ways.

The answer to the question of the Senator from Indiana is yes, that is the way I interpret and construe it.

Mr. BAYH. I appreciate the Senator from Nebraska's reinforcing the interpretation of the Senator from Indiana.

What we are doing now is saying to LEAA, which is given the responsibility of administering this program through the State planning agency and regional planning boards, "All right, fellows, no longer are you going to let a whole State Planning Board, dealing with all of the LEAA matters, deal with this program without having anyone on it able to deal with juvenile prevention or with rehabilitation, or that represents the important private agencies which deal with this."

Now we are going to have a concerted, integrated program, and we hope that those who read this language will recognize the determination of the Members of this Congress to see that these planning agencies are prudent, and that the juveniles, the young people of this country, will have a voice on those planning boards that can prevent some of those juveniles acts and help stop this alarming increase in the rate of crime.

Otherwise, I fear that the whole structure of the house will be based on a foundation that is not solid.

I yield back the remainder of my time.

Mr. HRUSKA. I yield back the remainder of my time.

The PRESIDING OFFICER. All remaining time having been yielded back, the question is on agreeing to the amendment of the Senator from Nebraska.

The amendment was agreed to.

The PRESIDING OFFICER. Who yields time?

Mr. HART. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HART. Are amendments in order?

The PRESIDING OFFICER. Amendments are in order.

AMENDMENT NO. 1611

Mr. HART. Mr. President, I call up my amendment No. 1611 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. HART. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with. I shall explain it.

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

The amendment will be printed in the RECORD.

Mr. HART'S amendment (No. 1611) is as follows:

On page 36, strike out lines 21, 22, and 23 and insert the following:

"(17) provide that fair and equitable arrangements are made, as determined by the Secretary of Labor, to protect the interests of employees affected by assistance under this Act. Such protective arrangements shall include, without being limited to, such provisions as may be necessary for—

"(A) the preservation of rights, privileges, and benefits (including continuation of pension rights and benefits) under existing collective bargaining agreements otherwise;

"(B) the continuation of collective bargaining rights;

"(C) the protection of individual employees against a worsening of their positions with respect to their employment;

"(D) assurances of employment to employees of any State or political subdivision thereof who will be affected by any program funded in whole or in part under provisions of this Act;

"(E) training or retraining programs.

The State plan shall provide for the terms and conditions of the protection arrangements established pursuant to this section;".

Mr. HART. A further parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HART. Under the order, is there 15 minutes to a side on amendments?

The PRESIDING OFFICER. There is 15 minutes to a side on amendments.

Mr. HART. I yield myself such time as I may require.

This amendment seeks to clarify the employee protection language in section 482(a)(17) of the substitute introduced by Senator BAYH and Senator HRUSKA. I am a cosponsor of that bill we are considering and regard it as much-needed legislation; a marked improvement is promised as a consequence of it in the rehabilitation and protection of young people in trouble.

This legislation will provide an opportunity for State and local governments to refocus the emphasis of delivery of youth services from a centralized institutional environment to a community-based, personal, decentralized approach. The benefit, of course, is obvious.

As with any piece of threshold legislation, care must be taken to minimize the negative effects of the legislation while maximizing the positive effects. It is with this premise in mind that I ask for support of the amendment today.

There are facilities across the country for the treatment and rehabilitation of juveniles which may be closed down, in whole or in part, because of the operation of this legislation. We are not sure, but it is to be anticipated, certainly, that some consequence of that sort will follow. Indeed, it is an indirect purpose.

One of the side effects of these closings will be that employees in these institutions will have their jobs terminated. These are people with the same aspirations all of us have: people with families,

pension rights, and accrued vacations; skills, experiences, and standards of living, people whose only reason for losing their jobs would, in this situation, be the operation of this legislation.

The substitute seeks to respond to this very human problem and does it in section 482(a)(17), but it does it in language which is very general. This statement of general principle is open to wide interpretation and potential abuse. It falls short of legislative precedent in reserving the existing rights of Government employees. That precedent, Mr. President, we find in the Urban Mass Transit Act.

The amendment which I offered incorporates the language of the Urban Mass Transit Act and specifies with greater particularity the rights that Congress intends to guarantee for public employees. It would put meat on the skeleton of good intentions. It would make clear that it is not our intent, as we seek to respond to the needs of young people in trouble, to threaten the economic life of the parents and others of those young men and women in State and local employment.

The amendment is clarifying in nature. It is intended simply to conform the Senate's action today to its action of a few years ago, the citation of which I have given.

THE OPENING SENTENCE

The first sentence is amended by adding the language "as determined by the Secretary of Labor." This would permit and, in fact, mandate that the Secretary of Labor monitor the state operation of plans as it relates to employee protection to see that they conform to the requirements of the legislation. No such monitoring authority exists under the present language, giving Congress no way of knowing whether the job protection element of the law is being carried out.

SUBSECTION (A): PRESERVATION OF RIGHTS

Government employees may have accrued pension benefits, vacation benefits, insurance benefits, and others that are individual benefits in nature. Subsection (A) would require that a new job, offered to an employee displaced under this act, will not terminate these benefits.

Court precedent has indicated that this language in UMTA requires a substantial preservation of these rights, not necessarily absolute.

This subsection would apply only to jobs offered by the State or local government pursuant to the operation of this legislation, and not to jobs found independently by a terminated employee seeking alternative employment.

The new employing agency would incur the costs of preserving these benefits, and although no figures are available, the projected costs are thought to be insignificant.

SUBSECTION (B): COLLECTIVE BARGAINING RIGHTS

The narrow language of subsection (B) would preserve existing bargaining rights only in two circumstances:

First. When the administration of a facility would be turned over from one governmental unit to another, for example, from State to county; and

Second. When an entire employee group is moved intact to a new facility with no new, additional employees.

This will be rare under the operation of this legislation, but such a preservation of rights should exist.

This language would not mean that an employee would automatically carry his collective bargaining unit to a new facility such as going to a halfway house from a State reform institution. Such a possibility would produce inevitable conflict with, and unfair control over, the rights of other employees in the new institution. And this would neither be the intent nor the result of this subsection.

SUBSECTION (C): WORSENING OF POSITION

Subsection (C) would require that an employee whose job was terminated by operation of this legislation cannot be offered a job, for example, at half the pay, or with a substantial increase in health or safety hazard, or be taken from a floor supervisor's position, for further example, and placed in a menial position.

This language does not require that exact equality in wages, stature, working conditions, or hours must be met but, as the UMTA language has been interpreted by the courts, a reasonable effort to obtain comparable conditions must be made by the State.

SUBSECTION (D): ASSURANCES OF EMPLOYMENT

Subsection (D) requires that a displaced employee be offered a job that conforms with these guidelines.

It does not require that the State or local government find a job that the employee will accept, only that an offer be made.

This subsection would place the State in the position of an employer of last resort in the event no other employment opportunity existed, but this amendment would impose no requirement for employment in the same job capacity or locality. With the capacity to retrain employees in a new field, the State has an unlimited opportunity to make full and productive use of such employees.

This is not analogous to a so-called featherbedding situation. Unlike featherbedding, there is no attempt in this amendment to continue to employ people in extinct job roles, but rather to take advantage of a trained, experienced individual in a new, productive capacity.

The costs of this provision are impossible to accurately forecast, but if each such displaced employee is otherwise productively employed there is a minimal cost to the taxpayer because a useful service is being performed by the employee. And although the paycheck is from the government, that is a more productive expenditure surely than an unemployment or welfare check.

The number of jobs involved in such a reemployment program is difficult to predict because of the innovative nature of the legislation itself, but the guiding premise is that we cannot ignore the thousands of experienced employees on the State and local levels who work in present programs. Their rights must be preserved, and their knowledge and skills utilized.

SUBSECTION (E): TRAINING AND RETRAINING PROGRAMS

Where necessary, subsection (E) requires that States must provide a retraining program for present employees displaced by this act and compelled to work in a capacity for which they have no training. Such a training program would be undertaken at State expense on a case-by-case basis and should not be significantly costly if the UMTA experience is a useful guideline. No solid data are available.

In summary, this amendment is intended only to preserve the rights of Government employees affected by this legislation. It is clarifying in nature establishing guidelines, based on previous law, for the application of employee protections already incorporated in the legislation. It would put meat on the skeleton of good intentions. I would appreciate the Senate's support of this amendment.

I reserve the remainder of my time.

Mr. HRUSKA. Mr. President, I yield myself 3 minutes.

I rise in opposition to the amendment in its current form.

I might note at the outset that this same language which was in S. 821 as reported by the Juvenile Delinquency Subcommittee was deleted by Judiciary in its wisdom during its consideration of the measure. Moreover, the substitute amendment (No. 1578) which is the actual vehicle for floor action today and is supported by the entire Committee on the Judiciary, provides in section 482(a)(17) that as a condition for the receipt of formula grants the State plan must—"provide that fair and equitable arrangements are made to protect the interests of employees affected by assistance under this part."

There is, as I see it, no practical necessity for delineating a series of protective arrangements which must be included in a State plan in order to achieve the results intended by the current provision. I do believe we can trust the individual States to formulate employee protection provisions which adequately take into account the impact of this law on the employees of a particular State.

By putting in the general language we have, we grant to the States the flexibility they need in planning for protection since they will have to take into account both the State's laws affecting employee protection and the various Federal laws which likewise bear on such protection, and which already exist.

I believe employee protection is a good feature of this act. Yet I doubt that there will be any reduction in either the number of employees, the types of programs funded or the positions levels available. There will be, if anything, a dramatic and much-needed expansion of State and local programs in the juvenile delinquency area, thereby providing a multitude of employment opportunities for current employees of ongoing programs.

Surely the States will find it in their best interest to provide adequate opportunity for qualified employees, to conduct

any needed training or retaining programs, and to otherwise protect the interests of employees affected by assistance under part F.

This amendment would also result in a needless expenditure of part F funds to provide employee protection benefits which would already be adequately provided for in State and Federal employee protection laws. Such laws include State and Federal civil service merit protection laws, unemployment compensation benefit requirements, the Comprehensive Employment and Training Act of 1973, and others.

In addition to the fact that there is no real need for this amendment, it carries the potential for working some real mischief with respect to part F programs. This possibility arises by virtue of two provisions of the amendment.

The PRESIDING OFFICER. The Senator's 3 minutes have expired.

Mr. HRUSKA. I yield myself 2 more minutes.

First, the amendment provides that determinations of compliance are made "by the Secretary of Labor." This could dramatically and drastically slow down plan approvals by LEAA since each plan would also have to be reviewed a second time by the Secretary of Labor for purposes of compliance with this amendment. At a time when the States and local governments, in cooperation with LEAA, are attempting to streamline further grant-approval processes, this feature is extremely ill-advised.

Second, the amendment mandates ". . . employment to employees of any State or political subdivision thereof who will be affected by any program funded . . . under . . . this Act." This feature would require a State, county, or municipal government to retain on their payroll any employee working in the broad area of juvenile justice and prevention even if their function was terminated and the individual could not be placed elsewhere in the public sector.

This feature is not only ludicrous in its own right, Mr. President, but also raises the distinct possibility of discouraging comprehensive planning and State participation under part F due to its heavy-handed approach.

For example, the State of Massachusetts, operating under a similar provision, recently closed down a juvenile correction facility. Not being able to place the juvenile correction officers elsewhere, the State was forced to place these people in featherbedding positions, guarding, of all things, vacant buildings.

Maybe that is one way to keep such people busy off the welfare rolls, but it is hard on the appropriated funds in a program of this kind.

I yield myself, Mr. President, 3 more minutes.

Perhaps, one could justify a good-faith effort by State and local governments in this regard. To do more, however, would be, in my judgment, a mistake. I hope that this amendment will not be adopted in its present form.

I yield back the remainder of my time.

I suggest the absence of a quorum, Mr. President.

Mr. HART. Mr. President, would the Senator withhold his request? I wonder if I might just make a brief response.

The PRESIDING OFFICER. The Senator from Michigan is recognized.

Mr. HART. Two minutes.

Mr. President, I understand fully the concerns that persuaded the Senator from Nebraska (Mr. HRUSKA) to speak in opposition to the amendment, and yet I think, as he suggests, it is likely—which I believe also to be likely—that many new job opportunities will be opened in the field of juvenile delinquency.

It may be argued that the need for this amendment has passed. But, at the same time, I would suggest that the concern which the Senator voices is largely academic because there will be broad new employment opportunities.

Second, as to the suggestion that building in the Secretary of Labor would substantially delay the adoption, the approval, of these plans, I would be the first to admit it will take a little more time, but it will be time that properly should be spent.

The Secretary's review will relate solely to employment protection aspects of the plan or program. This, I think, is time that we owe to men and women now engaged in Government service and whose protection we seek to assure.

As to the last one that we are really building ourselves another featherbed, I suggest that that would not be true. I do acknowledge that we are providing Government as the employer of last resort under certain limited conditions. But the example cited in Massachusetts, I think, is not one which could indicate the probability of much featherbedding.

I would ask unanimous consent, Mr. President, that a memorandum provided by the American Federation of State, County, and Municipal Employees, dated the 24th of July, describing the job transfer and the consequences in employment relationships that followed the creation in Massachusetts of a system of community-based facilities to care for juvenile delinquents, is based on a management audit of the Department of Youth Services issued by the Joint Committee on Post Audit in May of 1974.

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

AMERICAN FEDERATION OF STATE, COUNTY, AND MUNICIPAL EMPLOYEES,
Washington, D.C., July 24, 1974.

The State of Massachusetts, Department of Youth Services, created a system of community-based facilities and care for juvenile delinquents. I have a copy of the Management Audit of the Department of Youth Services issued by the Joint Committee on Post Audit in May, 1974.

The following examples, learned by a conversation with the Director of the State Employees Council in Massachusetts, should disprove Hruska's charges of featherbedding:

Shirley: 16 security and grounds people were transferred from DYS to Administration and Finance; 25 more staff were kept at the institution which is being used as a corrections facility.

Lyman: 16 security staff were transferred to Administration and Finance; 22 remain at the facility to run computer operations for the Welfare Department.

Topsfield: 8 staff have been transferred to Administration and Finance; 36 remain on the DYS payroll in some capacity.

Some 450 to 500 DYS staff are now assigned to community facilities.

According to the budget, 200 positions are to be terminated December 31, 1974. One hundred are currently vacant. Eighty-one are filled and will be given first preference in new jobs on the basis of education, training, or experience. The preference amendment was included in the Appropriations bill just passed by the Legislature.

For further details, contact Henry Kelly, Director of Personnel, Division of Youth Services.

Telephone number 617–727–7044.

Mr. HART. Mr. President, I suggest the absence of a quorum, with the time to be taken out of neither side.

The PRESIDING OFFICER. Without objection, it is so ordered, and the clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BAYH. Mr. President——

The PRESIDING OFFICER. The Senator from Indiana is recognized.

Mr. BAYH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. BAYH. Mr. President, I ask unanimous consent that we temporarily lay aside the amendment of the distinguished Senator from Michigan (Mr. HART) and that the proposal that the Senator from Indiana is about to make be considered in the RECORD after the consummation of the present discussion between the Senator from Michigan and the Senator from Nebraska.

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

Mr. BAYH. Mr. President, I send an amendment to the desk and ask that it be considered.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk proceeded to read the amendment.

Mr. BAYH. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

On page 6, line 11, delete "nation" and insert "motion" in lieu thereof.

On page 16, line 17, delete "second" and insert "third" in lieu thereof.

On page 19, line 3, delete "501" and insert "490" in lieu thereof.

On page 20, line 8, delete "41" and insert "31" in lieu thereof.

On page 23, line 2, delete "Act" and insert "part" in lieu thereof.

On page 23, line 4, delete "title" and insert "part" in lieu thereof.

On page 23, line 13, delete "Act" and insert "title" in lieu thereof.

On page 23, line 17, delete "Director" and insert "Assistant Administrator" in lieu thereof.

On page 23, line 21, delete "Act" and insert "part" in lieu thereof.

On page 23, line 22, delete "Act" and insert "part" in lieu thereof.

On page 27, line 12, delete "407" and insert "494" in lieu thereof.

On page 27, line 18, delete "409" and insert "496" in lieu thereof.

On page 29, lines 9 and 13, delete "1974" and insert "1975" in lieu thereof.

On page 30, line 8, before the word "title" insert the word "this".

On page 30, line 8, delete "I".

On page 31, line 11, delete "concern" and insert "concerned" in lieu thereof.

On page 36, lines 8 and 9, delete "(13) and (14)" and insert "(12) and (13)" in lieu thereof.

On page 39, line 14, delete "409" and insert "496" in lieu thereof.

On page 42, line 3, delete "409" and insert "496" in lieu thereof.

On page 44, line 16, delete "(e)" and insert "(f)" in lieu thereof.

On page 47, line 5, delete "Assistant Director" and insert "Deputy Assistant Administrator" in lieu thereof.

On page 47, line 9, delete "Assistant Director" and insert "Deputy Assistant Administrator" in lieu thereof.

On page 49, line 7, delete "Sec. 602(a)".

On page 49, line 12, delete "(b)".

On page 57, after line 9, add the following:

"(d) The Institute, and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for purposes of audit and examinations to any books, documents, papers, and records of the recipients that are pertinent to the grants received under this chapter.

"(e) The provision of this section shall apply to all recipients of assistance under this title, whether by direct grant or contract from the Institute or by subgrant or subcontract from primary grantees or contractors of the Institute.

"SEC. 4353. There is hereby authorized to be appropriated such funds as may be required to carry out the purposes of this chapter."

Mr. BAYH. Mr. President, as the RECORD will show, this amendment is a series of technical changes, punctuation, numerical corrections to make sure that proper sections of the act are correctly cited and cross-referenced; certain printing errors are corrected, to try to just get some of the imperfections out of the bill and make it letter perfect.

The PRESIDING OFFICER. Is all timed yielded back on the amendment?

Mr. BAYH. I yield back my time, Mr. President.

The PRESIDING OFFICER. Has the Senator from Nebraska yielded back his time on the pending amendment?

Does the Senator from Nebraska yield back his time on the pending amendment of the Senator from Indiana?

Mr. HRUSKA. Yes, I yield back any time I may have on that amendment.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment.

The amendment was agreed to.

Mr. BAYH. Mr. President, I send to the desk another amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

On page 11, line 19, strike out the words "or a period not to" and insert in lieu thereof the following:

"unless the juvenile has attained his nineteenth birthday at the time of disposition, in which case probation, commitment, or commitment in accordance with subsection (c) shall not".

Mr. BAYH. Mr. President, again, this is a technical amendment to clarify time limitations on juvenile disposition. The provision as drafted was intended as a general rule to provide that probation or custody as a juvenile delinquent would not extend beyond the lesser of the period provided by Congress for the offense or the juvenile's 21st birthday; however, in order to provide some meaningful sanction for juveniles tried late in the period—between their 19th and 21st birthdays—language was added in the substitute intended to permit overrunning the 21st birthday if necessary to retain juvenile probation or custody for the period provided by the Congress for the offense or a period of 2 years, whichever occurred sooner. The amendment I am offering makes clear this intent.

The PRESIDING OFFICER. Is all time yielded back?

Mr. BAYH. I yield back the remainder of my time.

Mr. HRUSKA. I yield back the remainder of my time.

The PRESIDING OFFICER. All time is yielded back. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. BAYH. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays on final passage.

The PRESIDING OFFICER. The yeas and nays were ordered.

Mr. HART. Mr. President, I ask for the yeas and nays on the amendment now pending.

The yeas and nays were ordered.

The PRESIDING OFFICER. Who yields time?

Mr. HRUSKA. I yield myself 3 minutes.

Mr. President, I rise again to oppose the amendment proposed by the distinguished Senator from Michigan. It would be harmful to the bill itself. It would add to the technicalities, to the procedures, and to the amount of time that will be required each year for the approval of these State plans. These State plans are very complex, very lengthy.

The Secretary of Labor would be required to review the entire document. It is not a matter of taking care of it once and for all. Those plans have to be submitted each year and updated each year.

Furthermore, it would be thrusting the U.S. Secretary of Labor into the realm of State, municipal, and county laws governing their respective employees. That is not a Federal function. I do not believe it is wise to put this type of control in Federal hands.

When LEAA was adopted in 1968, there was a conscious effort to recognize that there would be no Federal dominance in the law enforcement programs of the several States and their political subdivisions. Here we are asked to approve a provision which would deliberately and on a very significant scale put the program under the dominance and under the control of the Secretary of Labor, a Cabinet official.

I believe the amendment should be defeated, Mr. President. I urge my colleagues to vote against it.

The PRESIDING OFFICER. Who yields time?

Mr. BAYH. Mr. President, I had not intended to speak on this matter, but inasmuch as some judge may look at this RECORD, I will do so.

I do not know how this vote is going to go. I have told the Senator from Nebraska that I feel compelled to vote for this amendment because it was in the original draft, but I do not want anybody to interpret that vote as feeling that the whole program we are talking about would be administered by the Secretary of Labor. This amendment includes specific provisions about protecting the employment opportunities of those who are now employed when a reorganization takes place. But I do not want the Secretary of Labor moving in there and telling us how to run this rehabilitation program.

We found, frankly, that so far as making this new juvenile program work is concerned, what we need are two things, and both of them, I think, are about equally important. One is that we need a different environment; and, two, we need better trained people, people who can be trained to do different tasks. But even taking people who are well trained and putting them in most of our juvenile institutions, the well trained people are almost always going to fail.

I am going to vote the other way, but I look at it a little differently, so far as interpretation is concerned, from the way the Senator from Nebraska looks at it.

Mr. HRUSKA. I yield myself 3 minutes.

Mr. President, in response, I want to say that this matter was considered in committee and was deleted from the original bill.

I want to make clear that I am not opposed to proper protection for workers' rights and for their being properly placed, and so forth.

I invite attention, however, to two things. First, the present bill, as written, requires that the plans of the States provide that full and equitable arrangements are made to protect the interests of employees affected by assistance, under this part. That, in conjunction with the State, county and city plans for their employees, should be ample for the purpose of protecting them, without having a Federal official intervene and be the controlling agency in that regard.

I think all of us should have a second thought about this all-inclusive language. It goes not only into the assurance of a job and a position but also into the pension plans, into any pension rights and benefits, into the continuation of collective bargaining rights, and into the protection of individual employees against a worsening of their position.

Mr. President, it would require a walk-

ing steward in every county courthouse and every State capital and every detention home, and all such places, in order to cover the activities under this amendment.

It even goes into a training and retraining program. The Secretary of Labor would be able to say, "This training program is a burden to these people, and it worsens their conditions of employment, and so on." I do not think he would do it, but he will have the power to do so under this amendment.

This amendment would not be for the best interests of the program we now have under consideration. It may well inhibit State and local authorities in the field of juvenile delinquency prevention and rehabilitation.

I yield back the remainder of my time.

Mr. HART. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment.

Mr. HRUSKA. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. BAYH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. BAYH. Mr. President, I ask unanimous consent that when the vote occurs upon the amendment of the Senator from Michigan, that rollcall be taken according to the normal procedure and that immediately thereafter we have the vote on final passage.

I withdraw my request because of a technicality. Unless we want 3 rollcall votes instead of 2, we have to make a request of the Chair to consider the bill as amended before we go to third reading.

The PRESIDING OFFICER (Mr. PELL). The question is now on the amendment of the Senator from Michigan. All time has been yieded back. The Chair does not hear a call for a quorum. The clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Mississippi (Mr. EASTLAND), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Hawaii (Mr. INOUYE), the Senator from Louisiana (Mr. LONG), and the Senator from New Mexico (Mr. MONTOYA) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BELLMON), the Senator from New Mexico (Mr. DOMENICI), the Senator from Hawaii (Mr. FONG), the Senator from Oregon (Mr. PACKWOOD), and the Senator from North Dakota (Mr. YOUNG) are necessarily absent.

The result was announced—yeas 66, nays 24, as follows:

[No. 330 Leg.]

YEAS—66

Abourezk	Bentsen	Byrd, Robert C.
Aiken	Bible	Cannon
Allen	Biden	Case
Baker	Brooke	Chiles
Bayh	Burdick	Church
Clark	Javits	Pell
Cook	Johnston	Percy
Cranston	Kennedy	Proxmire
Dole	Magnuson	Randolph
Eagleton	Mansfield	Ribicoff
Ervin	Mathias	Schweiker
Gravel	McGee	Scott, Hugh
Hart	McGovern	Sparkman
Hartke	McIntyre	Stafford
Haskell	Metcalf	Stennis
Hatfield	Metzenbaum	Stevens
Hathaway	Mondale	Stevenson
Hollings	Moss	Symington
Huddleston	Muskie	Taft
Hughes	Nelson	Tunney
Humphrey	Nunn	Weicker
Jackson	Pastore	Williams

NAYS—24

Bartlett	Dominick	McClure
Beall	Fannin	Pearson
Bennett	Goldwater	Roth
Brock	Griffin	Scott, William L.
Buckley	Gurney	Talmadge
Byrd, Harry F., Jr.	Hansen	Thurmond
Cotton	Helms	Tower
Curtis	Hruska	
	McClellan	

NOT VOTING—10

Bellmon	Fulbright	Packwood
Domenici	Inouye	Young
Eastland	Long	
Fong	Montoya	

So the amendment (No. 1611) was agreed to.

The PRESIDING OFFICER (Mr. PELL). The bill is open to further amendment. If there be no further amendment to be proposed, the question recurs on agreeing to the amendment of the Senator from Indiana in the nature of a substitute for the committee amendment, as amended.

Mr. BAYH. Mr. President, I am prepared for the vote on that question, but I have been approached by the distinguished junior Senator from New York. He said he had an amendment.

Mr. MANSFIELD. Mr. President, will the Senator yield briefly so I can make an announcement?

Mr. BAYH. I yield.

ORDER OF BUSINESS ON S. 5 AND S. 2642

Mr. MANSFIELD. Mr. President, I ask unanimous consent that Calendar No. 565, S. 5, and Calendar No. 574, S. 2642, be taken off General Orders on the Legislative Calendar and placed under Subjects on the Table.

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

MEMORIAL SERVICES FOR THE LATE SENATOR WAYNE MORSE

Mr. MANSFIELD. Mr. President, for the information of the Senate—and I am glad the distinguished senior Senator from Oregon is here—it is my understanding that memorial services for our former colleague, the late Senator Wayne Morse will be held in the Washington Cathedral at 10:50 a.m. on Tuesday morning next.

For the information of the Senate, the Senate will not begin consideration of its legislative business, although there may be special orders ahead of that, until the hour of 12 o'clock, so that the late Senator Morse's colleagues in this body who desire to attend the services will be fully protected.

SUSPENSION OF DUTIES ON BICYCLE PARTS—MESSAGE FROM THE HOUSE

Mr. TALMADGE. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on H.R. 6642.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its disagreement to the amendments of the Senate to the bill (H.R. 6642) to suspend the duties of certain bicycle parts and accessories until the close of December 31, 1976, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. TALMADGE. I move that the Senate insist upon its amendments and agree to the request of the House for a conference on the disagreeing votes of the two Houses thereon, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Messrs. LONG, TALMADGE, HARTKE, BENNETT, and CURTIS, conferees on the part of the Senate.

JUVENILE JUSTICE AND DELINQUENCY PREVENTION ACT OF 1974

The Senate continued with the consideration of the bill (S. 821) to improve the quality of juvenile justice in the United States and to provide a comprehensive, coordinated approach to the problems of juvenile delinquency, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Indiana in the nature of a substitute, as amended.

Mr. BAYH addressed the Chair.

Mr. BIBLE. Mr. President, may we have order. It is impossible to hear anybody. I cannot even hear my neighbor.

Mr. BAYH. Mr. President, for the advice of our colleagues here, this measure is ready to go to third reading. The yeas and nays have been ordered, but I feel obligated to the junior Senator from New York (Mr. BUCKLEY) to wait until he presents us with a written amendment which, as he described it to me, deals with privacy in the way tests are administered to young people in institutions, and which may be acceptable.

I do not want to say in advance that I will accept it, until I have read it, but we are just in a little hiatus here pending the arrival of the Senator from New York.

Mr. JAVITS. Mr. President, as the colleague of the Senator from New York, I suggest the absence of a quorum.

The PRESIDING OFFICER. On whose time?

Mr. BAYH. Mr. President, I ask that it not be charged to either side.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. BIBLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

ORDER OF BUSINESS

Mr. BIBLE. Mr. President, will the Senator yield to me for 3 minutes?

Mr. BAYH. Mr. President, I yield 3 minutes to the Senator from Nevada.

The PRESIDING OFFICER. The Senator from Nevada is recognized.

DEATH OF FORMER SENATOR WAYNE MORSE

Mr. BIBLE. Mr. President, the sad news of the death of our long-time friend and colleague, former Senator Wayne Morse, came as a special shock to me. The Senator from Oregon was a man of deep and abiding principles. A tireless and fearless legislator in the best tradition of the U.S. Senate. His energy knew no bounds. His vigorous pursuit of public service right up to the end set an example for all of us. His physical and intellectual stamina would do credit to a man half his age.

My association with Wayne Morse spanned some 14 years of his active service here in the Senate. We served together on the District of Columbia Committee where Senator Morse championed the cause of home rule for the Nation's Capital time and again and long before it finally came to pass in the present Congress. He led the successful fight for an elected school board for the District of Columbia and was the prime mover of the legislation that established Washington's higher education system, the Federal City College, and the Washington Technical Institute. That Senator Morse found the time and the energy to champion and advance the rights and interests of the people of this Capital City for so many years while at the same time addressing the great national and international issues that beset the Nation during his service here demonstrated his deep concern for the rights and welfare of our people—particularly our disadvantaged people. The Nation's Capital lost one of its greatest advocates when Wayne Morse left the Senate.

On the broader stage of world and national affairs, Wayne Morse leaves an immensely impressive legacy. History will specially note his lonely and courageous stand in opposition to the Gulf of Tonkin resolution along with our other late colleague, former Senator Ernest Gruening of Alaska. That vote reflected Senator Morse's prophetic vision of the deep tragedy that our Nation's involvement in Southeast Asia ultimately brought to our people. He voted his conscience against the tide of the times. His vote and voice on that issue were characteristic of his determination to do what he believed to be right, regardless of the consequences.

Senator Morse is also properly renowned for his great knowledge and expertise in the area of labor law. His record as an outstanding statesman of the labor movement is well and widely known. He served as chairman of the President's Railway Emergency Board in 1941, as an alternate public member of the National Defense Mediation Board in 1941, and as a public member of the National War Labor Board from 1942–44. He was dedicated to the rule of fairness in labor matters and to the protection of the rights of every working man and woman.

Wayne Morse's long-time chairmanship of the Senate Subcommittee on Education and his achievements in that capacity alone have carved out a special place for him in history. Much of the enduring education legislation on the books today—a great deal of the progress we have made in education over the last three decades—bears his imprint and remains as a memorial to his vision on behalf of the young people of America.

The list of Senator Morse's achievements is remarkably long and impressive. He was, however, first and foremost a man of great wisdom and principle. An aggressive and able defender of what he believed to be right. A great debater and orator in the finest tradition of the Senate. He was in a very real sense the "Conscience of the Senate" in his time. He brought to this body an independence of spirt and a dedication to truth and justice that benefited us all.

Mr. President, now Wayne Morse the man, an outstanding Senator, a great American is gone. But his record—the history he made here—is firmly established for all to see, remember, and to emulate. It is a bright and challenging chapter in the history of this body.

I have lost a good and close friend and colleague. He will be sorely missed. Mrs. Bible and I extend our heartfelt condolences to Senator Morse's widow Midge and all the members of her family in this time of sorrow.

JUVENILE JUSTICE AND DELINQUENCY PREVENTION ACT OF 1974

The Senate continued with the consideration of the bill (S. 821) to improve the quality of juvenile justice in the United States and to provide a comprehensive, coordinated approach to the problems of juvenile delinquency, and for other purposes.

Mr. BUCKLEY. Mr. President, I send to the desk an amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk read as follows:

On page 38, line 18, insert the following after the period.

"(F) Any non-adjudicated juvenile shall not be made to partake in a program of behavior modification involving the use of drugs or electrical stimula or other potentially harmful treatment as a part of any such program authorized in whole or in part by this Act without the prior approval of his parents or guardian."

Mr. BUCKLEY. Mr. President, the purpose of the amendment is to address a situation which has commanded the headlines in recent days. I refer to the CHAMPUS hearings where we have heard that juveniles, who have not been convicted of any wrongdoing, have been subjected to questionable procedures designed to alter their delinquent behavior, which were, in my estimation, shocking. All of this has come about without the consent of the parents or the natural guardians of such juveniles.

The sole purpose of the amendment is to make sure that Federal money will not be used to subsidize programs which, in turn, pose a very real hazard to our young people; it will require the informed consent of those who have responsibility for those children.

I have discussed the amendment with the manager of the bill, and I understand he is prepared to accept it.

Mr. BAYH. Mr. President, I have no objection to this measure. As I said to the Senator, we are trying to do the same thing with respect to the abuse of children. Since the proposal has just this moment been submitted to us, between now and the time of the conference I would like to look at the wording with a more critical eye. I think the Senator would be tolerant of that. With that understanding, I am prepared to accept the amendment.

The PRESIDING OFFICER. Do Senators yield back their time?

Mr. BUCKLEY. I yield back my time.

Mr. BAYH. I yield back my time.

The PRESIDING OFFICER. All time is yielded back. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. PERCY. Mr. President, I want to commend Senator BAYH for his persistence and his deep commitment in the area of juvenile justice, which is today signified by the Senate's consideration of S. 821. This legislation fills a void which has existed for far too long. While we have too frequently sat idly by, juvenile crime has been increasing at dramatic and freightening rates. We have become on some occasions a nation almost afraid of our own children, for indeed the juvenile delinquent of today is statistically the adult felon of tomorrow.

With this legislation, we are taking the necessary steps to make sure that the much needed programs and resources are made available where they are needed—at the State and local levels. By establishing a new part F for LEAA funding, and by making sure that the interests of the juvenile are taken into consideration, we are taking a significant step toward effectively dealing with the problem of juvenile delinquency in our society.

Perhaps no one person in the Senate deserves more credit for this effort than does Senator BAYH. His dedicated efforts have now borne fruit, and he deserves our thanks. In addition, Senator MARLOW COOK has been strongly committed to the ideals expressed in this bill, and he also deserves our gratitude.

But I would also like to pay tribute to someone else who has labored long and hard in this field. Congressman TOM RAILSBACK from my home State of Illinois has been one of the early leaders in this field. His concern, his tireless efforts over the years, and his unceasing determination to get positive results in the field of juvenile justice have helped make it possible for the Congress now to have the opportunity to pass this meaningful legislation. For several Congresses he has introduced H.R. 45, which establishes an Institute for Juvenile Justice. This legislation has passed the House in a previous Congress, and I have

had the privilege of introducing it in the Senate as S. 580. I believe that through Congressman RAILSBACK's efforts in seeking the establishment of a National Institute of Justice, which is included in S. 821 in title V, he has provided the crucial impetus to both the House and the Senate to remain constant in their concern for juvenile justice.

Therefore, Mr. President, I want to indicate my support for S. 821 and for those of our colleagues who have toiled so long and who have produced such a fine piece of legislation.

Mr. MATHIAS. Mr. President, it is with great pleasure that I rise today in support of Senate passage of S. 821, the Juvenile Justice and Delinquency Prevention Act. It has been nearly 18 months since the original version of this bill was introduced in the Senate. It has been even longer since the members of the Subcommittee to Investigate Juvenile Delinquency began the task of calling to the attention of the Senate and the Nation as a whole this most pressing problem.

As a cosponsor of the bill reported by the subcommittee and of the amendment to S. 821 introduced on July 18, 1974, I believe the bill as presented today is the result of a bipartisan determination that forceful, effective legislation is needed to improve our present methods of dealing with juvenile offenders.

I think that Senator BAYH and Senator COOK, in particular, deserve special recognition for their work in this field and for the concern they have demonstrated for the young people of this country. And I wish also to call attention to the constructive input of the Senator from Nebraska (Mr. HRUSKA) on this final version of the bill.

As a member of the Senate Subcommittee to Investigate Juvenile Delinquency. I have had the bitter experience of witnessing the extent to which our present system is inadequate and often responsible for launching juvenile offenders on the road to a lifetime of serious adult crime. But, I have also had the opportunity to observe the total commitment of many individuals and organizations to finding a way of diverting these young people away from our criminal justice system toward a productive, meaningful role in society.

Unfortunately, our present system too often places impossible obstacles in the way of the most dedicated efforts. Neither the facilities, nor the funds, nor the time are afforded to expand these individual efforts into a comprehensive program.

The statistics which prove the failure of our system have been around for a long time and they are indeed staggering. Over the past decade, increases of 100 percent and more for juvenile crimes—both property crimes and violent crimes, estimates that three out of every four juveniles arrested will return to commit future crimes, billions of dollars wasted on property damage, and—the one aspect of the total problem for which there can be no statistic—the loss of an individual's worth, give the most compelling evidence that new approaches are needed now. At present, our criminal justice system does not prevent juvenile crime, it does not rehabilitate juvenile offenders, it merely processes kids in trouble.

The goal of S. 821 is to make substantial changes in the focus of our efforts in dealing with this problem. The base of operation proposed by S. 821 is the community, the small local group to which a youngster can turn. The focal point of action of the proposed program is to reach the problem youth before he is led to crime. While our efforts toward rehabilitation will also be vastly improved through community-based services, the key to success lies in prevention.

In March 1974, the Senate Subcommittee to Investigate Juvenile Delinquency reported S. 821 unanimously to the full Judiciary. In May 1974, the Judiciary Committee amended and reported the bill placing the program in the Law Enforcement Assistance Administration of the Department of Justice.

We have before us today a bill which allows for the use of the facilities, knowledge, and personnel already available at LEAA with certain caveats which will insure that the original intent of S. 821 can be achieved. While allowing for LEAA administration of the program, the present version of S. 821 assures the establishment of a Juvenile Justice and Delinquency Prevention Office headed by an administrator whose sole responsibility will be in the area of juvenile delinquency programs, retains the level of financial assistance for existing juvenile delinquency programs as LEAA maintained in 1972 plus $225 million in new funds over the next 2 years, retains administration at the State level while guaranteeing that the State planning agency be representative of agencies related to the prevention of juvenile delinquency, establishes a National Institute of Juvenile Justice within the Office of Juvenile Justice and Delinquency Prevention at LEAA to conduct research related to juvenile delinquency, and amends existing Federal law to insure that basic procedural and constitutional rights be granted to juveniles.

In 1973, during the debate on extension of the authority for LEAA, Senators BAYH, COOK, and I offered an amendment which would have established a percentage floor for the expenditure of LEAA funds on juvenile delinquency. That amendment was adopted by the Senate, but did not survive conference. At that time, LEAA did not support that measure.

Since then, officials of LEAA have come to me and have informed me that they are ready to undertake a serious and thorough effort in the field of juvenile justice. I have also received assurances of the determination of the Maryland SPA in this regard. I welcome this news.

I join with those of my colleagues who have consistently supported the philosophy of S. 821 in urging your unanimous approval of this urgently needed reform. Every nation depends on its young and many nations waste their young. Our Nation which places such a high premium on our young has failed to respond to the needs of our problem youth. Today, we are faulting the system, but the system is manmade. If we fail to act now, the fault can only be ours.

Mr. BROCK. Mr. President, several months ago I cosponsored S. 821, the Juvenile Justice and Delinquency Prevention Act of 1974. Since that time I have received overwhelming approval of my support for this measure. In recent months I have received letters from juvenile judges and other government officials, private organizations such as the YMCA and the YWCA, and countless citizens of Tennessee commending my interest in this measure.

Feeling, however, that certain portions of the bill needed improvements, I offered the Judiciary Committee a package of amendments suggesting ways of strengthening S. 821. The committee recently reported an amendment in the nature of a substitute to S. 821. This amendment received unanimous approval of the committee and reflects my recommendations. It will preserve the essence of the original Juvenile Justice and Delinquency Prevention Act while placing the program in the Law Enforcement Assistance Administration.

S. 821 is designed to provide greater coordination and effectiveness of the diverse juvenile delinquency programs now in existence. Additionally, it will encourage State and local governments to develop innovative programs to deal with delinquency and will provide funds through a block grant system to help implement these programs.

The present trend in Federal juvenile programs is a greater emphasis on preventive measures. Rather than trying to correct delinquency after it occurs, the thrust is more and more being directed toward meeting the problem early. Heavy emphasis will be put on educational and training programs with strong community involvement. There is a great need to provide a viable diversion mechanism for dealing with youth. Alternative programs utilizing resources other than the police, courts, and corrections can provide necessary rehabilitation without the harmful stigmatization that sometimes accompanies contact with the criminal juvenile justice systems.

The National Advisory Commission on Criminal Justice Standards and Goals found that the No. 1 priority in reducing crime should be given to preventing juvenile delinquency. In its report, "A National Strategy To Reduce Crime," the Commission stated:

> The highest attention must be given to preventing juvenile delinquency, to minimizing the involvement of young offenders in the juvenile and criminal justice system and to re-integrating delinquents and young offenders into the community.

Young people are of great concern to me both as this country's greatest resource and as the pool of people out of which the next group of juveniles who commit criminal acts may emerge. Any study of crime and its causes must inevitably begin with a study of juvenile delinquency, and any effort to reduce our crime problem should have juveniles as its main focus.

The problem of juvenile delinquency has risen markedly in recent years. Ju-

veniles constitute nearly one-half of the people arrested for serious crime in this country, and the rate of increase outstrips that of adult arrests. Juveniles under 18 are responsible for 51 percent of the total arrests for property crimes, 23 percent for violent crimes, and 45 percent of all serious crime. From 1960 to the present, arrests of juveniles under 18 for violent crimes, such as murder, rape, and robbery, increased 216 percent. During that same period, arrests of juveniles for property crimes, such as burglary and auto theft, increased 91 percent. Between 1960 and 1970, total juvenile arrests increased almost seven times faster than total adult arrests, and juvenile arrests for violent crimes increased almost three times faster than adult arrests. Recidivism rates for juvenile offenders are estimated to range from 60 to 75 percent and higher. For example, the FBI found that 74 percent of the offenders under 20 released in 1965 were rearrested by the end of 1968.

While crime and delinquency is essentially a State and local problem which must be dealt with by the State and local governments, Federal assistance is helpful and necessary to provide needed financial assistance and resources. However, there presently exists virtually no central responsibility or coordinating function for the hundreds of juvenile delinquency programs presently conducted by numerous agencies within the Federal Government. There is no centralized leadership, no accepted national priorities, and no bureaucratic accountability for juvenile programs at the Federal level. As a result, these programs frequently overlap and become duplicative in nature or else they have gaps in responsibility.

S. 821 and the recently proposed committee amendment will provide greater coordination on the Federal level and maximum input and diversity on the State level. Establishing the program under LEAA will assure the continuation of the extensive juvenile programs already conducted by LEAA and will minimize the time lag in implementing new programs. From a practical standpoint, it has been estimated that at least 3 years would pass before any results could be expected from this legislation if it were not placed within LEAA.

Although the LEAA has often been cast in a light of a police-oriented program, such a characterization is not consistent with either the LEAA legislation or its implementation. Crime control legislation has been consistently broadened in the past few years to include the prevention, control, and reduction of juvenile delinquency, and this legislation is applicable to LEAA. Since 1968, LEAA has funded millions of dollars in programs for delinquency prevention and juvenile justice with little direct prodding from Congress. Richard W. Velde, LEAA Associate Administrator, reported to the Senate Committee on the Judiciary, Subcommittee To Investigate Juvenile Delinquency that—

During fiscal 1972, L.E.A.A. awarded nearly $140 million on a wide-ranging juvenile delinquency program. More than $21 million or fifteen percent, was for prevention; nearly sixteen million, or twelve percent, was for diversion; almost forty-one million or thirty percent went for rehabilitation; thirty-three million, or twenty-four percent, was spent to upgrade resources; seventeen million, or thirteen percent, went for drug abuse programs; and eight million or six percent, financed the comprehensive juvenile delinquency component of the High Impact Anti-Crime Program.

S. 821 as amended promises to further expand and improve these already existing juvenile programs. By placing the agency in LEAA, we will avoid the lag time, administrative foulups, and growing pains of starting a new program from scratch. LEAA has already experienced and largely overcome these problems, and there is no sense in subjecting ourselves to this problem anew. LEAA has clearly taken the initiative while HEW has not.

The substitute amendment to S. 821 provides several technical changes conforming it more closely to existing law, particularly the Omnibus Crime Control and Safe Streets Act of 1968. Changes brought by the amendment to S. 821 include:

First, the requirement that the State planning agency administering the juvenile program include representatives of citizen, professional, and community organizations;

Second, the provision for an Assistant Administrator to head the Office of Juvenile Justice and Delinquency Prevention who shall be appointed by the President with the advice and consent of the Senate. This provision will assure accountability and also direct responsibility for efficient implementation.

Third, the provision for the establishment of a National Institute of Juvenile Justice to serve as an information clearinghouse and to conduct evaluation, research, and training; and

Fourth, an additional provision that at least 20 percent of the block grant funds be made available to private nonprofit agencies, organizations, and institutions who have had experience in dealing with youth. The fact that private individuals and organizations can be drawn into this program assures maximum input and interest as well as maximum community involvement in solving the problem.

I have been in contact with officials from my home State of Tennessee, and they have voiced their support for the LEAA approach as being more practicable and workable from their viewpoint. Nationwide, there are over 50 LEAA State planning agencies already in operation, a fact which should minimize the problems in implementing this bill. Private groups have voiced some concern about the LEAA being too police oriented. However, the Judiciary Committee and I both feel assured that this legislation will not only provide a sound overall approach to the delinquency problem, but will increase the role of private organizations above what it has been in the past. Moreover, there will be greater coordination and accountability of existing programs. I am most honored to have been a part of this bill and appreciate the assistance and advice of the members of the Judiciary Committee with whom I have consulted. I congratulate them on their efforts, and I support S. 821 and the committee's substitute amendment.

Mr. KENNEDY. Mr. President, I am pleased to have this opportunity to express my support for the legislation before the Senate at this time. I share the sentiments of those Senators who wish to take steps to alleviate the presently grave and constantly worsening problems of juvenile delinquency and to improve the quality of juvenile justice in the United States.

This legislation can provide many young delinquents with new opportunities to lead the lives of honest and respected citizens. And even better, its provisions can be instrumental in saving a large number of youths from ever becoming delinquents.

It can only be in our Nation's greatest interest to establish a comprehensive policy to deal with the problems of juvenile delinquency. The benefits of improved juvenile justice will accrue not only to young delinquents, but to the entire society.

Unfortunately, the delinquents and their families are not the only ones to suffer as a result of the youths' criminal activities. Because of the very nature of juvenile delinquency, unsuspecting members of society often suffer tremendous personal and property losses. And many others are forced to live with the frightening prospects of becoming the next victims.

The seven titles of this legislation are designed to develop methods of preventing and reducing juvenile delinquency and to provide improved justice for those juveniles who actually become delinquents.

Title I introduces the purposes of the bill. These include: First, the coordination of Federal delinquency programs; second, the authorization of new resources to improve the quality of juvenile justice and to develop more effective methods of preventing and reducing juvenile delinquency; third, the centralization of research, training, technical assistance, and evaluation activities; fourth, the development of national guidelines for the administration of juvenile justice; and fifth, the adoption of basic procedural protections for juveniles under Federal jurisdiction. In sum, the basic objective of this bill is to provide more Federal leadership and assistance in a field in which there is absolutely too little governmental effort. The greater Federal initiative will provide more resources for the development and implementation of effective programs for treatment and prevention of juvenile delinquency at the State and local levels.

Title II amends the Federal Juvenile Delinquency Act, unchanged for the past 35 years, to guarantee certain basic rights to juveniles under Federal jurisdiction. Its provisions are designed to bring Federal procedures up to the standards established by more recent State codes, court decisions, and several model acts.

In cases of alleged juvenile delinquency, Federal courts would normally be required to defer to State courts. This provision is necessary, because the Fed-

eral correctional system has never been prepared to deal with large numbers of juveniles. The degree of Federal unpreparedness would consequently necessitate the transferral of many juveniles away from their home communities for treatment. As one of the more specific purposes of the bill is to provide more community-based alternatives to the traditional juvenile correctional facilities, greater direct involvement of the Federal correctional system would be presently self-defeating.

There are instances, however, where the Federal courts have jurisdiction. In such cases, the Attorney General must certify that the State does not have jurisdiction or cannot provide rehabilitative programs for the detained juveniles. Upon Federal assumption of jurisdiction, the guarantee of basic rights to detained juveniles becomes extremely important. Each juvenile's attitude toward society and his ability to cope with life upon his release will be affected by the treatment received while under detention. We must not permit our young people to be detained under conditions which, instead of preparing them to face life with greater optimism, will assure their future criminality.

Title III establishes a Juvenile Justice and Delinquency Prevention Office within the Department of Justice, Law Enforcement Assistance Administration. The office is to coordinate the overall Federal juvenile delinquency effort. An assistant administrator will head the office and will hold broad powers subject to the direction of the Administrator of the Law Enforcement Assistance Administration. In carrying out his duties, the administrator will be authorized to, first, advise the President through the Attorney General in matters pertaining to Federal polices regarding juvenile delinquency; second, assist operating agencies having responsibilities for the prevention and treatment of juvenile delinquency; third, conduct evaluations and studies of the performance and results of Federal juvenile programs; fourth, implement Federal juvenile delinquency programs among Federal departments and agencies; fifth, develop annually with the assistance of the Advisory Committee, and submit to the President and the Congress, an analysis and evaluation of Federal juvenile delinquency programs; sixth, develop annually, with the assistance of the Advisory Committee and submit to the President and the Congress, a comprehensive plan for Federal juvenile delinquency programs; and seven, provide technical assistance to Federal, State, and local governments, courts, public and private agencies, institutions, and individuals in their juvenile delinquency programs.

As the central coordinator of the Federal juvenile delinquency effort, the Office of Juvenile Justice and Delinquency Prevention is very important. There is little disagreement that the present Federal effort lacks direction and is terribly fragmented and has hardly any impact in reducing the increasing rate of juvenile delinquency. The office will hopefully answer the obvious need for a centralized Federal response. There should be an office in the Federal Government which deals with the problems of juvenile delinquency on the Federal, State, and local levels.

Title III additionally establishes an Interdepartmental Council on Juvenile Delinquency composed of the Attorney General; the Secretary of Health, Education, and Welfare; the Secretary of Labor; the Director of the Special Action Office for Drug Abuse Prevention; the Secretary of Housing and Urban Development; or their respective designees, and representatives of other agencies which the President might designate. The council is to coordinate all Federal juvenile delinquency programs, meet at least six times a year, and include its activities in the annual report of the Administrator of the Law Enforcement Assistance Administration.

The council's activities should provide added direction to the Federal attack on the juvenile delinquency problem.

A National Advisory Committee for Juvenile Justice and Delinquency Prevention will meet at least four times a year to advise the Administrator with respect to all Federal juvenile delinquency programs. The Advisory Committee will be composed of individuals whom the Attorney General will appoint, because of special training and knowledge concerning the prevention and treatment of juvenile delinquency or the administration of juvenile justice and members of the Interdepartmental Council ex officio. As a result of the work of the Advisory Committee, it is expected that the Federal programs will receive a greater degree of citizen input and cooperation.

Titles IV and VI provide for Federal financial assistance for State and local juvenile delinquency programs. The Administrator is authorized to provide grants to State and local governments to assist them in planning, managing, and evaluating their programs. To receive Federal grants, however, a State must submit a practical plan for carrying out the purposes of this bill. The State's plan must be representative of juvenile delinquency prevention and control agencies and must involve representatives of private delinquency prevention groups.

Seventy-five percent of the authorized State funds must be used on advanced techniques in developing and maintaining services to prevent juvenile delinquency and to provide community-based alternatives to juvenile detention facilities. These alternatives would include the development of foster care homes, comprehensive programs of drug abuse education and prevention, greater use of probation and probation subsidy programs, and youth counseling services for delinquents, potential delinquents, and their families.

The Law Enforcement Assistance Administration must continue the same level of financial assistance for juvenile delinquency programs assisted in 1972 in addition to the newly authorized grants. Consequently the new grants will be doubly helpful in that they will provide needed funds to underfinanced State programs, and they will provide the needed motivation to develop delinquency prevention programs where no official interest exists.

The financial provisions of this bill authorize direct special emphasis grants to public and private agencies to develop new effective programs. At least 20 percent of these funds must go to private nonprofit agencies. Greater assistance to private agencies will hopefully increase citizen participation, and I believe that the larger degree of citizen participation will prolong the official interest in attacking the growing rate of juvenile delinquency. The experience and knowledge of private organizations should prove of invaluable benefit to the Federal effort.

Title V establishes a National Institute for Juvenile Justice within the Juvenile Justice and Delinquency Prevention Office. Under the supervision of a Deputy Assistant Administrator, the Institute will serve as a clearinghouse for delinquency information. Research, demonstration, and evaluation will be basic functions of the Institute. The Institute should be especially valuable in that its rather constant evaluation of the various programs should be able to pinpoint the more effective ones which can then serve as national models.

In addition, the institute will be responsible for training personnel throughout the country for work in the juvenile justice field. This training will be especially valuable to policemen and correctional personnel. Additional personnel will be trained, however, in the field of delinquency prevention.

Finally, title VII establishes a National Institute of Corrections within the Bureau of Prisons. Under the supervision of an Advisory Board, the Institute of Corrections will serve as a clearinghouse for information on corrections, including programs for the prevention of delinquency. In addition, the Institute of Corrections will assist and advise in the implementation and improvement of Federal, State, and local corrections programs.

We have gone beyond the point where a more adequate approach to the juvenile delinquency crisis is needed, but fortunately, we are not too late. It is paramount that the Federal Government develop more effective means of preventing and controlling delinquency before we are forced to witness its growth to presently unimaginable proportions. We can continue to utilize the traditional method of detaining children in institutions where brutality often is the rule and they return to society more alienated than ever. Or we can take the initiative now and develop new methods for redirecting the behavior of these youngsters that endangers society.

The Federal Government is behind many States and localities in following this new path. This lack of Federal initiative is regrettable, because the Federal Government has more needed resources than are available at the State and local levels. Many localities, upon attempting to develop more adequate means of handling its juvenile delinquents, find that the resources just do not exist. Thus, I am firmly convinced that a Federal initiative is absolutely

necessary. Not only will a more coordinated Federal effort improve the Federal juvenile justice system, but the allocation of Federal funds to State and local communities will be of great benefit to this country.

In discussing the problems of juvenile delinquency, we sometimes have an unwarranted sense of personal detachment. We think of those "young criminals" who should either be helped or destroyed, depending upon one's moral and political points of view. All of us forget much much too often, however, that the problems of juvenile delinquents are not limited to the "young criminals." The entire society feels their presence all across the Nation and especially in the large urban centers. Juvenile crime costs the society billions of dollars each year. Even worse, no one will ever be able to place a monetary value on the resulting loss of life.

Yet the present correctional system has been unable to cope with the frightening specter of increasing juvenile crime. From 1962 to 1972, arrests of juveniles for violent crimes increased by 148 percent, and their arrests for property crimes rose by 85 percent. Perhaps the picture becomes clearer with the awareness that children between the ages of 10 and 17 compose only 16 percent of the Nation's population, yet they make up more than 48 percent of the arrests for serious crimes.

Mr. President, I believe that the measure before us deserves the full support of this Senate and I urge my colleagues to vote for the approval of this substitute provision to establish the Juvenile Justice and Prevention Act.

Mr. HELMS. Mr. President, the bill before us is entitled the "Juvenile Justice and Delinquency Prevention Act of 1974." It is very reassuring, comforting even, to believe that by the stroke of a pen, and the expenditure of some $600 million over the next 3 years, that juvenile delinquency can be prevented. We are told that all the Federal programs for the prevention of juvenile delinquency have been ineffective, that juvenile delinquency is on the upswing, and that, therefore, the logical response is one big Federal program. If we carry this logic out further, reason will force us to conclude that the one big program will be infinitely more ineffective. Indeed, many will not agree, but I think that this bill should be entitled the "Juvenile Delinquency Promotion Act."

It is my view that this bill is profoundly unwise for reasons that go both to form and substance. Essentially, this is a bill for the federalization of juvenile justice. Ostensibly it applies only to Federal courts, but its impact is to impose Federal controls that will apply throughout the administration of juvenile justice at every level. Indeed, this bill is predicated upon the finding, and I quote, that—

> States and local communities . . . do not presently have sufficient technical expertise or adequate resources to deal comprehensively with the problems of juvenile delinquency.

Therefore, we are told:

> Juvenile delinquency constitutes a growing threat to the national welfare requiring immediate, comprehensive, and effective action by the Federal Government.

By these standards, every problem is a Federal problem, and there is no place for the States, except as a convenient administrative unit.

Therefore we find that the purpose of this act is "to provide for the thorough and prompt evaluation of all federally assisted juvenile delinquency programs."

And so the machinery is set up for the Federal takeover. Under "definitions" in section 103, we find that "the term 'Federal juvenile delinquency program' means any juvenile delinquency program which is conducted, directly, or indirectly, or is assisted by any Federal department or agency, including any program funded under this act."

By the time the grant money authorized in this act is passed out, this definition will include—directly or indirectly—every juvenile delinquency program in this country. Indeed, under title V, a National Institute for Juvenile Justice is set up which will develop standards "for the administration of juvenile justice at the Federal, State, and local level." Federal action will be "recommended," and the power of the purse will be the power to enforce. Once a local community is hooked—and they will be hooked even before the "standards" are set up—it will be hard to give up that Federal money.

Aside from the erosion this program will cause to our constitutional system, a few words must be said about its substantive content. If there were any reason to believe that the Federal Government were the repository of wisdom about juvenile delinquency prevention, the practical effects of the bill might be good. But as soon as we start reading it, we find out about the necessity to "divert" juvenile offenders from the traditional system of justice, to put them in "community-based programs," based upon "consumer participation" in planning and operation. "Consumer participation" means that the criminals themselves will decide how the centers will be run. If the criminals are running the jails—no matter what you call them—then what kind of a system of justice will we have?

Throughout, the bill reflects the idea that juvenile offenders must receive "treatment," either on an "outpatient" or "inpatient" basis. The concept that crime is a disease is a discredited one, and one that puts the well-being of the criminal above the protection of society. The rise in criminal recidivism may well be reflected in the rise of such concepts.

Thus this bill is based upon the Federal takeover of juvenile justice, and the imposition through, to quote the bill, "the concentration of Federal programs" of a discredited concept of sociological justice. The imposition of programs through central power is dangerous because, if the idea is faulty, a faulty concept is imposed upon the whole country. If a State or city makes a mistake, only that area suffers. If the Federal bureaucracy makes a mistake and imposes it on the whole country, then the whole country suffers. I believe that this bill is wrong on both counts. The federalization of local programs is a bad concept, and the specific juvenile delinquency prevention program imposed through federalization in this bill is wrong. I, therefore, shall vote against it, even if I am the only Senator to do so.

Mr. BAYH. Mr. President, I ask that the Senate agree to the substitute amendment No. 1587, as amended.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on agreeing to the amendment (No. 1587) in the nature of a substitute, as amended.

The amendment, as amended, was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Mississippi (Mr. EASTLAND), the Senator from Hawaii (Mr. INOUYE), the Senator from Louisiana (Mr. LONG), the Senator from New Mexico (Mr. MONTOYA), the Senator from Arkansas (Mr. FULBRIGHT), and the Senator from Montana (Mr. METCALF) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BELLMON), the Senator from New Mexico (Mr. DOMENICI), the Senator from Hawaii (Mr. FONG), the Senator from Oregon (Mr. PACKWOOD), and the Senator from North Dakota (Mr. YOUNG) are necessarily absent.

I further announce that, if present and voting, the Senator from New Mexico (Mr. DOMENICI) and the Senator from Hawaii (Mr. FONG) would each vote "yea."

The result was announced—yeas 88, nays 1, as follows:

[No. 331 Leg.]

YEAS—88

Abourezk	Ervin	Mondale
Aiken	Fannin	Moss
Allen	Goldwater	Muskie
Baker	Gravel	Nelson
Bartlett	Griffin	Nunn
Bayh	Gurney	Pastore
Beall	Hansen	Pearson
Bennett	Hart	Pell
Bentsen	Hartke	Percy
Bible	Haskell	Proxmire
Biden	Hatfield	Randolph
Brock	Hathaway	Ribicoff
Brooke	Hollings	Roth
Buckley	Hruska	Schweiker
Burdick	Huddleston	Scott, Hugh
Byrd, Harry F., Jr.	Hughes	Scott, William L.
Byrd, Robert C.	Humphrey	Sparkman
Cannon	Jackson	Stafford
Case	Javits	Stennis
Chiles	Johnston	Stevens
Church	Kennedy	Stevenson
Clark	Magnuson	Symington
Cook	Mansfield	Taft
Cotton	Mathias	Talmadge
Cranston	McClellan	Thurmond
Curtis	McClure	Tower
Dole	McGee	Tunney
Dominick	McGovern	Weicker
Eagleton	McIntyre	Williams
	Metzenbaum	

NAYS—1

Helms

NOT VOTING—11

Bellmon	Fulbright	Montoya
Domenici	Inouye	Packwood
Eastland	Long	Young
Fong	Metcalf	

So the bill (S. 821) was passed, as follows:

S. 821

An Act to improve the quality of justice in the United States and to provide a comprehensive, coordinated approach to the problems of juvenile delinquency, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Juvenile Justice and Delinquency Prevention Act of 1974".

TITLE I—FINDINGS AND DECLARATION OF PURPOSE

SEC. 101. (a) Section titled "Declaration and Purpose" in title I of the Omnibus Crime Control and Safe Streets Act of 1968, as amended (82 Stat. 197; 84 Stat. 1881; 87 Stat. 197), is amendedd by inserting immediately after the second paragraph thereof the following new paragraph:

"Congress finds further that the high incidence of delinquency in the United States today results in enormous annual cost and immeasurable loss in human life, personal security, and wasted human resources, and (2) that juvenile delinquency constitutes a growing threat to the national welfare requiring immediate and comprehensive action by the Federal Government to reduce and prevent delinquency."

(b) Such section is further amended by adding at the end thereof the following new paragraph:

"It is therefore the further declared policy of Congress to provide the necessary resources, leadership, and coordination to (1) develop and implement effective methods of preventing and reducing juvenile delinquency; (2) to develop and conduct effective programs to prevent delinquency, to divert juveniles from the traditional juvenile justice system and to provide critically needed alternatives to institutionalization; (3) to improve the quality of juvenile justice in the United States; and (4) to increase the capacity of State and local governments and public and private agencies to conduct effective juvenile justice and delinquency prevention and rehabilitation programs and to provide research, evaluation, and training services in the field of juvenile justice and delinquency prevention."

DEFINITIONS

SEC. 103. Section 601 of title I of the Omnibus Crime Control and Safe Streets Act of 1968, as amended (82 Stat. 197; 84 Stat. 1881; 87 Stat. 197), is further amended by adding the following new subsections:

"(p) the term 'community based' facility, program, or service, as used in part F, means a small, open group or home or other suitable place located near the adult offender's or juvenile's home or family and programs of community supervision and service which maintain community and consumer participation in the planning, operation, and evaluation of their programs which may include, but are not limited to, medical, educational, vocational, social, and psychological guidance, training, counseling, drug treatment, and other rehabilitative services;

"(q) the term 'Federal juvenile delinquency program' means any juvenile delinquency program which is conducted, directly, or indirectly, or is assisted by any Federal department or agency, including any program funded under this Act;

"(r) the term 'juvenile delinquency program' means any program or activity related to juvenile delinquency prevention, control, diversion, treatment, rehabilitation, planning, education, training, and research, including drug abuse programs; the improvement of the juvenile justice system; and any program or activity for neglected, abandoned, or dependent youth and other youth who are in danger of becoming delinquent."

TITLE II—AMENDMENTS TO THE FEDERAL JUVENILE DELINQUENCY ACT

SEC. 201. Section 5031 of title 18, United States Code, is amended to read as follows:

"§ 5031. Definitions

"For the purposes of this chapter, a 'juvenile' is a person who has not attained his eighteenth birthday, or for the purpose of proceedings and disposition under this chapter for an alleged act of juvenile delinquency, a person who has not attained his twenty-first birthday, and 'juvenile delinquency' is the violation of a law of the United States committed by a person prior to his eighteenth birthday which would have been a crime if committed by an adult."

DELINQUENCY PROCEEDINGS IN DISTRICT COURTS

SEC. 202. Section 5032 of title 18, United States Code, is amended to read as follows:

"§ 5032. Delinquency proceedings in district courts; transfer for criminal prosecution

"A juvenile alleged to have committed an act of juvenile delinquency shall not be proceeded against in any court of the United States unless the Attorney General, after investigation, certifies to an appropriate district court of the United States that the juvenile court or other appropriate court of a State (1) does not have jurisdiction or refuses to assume jurisdiction over said juvenile with respect to such alleged act of juvenile delinquency, or (2) does not have available programs and services adequate for the needs of juveniles.

"If the Attorney General does not so certify, such juvenile shall be surrendered to the appropriate legal authorities of such State.

"If an alleged juvenile delinquent is not surrendered to the authorities of a State or the District of Columbia pursuant to this section, any proceedings against him shall be in an appropriate district court of the United States. For such purposes, the court may be convened at any time and place within the district, in chambers or otherwise. The Attorney General shall proceed by information, and no criminal prosecution shall be instituted for the alleged act of juvenile delinquency except as provided below.

"A juvenile who is alleged to have committed an act of juvenile delinquency and who is not surrendered to State authorities shall be proceeded against under this chapter unless he has requested in writing upon advice of counsel to be proceeded against as an adult, except that, with respect to a juvenile sixteen years and older alleged to have committed an act after his sixteenth birthday which if committed by an adult would be a felony punishable by a maximum penalty of ten years imprisonment or more, life imprisonment, or death, criminal prosecution on the basis of the alleged act may be begun by motion to transfer of the Attorney General in the appropriate district court of the United States, if such court finds, after hearing, such transfer would be in the interest of justice.

"Evidence of the following factors shall be considered, and findings with regard to each factor shall be made in the record, in assessing whether a transfer would be in the interest of justice: the age and social background of the juvenile; the nature of the alleged offense; the extent and nature of the juvenile's prior delinquency record; the juvenile's present intellectual development and psychological maturity; the nature of past treatment efforts and the juvenile's response to such efforts; the availability of programs designed to treat the juvenile's behavioral problems.

"Reasonable notice of the transfer hearing shall be given to the juvenile, his parents, guardian, or custodian and to his counsel. The juvenile shall be assisted by counsel during the transfer hearing, and at every other critical stage of the proceedings.

"Once a juvenile has entered a plea of guilty or the proceeding has reached the stage that evidence has begun to be taken with respect to a crime or an alleged act of juvenile delinquency subsequent criminal prosecution or juvenile proceedings based upon such alleged act of delinquency shall be barred.

"Statements made by a juvenile prior to or during a transfer hearing under this section shall not be admissible at subsequent criminal prosecutions."

CUSTODY

SEC. 203. Section 5033 of title 18, United States Code is amended to read as follows:

"§ 5033. Custody prior to appearance before magistrate

"Whenever a juvenile is taken into custody for an alleged act of juvenile delinquency, the arresting officer shall immediately advise such juvenile of his legal rights, in language comprehensible to a juvenile, and shall immediately notify the Attorney General and the juvenile's parents, guardian, or custodian of such custody. The arresting officer shall also notify the parents, guardian, or custodian of the rights of the juvenile and of the nature of the alleged offense.

"The juvenile shall be taken before a magistrate forthwith. In no event shall the juvenile be detained for longer than a reasonable period of time before being brought before a magistrate."

DUTIES OF MAGISTRATE

SEC. 204. Section 5034 of title 18, United States Code, is amended to read as follows:

"§ 5034. Duties of magistrate

"The magistrate shall insure that the juvenile is represented by counsel before proceeding with critical stages of the proceedings. Counsel shall be assigned to represent a juvenile when the juvenile and his parents, guardian, or custodian are financially unable to obtain adequate representation. In cases where the juvenile and his parents, guardian, or custodian are financially able to obtain adequate representation but have not retained counsel, the magistrate may assign counsel and order the payment of reasonable attorney's fees or may direct the juvenile, his parents, guardian, or custodian to retain private counsel within a specified period of time.

"The magistrate may appoint a guardian ad litem if a parent or guardian of the juvenile is not present, or if the magistrate has reason to believe that the parents or guardian will not cooperate with the juvenile in preparing for trial, or that the interests of the parents or guardian and those of the juvenile are adverse.

"If the juvenile has not been discharged before his initial appearance before the magistrate, the magistrate shall release the juvenile to his parents, guardian, custodian, or other responsible party (including, but not limited to, the director of a shelter-care facility) upon their promise to bring such juvenile before the appropriate court when requested by such court unless the magistrate determines, after hearing, at which the juvenile is represented by counsel, that the detention of such juvenile is required to secure his timely appearance before the appropriate court or to insure his safety or that of others."

DETENTION

SEC. 205. Section 5035 of this title is amended to read as follows:

"§ 5035. Detention prior to disposition.

"A juvenile alleged to be delinquent may be detained only in a juvenile facility or such other suitable place as the Attorney General may designate. Whenever possible, detention shall be in a foster home or community based facility located in or near his home community. The Attorney General shall not cause any juvenile alleged to be delinquent to be detained or confined in any institution in which the juvenile has regular contact with adult persons convicted of a crime or awaiting trial on criminal charges are confined. Insofar as possible, alleged delinquents shall be kept separate from adjudicated delinquents. Every juvenile in custody shall be provided with adequate food, heat, light, sanitary facilities, bedding, clothing, recreation, education, and medical care, including necessary psychiatric, psychological, or other care and treatment."

SPEEDY TRIAL

SEC. 206. Section 5036 of this title is amended to read as follows:

"§ 5036. Speedy trial

"If an alleged delinquent who is in detention pending trial is not brought to trial within thirty days from the date upon which such detention was begun, the information shall be dismissed on motion of the alleged delinquent or at the direction of the court, unless the Attorney General shows that additional delay was caused by the juvenile or his counsel, or consented to by the juvenile and his counsel, or would be in the interest of justice in the particular case. Delays attributable solely to court calendar congestion may not be considered in the interest of justice. Except in extraordinary circumstances, an information dismissed under this section may not be reinstituted.

DISPOSITION

SEC. 207. Section 5037 is amended to read as follows:

"§ 5037. Dispositional hearing

"(a) If a juvenile is adjudicated delinquent, a separate dispositional hearing shall be held no later than twenty court days after trial unless the court has ordered further study in accordance with subsection (c). Copies of the presentence report shall be provided to the attorneys for both the juvenile and the Government a reasonable time in advance of the hearing.

"(b) The court may suspend the adjudication of delinquency or the disposition of the delinquent on such conditions as it deems proper, place him on probation, or commit him to the custody of the Attorney General. Probation, commitment, or commitment in accordance with subsection (c) shall not extend beyond the juvenile's twenty-first birthday or the maximum term which could have been imposed on an adult convicted of the same offense, whichever is sooner, unless the juvenile has attained his nineteenth birthday at the time of disposition, in which case probation, commitment, or commitment in accordance with subsection (c) shall not exceed the lesser of two years or the maximum term which could have been imposed on an adult convicted of the same offense.

"(c) If the court desires more detailed information concerning an alleged or adjudicated delinquent, it may commit him, after notice and hearing at which the juvenile is represented by counsel, to the custody of the Attorney General for observation and study by an appropriate agency. Such observation and study shall be conducted on an outpatient basis, unless the court determines that inpatient observation and study are necessary to obtain the desired information. In the case of an alleged juvenile delinquent, inpatient study may be ordered only with the consent of the juvenile and his attorney. The agency shall make a complete study of the alleged or adjudicated delinquent to ascertain his personal traits, his capabilities, his background, any previous delinquency or criminal experience, any mental or physical defect, and any other relevant factors. The Attorney General shall submit to the court and the attorneys for the juvenile and the Government the results of the study within thirty days after the commitment of the juvenile, unless the court grants additional time."

JUVENILE RECORDS

SEC. 208. Section 5038 is added, to read as follows:

"§ 5038. Use of juvenile records

"(a) Throughout the juvenile delinqeuncy proceeding, the court shall safeguard the records from disclosure. Upon the completion of any juvenile delinquency proceeding whether or not there is an adjudication the district court shall order the entire file and record of such proceeding sealed. After such sealing, the court shall not release these records except to the extent necessary to meet the following circumstances:

"(1) inquiries received from another court of law;

"(2) inquiries from an agency preparing a presentence report for another court;

"(3) inquiries from law enforcement agencies where the request for information is related to the investigation of a crime or a position within that agency;

"(4) inquiries, in writing, from the director of a treatment agency or the director of a facility to which the juvenile has been committed by the court; and

"(5) inquiries from an agency considering the person for a position immediately and directly affecting the national security.

Unless otherwise authorized by this section, information about the sealed record may not be released when the request for information is related to an application for employment, license, bonding, or any civil right or privilege. Responses to such inquiries shall not be different from responses made about persons who have never been involved in a delinquency proceeding.

"(b) District courts exercising jurisdiction over any juvenile shall inform the juvenile, and his parent or guardian, in writing in clear and nontechnical language, of rights relating to the sealing of his juvenile record.

"(c) During the course of any juvenile delinquency proceeding, all information and records relating to the proceeding, which are obtained or prepared in the discharge of an official duty by an employee of the court or an employee of any other governmental agency, shall not be disclosed directly or indirectly to anyone other than the judge, counsel for the juvenile and the government, or others entitled under this section to receive sealed records.

"(d) Unless a juvenile who is taken into custody is prosecuted as an adult—

"(1) neither the fingerprints nor a photograph shall be taken, without the written consent of the judge; and

"(2) neither the name nor picture of any juvenile shall be made public by any medium of public information in connection with a juvenile delinquency proceeding."

COMMITMENT

SEC. 209. Section 5039 is added, to read as follows:

"§ 5039. Commitment

"No juvenile committed to the custody of the Attorney General may be placed or retained in an adult jail or correctional institution in which he has regular contact with adults incarcerated because they have been convicted of a crime or are awaiting trial on criminal charges.

"Every juvenile who has been committed shall be provided with adequate food, heat, light, sanitary facilities, bedding, clothing, recreation, counseling, education, training, and medical care, including necessary psychiatric, psychological, or other care and treatment.

"Whenever possible, the Attorney General shall commit a juvenile to a foster home or community-based facility located in or near his home community."

SUPPORT

SEC. 210. Section 5040 is added, to read as follows:

"§ 5040. Support

"The Attorney General may contract with any public or private agency or individual and such community-based facilities as halfway houses and foster homes for the observation and study and the custody and care of juveniles in his custody. For these purposes, the Attorney General may promulgate such regulations as are necessary and may use the appropriation for 'support of United States' prisoners' or such other appropriations as he may designate."

PAROLE

SEC. 211. Section 5041 is added to read as follows:

"§ 5041. Parole

"The Board of Parole shall release from custody, on such conditions as it deems necessary, each juvenile delinquent who has been committed, as soon as the Board is satisfied that he is likely to remain at liberty without violating the law and when such release would be in the interest of justice."

REVOCATION

SEC. 212. Section 5042 is added to read as follows:

"§ 5042. Revocation of parole or probation

"Any juvenile parolee or probationer shall be accorded notice and a hearing with counsel before his parole or probation can be revoked."

SEC. 213. The table of sections of chapter 403 of this title is amended to read as follows:

"Sec.
"5031. Definitions.
"5032. Delinquency proceedings in district courts; transfer for criminal prosecution.
"5033. Custody prior to appearance before magistrate.
"5034. Duties of magistrate.
"5035. Detention prior to disposition.
"5036. Speedy trial.
"5037. Dispositional hearing.
"5038. Use of juvenile records.
"5039. Commitment.
"5040. Support.
"5041. Parole.
"5042. Revocation of parole or probation.".

TITLE III—JUVENILE JUSTICE AND DELINQUENCY PREVENTION OFFICE

SEC. 301. Section 203(a) of title I of the Omnibus Crime Control and Safe Streets Act of 1968, as amended (82 Stat. 197; 84 Stat. 1881; 87 Stat. 197), is further amended by deleting the third full sentence and inserting in lieu thereof the following: "The State planning agency and any regional planning units within the State shall within their respective jurisdictions be representative of the law enforcement and criminal justice agencies including agencies directly related to the prevention and control of juvenile delinquency, units of general local governments, and public agencies maintaining programs to reduce and control crime, and shall include representatives of citizen, professional, and community organizations including organizations directly related to delinquency prevention.".

SEC. 302. (a) Parts F, G, H, and I of title I of the Omnibus Crime Control and Safe Streets Act of 1968, as amended (82 Stat. 197; 84 Stat. 1881; 87 Stat. 197), and all references thereto, are redesignated as parts G, H, I, and J, respectively.

(b) Title I of the Omnibus Crime Control

and Safe Streets Act of 1968, as amended (82 Stat. 197; 84 Stat. 1881; 87 Stat. 197), is further amended by adding after part E the following new part F:

"PART F—JUVENILE JUSTICE AND DELINQUENCY PREVENTION

"ESTABLISHMENT OF OFFICE

"SEC. 471. (a) There is hereby created within the Department of Justice, Law Enforcement Assistance Administration, the Office of Juvenile Justice and Delinquency Prevention (referred to in this Act as the 'Office').

"(b) The programs authorized in part F (hereinafter referred to as 'this part') and all other programs concerned with juvenile delinquency and administered by the Law Enforcement Assistance Administration shall be administered or subject to the policy direction of the Office established under this section.

"(c) There shall be at the head of the Office an Assistant Administrator who shall be nominated by the President by and with the advice and consent of the Senate.

"(d) The Assistant Administrator shall exercise all necessary powers, subject to the direction of the Administrator of the Law Enforcement Assistance Administration.

"(e) There shall be in the Office a Deputy Assistant Administrator who shall be appointed by the Administrator of the Law Enforcement Assistance Administration. The Deputy Assistant Administrator shall perform such functions as the Assistant Administrator from time to time assigns or delegates, and shall act as Assistant Administrator during the absence or disability of the Assistant Administrator or in the event of a vacancy in the Office of the Assistant Administrator.

"(f) There shall be established in the Office a Deputy Assistant Administrator who shall be appointed by the Administrator whose function shall be to supervise and direct the National Institute for Juvenile Justice established under section 490 of this Act.

"(g) Section 5108(c)(10) of title 5, United States Code, is amended by deleting the word 'twenty-two' and inserting in lieu thereof the word 'twenty-five'.

"PERSONNEL, SPECIAL PERSONNEL, EXPERTS, AND CONSULTANTS

"SEC. 472. (a) The Administrator is authorized to select, employ, and fix the compensation of such officers and employees, including attorneys, as are necessary to perform the functions vested in him and to prescribe their functions.

"(b) The Administrator is authorized to select, appoint, and employ not to exceed three officers and to fix their compensation at rates not to exceed the rate now or hereafter prescribed for GS–18 of the General Schedule by section 5332 of title 5 of the United States Code.

"(c) Upon the request of the Administrator, the head of any Federal agency is authorized to detail, on a reimbursable basis, any of its personnel to the Assistant Administrator to assist him in carrying out his functions under this Act.

"(d) The Administrator may obtain services as authorized by section 3109 of title 5 of the United States Code, at rates not to exceed the rate now or hereafter prescribed for GS–18 of the General Schedule by section 5332 of title I of the United States Code.

"VOLUNTARY SERVICE

"SEC. 473. The Administrator is authorized to accept and employ, in carrying out the provisions of this Act, voluntary and uncompensated services notwithstanding the provisions of section 3679(b) of the Revised Statutes (31 U.S.C. 665(b)).

"CONCENTRATION OF FEDERAL EFFORTS

"SEC. 474. (a) The Administrator shall implement overall policy and develop objectives and priorities for all Federal juvenile delinquency programs and activities relating to prevention, diversion, training, treatment, rehabilitation, evaluation, research, and improvement of the juvenile justice system in the United States. In carrying out his functions, the Administrator shall consult with the Interdepartmental Council and the National Advisory Committee for Juvenile Justice and Delinquency Prevention.

"(b) In carrying out the purposes of this Act, the Administrator is authorized to—

"(1) advise the President through the Attorney General as to all matters relating to federally assisted juvenile delinquency programs and Federal policies regarding juvenile delinquency;

"(2) assist operating agencies which have direct responsibilities for the prevention and treatment of juvenile delinquency in the development and promulgation of regulations, guidelines, requirements, criteria, standards, procedures, and budget requests in accordance with the policies, priorities, and objectives he establishes;

"(3) conduct and support evaluations and studies of the performance and results achieved by Federal juvenile delinquency programs and activities and of the prospective performance and results that might be achieved by alternative programs and activities supplementary to or in lieu of those currently being administered;

"(4) implement Federal juvenile delinquency programs and activities among Federal departments and agencies and between Federal juvenile delinquency programs and activities and other Federal programs and activities which he determines may have an important bearing on the success of the entire Federal juvenile delinquency effort;

"(5) develop annually with the assistance of the Advisory Committee and submit to the President and the Congress, after the first year the legislation is enacted, prior to September 30, an analysis and evaluation of Federal juvenile delinquency programs conducted and assisted by Federal departments and agencies, the expenditures made, the results achieved, the plans developed, and problems in the operations and coordination of such programs. This report shall include recommendations for modifications in organization, management, personnel, standards, budget requests, and implementation plans necessary to increase the effectiveness of these programs;

"(6) develop annually with the assistance of the Advisory Committee and submit to the President and the Congress, after the first year the legislation is enacted, prior to March 1, a comprehensive plan for Federal juvenile delinquency programs, with particular emphasis on the prevention of juvenile delinquency and the development of programs and services which will encourage increased diversion of juveniles from the traditional juvenile justice system; and

"(7) provide technical assistance to Federal, State, and local governments, courts, public and private agencies, institutions, and individuals, in the planning, establishment, funding, operation, or evaluation of juvenile delinquency programs.

"(c) The Administrator may request departments and agencies engaged in any activity involving any Federal juvenile delinquency program to provide him with such information and reports, and to conduct such studies and surveys, as he may deem to be necessary to carry out the purposes of this part.

"(d) The Administrator may delegate any of his functions under this part, except the making of regulations, to any officer or employee of the Administration.

"(e) The Administrator is authorized to utilize the services and facilities of any agency of the Federal Government and of any other public agency or institution in accordance with appropriate agreements, and to pay for such services either in advance or by way of reimbursement as may be agreed upon.

"(f) The Administrator is authorized to transfer funds appropriated under this title to any agency of the Federal Government to develop or demonstrate new methods in juvenile delinquency prevention and rehabilitation and to supplement existing delinquency prevention and rehabilitation programs which the Assistant Administrator finds to be exceptionally effective or for which he finds there exists exceptional need.

"(g) The Administrator is authorized to make grants to, or enter into contracts with, any public or private agency, institution, or individual to carry out the purposes of this part.

"(h) All functions of the Administrator under this part shall be coordinated as appropriate with the functions of the Secretary of the Department of Health, Education, and Welfare under the Juvenile Delinquency Prevention Act (42 U.S.C. 3801 et seq.).

"JOINT FUNDING

"SEC. 475. Notwithstanding any other provision of law, where funds are made available by more than one Federal agency to be used by any agency, organization, institution, or individual to carry out a Federal juvenile delinquency program or activity, any one of the Federal agencies providing funds may be requested by the Administrator to act for all in administering the funds advanced. In such cases, a single non-Federal share requirement may be established according to the proportion of funds advanced by each Federal agency, and the Administrator may order any such agency to waive any technical grant or contract requirement (as defined in such regulations) which is inconsistent with the similar requirement of the administering agency or which the administering agency does not impose.

"INTERDEPARTMENTAL COUNCIL

"SEC. 476. (a) There is hereby established an Interdepartmental Council on Juvenile Delinquency (hereinafter referred to as the 'Council') composed of the Attorney General, the Secretary of Health, Education, and Welfare, the Secretary of Labor, the Director of the Special Action Office for Drug Abuse Prevention, the Secretary of Housing and Urban Development, or their respective designees, and representatives of such other agencies as the President shall designate.

"(b) The Attorney General or his designee shall serve as Chairman of the Council.

"(c) The function of the Council shall be to coordinate all Federal juvenile delinquency programs.

"(d) The Council shall meet a minimum of six times per year and the activities of the Council shall be included in the annual report required by section 474(b)(5) of this title.

"(e) The Chairman shall appoint an Executive Secretary of the Council and such personnel as are necessary to carry out the functions of the Council.

"ADVISORY COMMITTEE

"SEC. 477. (a) There is hereby established a National Advisory Committee for Juvenile Justice and Delinquency Prevention (hereinafter referred to as the 'Advisory Committee') which shall consist of twenty-one members.

"(b) The members of the Interdepartmental Council or their respective designees shall be ex officio members of the Committee.

"(c) The regular members of the Advisory Committee shall be appointed by the Attorney General from persons who by virtue of their training or experience have special knowledge concerning the prevention and treatment of juvenile delinquency or the administration of juvenile justice, such as juvenile or family court judges; probation, cor-

rectional, or law enforcement personnel; and representatives of private voluntary organizations and community-based programs. The President shall designate the Chairman. A majority of the members of the Advisory Committee, including the Chairman, shall not be full-time employees of Federal, State, or local governments. At least seven members shall not have attained twenty-six years of age on the date of their appointment.

"(d) Members appointed by the President to the Committee shall serve for terms of four years and shall be eligible for reappointment except that for the first composition of the Advisory Committee, one-third of these members shall be appointed to one-year terms; thereafter each term shall be four years. Any members appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed, shall be appointed for the remainder of such term.

"DUTIES OF THE ADVISORY COMMITTEE

"SEC. 478. (a) The Advisory Committee shall meet at the call of the Chairman, but not less than four times a year.

"(b) The Advisory Committee shall make recommendations to the Administrator at least annually with respect to planning, policy, priorities, operations, and management of all Federal juvenile delinquency programs.

"(c) The Chairman may designate a subcommittee of the members of the Advisory Committee to advise the Administrator on particular functions or aspects of the work of the Administration.

"(d) The Chairman shall designate a subcommittee of five members of the Committee to serve as members of an Advisory Committee for the National Institute for Juvenile Justice to perform the functions set forth in section 494 of this title.

"(e) The Chairman shall designate a subcommittee of five members of the Committee to serve as an Advisory Committee to the Administrator on Standards for the Administration of Juvenile Justice to perform the functions set forth in section 496 of this title.

"COMPENSATION AND EXPENSES

"SEC. 479. (a) Members of the Advisory Committee who are employed by the Federal Government full time shall serve without compensation but shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in carrying out the duties of the Advisory Committee.

"(b) Members of the Advisory Committee not employed full time by the Federal Government shall receive compensation at a rate not to exceed the rate now or hereafter prescribed for GS–18 of the General Schedule by section 5332 of title 5 of the United States Code, including traveltime for each day they are engaged in the performance of their duties as members of the Advisory Committee. Members shall be entitled to reimbursement for travel, subsistence, and other necessary expenses incurred by them in carrying out the duties of the Advisory Committee."

TITLE IV—FEDERAL ASSISTANCE FOR STATE AND LOCAL PROGRAMS

SEC. 401. Title I of the Omnibus Crime Control and Safe Streets Act of 1968, as amended (82 Stat. 197; 84 Stat. 1881; 87 Stat. 197), is further amended by adding the following sections to new part F thereof:

"FORMULA GRANTS

"SEC. 480. The Administrator is authorized to make grants to States and local governments to assist them in planning, establishing, operating, coordinating, and evaluating projects directly or through contracts with public and private agencies for the development of more effective education, training, research, prevention, diversion, treatment, and rehabilitation programs in the area of juvenile delinquency and programs to improve the juvenile justice system.

"ALLOCATION

"SEC. 481. (a) In accordance with regulations promulgated under this part, funds shall be allocated annually among the States on the basis of relative population of people under age eighteen. No such allotment to any State shall be less than $200,000, except that for the Virgin Islands, Guam, and American Samoa, no allotment shall be less than $50,000.

"(b) Except for funds appropriated for fiscal year 1975, if any amount so allotted remains unobligated at the end of the fiscal year, such funds shall be reallocated in a manner equitable and consistent with the purpose of this part. Funds appropriated for fiscal year 1975 may be obligated in accordance with subsection (a) until June 30, 1976, after which time they may be allocated. Any amount so reallocated shall be in addition to the amounts already allotted and available to the State, the Virgin Islands, American Samoa, and Guam for the same period.

"(c) In accordance with regulations promulgated under this part, a portion of any allotment to any State under this part shall be available to develop a State plan and to pay that portion of the expenditures which are necessary for efficient administration. Not more than 15 per centum of the total annual allotment of such State shall be available for such purposes. The State shall make available needed funds for planning and administration to local governments within the State on an equitable basis.

"STATE PLANS

"SEC. 482. (a) In order to receive formula grants under this part, a State shall submit a plan for carrying out its purposes in accordance with the requirements set forth in section 303(a) of this title. In accordance with regulations established under this title, such plan must—

"(1) designate the State planning agency established by the State under section 203 of this title as the sole agency for supervising the preparation and administration of the plan;

"(2) contain satisfactory evidence that the State agency designated in accordance with paragraph (1) (hereafter referred to in this part as the 'State planning agency') has or will have authority, by legislation if necessary, to implement such plan in conformity with this part;

"(3) provide for an advisory group appointed by the chief executive of the State to advise the State planning agency and its supervisory board (A) which shall consist of not less than twenty-one and not more than thirty-three persons who have training, experience, or special knowledge concerning the prevention and treatment of juvenile delinquency or the administration of juvenile justice, (B) which shall include representation of units of local government, law enforcement and juvenile justice agencies such as law enforcement, correction or probation personnel, and juvenile or family court judges, and public agencies concerned with delinquency prevention or treatment such as welfare, social services, mental health, education or youth services departments, (C) which include representatives of private organizations: concerned with delinquency prevention or treatment; concerned with neglected or dependent children; concerned with the quality of juvenile justice, education, or social services for children; which utilize volunteers to work with delinquents or potential delinquents; community-based delinquency prevention or treatment programs; and organizations which represent employees affected by this Act, (D) a majority of whose members (including the Chairman) shall not be full-time employees of the Federal, State, or local government, and (E) at least one-third of whose members shall be under the age of twenty-six at the time of appointment;

"(4) provide for the active consultation with and participation of local governments in the development of a State plan which adequately takes into account the needs and requests of local governments;

"(5) provide that at least 50 per centum of the funds received by the State under section 481 shall be expended through programs of local government insofar as they are consistent with the State plan, except that this provision may be waived at the discretion of the Administrator for any State if the services for delinquent or potentially delinquent youth are organized primarily on a statewide basis;

"(6) provide that the chief executive officer of the local government shall assign responsibility for the preparation and administration of the local government's part of a State plan, or for the supervision of the preparation and administration of the local government's part of the State plan, to that agency within the local government's structure (hereinafter in this part referred to as the 'local agency') which can most effectively carry out the purposes of this part and shall provide for supervision of the programs funded under this part by that local agency;

"(7) provide for an equitable distribution of the assistance received under section 481 within the State;

"(8) set forth a detailed study of the State needs for an effective, comprehensive, coordinated approach to juvenile delinquency prevention and treatment and the improvement of the juvenile justice system. This plan shall include itemized estimated costs for the development and implementation of such programs;

"(9) provide for the active consultation with and participation of private agencies in the development and execution of the State plan; and provide for coordination and maximum utilization of existing juvenile delinquency programs and other related programs, such as education, health, and welfare within the State;

"(10) provide that not less than 75 per centum of the funds available to such State under section 481, whether expended directly by the State or by the local government or through contracts with public or private agencies, shall be used for advanced techniques in developing, maintaining, and expanding programs and services designed to prevent juvenile delinquency, to divert juveniles from the juvenile justice system, and to provide community-based alternatives to juvenile detention and correctional facilities. That advanced techniques include—

"(A) community-based programs and services for the prevention and treatment of juvenile delinquency through the development of foster-care and shelter-care homes, group homes, halfway houses, homemaker and home health services, and any other designated community-based diagnostic, treatment, or rehabilitative service;

"(B) community-based programs and services to work with parents and other family members to maintain and strengthen the family unit, so that the juvenile may be retained in his home;

"(C) youth service bureaus and other community-based programs to divert youth from the juvenile court or to support, counsel, or provide work and recreational opportunities for delinquents and youth in danger of becoming delinquent;

"(D) comprehensive programs of drug abuse education and prevention and programs for the treatment and rehabilitation of drug addicted youth, and 'drug dependent' youth (as defined in section 2(g) of the Public Health Service Act (42 U.S.C. 201(g)));

"(E) educational programs or supportive services designed to keep delinquents and other youth in elementary and secondary schools or in alternative learning situations;

"(F) expanded use of probation and recruitment and training of probation officers, other professional and paraprofessional per-

sonnel and volunteers to work effectively with youth;

"(G) youth initiated programs and outreach programs designed to assist youth who otherwise would not be reached by assistance programs;

"(H) provides for a statewide program through the use of probation subsidies, other subsidies, other financial incentives or disincentives to units of local government, or other effective means, that may include but are not limited to programs designed to—

"(A) reduce the number of commitments of juveniles to any form of juvenile facility as a percentage of the State juvenile population;

"(B) increase the use of nonsecure community-based facilities as a percentage of total commitments to juvenile facilities; and

"(C) discourage the use of secure incarceration and detention;

"(11) provides for the development of an adequate research, training, and evaluation capacity within the State;

"(12) provide within two years after submission of the plan that juveniles who are charged with or who have committed offenses that would not be criminal if committed by an adult, shall not be placed in juvenile detention or correctional facilities, but must be placed in shelter facilities;

"(13) provide that juveniles alleged to be or found to be delinquent shall not be detained or confined in any institution in which they have regular contact with adult persons incarcerated because they have been convicted of a crime or are awaiting trial on criminal charges;

"(14) provide for an adequate system of monitoring jails, detention facilities, and correctional facilities to insure that the requirements of section 482 (12) and (13) are met, and for annual reporting of the results of such monitoring to the Administrator;

"(15) provide assurances that assistance will be available on an equitable basis to deal with all disadvantaged youth including, but not limited to, females, minority youth, and mentally retarded or emotionally handicapped youth;

"(16) provide for procedures to be established for protecting the rights of recipients of services and for assuring appropriate privacy with regard to records relating to such services provided to any individual under the State plan;

"(17) provide that fair and equitable arrangements are made, as determined by the Secretary of Labor, to protect the interests of employees affected by assistance under this Act. Such protective arrangements shall include, without being limited to, such provisions as may be necessary for—

"(A) the preservation of rights, privileges, and benefits (including continuation of pension rights and benefits) under existing collective bargaining agreements or otherwise;

"(B) the continuation of collective bargaining rights;

"(C) the protection of individual employees against a worsening of their positions with respect to their employment;

"(D) assurances of employment to employees of any State or political subdivision thereof who will be affected by any program funded in whole or in part under provisions of this Act;

"(E) training or retraining programs.

The State plan shall provide for the terms and conditions of the protection arrangements established pursuant to this section;

"(18) provide for such fiscal control and fund accounting procedures necessary to assure prudent use, proper disbursement, and accurate accounting of funds received under this title;

"(19) provide reasonable assurance that Federal funds made available under this part for any period will be so used as to supplement and increase, to the extent feasible and practical, the level of State, local, and other non-Federal funds made available for the programs described in this part, and will in no event supplant such State, local, and other non-Federal funds;

"(20) provide that the State planning agency will from time to time, but not less often than annually, review its plan and submit to the Administrator an analysis and evaluation of the effectiveness of the programs and activities carried out under the plan, and any modifications in the plan, including the survey of State and local needs, which it considers necessary; and

"(21) contain such other terms and conditions as the Administrator may reasonably prescribe to assure the effectiveness of the programs assisted under this title.

"(b) The Supervisory Board designated pursuant to section 482(a), after consultation with the advisory group referred to in section 482(a), shall approve the State plan and any modification thereof prior to submission to the Administrator.

"(c) The Administrator shall approve any State plan and any modification thereof that meets the requirements of this section.

"(d) In the event that any State fails to submit a plan, or submits a plan or any modification thereof, which the Administrator, after reasonable notice and opportunity for hearing in accordance with sections 509, 510, and 511, determines does not meet the requirements of this section, the Administrator shall make that State's allotment under the provisions of section 481(a) available to public and private agencies for special emphasis prevention and treatment programs as defined in section 483.

"(e) In the event the plan does not meet the requirements of this section due to oversight or neglect, rather than explicit and conscious decision, the Administrator shall endeavor to make that State's allotment under the provisions of section 481(a) available to public and private agencies in that State for special emphasis prevention and treatment programs as defined in section 483.

"(f) Any nonadjudicated juvenile shall not be made to partake in a program of behavior modification involving the use of drugs or electrical stimuli or other potentially harmful treatment as a part of any such program authorized in whole or in part by this act without the prior approval of his parents or guardians.

"SPECIAL EMPHASIS PREVENTION AND TREATMENT PROGRAMS

"SEC. 483. (a) The Administrator is authorized to make grants to and enter into contracts with public and private agencies, organizations, institutions, or individuals to—

"(1) develop and implement new approaches, techniques, and methods with respect to juvenile delinquency programs;

"(2) develop and maintain community-based alternatives to traditional forms of institutionalization;

"(3) develop and implement effective means of diverting juveniles from the traditional juvenile justice and correctional system;

"(4) improve the capability of public and private agencies and organizations to provide services for delinquents and youths in danger of becoming delinquent; and

"(5) facilitate the adoption of the recommendations of the Advisory Committee on Standards for Juvenile Justice as set forth pursuant to section 496.

"(b) Not less than 25 per centum or more than 50 per centum of the funds appropriated for each fiscal year pursuant to this part shall be available only for special emphasis prevention and treatment grants and contracts made pursuant to this section.

"(c) At least 20 per centum of the funds available for grants and contracts made pursuant to this section shall be available for grants and contracts to private nonprofit agencies, organizations, or institutions who have had experience in dealing with youth.

"CONSIDERATIONS FOR APPROVAL OF APPLICATIONS

"SEC. 484. (a) Any agency, institution, or individual desiring to receive a grant, or enter into any contract under section 483, shall submit an application at such time, in such manner, and containing or accompanied by such information as the Administrator may prescribe.

"(b) In accordance with guidelines established by the Administrator, each such application shall—

"(1) provide that the program for which assistance is sought will be administered by or under the supervision of the applicant;

"(2) set forth a program for carrying out one or more of the purposes set forth in section 482;

"(3) provide for the proper and efficient administration of such program;

"(4) provide for regular evaluation of the program;

"(5) indicate that the applicant has requested the review of the application from the State planning agency and local agency designated in section 482, when appropriate, and indicate the response of such agency to the request for review and comment on the application;

"(6) provide that regular reports on the program shall be sent to the Administrator and to the State planning agency and local agency, when appropriate; and

"(7) provide for such fiscal control and fund accounting procedures as may be necessary to assure prudent use, proper disbursement, and accurate accounting of funds received under this title.

"(c) In determining whether or not to approve applications for grants under section 483, the Administrator shall consider—

"(1) the relative cost and effectiveness of the proposed program in effectuating the purposes of this part;

"(2) the extent to which the proposed program will incorporate new or innovative techniques;

"(3) the extent to which the proposed program meets the objectives and priorities of the State plan, when a State plan has been approved by the Administrator under section 482(c) and when the location and scope of the program makes such consideration appropriate;

"(4) the increase in capacity of the public and private agency, institution, or individual to provide services to delinquents or youths in danger of becoming delinquents;

"(5) the extent to which the proposed project serves communities which have high rates of youth unemployment, school dropout, and delinquency; and

"(6) the extent to which the proposed program facilitates the implementation of the recommendations of the Advisory Committee on Standards for Juvenile Justice as set forth pursuant to section 496.

"GENERAL PROVISIONS

"Withholding

"SEC. 485. Whenever the Administrator, after giving reasonable notice and opportunity for hearing, to a recipient of financial assistance under this title, finds—

"(1) that the program or activity for which such grant was made has been so changed that it no longer complies with the provisions of this title; or

"(2) that in the operation of the program or activity there is failure to comply substantially with any such provision;

the Administrator shall initiate such proceedings as are appropriate under sections 509, 510, and 511 of this title.

"USE OF FUNDS

"SEC. 486. Funds paid to any State public or private agency, institution, or individual (whether directly or through a State or local agency) may be used for—

"(1) securing, developing, or operating the

program designed to carry out the purposes of this part;

"(2) not more than 50 per centum of the cost of the construction of innovative community-based facilities for less than twenty persons (as defined in sections 601(f) and 601(p) of this title) which, in the judgment of the Administrator, are necessary for carrying out the purposes of this part.

"PAYMENTS

"SEC. 487. (a) In accordance with criteria established by the Administrator, it is the policy of Congress that programs funded under this title shall continue to receive financial assistance providing that the yearly evaluation of such programs is satisfactory.

"(b) At the discretion of the Administrator, when there is no other way to fund an essential juvenile delinquency program not funded under this part, the State may utilize 25 per centum of the formula grant funds available to it under this part to meet the non-Federal matching share requirement for any other Federal juvenile delinquency program grant.

"(c) Whenever the Administrator determines that it will contribute to the purposes of this part, he may require the recipient of any grant or contract to contribute money, facilities, or services.

"(d) Payments under this part, pursuant to a grant or contract, may be made (after necessary adjustment, in the case of grants, on account of previously made overpayments or underpayments) in advance or by way of reimbursements, in such installments and on such conditions as the Administrator may determine.".

TITLE V—NATIONAL INSTITUTE FOR JUVENILE JUSTICE

NATIONAL INSTITUTE FOR JUVENILE JUSTICE

SEC. 501. Title I of the Omnibus Crime Control and Safe Streets Act of 1968, as amended (82 Stat. 197; 84 Stat. 1881; 87 Stat. 197), is further amended by adding the following sections to new part F thereof:

"SEC. 490. (a) There is hereby established within the Juvenile Justice and Delinquency Prevention Office a National Institute for Juvenile Justice.

"(b) The National Institute for Juvenile Justice shall be under the supervision and direction of the Assistant Administrator, and shall be headed by a Deputy Assistant Administrator of the Office appointed under section 471(f).

"(c) The activities of the National Institute for Juvenile Justice shall be coordinated with the activities of the National Institute of Law Enforcement and Criminal Justice in accordance with the requirements of section 471(b).

"INFORMATION FUNCTION

"SEC. 491. The National Institute for Juvenile Justice is authorized to—

"(1) serve as an information bank by collecting systematically and synthesizing the data and knowledge obtained from studies and research by public and private agencies, institutions, or individuals concerning all aspects of juvenile delinquency, including the prevention and treatment of juvenile delinquency;

"(2) serve as a clearinghouse and information center for the preparation, publication, and dissemination of all information regarding juvenile delinquency, including State and local juvenile delinquency prevention and treatment programs and plans, availability of resources, training and educational programs, statistics, and other pertinent data and information.

"RESEARCH, DEMONSTRATION, AND EVALUATION FUNCTIONS

"SEC. 492. The National Institute for Juvenile Justice is authorized to—

"(1) conduct, encourage, and coordinate research and evaluation into any aspect of juvenile delinquency, particularly with regard to new programs and methods which show promise of making a contribution toward the prevention and treatment of juvenile delinquency;

"(2) encourage the development of demonstration projects in new, innovative techniques and methods to prevent and treat juvenile delinquency;

"(3) provide for the evaluation of all juvenile delinquency programs assisted under this title in order to determine the results and the effectiveness of such programs;

"(4) provide for the evaluation of any other Federal, State, or local juvenile delinquency program, upon the request of the Administrator; and

"(5) disseminate the results of such evaluations and research and demonstration activities particularly to persons actively working in the field of juvenile delinquency.

"TRAINING FUNCTIONS

"SEC. 493. The National Institute for Juvenile Justice is authorized to—

"(1) develop, conduct, and provide for training programs for the training of professional, paraprofessional, and volunteer personnel, and other persons who are or who are preparing to work with juveniles and juvenile offenders;

"(2) develop, conduct, and provide for seminars, workshops, and training programs in the latest proven effective techniques and methods of preventing and treating juvenile delinquency for law enforcement officers, juvenile judges, and other court personnel, probation officers, correctional personnel, and other Federal, State, and local government personnel who are engaged in work relating to juvenile delinquency.

"INSTITUTE ADVISORY COMMITTEE

"SEC. 494. The Advisory Committee for the National Institute for Juvenile Justice established in section 478(d) shall advise, consult with, and make recommendations to the Deputy Assistant Administrator for the National Institute for Juvenile Justice concerning the overall policy and operations of the Institute.

"ANNUAL REPORT

"SEC. 495. The Deputy Assistant Administrator for the National Institute for Juvenile Justice shall develop annually and submit to the Administrator after the first year the legislation is enacted, prior to June 30, a report on research, demonstration, training, and evaluation programs funded under this title, including a review of the results of such programs, an assessment of the application of such results to existing and to new juvenile delinquency programs, and detailed recommendations for future research, demonstration, training, and evaluation programs. The Administrator shall include a summary of these results and recommendations in his report to the President and Congress required by section 474(b)(5).

"DEVELOPMENT OF STANDARDS FOR JUVENILE JUSTICE

"SEC. 496. (a) The National Institute for Juvenile Justice, under the supervision of the Advisory Committee on Standards for Juvenile Justice established in section 478(e), shall review existing reports, data, and standards, relating to the juvenile justice system in the United States.

"(b) Not later than one year after the passage of this section, the Advisory Committee shall submit to the President and the Congress a report which, based on recommended standards for the administration of juvenile justice at the Federal, State, and local level—

"(1) recommends Federal action, including but not limited to administrative and legislative action, required to facilitate the adoption of these standards throughout the United States; and

"(2) recommends State and local action to facilitate the adoption of these standards for juvenile justice at the State and local level.

"(c) Each department, agency, and instrumentality of the executive branch of the Government, including independent agencies, is authorized and directed to furnish to the Advisory Committee such information as the Committee deems necessary to carry out its functions under this section.

"SEC. 497. Records containing the identity of individual juveniles gathered for purposes pursuant to this title may under no circumstances be disclosed or transferred to any individual or other agency, public, or private."

TITLE VI—AUTHORIZATION OF APPROPRIATIONS

SEC. 601. Section 520 of title I of the Omnibus Crime Control and Safe Streets Act of 1968, as amended (82 Stat. 197; 84 Stat. 1881; 87 Stat. 197), is further amended by adding at the end thereof:

"In addition to any other appropriation authorizations contained in this title there is authorized for the purpose of part F: $75,000,000 for the fiscal year ending June 30, 1975; $150,000,000 for the fiscal year ending June 30, 1976.

"In addition to the funds appropriated under this section, the Administration shall maintain from other Law Enforcement Assistance Administration appropriations other than the appropriations for administration, the same level of financial assistance for juvenile delinquency programs assisted by the Law Enforcement Assistance Administration during fiscal year 1972.".

TITLE VII—NATIONAL INSTITUTE OF CORRECTIONS

SEC. 701. Title 18, United States Code, is amended by adding a new chapter 319 to read as follows:

"Chapter 319—NATIONAL INSTITUTE OF CORRECTIONS

"SEC. 4351. (a) There is hereby established within the Bureau of Prisons a National Institute of Corrections.

"(b) The overall policy and operations of the National Institute of Corrections shall be under the supervision of an Advisory Board. The Board shall consist of fifteen members. The following five individuals shall serve as members of the Commission ex officio: the Director of the Federal Bureau of Prisons or his designee, the Administrator of the Law Enforcement Assistance Administration or his designee, Chairman of the United States Parole Board or his designee, the Director of the Federal Judicial Center or his designee, and the Assistant Secretary for Human Development of the Department of Health, Education, and Welfare or his designee.

"(c) The remaining ten members of the Board shall be selected as follows:

"(1) Five shall be appointed initially by the Attorney General of the United States for staggered terms; one member shall serve for one year, one member for two years, and three members for three years. Upon the expiration of each member's term, the Attorney General shall appoint successors who will each serve for a term of three years. Each member selected shall be qualified as a practitioner (Federal, State, or local) in the field of corrections, probation, or parole.

"(2) Five shall be appointed initially by the Attorney General of the United States for staggered terms, one member shall serve for one year, three members for two years, and one member for three years. Upon the expiration of each member's term the Attorney General shall appoint successors who will each serve for a term of three years. Each member selected shall be from the private sector, such as business, labor, and education, having demonstrated an active interest in corrections, probation or parole.

"(d) The members of the Board shall not, by reason of such membership, be deemed officers or employees of the United States. Members of the Commission who are full-time officers or employees of the United States shall serve without additional compensation, but shall be reimbursed for travel, subsistence, and other necessary expenses incurred in the performance of the duties vested in the Board. Other members of the Board shall, while attending meetings of the Board or while engaged in duties related to such meetings or in other activities of the Commission pursuant to this title, be entitled to receive compensation at the rate not to exceed the daily eqiuvalent of the rate authorized for GS–18 by section 5332 of title 5, United States Code, including travel-time, and while away from their homes or regular places of business may be allowed travel expenses, including per diem in lieu of subsistence equal to that authorized by section 5703 of title 5, United States Code, for persons in the Government service employed intermittently.

"(e) The Board shall elect a chairman from among its members who shall serve for a term of one year. The members of the Board shall also elect one or more members as a vice-chairman.

"(f) The Board is authorized to appoint, without regard to the civil service laws, technical, or other advisory committees to advise the Institute with respect to the administration of this title as it deems appropriate. Members of these committees not otherwise employed by the United States, while engaged in advising the Institute or attending meetings of the committees, shall be entitled to receive compensation at the rate fixed by the Board but not to exceed the daily equivalent of the rate authorized for GS–18 by section 5332 of title 5, United States Code, and while away from their homes or regular places of business may be allowed travel expenses, including per diem in lieu of subsistence equal to that authorized by section 5703 of title 5, United States Code, for persons in the Government service employed intermittently.

"(g) The Board is authorized to delegate its powers under this title to such persons as it deems appropriate.

"(h) The Board shall be under the supervision of an officer to be known as the Director, who shall be appointed by the Attorney General after consultation with the Board. The Director shall have authority to supervise the organization, employees, enrollees, financial affairs, and all other operations of the Institute and may employ such staff, faculty, and administrative personnel, subject to the civil service and classification laws, as are necessary to the functioning of the Institute. The Director shall have the power to acquire and hold real and personal property for the Institute and may receive gifts, donations, and trusts on behalf of the Institute. The Director shall also have the power to appoint such technical or other advisory councils comprised of consultants to guide and advise the Board. The Director is authorized to delegate his powers under this title to such persons as he deems appropriate.

"SEC. 4352. (a) In addition to the other powers, express and implied, the National Institute of Corrections shall have authority:

"(1) to receive from or make grants to and enter into contracts with Federal, State, and general units of local government, public and private agencies, educational institutions, organizations, and individuals to carry out the purposes of this section and section 411;

"(2) to serve as a clearinghouse and information center for the collection, preparation, and dissemination of information on corrections, including, but not limited to, programs for prevention of crime and recidivism, training of corrections personnel, and rehabilitation and treatment of criminal and juvenile offenders;

"(3) to assist and serve in a consulting capacity to Federal, State, and local courts, departments, and agencies in the development, maintenance, and coordination of programs, facilities, and services, training, treatment, and rehabilitation with respect to criminal and juvenile offenders;

"(4) to encourage and assist Federal, State, and local government programs and services, and programs and services of other public and private agencies, institutions, and organizations in their efforts to develop and implement improved corrections programs;

"(5) to devise and conduct, in various geographical locations, seminars, workshops, and training programs for law enforcement officers, judges, and judicial personnel, probation and parole personnel, correctional personnel, welfare workers, and other persons, including lay, ex-offenders, and para-professional personnel, connected with the treatment and rehabilitation of criminal and juvenile offenders;

"(6) to develop technical training teams to aid in the development of seminars, workshops, and training programs within the several States and with the State and local agencies which work with prisoners, parolees, probationers, and other offenders;

"(7) to conduct, encourage, and coordinate research relating to corrections, including the causes, prevention, diagnosis, and treatment of criminal offenders;

"(8) to formulate and disseminate correctional policy, goals, standards, and recommendations for Federal, State, and local correctional agencies, organizations, institutions, and personnel;

"(9) to conduct evaluation programs which study the effectiveness of new approaches, techniques, systems, programs, and devices employed to improve the corrections system;

"(10) to receive from any Federal department or agency such statistics, data, program reports, and other material as the Institute deems necessary to carry out its functions. Each such department or agency is authorized to cooperate with the Institute and shall, to the maximum extent practicable, consult with and furnish information to the Institute;

"(11) to arrange with and reimburse the heads of Federal departments and agencies for the use of personnel, facilities, or equipment of such departments and agencies;

"(12) to confer with and avail itself of the assistance, services, records, and facilities of State and local governments or other public or private agencies, organizations, or individuals;

"(13) to enter into contracts with public or private agencies, organizations, or individuals, for the performance of any of the functions of the Institute; and

"(14) to procure the services of experts and consultants in accordance with section 3109 of title 5 of the United States Code, at rates of compensation not to exceed the daily equivalent of the rate authorized for GS–18 by section 5332 of title 5 of the United States Code.

"(b) The Institute shall on or before the 31st day of December of each year, submit an annual report for the preceding fiscal year to the President and to the Congress. The report shall include a comprehensive and detailed report of the Institute's operations, activities, financial condition, and accomplishments under this title and may include such recommendations related to corrections as the Institute deems appropriate.

"(c) Each recipient of assistance under this Act shall keep such records as the Institute shall prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such assistance, the total cost of the project or undertaking in connection with which such assistance is given or used, and the amount of that portion of the cost of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit.

"(d) The Institute, and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for purposes of audit and examinations to any books, documents, papers, and records of the recipients that are pertinent to the grants received under this chapter.

"(e) The provision of this section shall apply to all recipients of assistance under this title, whether by direct grant or contract from the Institute or by subgrant or subcontract from primary grantees or contractors of the Institute.

"SEC. 4353. There is hereby authorized to be appropriated such funds as may be required to carry out the purposes of this chapter."

TITLE VIII—FEDERAL SURPLUS PROPERTY

SEC. 801. (a) Section 203(j) of the Federal Property Administrative Services Act of 1949, as amended (40 U.S.C. 484(j)), is amended—

(1) by striking out "or civil defense" in the first sentence of paragraph (1) and inserting in lieu thereof "civil defense, or law enforcement and criminal justice";

(2) by striking out "or (4)" in the first sentence of paragraph (1) and inserting in lieu thereof "(4), or (5)";

(3) by striking out "or paragraph (4)" in the last sentence of paragraph (2) and inserting in lieu thereof a comma and "(4), or (5)";

(4) by inserting after paragraph (4) a new paragraph as follows:

"(5) Determination whether such surplus property (except surplus property allocated in conformity with paragraph (2) of this subsection) is usable and necessary for purposes of law enforcement and criminal justice, including research, in any State shall be made by the Administrator, Law Enforcement Assistance Administration, who shall allocate such property on the basis of need and utilization for transfer by the Administrator of General Services to such State agency for distribution to such State or to any unit of general local government or combination, as defined in section 601 (d) or (e) of the Crime Control Act of 1973 (87 Stat. 197), designated pursuant to regulations issued by the Law Enforcement Assistance Administration. No such property shall be transferred to any State agency until the Administrator, Law Enforcement Assistance Administration, has received, from such State agency, a certification that such property is usable and needed for law enforcement and criminal justice purposes in the State, and such Administrator has determined that such State agency has conformed to minimum standards of operation prescribed by such Administrator for the disposal of surplus property.";

(5) by redesignating paragraphs (5), (6), and (7) as paragraphs (6), (7), and (8), respectively;

(6) by striking out "and the Federal Civil Defense Administrator" in paragraph (6), as redesignated, and inserting in lieu thereof a comma and "the Federal Civil Defense Administrator, and the Administrator, Law Enforcement Assistance Administration"; and

(7) by striking out "or paragraph (4)" in paragraph (6), as redesignated, and inserting in lieu thereof a comma and "(4), or (5)".

(b) Section 203(k)(4) of such Act, as amended (40 U.S.C. 484(k)(4)), is amended—

(1) by striking out "or" after the semicolon in clause (D);

(2) by striking out the comma after "law"

in clause (E) and inserting in lieu thereof a semicolon and "or"; and

(3) by adding immediately after clause (E) the following new clause:

"(F) the Administrator, Law Enforcement Assistance Administration, in the case of personal property transferred pursuant to subsection (j) for law enforcement and criminal justice purposes,".

(c) Section 203(n) of such Act, as amended (40 U.S.C. 484(n)), is amended—

(1) by striking out in the first sentence "and the head of any Federal agency designated by either such officer" and inserting in lieu thereof "the Administrator, Law Enforcement Assistance Administration, and the head of any Federal agency designated by any such officer"; and

(2) by striking out in next to the last sentence "law enforcement" and inserting in lieu thereof "law enforcement and criminal justice", and in the same sentence striking "or (j)(4)" and inserting in lieu thereof a comma and "(4), or (5)".

TITLE IX—EXTENSION AND AMENDMENT OF THE JUVENILE DELINQUENCY PREVENTION ACT

YOUTH DEVELOPMENT DEMONSTRATIONS

SEC. 901. Title I of the Juvenile Delinquency Prevention Act is amended (1) in the caption thereof, by inserting "AND DEMONSTRATION PROGRAMS" after "SERVICES"; (2) following the caption thereof, by inserting "PART A—COMMUNITY-BASED COORDINATED YOUTH SERVICES"; (3) in sections 101, 102(a), 102(b)(1), 102(b)(2), 103(a) (including paragraph (1) thereof), 104(a) (including paragraphs (1), (4), (5), (7), and (10) thereof) and 104(b), by striking out "title" and inserting "part" in lieu thereof; and (4) by inserting at the end of the title the following new part:

"PART B—DEMONSTRATIONS IN YOUTH DEVELOPMENT

SEC. 105. (a) For the purpose of assisting the demonstration of innovative approaches to youth development and the prevention and treatment of delinquent behavior (including payment of all or part of the costs of minor remodeling or alteration), the Secretary may make grants to any State (or political subdivision thereof), any agency thereof, and any nonprofit private agency, institution, or organization that submits to the Secretary, at such time and in such form and manner as the Secretary's regulations shall prescribe, an application containing a description of the purposes for which the grant is sought, and assurances satisfactory to the Secretary that the applicant will use the grant for the purposes for which it is provided, and will comply with such requirements relating to the submission of reports, methods of fiscal accounting, the inspection and audit of records and other materials, and such other rules, regulations, standards, and procedures, as the Secretary may impose to assure the fulfillment of the purposes of this Act.

"(b) No demonstration may be assisted by a grant under this section for more than one year."

CONSULTATION

SEC. 902. (a) Section 408 of such Act is amended by adding at the end of subsection (a) thereof the following new subsection:

"(b) The Secretary shall consult with the Attorney General for the purpose of coordinating the development and implementation of programs and activities funded under this Act with those related programs and activities funded under the Omnibus Crime Control and Safe Streets Act of 1968";

and by deleting subsection (b) thereof.

(b) Section 409 is repealed.

REPEAL OF MINIMUM STATE ALLOTMENTS

SEC. 904. Section 403(b) of such Act is repealed, and section 403(a) of such Act is redesignated section 403.

EXTENSION OF PROGRAM

SEC. 905. Section 402 of such Act, as amended by this Act, is further amended in the first sentence by inserting after "fiscal year" the following: "and such sums as may be necessary for fiscal year 1975".

Mr. BAYH. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. MANSFIELD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

TRIBUTE TO SENATOR BAYH

Mr. MANSFIELD. Mr. President, the overwhelming acceptance of this measure by the Senate represents one more outstanding tribute to Senator BIRCH BAYH, of Indiana, the able and distinguished chairman of the Subcommittee on Juvenile Delinquency. I wish also to praise the strong and able leadership of Senator HRUSKA, Senator COOK, and Senator MCCLELLAN on this issue. Their able advocacy and skill were indispensable to this success but today it is Senator BAYH and his record of achievement that I wish to note particularly.

Mr. President, it would be difficult to find another public official who has demonstrated more diligence and effectiveness in seeking solutions to the varied and complex problems facing our Nation than the junior Senator from Indiana.

During the almost 12 years he has served in the U.S. Senate, BIRCH BAYH's concern and his thoughtful approach have made a difference—a very real difference—for the people of Indiana and the Nation.

BIRCH BAYH started his life on a farm and became a 4–H tomato growing champion and amateur boxing champion. He began to compile a long, impressive and still growing record of accomplishment and services to others when he was a young soldier stationed in Germany after World War II. During his off duty time he taught local boys and girls—many of whom were wracked with hunger—how to grow vegetables to supplement their meager diet.

His record of service to the people of Indiana flourished during the 8 years he served in the Indiana House of Representatives, including 2 as Speaker. He was particularly effective in guiding to passage forward-looking legislation to improve education in Indiana schools.

In 1962, the people of Indiana chose BIRCH BAYH to represent them in the U.S. Senate. Because of his hard work, his courage in tackling tough issues and his effective leadership in this body, Senator BAYH has risen to national prominence. But Senator BAYH's concern for national problems has always been in addition to, never at the expense of, his responsibilities to Indiana. In cooperation with his colleagues, Senator BAYH has worked consistently and effectively to insure that the needs of Indiana were met. As a result, he has obtained for his State many valuable and necessary projects such as reservoirs, navigational improvements, port developments, and flood control projects.

As a member of the Senate Judiciary Committee Senator BAYH was a leader in the struggle to insure honesty, integrity, and openness in the Government long before Watergate.

For many years Senator BAYH has made a voluntary public disclosure of his personal finances including Federal and State income taxes and a statement of assets and liabilities. As early as 1967 he supported and voted for legislation requiring Congressmen and candidates for Congress to make public financial disclosures. In 1970 and 1971 he introduced and fought for legislation to require members of all three branches of Government, including the President, the Vice President, Members of Congress, the Federal judiciary, and all Federal employees earning more than $18,000 per year to file full public financial disclosures.

Senator BAYH strongly supported legislation calling for a combination of small contributions and public financing to take big money out of politics and reduce the influence of vested interests. When the Senate passed such legislation earlier this year it included many provisions contained in a campaign reform bill introduced by Senator BAYH in 1973, including stiff fines and prison terms for violations.

As chairman of three Senate subcommittees Senator BAYH has always insisted that all business of the subcommittees be conducted in public and he has fought for legislation providing that no congressional committee could hold closed meetings without a public vote to close the meetings.

And it was Senator BAYH's concern for the integrity of the Supreme Court which led him to successfully oppose the nominations of Judge Haynsworth and Judge Carswell.

Although it has been his work on the Senate Judiciary Committee that has most frequently brought Senator BAYH into the national spotlight, he has also played an important role on the Senate Appropriations Committee.

In his first year as chairman of the District of Columbia Appropriations Subcommittee Senator BAYH found ways to cut $15 million out of the budget without adversely affecting any of the vital services provided the people of our Nation's Capital City.

Throughout his service on the Appropriations Committee Senator BAYH has worked consistently to cut waste from the Federal budget and to reorder our spending priorities to meet the real needs of our people. Earlier this year, for example, he succeeded in slashing more than a billion dollars of surplus funds out of the welfare budget alone to free these funds for use in such necessary programs as public service employment, education, and health care.

Senator BAYH has worked particularly hard and very successfully as a member of the Appropriations Committee to increase funding for important projects in Indiana such as the Indiana Dunes National Lakeshore, which he was instrumental in creating, sewage treatment facilities and disaster relief.

Time and time again, when there was a problem affecting the people of Indiana, BIRCH BAYH was there, working for its solution. Whether it was slashing

through bureaucratic red-tape or offering appropriate legislation, Senator BAYH did not stop with a short-range answer to a problem, but continued to search until he found the right answer. An example of how Senator BAYH has sought long-lasting answers is the Disaster Relief Act. When a tornado ripped across Indiana and much of the Midwest on Palm Sunday in 1965, Senator BAYH went to work and wrote what became the first comprehensive disaster relief law so that when future disasters came relief and help would be readily available.

Mr. President, in BIRCH BAYH, the people of Indiana have sent to the Senate a man whose courage, integrity, and ability have made a difference for the people of Indiana and the Nation. I take this occasion to express the hope that he may have many years in the service of his country.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House disagrees to the amendments of the Senate to the act (H.R. 11537) to extend and expand the authority for carrying out conservation and rehabilitation programs on military reservations, and to authorize the implementation of such programs on certain public lands; requests a conference with the Senate on the disagreeing votes of the two Houses thereon; and that Mrs. SULLIVAN, Mr. DINGELL, and Mr. GOODLING were appointed managers of the conference on the part of the House.

RESCISSION OF ORDER FOR CONSIDERATION OF THE RAIL PASSENGER SERVICE ACT

Mr. MANSFIELD. Mr. President, what is the pending business?

The PRESIDING OFFICER. Under the previous order, the Chair lays before the Senate Calendar No. 975, which will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 3569) to amend the Rail Passenger Service Act of 1970, and for other purposes.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that that order be rescinded and that the Senate return to the consideration of Calendar No. 857, S. 707, and that it be laid before the Senate and made the pending business.

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

CONSUMER PROTECTION AGENCY FOR CONSUMER ADVOCACY

The PRESIDING OFFICER. The Chair lays before the Senate the unfinished business, which will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 707) to establish a Council of Consumer Advisers in the Executive Office of the President, to establish an independent Consumer Protection Agency; and to authorize a program of grants, in order to protect and serve the interests of consumers, and for other purposes.

CLOTURE MOTION

Mr. RIBICOFF. Mr. President, I send to the desk a cloture motion.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair, without objection, directs the clerk to read the motion.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close the debate upon the bill, S. 707, to establish a Council of Consumer Advisers in the Executive Office of the President, to establish an independent Consumer Protection Agency, and to authorize a program of grants, in order to protect and serve the interests of consumers, and for other purposes.

1. James Abourezk.
2. Jacob K. Javits.
3. George McGovern.
4. Gale W. McGee.
5. Mike Mansfield.
6. William D. Hathaway.
7. Hubert H. Humphrey.
8. Harold E. Hughes.
9. Gaylord Nelson.
10. Philip A. Hart.
11. Edward M. Kennedy.
12. Charles H. Percy.
13. Clifford P. Case.
14. Abraham Ribicoff.
15. Alan Cranston.
16. Warren G. Magnuson.
17. James B. Pearson.
18. Hugh Scott.
19. Lowell P. Weicker, Jr.
20. Mark O. Hatfield.

The PRESIDING OFFICER. The pending question is on the amendment of the Senator from Illinois (Mr. STEVENSON), No. 1606.

Mr. RIBICOFF. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. STEVENSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. STEVENSON. Mr. President, what is the pending business?

The PRESIDING OFFICER. The pending business is the amendment by the Senator from Illinois, No. 1606.

Mr. STEVENSON. Mr. President, I ask unanimous consent that William Staszak, a member of my staff, and Stanley Marcuss, a member of the staff of the Committee on Banking, Housing and Urban Affairs, be permitted the privilege of the floor during the debate and vote on this amendment.

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

Mr. STEVENSON. Mr. President, committee amendment No. 4 carves out a broad exemption for financial institutions.

Federal agencies responsible for the regulation of financial institutions would not be required to make their reports, or any information relating to such reports, available to the Administrator as a result of this amendment.

The amendment which I am offering would strike that broad exemption for financial institutions and protect from interagency disclosure any information that is now protected by statute. In other words, it would simply leave the law as it is.

The law is not altogether clear as to what it does prohibit from interagency disclosure, but, Mr. President, I do not believe this is the time and the place to resolve that uncertainty or that the way to do so is by giving one industry a sweeping exemption enjoyed by no other industry.

That industry, financial institutions in the country, may already have the protection that is necessary and desirable, protection from interagency disclosure under the present law, and these institutions will receive additional protection in this bill.

Section 11 of the bill details classes of information which need not be disclosed by one agency to another.

If, Mr. President, consideration of additional exemptions for the banking and savings and loan industry is necessary, then it seems to me that the Banking Committee ought to consider the matter and recommend the appropriate safeguards.

This matter has not received the benefit of any hearings in any committee. It was not considered in any depth in the Government Operations Committee nor the Commerce Committee. The bill was not even referred to the committee with the jurisdiction and the expertise; namely, the Banking Committee.

One thing is clear, and that is that the Consumer Agency will have a legitimate interest in the reports of other agencies about the consumer credit and home loan policies of financial institutions, their truth-in-lending activities, and other such matters.

The Consumer Protection Agency would be protected by the amendment which I am offering. That amendment would strike this exemption for banks, an amendment which is probably unnecessary, and if later on, as I indicated, it appears there is some necessity for some additional protection under the law, that could be considered in the Banking Committee.

This amendment, Mr. President, has nothing to do with public disclosure of any information about any banks. It would simply eliminate a committee amendment by the Government Operations Committee which grants financial institutions, financial institutions alone, a sweeping exemption from the interagency disclosure requirements in this bill.

I suggest that before blanketing the activities of banks with congressionally sanctioned secrecy, we ought to at least study the matter, and it has not been studied. It is a matter which has not even been given a hearing.

Mr. RIBICOFF. Mr. President, I suggest the absence of a quorum, unless the Senator from Ohio has something to say.

Mr. TAFT. I think the distinguished Senator from Tennessee has some comments.

Mr. RIBICOFF. That is correct, and that is why I suggested the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceed to call the roll.

Mr. TAFT. Mr. President, I ask unanimous consent that the order for a quorum call be rescinded.

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

Mr. TAFT. Mr. President, I ask unanimous consent that the pending amendment be set aside and that I be permitted to proceed on the bill.

The PRESIDING OFFICER. Is there objection?

Mr. STEVENSON. Reserving the right to object, and I shall not object, I believe the Senator wants to lay the amendment aside temporarily, for about 10 minutes?

Mr. TAFT. Yes, until the Senator from Tennessee can come to the floor, at which time I shall be glad to yield the floor.

The PRESIDING OFFICER (Mr. BIDEN). The Senator need not make such a motion unless he wants to offer another amendment, because there is no time limit on the bill.

Mr. TAFT. I shall proceed on the bill, then.

The PRESIDING OFFICER. The Senator from Ohio may proceed.

Mr. TAFT. I assure the Senator from Illinois that my intention is to yield the floor and complete action on the amendment when the Senator from Tennessee has finished.

WHO SPEAKS FOR EVERY MAN?

Mr. President, it has not been my usual practice in the Senate to engage in what has come to be known as prolonged discussion of particular issues. In fact, more often than not, I have found myself on the side of voting for and signing cloture motions. However, I do think, when the issues that come before us become so complex and the pressures behind them become so strong, that a prolonged discussion is vital to an understanding among Members of the Senate, Members of the House of Representatives, and members of the public generally as to what the impact of a particular proposed piece of legislation might be.

My purpose today and my expectation as to future conduct with regard to this bill are in that context.

The bill seems to me to pose a very serious question that all of us should be facing up to. I would entitle my remarks today with a question. That question is, "Who speaks for Everyman?"

The concept of a Consumer Protection Agency, or an Agency for Consumer Advocacy, as we now are apparently going to call it, appears to be built on the faulty premise that a superagency can speak for a mythical everyman.

Mr. President, I agree strongly with the Senator from Alabama that "the interests of consumers are an essential part of the public interest and need to be safeguarded." It is axiomatic, of course, that those of us in the Congress of these United States can have no more important goal than to serve the commonwealth.

But let us examine the artificial notions that forces are alined as "pro" or "anti" consumer. Who among us is not a consumer. Who among us does not support the desirable—the critical—the mandatory, twofold objective of both S. 707 and S. 1160, namely, to promote the interests of the American people as consumers of goods and services; and to improve the coordination of Federal programs and activities which affect consumers.

In these unsteady times when consumers are buffeted by higher prices, shortages, and inflation, the siren call of legislation labeled "consumer protection" beckons. It is right that we ask:

Who is watching out for the little fellow, for everyman?

Who is listening to him, or is his voice lost in a wildernes of special interests, vocal minorities, and global planners?

Who speaks for him? What really are the mythical everyman's expectations?

I say mythical, for I do not believe there is a composite everyman out there in this broad, complex, ever changing nation of individuals. The basic premise of the Consumer Protection Agency or the ACA, as we call it, appears to be based on the existence of such an everyman.

I am for the consumer's interest. We all are. But I seriously question whether we can ordain an elite cadre in Washington to speak for the entire U.S. consuming population of 200-million-plus men, woman, and children.

CONCERNS ABOUT THE CPA

Serious questions have been raised about the Consumer Protection Agency and I would be remiss if I did not review them briefly before getting back to a principle concern—realistic consumer advocacy. Although well-intentioned, I can see the establishment of a Consumer Protection Agency as actually working against the orderly process of the Government, working against the consumer's best interest, and working especially, against the consumer's sorely tested pocketbook in these inflationary times.

My main contention is that the Agency for Consumer Advocacy would inevitably lead to minority rule in matters affecting consumers. And I take it this would be in direct opposition to the intent of the proposed Consumer Protection Acts. Before expanding on this overriding concern, let me first briefly summarize my other problems with these bills.

First. I think it is an unsound concept to set up one "super" agency with absolute power to intervene in the affairs of other agencies, and to call the decisions of all others into question in the courts.

The Consumer Protection Agency will have not only the right but the mandate to become an adversary to every other agency, to dispute with and override their decisions by appeals to the Federal courts. Private persons and companies engaged in proceedings with other Federal agencies now will be confronted with the situation in which no decision involving consumer interests is final until the Consumer Protection Agency has agreed to let it rest, or until it has been reviewed and settled by the courts, if challenged by the Consumer Protection Agency.

These bills assume built-in disruption of virtually all Government agencies.

In that respect, I have received a letter which I would like to just read briefly from one of my constituents, representing a large concern in the consumer field, retail field. I would like to quote a part of that letter, as follows:

In running our business, I would rather be told I am wrong and must change than be told that I may have to wait another six months or a year to find out while a new agency appeals a decision which otherwise would have provided clarity and certainty. Nor do I welcome the prospect of having to work out constructive solutions to regulatory problems with representatives of "competing" government agencies who disagree with each other as to the desired result or how to get there. Such a process is hardly the most efficient and effective way of meeting consumer needs.

In that same letter, I would like to quote further because I think the points are well worth noting:

As a floor vote on the Consumer Protection Agency proposals approaches, I urge your consideration of the dilemma I face as the head of a substantial consumer goods business, and which I believe, you too, must resolve when you cast your vote.

Many businessmen have strongly and consistently opposed any Consumer Protection Agency. Others, including myself, have openly advocated such an agency but have questioned the appropriateness of some of the features of the current proposals. Unfortunately, these questions have been viewed by some, in and out of government, as proof that these responsible business leaders are really against any CPA and against consumers. Only those few companies who have publicly endorsed the present proposals are credited with being good corporate citizens on this issue.

I continue to quote this letter:

Clearly you face the same risk of being simplistically dubbed as for or against consumers, depending on how you vote on S–707 and HR–13163. On the other hand, we strongly suspect that a majority of your constituents want you to insure that legislation enacted by the Senate provides sound and efficient mechanisms for serving the public interest rather than increasing the cost and burden of government beyond what the expected benefits will justify.

Continuing to quote the letter:

We feel that we rank high among responsible corporate citizens. Over the years we have undertaken socially responsible programs because we thought they were right, and—frankly—because we thought they were good business. We have not waited for laws and regulations. For example, while warranty legislation is still pending in the Congress, all of our products have carried on unconditional money-back guarantee of satisfaction on their labels for over a quarter of a century. Another example—while the debate still goes on as to whether advertisers should be required to substantiate their advertising claims, we have taken it as an article of faith throughout our corporate existence that our advertising must be scientifically and legally supportable, and our record of providing such support in a satisfactory manner in response to governmental inquiries goes back over many years.

Continue quoting the letter:

Accordingly we have no concern that the establishment of a Consumer Protection Agency entails specific risks for us as a company. Besides, it is the very nature of our business to try to fill those needs which consumers express to us in our extensive market research efforts, and there is no doubt that consumers perceive a need for a Consumer Protection Agency.

When we consider a business proposal, as when you consider a legislative proposal, we examine the need, consider the alternatives for meeting it, and adopt the most efficient plan of action which can be expected to accomplish the desired result. When we seek to provide constructive input on proposed legislation, we proceed in the same manner.

Mr. President, I have not completed reading the letter, which I will do at a later time, nor have I completed my remarks along the line of a "Who speaks for everyman?" which I have just been discussing. But I will, at this time, yield the floor so that proceedings can continue on the amendment by the Senator from Ilinois.

I shall now defer my remarks until later.

Mr. RIBICOFF. Mr. President, I wonder if the Senator would yield. Is it the intention of the distinguished Senator from Ohio, after the adoption of this amendment, to continue his speech?

Mr. TAFT. It is my intention if the time is sufficient.

Mr. RIBICOFF. There are a few committee amendments remaining which are noncontroversial, and I wonder whether we could proceed to the adoption of the remaining committee amendments and then have the distinguished Senator continue. However, I would be more than pleased to defer the adoption of the committee amendments, if the Senator from Ohio would want to continue at that time, and I would defer to the Senator for whatever action he wishes to take.

Mr. TAFT. Mr. President, I thank the Senator very much. I would defer and see what time is available after the Senator from Illinois has completed action on his amendment.

Mr. BROCK. Mr. President, does the Chair accept the unanimous consent request of the Senator from Ohio?

The PRESIDING OFFICER. Is there objection to the unanimous consent request? The Chair hears none, and it is so ordered.

The Senator from Illinois has the floor.

Mr. STEVENSON. Mr. President, I discussed this amendment with the distinguished Senator from Tennessee (Mr. BROCK) and also the distinguished manager of the bill (Mr. RIBICOFF) and I think we can make a change in the amendment that would make it acceptable to the Senator from Tennessee.

He has rightly expressed concern about the privacy of customers of financial institutions. It would not be my intention to require that information obtained by any Federal regulatory agencies about the financial condition of individual customers of financial institutions be required to be disclosed by that agency to the Administrator.

In fact, I think such information should be protected from disclosure if it is not protected already in the law.

Mr. President, I send the modification to the desk and ask that my amendment be modified to conform.

The PRESIDING OFFICER. The amendment is so modified. The modification will be stated.

The assistant legislative clerk read as follows:

On page 71, line 8, strike all after the semicolon through "and" on line 16 and insert in lieu thereof the following:

"Including, but not limited to, such expressly prohibited information contained in or related to examination, operating, or condition reports concerning any individual financial institution prepared by, on behalf of, or for the use of an agency responsible for regulation or supervision of financial institions;

(6) information which would disclose the financial condition of individual customers of financial institutions; and

Mr. STEVENSON. Mr. President, the operative language of this modification is in subparagraph 6, which would make it clear that information which discloses the financial condition of customers of financial institutions, is not subject to interagency disclosure—such information would include credit reports, bank accounts, files on individual transactions between banks and customers—matters of that kind.

Mr. RIBICOFF. Mr. President, will the Senator yield?

Mr. STEVENSON. I yield.

Mr. RIBICOFF. Do I understand what the Senator is interested in doing is preserving the privacy of an individual person not to be disturbed or have his financial transactions disclosed? I understand that to be the purport of the amendment of the Senator from Illinois.

Mr. STEVENSON. That is the purport of the amendment; not to require regulatory agencies to disclose any such information about the financial condition of customers of financial institutions to the Consumer Protection Agency.

Mr. BROCK. Mr. President, will the Senator yield?

Mr. STEVENSON. I yield.

Mr. BROCK. The Senator from Illinois has, I think, correctly stated the situation. It does not conform with the proposal of the Senator from Tennessee who offered the original language in the bill in the form of a committee amendment, which was adopted by the Committee on Government Operations.

My concern is a very specific concern in the sense of the fact that this Nation too often these days embarks upon new controls or procedures or laws which although well intentioned have the effect of destroying personal privacy. This assault is upon one of our most fundamental freedoms.

I offered in committee an amendment which would preclude this agency from access to and revelation of any information with regard to individual customers of a financial institution or privileged records and accounts of such institutions.

The Senator from Illinois has very carefully worded the amendment to be more specific than that proposal which I drew up. There is no distinction between the desire of the Senator from Illinois and the Senator from Tennessee; we both seek the same objective.

I appreciate the Senator's concern with this matter and his interest in it and his support. I wish to guarantee that privacy and privileges of the citizens of this country. We are embarked on too many exercises to damage or even destroy that basic American freedom.

Mr. President, I am prepared to support the amendment. I would like to list two or three things to be sure we are in consonance.

I understand this would preclude access to credit reports and bank accounts, records of loans he might have sought; it would apply to bank examinations of that institution that are not covered under the Freedom of Information Act, where we already have an exclusion, but it would cover those areas of examinations that are simply for the purpose of the regulatory agencies to maintain that financial solvency of that institution.

They would be excluded, as I understand it, so that there could not be jeopardized the liquidity or basic stability of a financial institution by access to or disclosure of highly privileged information that might put them in a disadvantageous position.

Is that a fair statement of the Senator's intent?

Mr. STEVENSON. The Senator is certainly correct as to the disclosure of information about the financial condition of customers of financial institutions. No such information under this amendment would be required to be disclosed by the regulatory agency to the Administrator. In no case are we talking about public disclosure. This is confined to interagency disclosure.

Mr. BROCK. That is correct.

Mr. STEVENSON. All of the information we are talking about would be, I think, very clearly protected from public disclosure by the Freedom of Information Act.

Mr. BROCK. I understand that.

Mr. STEVENSON. And it specifically refers to bank examiner reports.

Mr. BROCK. That is correct.

Mr. STEVENSON. Bank examiner reports might be protected under existing law or under the provisions of Section 11 of this bill, including specifically section 11(c)(5), but to the extent such reports are not protected either in this bill or by existing law and went beyond the financial condition of individual customers of the bank, they would be subject to access by the Consumer Protection Agency.

Mr. BROCK. What I am saying is that the confidentiality with respect to the borrower or depositor, or customer of that institution would be protected. That is No. 1. The Senator clearly stated it is his intention to guarantee that confidentiality.

I think the language is clear. As the Senator said, other sections would also apply; the Freedom of Information Act guarantees against disclosure, and other sections deal with it.

What we are doing is to protect against what might be called a potential fishing expedition which could yield highly unimportant results having nothing to do with consumer protection.

Mr. STEVENSON. I share the Senator's concern. We are concerned only about public disclosure of any information which would adversely affect any competitive position or reputation of any financial institution.

I do not believe this amendment could possibly have that effect. It leaves the existing protections of the law as they are. It adds the additional protection for the customers of financial institutions. And, of course, this bill, itself, contains additional protection. If later on the problem were to arise, of course, we could consider the matter in the Banking Committee, of which we are both members. I think that is exceedingly unlikely. I cannot see any such problems.

It is not a matter which has received any hearings in any of the committees which have considered this bill.

Mr. BROCK. Let me say to the Senator, I think he has drawn a very precise amendment, which is explicit in its terms and in its intent. That is what I supported, because I do not think there is any opportunity for confusion or contradiction in the specific language or in the intention. We do protect the institutions, we do protect the institutions' customers, and that is what it is all about. I very much appreciate the Senator's responses. I do appreciate his respect for the confidentiality of certain privileged banking information, both of an institutional nature and the nature as it pertains to their customers.

Mr. President, I am prepared to accept, support and vote for the amendment.

Mr. STEVENSON. Mr. President, I want to again commend the Senator from Tennessee for raising this matter, and especially for expressing his genuine and, I think, correct concern about privacy of customers of financial institutions. I am glad to have his support.

Mr. President, I will modify the amendment further to change the first line to read, "strike all after the semicolon" instead of "strike all after the word 'agency' ".

The PRESIDING OFFICER. The amendment will be so modified.

Mr. STEVENSON. Mr. President, I think this matter has been sufficiently discussed. I am prepared to vote.

Mr. RIBICOFF. Mr. President, I want to take this opportunity of expressing my appreciation to both the Senator from Illinois and the Senator from Tennessee for their constructive work and cooperation in clearing up many doubts on committee amendment No. 4 and making it a better and more effective amendment. My commendation to both Senators for that.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Illinois to the committee amendment.

The amendment of the Senator from Illinois to the committee amendment was agreed to.

The PRESIDING OFFICER. The question is on the committee amendment, as amended.

Committee amendment No. 4, as amended, was agreed to.

The PRESIDING OFFICER. The clerk will report the next committee amendment.

The legislative clerk read as follows:

At the beginning of line 17, strike out "(6)" and insert "(7)"; on page 82, after line 19, insert:

(h) It is the sense of the Congress that small business enterprises should have their varied needs considered by all levels of government in the implementation of the procedures provided for thoughout this Act.

(i) (1) In order to carry out the policy stated in subsection (h), the Small Business Administration (A) shall to the maximum extent possible provide small business enterpriess with full information concerning the provision of the procedures provided for throughout this Act which particularly affect such enterprises, and the activities of the various departments and agencies under such provisions, and (B) shall, as part of its annual report, provide to the Congress a summary of the actions taken under this Act which have particularly affected such enterprises.

(2) To the extent feasible, the Administrator shall seek the views of small business in connection with establishing the agency's priorities, as well as rules and regulations which will be promulgated for the purpose of implementing this Act.

(3) In administering the programs provided for in this Act, the Administrator shall respond in an expeditious manner to the views, requests, and other filings by small business enterprises.

(4) In implementing this Act, the Administrator shall insofar as practicable, treat all businesses, large or small, in an equitable fashion; due consideration shall be given to the unique problems of small businesses so as not to discriminate or cause unnecessary hardship in the administration or implementation of the provisions of this Act.

The PRESIDING OFFICER. The question is on agreeing on the amendment.

Mr. RIBICOFF. Mr. President, this amendment was adopted by the full committee at the suggestion of Senator BROCK.

The amendment directs the Administrator and all other Federal agencies to give due consideration to the special problems of small businesses when acting under the act. The Administrator is directed to respond in an expeditious manner to the views, requests, and other filings made by small business enterprises. The Administrator is required to consult with the representatives of small businesses when establishing the agency's priorities and procedures. Finally, the Small Business Administration is directed to provide small businesses with information about the act and its implementation, and to provide Congress with a summary of the effect of the act on small businesses.

The amendment assures that the CPA and all other Federal agencies will keep the special problems of small businesses in mind when implementing the act. It will prevent any chance of small businesses being discriminated against or being caused unnecessary hardship. The amendment represents an important recognition of the special problems of small businesses.

It is my understanding that there is no opposition to this amendment, and I ask for its consideration.

The PRESIDING OFFICER. The Senator from Ohio is recognized.

Mr. TAFT. Mr. President, I am not going to express opposition to the amendment. I do want to express some doubts about the position just expressed by the distinguished Senator from Connecticut. I admire and agree with the objectives of the committee amendment, and certainly recognize the necessity, in proceeding with legislation of this kind, for giving proper consideration to the problems of small business. Unfortunately, however, I feel I do have to disagree with the Senator in his apparent conclusion that there is some way in which you can do this and still enact the provisions of this bill.

Many of my constituents have discussed being under constant fire and barrage from various agencies of the Federal Government. The unfortunate part is the tremendous burden of administrative costs in just handling the inquiries and the contacts by Government agencies. Even though there may be no violation of any kind involved, and the conduct of the company may be very fine conduct, merely the redtape and the additional contacts which they have inevitably impose an inordinate and discriminatory burden upon small business.

That is the reason, of course, why there have been some proposals to exempt small business. I am sure there may be amendments offered later along these lines. I do not in any way disagree with the objectives or the language of the committee amendment, so I will not oppose it at this time. I do register a dissent as to the fact that we can handle the problems involved in this way.

Mr. RIBICOFF. Mr. President, I appreciate the point of view of the distinguished Senator from Ohio. I do believe that with this amendment and the amendment that we adopted by Senator DOMENICI, we have gone a long way to remove many of the apprehensions and fears of small business.

The Domenici amendment, as I understand, affects some 94 percent of the business in this country.

Mr. President, I move the adoption of committee amendment No. 5.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment No. 5.

Committee amendment No. 5 was agreed to.

The PRESIDING OFFICER. The clerk will report the next committee amendment.

The legislative clerk read as follows:

On page 88, line 9, after "1977.", insert "Any subsequent legislation to authorize appropriations under this Act for the fiscal year beginning on July 1, 1977, shall be referred in the Senate to the Committee on Government Operations and to the Senate Committee on Commerce."; after line 13, insert a new section, as follows:

EVALUATION BY THE COMPTROLLER GENERAL

SEC. 21. (a) The Comptroller General of the United States shall audit, review, and evaluate, the implementation of the provisions of this Act by the Consumer Protection Agency.

(b) Not less than 30 months nor more than 36 months after the effective date of

this Act, the Comptroller General shall prepare and submit to the Congress a report on his audit conducted pursuant to subsection (a), which shall contain, but not be limited to, the following:

(1) an evaluation of the effectiveness of consumer representation activities;

(2) an evaluation of the effect of such agency activities on the efficiency, effectiveness, and procedural fairness of affected Federal agencies in carrying out their assigned functions and duties;

(3) recommendations concerning any legislation he deems necessary, and the reasons therefor, for improving the implementation of the objectives of this Act as set forth in section 3.

(c) Copies of the report shall be furnished to the Administrator of the Consumer Protection Agency, the chairmen of the Senate Committees on Commerce and on Government Operations, and the chairman of the Committee on Government Operations of the House of Representatives.

(d) Restrictions and prohibitions under this Act applicable to the use or public dissemination of information by the Agency shall apply with equal force and effect to the General Accounting Office in carrying out its functions under this section.

And, on page 89, at the beginning of line 21, change the section number from "21" to "22".

Mr. RIBICOFF. Mr. President, the amendment provides that any legislation renewing the agency's authorization in 1977 shall be referred in the Senate to the Government Operations Committee and to Commerce Committee.

This amendment will assure that these two committees will review the agency's operations after the first 3 years. These committees must be satisfied the CPA is operating successfully before Congress authorizes any further amount for its operation.

The amendment is an important safeguard. I recommend its adoption.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

All of the committee amendments have now been agreed to. The bill is open for further amendment

Mr. TAFT. Mr. President, I would like to continue my remarks at this time on the question that I asked earlier today: Who represents everyman? In doing so, I would like to continue to read from a letter I received from a representative of a very large retail business, constantly dealing with consumers, which I think makes his observations and his comments valuable.

I continue to read from a portion of this letter, as follows:

The need perceived by consumers, as we understand it, is for an established agency of government which:

a) has no other interest but the consumer interest;

b) will keep informed about all activities of government affecting the consumer interest;

c) will insure that the consumer viewpoint and the facts supporting it are presented to, indeed advocated before, all other agencies in connection with such activities.

It is such a Consumer Protection Agency which we favor and indeed urge upon you.

The present proposals seem to be directed to an alleged *additional* need which we believe does not exist or which, if it does exist, must be dealt with by the Congress in a more direct and efficient fashion than this legislation provides. This alleged need is to insure that these other agencies of government, having had the consumer viewpoint adequately presented to them by the CPA, will act responsibly—and if they do not, to provide a means to challenge their decisions. This "need" is often expressed through accusations that the administrative agencies are "captives of the industries they regulate" and cannot be trusted to carry out their mandate to act in the public interest.

As troubled as we are about the level of public distrust of all established institutions, whether in business, government or elsewhere, we must believe that the overwhelming majority of officials and staffs of government agencies try to do their jobs in a responsible fashion to the best of their abilities in the public interest, just as most Senators and Congressmen do. If they sometimes fail to do so, it is as likely as not because they don't have all the facts. The Consumer Protection Agency we favor would provide those facts.

Such an agency in the form proposed in S-707 and HR-13163 on the other hand, much as it is heralded as "non-regulatory" and therefore impliedly unobjectionable, would become a superior among equals. Each agency before which it appears would know that however responsibly, and with what expertise, it sought to determine the public interest, the CPA would have a right of appeal unique in administrative law. As a watcher of the watchers, it would breed more distrust, hesitancy and fear.

Then, as I read earlier, and I think it is worth reading in this context:

If one assumes that administrative agencies will act irresponsibly, is there not the same risk that the Administrator of the Consumer Protection Agency will act irresponsibly even though the statute exhorts him not to do so? The remedy for irresponsibility is to bring change to the irresponsible agency, not to create another agency with overriding watchdog authority. Correction of irresponsibility at the source will invite trust, action-oriented programs, and certainty.

The specifics of the concerns with the legislation before you have been argued at length many times in many places and I have not repeated them here, although I do urge your thoughtful attention to Senator Ervin's Minority Views in the Commerce Committee report.

My point is simply that as a responsible business we favor an appropriate Consumer Protection Agency which meets perceived consumer needs, but as thoughtful and concerned corporate citizens we believe it would be a mistake to burden that function with powers which not only do not help to meet those needs but also burden the processes of government with distrust and uncertainty.

Mr. President, I think this is an outstanding and a very succinct observation as to the choice Congress has in facing up to this problem.

They would give the new agency unlimited power to second-guess and override decisions of Cabinet officers and other Government agencies. Once the Consumer Protection Agency entered a case, it would oppose official actions and appeal to the courts from decisions of the Federal Trade Commission, the Federal Communications Commission, the Securities and Exchange Commission, the Interstate Commerce Commission, the Agriculture Department, the Interior Department—and on down the line— ad infinitum.

The Consumer Protection Agency could force one thousand and one Federal offices to subpoena books, papers and witnesses; force them to give up their own records and data; ask that they conduct product performance tests; require them to report on the conduct of their affairs; compel cooperation on publicizing any information deemed "useful to consumers."

These bills would, I believe, hinder, not help, effective representation of consumer interests within the Federal Government. It is wisely said that justice delayed is justice denied, and the delay factor alone that is certain to result from the CPA seems sure to create injustice, paralysis, defensiveness, and maladministration in a host of administrative agencies and departments.

Already the Federal Trade Commission, the President's Consumer Advisor—Mrs. Virginia Knauer—the Food and Drug Administration, the Consumer Product Safety Commission, and a host of other agencies throughout the executive branch are charged with consumer concerns of all kinds.

Mr. KENNEDY. Mr. President, will the Senator yield for a very brief unanimous consent requests, without losing his right to the floor?

Mr. TAFT. I am glad to yield.

Mr. KENNEDY. Mr. President, at the conclusion of today's business, I wanted to call up my amendment No. 1573 and ask that it be the pending business on Monday next.

I have talked with the floor manager of the bill and understand that he has communicated with the minority member, so that this would be the pending amendment.

With the understanding of the manager of the bill, and with the indulgence of the Senator from Ohio, I ask unanimous consent that the amendment be called up and be made the pending business.

The PRESIDING OFFICER (Mr. BARTLETT). Is there objection?

Mr. ALLEN. Mr. President, reserving the right to object, I would like to have an opportunity to look at the amendment. I suggest the absence of a quorum.

Mr. KENNEDY. If the Senator will withhold that request, I had asked the Senator from Ohio to yield, and he is making a statement. So I will withhold the request, in order not to interfere with the time of the Senator from Ohio, and I plan to come back.

Mr. RIBICOFF. Mr. President, I think we can settle it. It was the hope of the majority whip that before the day was over, an amendment could be called up that would be the pending order of business on Monday. There would be no votes or discussion on the amendment today, but it would be deferred until Monday, at which time it would be called up in due course and full debate would take place on it. There would be no action on it today.

Mr. ALLEN. The only trouble, I might say, is that the Senator from Ohio has an amendment he has been trying to get in for some days now. Also, I am anxious to see the committee amendments adopted.

Mr. RIBICOFF. All the committee amendments have been adopted.

Mr. ALLEN. The Senator from Ohio has an amendment, and I would like to

see some amendments come in that might stand a little better chance of being adopted than this amendment. This might bring things to a halt, if it provides what I understand it does provide.

I would like to interpose an objection at this time, but possibly later in the afternoon something could be done. Perhaps we could talk to the Senator from Ohio, who has an amendment. He has been asking the Senator from Alabama when he might get it in. I was under the impression that we were going to be able to get it in after the committee amendments were disposed of.

Mr. RIBICOFF. I say to the distinguished Senator from Alabama that I did not know there was any such arrangement. The committee amendments have been adopted, and I did not know about any other amendment that anyone wanted to put in. I am sorry I did not know that the Senator from Ohio had an amendment that he wanted to put in. I knew that the Senator from Massachusetts had an amendment, and I was anxious to accommodate the leadership, so that we would have ongoing business on Monday.

Mr. ALLEN. Then, too, we might have some amendments that could be disposed of this afternoon. I would like us to do what we could to perfect the bill, if it is capable of being perfected or improved.

Mr. RIBICOFF. I am wondering, under the circumstances, whether we could have a unanimous consent agreement that after the disposition of the amendment by the Senator from Massachusetts, we could make the next order of business the amendment of the Senator from Ohio, so long as the request has been made by the Senator from Massachusetts before the Senator from Ohio has made a request. I have no objection to having unanimous consent that the Senator from Ohio's amendment follow the disposition of the Kennedy amendment.

Mr. ALLEN. As I say, ever since the bill has been before the Senate, the Senator from Ohio (Mr. METZENBAUM) has been seeking to get the aemndment in. I told them that I thought it could come in after the other amendments.

I wonder whether we could let the Senator from Ohio's amendment come first and this amendment come second.

Mr. KENNEDY. If the Senator will yield, I have no other interest than having an early consideration of my particular amendment and trying to work out a satisfactory timing with the floor manager of the bill and with the leadership. So I will be glad to withhold the request until later on in the afternoon, and I will make such a request at an appropriate time, unless the Senator from Ohio has, with the understanding of the manager of the bill, called up his amendment. In an attempt to comply with the leadership and the floor manager I wish to offer this amendment.

I think if the Senator from Ohio is interested, he has every opportunity to offer his amendment and call it up.

Mr. RIBICOFF. If the Senator will yield, the Senator from Ohio has the floor—I did not realize the reference was to the junior Senator from Ohio, who is not on the floor.

Mr. ALLEN. That is correct.

Mr. RIBICOFF. Naturally, I have no objection to which order it takes. To me, we are going to have to deal with these amendments as they come up.

The Senator from Massachusetts is on the floor asking for consideration. I have no objection whatsoever to asking unanimous consent that Senator METZENBAUM'S amendment follow that of the Senator from Massachusetts, as long as the Senator from Massachusetts is on the floor, and the Senator from Ohio is not.

Mr. TAFT. Mr. President, there are other contingencies here. One is that I have an amendment to bring up and discuss, at least discuss today, whether it is called up as part of the business or not.

I had not as yet committed myself but for the fact that I see no reason why I could not do so, if I wish to do so.

I would ask the Chair a parliamentary inquiry whether if I offer an amendment, having the floor, by offering the amendment and calling it up whether it does not become the order of business?

The PRESIDING OFFICER. That is correct, it would become the order of business.

Mr. KENNEDY. Mr. President, if the Senator from Ohio will indulge me for one more moment, I would like to make it very clear for the RECORD that there are other amendments to this bill and that some of these amendments are ready to be considered. I will take the opportunity to bring up my amendment at an early date, and will cooperate with the floor manager in seeking an appropriate time.

I want to thank the Senator from Ohio for yielding the time and I thank the Senator from Connecticut and indicate to him that I will be ready to offer this amendment at the earliest possible available time.

Mr. RIBICOFF. May I make a comment, in fairness to our colleague, that if there is the intention of the Senator from Ohio to bring up his amendment today for completion and a vote, I would hope the respective cloakrooms would get word to the respective Senators on both sides of what may take place, because there had been an impression that there probably would be no more votes today, under the circumstances, and hot lines should get busy at once.

There is no desire on my part to cut off discussion today on any amendment. I am willing to stay here on the floor as long as necessary without any time limitation.

Mr. KENNEDY. Mr. President, I withhold my request.

The PRESIDING OFFICER. The Senator from Ohio has the floor.

Mr. TAFT. Mr. President, unavoidably, a new Consumer Protection Agency, with the absolute right to intervention, will complicate and confuse these efforts to respond to genuine consumer need and lead to a constant in-house competition as to which agency can be the most militant and the most visible consumer champion.

The new Agency could be counted on to become a constant critic not only of business but also of competing activities within government, greatly hindering genuine efforts to solve problems which affect consumers.

As presently conceived the Consumer Protection Agency would be a power unto itself, largely uncontrollable by anyone.

When the Consumer Protection Agency official decides that a certain course or position is "in the best interests of consumers," who can call that decision into question? He would have the power to operate independently of the wishes of both the executive branch and of Congress itself.

WHO SPEAKS FOR EVERY MAN

This has been an alarming accounting, to be sure, but the true malignancy does not appear until one considers the fallacious and unworkable concept of a single consumer voice in the Federal Government. I submit that the presently proposed concept of a Consumer Protection Agency contains more good will than commonsense.

It is beyond my comprehension how the proposed agency with 50 to 100 lawyers can divine the will of millions of consumers. Average consumers readily express their desires and needs each day in the marketplace—voting as it were—with dollars and cents. Trying to plumb the consumer's wishes—hopefully to anticipate them—companies annually conduct millions of interviews, analyze tens of thousands of personal letters, and carefully test market new and improved products over extended periods of time. And now we are saying that one agency, that, in reality, will only be responsive to vocal minorities, can indeed represent our mythical "everyman"—know his ephemeral wants, needs, and desires—in their infinite variety. Perhaps the Consumer Protection Agency will indeed be staffed with soothsayers.

The hard fact is that consumer interest is as broad, as varied, as complex as the entire U.S. economy or the entire U.S. population. The great bulk of producers of consumer goods exists to serve an infinite variety of consumer interests in an infinite variety of circumstances. What is in the interests of one consumer in one set of circumstances may well be contrary to the interests of another consumer in another set of circumstances. Each consumer has his own needs, his own desires, his own standards of satisfaction.

We, in Congress, have recognized this fact by delegating to specific Federal agencies the responsibility for representing certain consumer interests in certain circumstances. The Food and Drug Administration is assigned to look after the consumer's interest in the safety of food and drugs. The Federal Trade Commission is charged to protect the consumer from unfair trade practices. The Securities and Exchange Commission protects the consumer in the investment of his funds, and so forth. These are areas of great complexity and expertise in which it seems unlikely that the CPA would have the skill or background to assess the public interest.

To superimpose over all of this a single

agency with the authority to speak for all consumers in all of their interests and in all circumstances is—I repeat—a fallacious and unworkable concept. The entire idea of speaking for the "consumer interest" breaks down when put into practice as a single Government function.

Which consumers will the omniscient agency represent? It likely will favor lower prices, but oppose labor views in wages, tariffs, and other matters; favor low utility rates, but deny expanded electric service to other consumers; demand low farm prices, but reduce income of farmers, who, indeed, are consumers themselves. A particular "consumer interest" is not necessarily synonymous with the "public interest"—it is only one part of the public interest and hence may conflict with it, and hence might be made with the public interest.

This leads us back to my main point that the Consumer Protection Agency would inevitably lead to minority rule in matters affecting consumers. The well-intentioned but overly ambitious Consumer Protection Agency would compound the very problem it is attempting to eliminate—inadequate, unrealistic advocacy for all consumers.

As a political force in Washington today, the so-called consumer movement is a broad spectrum of vocal minority views on a great variety of issues. Each consumer group has its own platform which it represents as the overriding consumer interest and which it advocates in preference to all other consumer interests. Each consumer group has its "issue."

For example:

Where automobiles are concerned, the alleged consumer interest is in safety—not cost, or reliable operation, or comfort, or style, and so forth.

Where foods are concerned, the alleged consumer interest is in nutrition—not cost, or taste, or variety of foods, and so forth.

Where packaging is concerned, the alleged consumer interest is in standardization of packages—not convenience in use, or proper protection of the product, or cost, or eye appeal, and so forth.

Where grocery shopping is concerned, the alleged consumer interest is in unit pricing so that one can buy on the basis of cost per ounce—not product quality, or performance, or variety of choice, and so forth.

The great majority of American consumers do not espouse any one of these particular issues. Yet inevitably issues such as these would be the "stock in trade" of the Consumer Protection Agency. The most aggressive minority consumer groups would have a vehicle, in the form of the Consumer Protection Agency, to enforce their views before the various branches of the Federal Government and to impose those views on the public at large.

In this way, the majority interests of the great mass of American consumers, who did not seek representation in these "activist" political groups, would be overridden by the minority view which is represented actively via the Consumer Protection Agency. We will have minority rule instead of majority rule.

ADEQUATE MECHANISMS ALREADY EXIST

This country does not need—nor should it tolerate—an agency that is legally empowered to force its subjective view of consumer interest on the many agencies which are already charged to protect consumers. The notion is inimical to due process, to our system of checks and balances and our traditional aversion to any one, single, almighty power.

There are those who propose that the Consumer Protection Agency would seek the prevention of unfair or deceptive trade practices. Now that mandate sounds familiar. Perhaps the Chairman of the Federal Trade Commission should comment on the need to have an agency with a parallel function to his agency's. The proposition sounds terribly wasteful.

Consider also that 36 Federal agencies have already said that more than 1,300 specific types of proceedings and activities in their areas would be subject to the proposed Consumer Protection Agency's intervention, participation or appeal.[1] In addition, some agencies have acknowledged that the Consumer Protection Agency could potentially intrude into everything they did.

Recognizing that the taxpayers already have a heavy burden in supporting these legions of agency personnel—a new, largely duplicative, super agency, with a starting price tag of $25,000,000 seems a very poor bargain indeed—perniciously more mythical than our "everyman." Not included in the price tag, but certain to be charged to the taxpayers will be the additional attorneys and staff of the agencies to reply to the charges of the CPA.

Before we spend all that money legislating Nirvana for the buffeted consumer, we should recognize that the concept of a Consumer Protection Agency conflicts unnecessarily with our free market system.

This system, while far from perfect—and sometimes in need of a steadying hand from Government—is nonetheless the most effective system man has devised in response to true consumer interest.

If we agree—and I think we must—that there is no "everyman," then the concept of a Consumer Protection Agency contains the seeds of its own destruction. The Consumer Protection Agency seeks to represent a monolithic consumer interest which simply does not exist. I envision—as I mentioned earlier—situations occurring where the Consumer Protection Agency may have to represent one consumer's interest at the expense of another.

Which consumer is to get the Consumer Protection Agency's nod? How many other consumers would actually be represented by the strident plantiff who has been so fortunate to have been granted an audience by the Consumer Protection Agency's omnipotent tribunal?

Take, for example, the issues of safety, quality, and durablity of a given product. As the degree of safety—or quality—or durability of a product increases, so usually does its price. There is an obvious trade-off in each case. One consumer may wish to pay a higher price for increased quality, another may wish to accept lesser quality in return for a lower price.

Within our free market system different consumers will reach different conclusions as to what constitutes an acceptable trade-off and make their purchases accordingly. Thus, the free market system neatly eliminates a possible dilemma. In similar circumstances, a Consumer Protection Agency would probably choke on its own profundity.

Granted, the public interest may require that a certain minimum safety standard be met. But this is the function of a regulatory agency such as the Consumer Product Safety Commission which is specifically charged with balancing all the competing interests involved. On the other hand, a Consumer Protection Agency would not have to trifle with such balancing.

Conceivably, in a proceeding before the Product Safety Commission, the Consumer Protection Agency could press for the highest standard of safety achievable regardless of cost. It could do this with complete disregard of previously acceptable standards, frustrate the free market system and cut off economic choices for many more consumers than those few it represents in any one proceeding. The big loser—as too often is true—would be the poor.

I contend that there are already ample Federal agencies to protect the consumers' interest. Congress' job is not to proliferate these agencies, but to see that they discharge their duties in the interest of consumers.

In addition, voluntary consumer protection efforts within the private sector have accelerated and give promise of being more quickly responsive to legitimate consumer concerns and complaints than could a Federal superagency participating in administrative proceedings. I cite the work of the National Business Council for Consumer Affairs and the Council of Better Business Bureaus.

The National Business Council for Consumer Affairs has produced a series of guidelines which amount to codes of conduct in such areas as promotion and advertising, advertising substantiation and packaging and labeling. Congressional endorsement and specific requests to trade associations and corporate officials to implement these codes might produce a higher level of concern for consumer interests among producers of goods and services and a greater degree of consumer satisfaction than would the presumptious voice of a Consumer Protection Agency bureaucrat claiming to represent all mankind.

We should use and encourage the self-disciplinary efforts of the private sector.

Another example: The Council of Better Business Bureaus already has established consumer arbitration facilities in two-thirds of its more than 130 branches, and many of us in Congress already are referring complaints from consumer constituents to the council for

[1] Report of the Committee on Government Operations on S. 3970, S. Rept. No. 92-1100, 92nd Cong. 2d Sess., at 89, 100.

investigation and resolution. I see this kind of activity as far more constructive than establishing another layer of bureaucratic supervision. Certainly the individual consumer seeking protection against deceptive practices and prompt resolution of his complaints can best be served by the voluntary steps of the private sector which exists and thrives in direct relation to its ability to serve consumers.

THE SOLUTION

The cure then does not lie in the creation of a superagency, or the appointment of an arbiter of elegance after the fashion of Ancient Rome, or abdication to an Orwellian global planner. The cure lies in reform of those existing agencies which are not living up to their charge from Congress and the executive branch to be responsive to consumers. The cure importantly lies in encouraging the free market system to function as it alone can in the consumer interest.

Working with existing agencies and the private sector are tangible, workable, results-oriented goals. I think our attention has been diverted too long from these achievable goals by wistful rhapsodizing over the creation of a burdensome, restrictive, costly, and ill fated supersolution, superplacebo, superagency.

As praiseworthy as the goal may be, I submit that our efforts would be better spent in cranking up existing mechanisms on behalf of consumers than trying to legislate a fairy godmother or guardian angel for them.

If, however, we are to have a Consumer Protection Agency, I would urge that it truly reflect the voice of each person and that it be responsive to those of our citizens who are not necessarily organized into a vocal minority or special interest group. That is part of the reason I am this day offering the "ombudsman agency" amendment to the Agency for Consumer Advocacy Act. Let us face it, creating a superagency and empowering it with extraordinary rights and remedies contributes to distrust and uncertainty in our Government at a time when Americans feel their Government has become distant and more impersonal. I fear there is a great feeling of frustration engulfing our citizens that they are too remote from the decision-making process which affects their lives. Growing administrative abuse on the part of a Federal, State, and local bureaucracy substantially adds to this feeling of frustration.

The ombudsman established by my amendment will become a citizen's grievance officer and an impartial guardian of the people's rights against potential governmental abuse on the part of the Agency for Consumer Advocacy. The major provisions of my amendment I shall summarize in a moment.

The amendment is designed to establish a legislatively appointed independent grievance officer with wide-ranging investigatory powers. Since he has no power to directly change an administrative decision, his effectiveness depends upon public confidence in his integrity and upon his resulting power to publicize administrative abuse. To that end, in my view the ombudsman fulfills a very necessary role in obtaining a proper balance in promoting and protecting the interests of the people of the United States as consumers of goods and services.

Mr. President, I would like to summarize at this time the Ombudsman Agency amendment, and I send the amendment to the desk and ask that it be printed.

The PRESIDING OFFICER. Without objection, the amendment will be received and printed.

Mr. TAFT. Mr. President, this amendment starts with an expression of its declaration of purpose.

The first section, section 3(5) covers this aspect of the amendment. This section expresses the principal purpose of the creation of the Ombudsman Agency is to oversee and insure that the purposes of the Consumer Protection Agency and the Administrator's role in connection with it remain responsive to the needs and views of the people of the United States engaged in endeavors including consumer interests, such as the pursuit of civil rights, public health, education, women's rights, and other worthy goals and objectives.

Then we have a section dealing with definitions.

We then have a section dealing with representation of consumer interests before Federal agencies. The amendment, this section, removes the right of the Administrator to intervene as a party or otherwise participate for the purpose of representing the interests of consumers in Federal agency proceedings. It provides that he may attempt intervention as a party or otherwise request participation in such proceedings.

There is a provision calling for judicial review. This removes the Administrator's standing to maintain judicial review of any Federal agency action reviewable under law and provides that the Administrator may petition for judicial review of any Federal agency action so reviewable under law.

I would be glad to yield to the Senator from Alabama to make a unanimous-consent request, without losing my right to the floor.

INCREASED PARTICIPATION BY THE UNITED STATES IN THE INTERNATIONAL DEVELOPMENT ASSOCIATION

Mr. SPARKMAN. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 2665.

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 2665) to provide for increased participation by the United States in the International Development Association, which were to strike out all after the enacting clause, and insert:

That the International Development Association Act (22 U.S.C. 284 et seq.) is amended by adding at the end thereof the following new section:

"SEC. 14. (a) The United States Governor is hereby authorized to agree on behalf of the United States to pay to the Association four annual installments of $375,000,000 each as the United States contribution to the Fourth Replenishment of the Resources of the Association.

"(b) In order to pay for the United States contribution, there is hereby authorized to be appropriated without fiscal year limitation four annual installments of $375,000,000 each for payment by the Secretary of the Treasury.".

SEC. 2. Subsections 3 (b) and (c) of Public Law 93–110 (87 Stat. 352) are repealed and in lieu thereof add the following:

"(b) No rule, regulation, or order in effect on the date subsections (a) and (b) become effective may be construed to prohibit any person from purchasing, holding, selling, or otherwise dealing with gold in the United States or abroad.

"(c) The provisions of subsections (a) and (b) of this section shall take effect either on December 31, 1974, or at any time prior to such date that the President finds and reports to Congress that international monetary reform shall have proceeded to the point where elimination of regulations on privat ownership of gold will not adversely affect the United States' international monetary position.".

SEC. 3. The International Development Association Act (22 U.S.C. 284 et seq.) is amended by inserting at the end thereof the following:

"SEC. 15. The United States Governor is authorized and directed to vote against any loan or other utilization of the funds of the Association for the benefit of any country which develops any nuclear explosive device, unless the country is or becomes a State Party to the Treaty on the Non-Proliferation of Nuclear Weapons (21 UST 483).."; and to amend the title so as to read: "An Act to provide for increased participation by the United States in the International Development Association and to permit United States citizens to purchase, hold, sell, or otherwise deal with gold in the United States or abroad."

Mr. SPARKMAN. Mr. President, I move that the Senate concur in the House amendments.

The motion was agreed to.

Mr. SPARKMAN. I thank the Senator from Ohio.

CONSUMER PROTECTION AGENCY FOR CONSUMER ADVOCACY

The Senate continued with the consideration of the bill (S. 707) to establish a Council of Consumer Advisers in the Executive Office of the President, to establish an independent Consumer Protection Agency, and to authorize a program of grants, in order to protect and serve the interests of consumers, and for other purposes.

Mr. TAFT. Mr. President, the guts of the amendment are found in section 23(A). It establishes an ombudsman agency in the legislative branch of government.

The ombudsman is jointly appointed by the President pro tempore of the Senate and the Speaker of the House for a period of 4 years by and with the advice and consent of the Senate, and solely on the basis of his expertise in analyzing administrative and problems of law. The ombudsman shall not be a candidate or holder of any elected office nor shall he engage in any other employment.

The ombudsman serves for a term of 4 years unless removed for cause by a two-thirds vote of each House. The deputy ombudsman assumes the function of

the ombudsman when the ombudsman is incapacitated.

With respect to the duties of the ombudsman, section 24(A) provides that the ombudsman is authorized to conduct or cause to be conducted full and complete investigations upon receipt of a written complaint from any person forwarded by such person or by a Member of the Senate or the House of Representatives or any standing, special or select committee of the Senate or the House of Representatives with respect to an administrator's act which might be: First, contrary to the Constitution, Federal law, or Federal regulation; second, unreasonable, unfair, arbitrary, or inconsistent with the general course of an Administrator's functioning; third, based wholly or partly on a mistake of law or fact; fourth, based on improper or irrelevant grounds; or fifth, undertaken without prior consideration of the interests of the people of the United States, including the interests of consumers as previously defined in section 4(11) of the act.

Under the bill, the ombudsman would have standing to contest and the right to oppose the intervention of the Administrator in any Federal agency proceedings or any civil proceeding in a court of the United States as provided by sections 7(A) and 8(A) respectively.

The bill further provides if the administrator is allowed to intervene or participate in proceedings pursuant to either of those sections, then, as a matter of right, the ombudsman may intervene or participate in the proceedings in the same way as does the administrator.

There are other provisions which I will not go into in great detail here, which go into the mechanism and the authorities and the financing of the ombudsman.

I feel that the principle, however—and let me just close by pointing out that the principle—of this amendment is to see to it that in these circumstances, if we should pass this bill setting up an agency for consumer advocacy, there would be a voice for those that the consumer advocate is not representing, other consumers, other members of the public, because if we make the assumption that the public interest, the standing public interest, agencies that are already there, such as the ICC or FTC or other regulatory bodies of that sort, are not representing the public interest generally, and are not representing consumer interests adequately, therefore you have an advocate for consumers coming in with one point of view, and it seems to me only fair and only proper that we have someone who is looking after the entire public interest in this regard. That is what the ombudsman would do, and that is the purpose of the ombudsman agency amendment I am proposing.

Mr. President, I have further explanation of the ombudsman agency amendment that I would ask unanimous consent be included at this point in the RECORD.

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

OMBUDSMAN AGENCY AMENDMENT: THE CONSUMER PROTECTION AGENCY ACT

SEC. 3(5). Declaration of purpose. This section expresses the principal purpose of the creation of the Ombudsman Agency—to oversee and insure that the purposes of the Consumer Protection Agency and the Administrator's role in connection therewith remain responsive to the needs and views of the people of the United States engaged in endeavors, including consumer interests, such as the pursuit of civil rights, public health, education, women's rights and other worthy goals and objectives.

SEC. 4(16). Definitions. This section defines the term ombudsman.

SEC. 7(A). Representation of consumer interests before Federal agencies. This amendment removes the right of the Administrator to intervene as a party or otherwise participate for the purpose of representing the interests of consumers in Federal agency proceedings and provides that he may attempt intervention as a party or otherwise request participation in such proceedings.

SEC. 8(A). Judicial review. This amendment removes the Administrator's standing to maintain judicial review of any Federal agency action reviewable under law and provides that the Administrator may petition for judicial review of any Federal agency action so reviewable under law. The Administrator's right of intervention is also modified to provide that he may intervene as a party or otherwise participate in any civil proceeding in a Federal court which involves the review or enforcement of a Federal agency action if in his descretion the interest of consumers are substantially affected.

SEC. 23(A). Establishment of Ombudsman Agency. This section establishes the Ombudsman Agency in the legislative branch of Government.

The Ombudsman is jointly appointed by the President pro tempore of the Senate and the Speaker of the House of Representatives for a period of 4 years by and with the advice and consent of the Senate and solely on the basis of his expertise in analyzing administrative and problems of law. The Ombudsman shall not be a candidate or holder of any elected office nor shall he engage in any other employment. (Subsections (B) (C)).

The Ombudsman serves for a term of 4 years unless removed by cause, by ⅔ vote of each House. The Deputy Ombudsman assumes the function of the Ombudsman when the Ombudsman is incapacitated. (Subsections (D), (E), (F)).

SEC. 24. (a) Duties of the Ombudsman. This section authorizes the Ombudsman to conduct or cause to be conducted full and complete investigations upon receipt of a written complaint from any person forwarded by such person or by a Members of the Senate or the House of Representatives or any standing, special, or select committee of the Senate or House of Representatives with respect to an administrator's act which might be—

"(1) Contrary to the Constitution, Federal law, or Federal regulation;

"(2) Unreasonable, unfair, arbitrary, or inconsistent with the general course of an administrator's functioning;

"(3) Based wholely or partly on a mistake of law or fact;

"(4) Based on improper or irrelevant grounds, or

"(5) Undertaken without prior proper consideration of the interests of the people of the United States including the interests of consumers as previously defined in section 4(11) of this Act.

Under the bill, the Ombudsman shall have standing to contest and the right to oppose the intervention of the administrator in any Federal agency proceedings or any civil proceeding in a court of the United States as provided by sections 7(a) and 8(a), respectively. (Subsection (b)).

The bill further provides that if the Administrator is allowed to intervene or participate in proceedings pursuant to either section 7(a) or 8(a), then as a matter of right the Ombudsman may intervene or participate in the proceedings to the same extent as does the Administrator. (Subsection (c)).

SEC. 25. Organization of office. This section contains general authority for the Ombudsman to appoint personnel for his office; to delegate authority to such personnel; to cooperate with and refer matters where appropriate, to the administrative conference of the United States and to the legal services programs; to conduct private hearings; and issue regulations. (Subsections (1) through (6)).

The Ombudsman is also required to prepare and submit annually to the President, the Speaker, and to the President pro tempore of the Senate, a report on his activities and he is also directed to submit a final report setting forth recommendations for the adoption of the Ombudsman concept by agencies of the Federal Government. (Subsection (7)).

SEC. 26. Exempted matters. This section provides that the Ombudsman shall not investigate complaints: Involving those agencies listed in Sec. 17(D); any administrative action occurring outside the United States; any administrative action occurring more than a year to the date on which the complaint was filed or should have been filed; and any complaint by the Ombudsman exercising his discretion that the complaint pertains to a matter outside of his power, the complainant does not have sufficient interest in the subject matter of the complaint, the complaint is trivial, frivolous, or not otherwise made in good faith, the Ombudsman's resources are insufficient for adequate investigation or the complaint has been delayed too long to justify examination of it or its merits. (Subsections (1) through (4)).

SEC. 27. Recommendations. This section authorizes the Ombudsman, after investigation of a complaint, to recommend that the Administrator give the matter further consideration; modify a determination; or more fully explain an administrative act.

The Ombudsman is authorized to recommend such further action as he deems necessary and he may require the Administrator to inform him of any actions taken upon his recommendations or the reasons for not complying therewith.

Before announcing a conclusion or recommendation, the Ombudsman shall provide the administrator with an opportunity to take appropriate responsive action or to have its comment or reply appended to such conclusions or recommendations.

SEC. 28. Availability of information. All Government agencies are directed to furnish the Ombudsman with such information, reports, etc., as he shall require with the exception of matters required to be kept secret relating to national defense or foreign policy. (Subsections (A) and (B).)

SEC. 29. Ombudsman's immunities. This section precludes court review of the Ombudsman's proceedings, opinions, or expressions. (Subsection A.)

The Ombudsman and his staff are immune from civil prosecution for official acts or omissions (Subsection B) and cannot be compelled to testify or provide evidence in any judicial or administrative proceeding as to matters within his official cognizance. (Subsection C.)

SEC. 30. Rights and duties of witnesses.

This section authorizes the payment of fees and travel allowances to witnesses before the Ombudsman as are provided witnesses in the courts of the United States.

SEC. 31. Effect on other laws. This section provides that no remedy or right of appeal afforded under any law or regulation shall be limited by this act.

SEC. 32. Authorization of appropriations. This section authorizes $500,000 for fiscal year 1975; $600,000 for fiscal year 1976; and $700,000 for fiscal year 1977 to be disbursed by the Secretary of the Senate upon vouchers approved by the Ombudsman.

WHITE-COLLAR CRIME AND THE CONSUMER PROTECTION AGENCY

Mr. MOSS. Mr. President, for the past 5 years Congress has debated the creation of an organization whose task would be the representation of the consumer before the Federal regulatory agencies. During these long years of debate, millions of people have been the victims of consumer frauds, injured by spurious financial operations.

The Equity Funding scandal is probably the best publicized example of the effects of consumer fraud on the public. Equity Funding, the Watergate of the business world, stunned the financial industry with revelations of the massive and complex nature of its bogus operations.

Equity Funding Life Insurance Co.—EFLIC—a subsidiary of Equity Funding Corporation of America, perpetrated this enormous crime against the investing public through a device known as a pyramiding scheme. The corporation counterfeited securities, in which as much as $100 million may have been involved, to be used as assets for other ventures. Bogus life insurance policies were created, sold to other insurance companies and the proceeds later collected by Equity Funding shareholders alone have been estimated at $300 million.

Significantly, the Equity Funding fraud was not discovered through the appropriate regulatory channels, but through information provided by a disgruntled former employer of Equity Funding to a Wall Street securities analyst.

Ronald Secrist, former employee of Equity Funding, did not notify the stock exchange, the SEC, or the State insurance departments because he was convinced the regulatory bodies could not or would not uncover the fraud. Precisely for this reason a vital Consumer Protection Agency must be created to provide the impetus necessary for a thorough and ongoing regulatory agency action against wrongs in the business and financial community.

Equity Funding provides a significant commentary on the widespread deficiencies in current accounting practices. Since 1964, Equity Funding has issued public financial reports that were duly certified by accountants as "fairly presented in conformity with generally accepted accounting principles." The auditors failed to detect that $25 million in bonds alleged to be in a Chicago bank were not on deposit; nor did they detect the nonexistence of $77.7 million in IOU's for loans made to nonexistent mutual fund shareholders. Since the uncovering of this massive fraud, auditors have identified $153 million in fictitious or fraudulently inflated assets.

The question that remains to be satisfactorily answered is how this massive deception could have continued for so long and at such dimensions when the corporation was subject to the scrutiny of both the SEC and the State insurance regulatory departments. The answer is all too clear—none of these agencies is able to properly divorce itself from the industries it is bound to regulate. The SEC has the dual function of protecting investors and advancing the vested interests of the stock market and the financial industry. These are at best conflicting roles. Consequently, it is the individual investor who suffers most. No wonder over 800,000 small investors have left the securities market in recent years.

The Consumers Protection Agency has a definite role to play in the area of securities regulation. As a strong cohesive voice for the consumer investor it could petition for the adoption of effective and uniform accounting practices sufficiently monitored to detect such fraudulent activities as Equity Funding.

The following two examples further illustrate the great need for an effective consumer advocate in the securities area. In one of the largest Federal criminal securities fraud cases in history, eight officials of Four Seasons Nursing Centers of America, Inc., Walston and Co.—a recently liquidated brokerage house—and Arthur Anderson & Co., and one of the Big Eight accounting firms, were indicted and charged with defrauding shareholders of Four Seasons and other companies by various schemes intended to arouse interest in the stock and thereby increase its price. The defendants defrauded investors by misrepresenting and falsifying financial statements. In addition to the $200 million estimated loss by stockholders, the State of Ohio was defrauded by the company's financial statements into granting a $4 million loan to Four Seasons. Four principal defendants allegedly profited to the amount of $21 million.

In May 1973, in what the Wall Street Journal called potentially the biggest brokerage house debacle since the crisis days of 1970, Weis Securities was charged with fraud by the SEC; and the Government-sponsored investors insurance fund sought liquidation of the firm. Weis Securities was a major New York Stock Exchange member with 43,000 customer accounts, 400 salesmen, and 27 branch offices. Weis had survived various audits until one employee told the NYSE that accounting procedures in the reports were highly inaccurate and unethical. In July 1973, the five top officers were indicted by a Federal grand jury in New York on charges of conspiracy, securities fraud, and mail fraud.

The list of security fraud cases is extensive. Each case represented money irretrievably lost by individual investors who depended upon the integrity of the business community and the vigilance of the regulatory agencies charged with ferreting out fraud. The fact is that consumers can be severely hurt not only by small "fly-by-night" operations, but by major corporations and financial institutions cloaked in a mantle of respectability, as well. As has been clearly demonstrated, in case after case, the magnitude of white-collar crime is staggering. In its handbook on white-collar crime, the U.S. Chamber of Commerce confirmed the findings of the President's Commission on Enforcement and Administration of Justice that "not less than $40 billion was lost annually due to white-collar crimes."

Many of the problems facing the public in the broad area of consumer fraud can be crystallized by the recent conflict in the home financing industry. In 1972 Federal Housing Administration officials uncovered schemes by real estate speculators who bought up marginal housing and then sold it at hefty mark-ups to low-income families. The families could not meet the inflated payments on the FHA-insured loans, and, as a result, massive defaults occurred. Federal investigators obtained more than 50 indictments aganist real estate firms, contractors, builders, FHA employees, and others in cities across the Nation.

In response to these scandals, then Secretary of Housing and Urban Development, George Romney, ordered tougher regulations for obtaining FHA insurance. Appraisal procedures were tightened and mortgage lenders required to certify that homes had been properly inspected. Consequently, lower income and middle-income families, the very people the FHA programs were designed to assist, find it impossible to obtain home financing. Applications by lenders for FHA mortgage insurance in the first quarter of 1973 were down more than 50 percent from 1972.

The proposed Consumer Protection Agency could speak for potential homeowners by encouraging the FHA to loosen its restrictions on financing while maintaining its strong position against illegal and unethical activities. As reported in the Wall Street Journal on May 15, 1973, the FHA's behavior exemplified "a classic case of overreacting." Such detrimental results to the prospective homeowner might have been avoided had there been an organization responsible for consumer advocacy.

The chamber of commerce, one of the most vociferous opponents of the CPA bill, concedes in its 1974 handbook on white-collar crimes:

(1) that although the commissioner of white-collar crime is not dependent on violence or force, the risk, threat, or occurrence of physical injury or psychological trauma can be a consequence; (2) Some forms of white-collar crime contribute to the existence, severity, or profitability of other forms of criminal activities; and (3) a major long-term impact of white-collar crime is loss of public confidence in business, industry, and the professions, and debasement of competition.

Further, emphasizing the plight of the consumer, as regards white-collar crime, the chamber quotes one study which concluded that consumer fraud has resulted in a "lingering frustration by market consumers who, although they feel cheated, are convinced that justice is not an available mechanism to redress their grievances because the cost and time are too great."

The Chamber of Commerce of the United States has thus presented in its report on white-collar crime one of the most convincing arguments to date in support of the CPA.

Consumers lack three advantages enjoyed by business: time, money, and access to information. Business has the time, money, and technical expertise to closely monitor and lobby agencies which regulate their particular field of interest. Consumers seldom have any of these assets.

CPA, armed with substantial independence, would help redress the balance between industry and consumers, insuring that the decisionmaking process in regulatory agencies hear both sides of an issue. The research for adequate consumer protection demands the creation of a strong and vigorous advocate whose sole purpose is the representation of consumer interests. Consider what consumers have had to endure against gouging prices, inflation, and massive frauds since this session began. Is it not time to do something for 200 million consumers that is effective and preventive of waste and corruption. I urge you, my colleagues to respond to the needs of your constituents by voting in favor of a strong S. 707.

Mr. HANSEN. Mr. President——

The PRESIDING OFFICER. The Senator from Wyoming is recognized.

Mr. HANSEN. Mr. President, first, I would like to compliment the distinguished Senator from Ohio (Mr. TAFT) for a very lucid and incisive presentation of facts that in many cases are poorly understood at best, and certainly scarcely understood at all, by most Americans.

I think the Senator has made a very important contribution to the kind of understanding that should prevail before the Senate can do the job that is expected of it by Americans in representing the majority of all Americans.

I think the remarks by the distinguished Senator from Ohio bring to mind the situation we know to be altogether too true, that: if one can contrive a catchy slogan for a piece of legislation, immediately we will get a number of people, perhaps a majority, who will be inclined to think that sounds fine and that we should support it.

Mr. TAFT. Mr. President, if the Senator will yield?

Mr. HANSEN. I would be very happy to yield.

Mr. TAFT. I appreciate the Senator's very kind remarks.

The other problem we face admittedly—he probably is facing and I am, too—is that sometimes the media do not all too well understand what the principles are, and we come under considerable attack in taking these positions. But, nevertheless, I feel that we have that duty, that is part of our job, and we are, in effect, acting for the interests of the consumer ourselves, and the public interest, and when we do call for a prolonged discussion of issues which, while they may have fine-sounding phrases, when we get down to and look into the mechanism and how they would actually work it may be directly contrary, as I believe this legislation is, to the consumer and the public interest, both.

I thank the Senator.

Mr. HANSEN. I agree with my distinguished colleague from Ohio.

Oftentimes that which the media is capable of doing does not always result in its accomplishment. There is a school of thought rampant today in America which says that advocacy, advocacy journalism, is the new order of the day. Students are being taught that if they find this society of ours less than perfect, it should be their responsibility as responsible practitioners of the art of journalism to try to change it.

With that sort of directive coming from schools and colleges, we find that some young people, who are willing workers, and who have the energy, and the intelligence, and the desire to try to find what the facts are, are inculcated by their mentors with the idea that just reporting what the facts are does not serve their purpose. Rather, if they are to be the responsible citizens that they would aspire to be, it becomes their duty under such an advocacy concept to try to tilt, or to cast the facts in a way so as to result in the development of a consensus that will recognize merit in the particular idea they have, and result in the kind of activism that winds up eventually on the law books of the country, and brings about change in the social order.

I say to one who has had great experience in this field, my good friend, the distinguished Senator from Ohio (Mr. TAFT), that these are some of the reasons I think his contribution today has been so noteworthy. I compliment him, and appreciate it very much.

Mr. President, as in the past, I alert my colleagues to the subtle and hidden dangers to the Federal Government, to business, and eventually to the consumer which lie shrouded in the clouded language of S. 707, the Consumer Protection Act.

Attractively titled and supporting a noble purpose, S. 707 appears to be the long-in-coming answer by the Federal Government to the vulnerable consumer's problems. By passage of this bill, we are assuring them that their consumer worries are at an end, and that this new agency will constantly be pursuing their best interests. But will it? Has this new super agency been designed to do that? Or are we possibly adopting dangerous precedent legislation which will in the longrun work against the public interest?

I ask these questions in the hope of using them to illustrate my point that they cannot completely or satisfactorily be answered by this piece of legislation.

S. 707's impact on the Federal Government will be pervasive. The agency's administrative head will have powers above those of any other agency director, and in addition will be able to use the regulatory powers of all the other agencies to carry out his duties. In describing the extent of the CPA administrator's powers, U.S. Deputy Attorney General Ralph E. Erickson has publicly stated that the Justice Department views the proposed agency's powers of advocacy and intervention in Federal administrative agencies' decisionmaking as "too broad, and pose a threat that the orderly and effective dispatch of public business in the public interest might be significantly disrupted."

The CPA Administrator's right to judicial review of agency decisions will disrupt the finality of agency determinations. Business operations which are often affected by an agency's final ruling, will be perpetually placed in compromising positions of doubt as to the finality of those decisions. The constant sword of the CPA's intervention will hang by the thin thread of an administrator's whim.

The appointed chief of the CPA cannot be an expert in all fields of consumerism. Yet he is given the arduous task of deciding what the consumer interest is and what actions will be best to bring this interest about. In line with his power of judicial review, he will file suit against other agencies' decisions. Again the American taxpayer and consumer will be further extending and contributing to the waste of tax revenues in legal fees representing two agencies of the United States. The CPA's views will essentially be those of a single interest group in each situation, and all American taxpayers will have paid to have those views heard before the Federal courts.

Mr. ERVIN. Mr. President will the Senator yield for a question?

Mr. HANSEN. I am happy to yield to the Senator from North Carolina.

Mr. ERVIN. Mr. President, I invite the Senator's attention to page 62 and to the committee amendment which has been adopted to subsection (b), which gives the Administrator the tremendous power to interject himself and his views, his written advice and his written views or submissions or oral views or submissions in any proceeding of any kind before any Federal agency—in the exercise of his unbounded and uncontrolled discretion. Then, it states:

> Such submission need not be simultaneous with that of any other person.

If this means anything, it means the Administrator can go and presumably present evidence, present arguments, when the other parties are not there. In other words, it authorizes him to travel like Nicodemus in the night, to whistle in the air to any Federal agency on any proposition any Federal agency is authorized to deal with. Is that correct?

Mr. HANSEN. That would be the indication.

Mr. ERVIN. Does the Senator from Wyoming agree with the Senator from North Carolina that the human being who is capable of exercising with wisdom all of the vast powers that this bill would give to the administrator has not yet been created by the Good Lord?

Mr. HANSEN. I did not quite hear the question of the Senator.

Mr. ERVIN. My question is, Does the Senator agree with the Senator from North Carolina that a human being would have to be endowed with such profound wisdom to exercise wisely all the powers in this bill, if enacted into law,

powers which would be given to the administrator, and has not yet been created by the Lord God Almighty?

Mr. HANSEN. I do agree with the gentleman from North Carolina. I thank him for his very pertinent observations.

A recent column in the Washington Star-News by Ralph Nader supported the passage of S. 707. He pointed out that many unfair agency business and industry practices, in his opinion, have been exposed through Senate committee hearings and later corrected through legislation.

Mr. Nader lauded those committees who worked in such areas, and pointed out the logical need for the establishment of the CPA. Yet, to create the CPA, or ACA as it is known now would amount to a delegation and the release of a congressional power to agency oversight. Congress would be vesting an historic power in an executive branch agency.

Mr. PERCY. Mr. President, will the distinguished Senator from Wyoming yield for just a moment on the comment of the distinguished Senator from North Carolina without losing the right to the floor?

Mr. HANSEN. I will be very happy to yield to my distinguished colleague from Illinois.

Mr. PERCY. First, I trust that we can now refer to this agency as the ACA rather than the CPA. I hope this will be somewhat more acceptable. It has been incorporated as an amendment and accepted by the floor managers of the bill.

Second, I wish to address the question posed by my distinguished colleague, the chairman of the Government Operations Committee, as to whether the Good Lord has created a man with the wisdom to carry out the duties and responsibilities of the office of Administrator of the Agency for Consumer Advocacy. I would think that the distinguished Senator from North Carolina would be the last one that I know of to underestimate the creative capabilities of our Maker. As I look at the duties and responsibilities of this office, I would not hesitate to say that the Senator from Illinois knows a dozen people he could name in a relatively short period of time. One name that comes off the top of my head is now the vice president of Montgomery Ward & Co., who knows this bill intimately, who supports it, and who, I think, would be acceptable, and should be acceptable, to a large segment of the business community. He is a distinguished businessman and lawyer of long standing who has held the interest of the consumer at heart.

I would like to know specifically, if it is at all possible, what particular duties and responsibilities go beyond the capabilities, capacity, judgment and wisdom, that the Good Lord has endowed to a great many of the distinguished Members of the Senate, the House, and the executive branch of Government, in carrying out these duties.

They are not that awesome. They are not so all-encompassing that they cannot be comprehended by even the average mind. The interests have to be balanced, obviously.

It would be the hope of the Senator from Illinois, Mr. President, if and when the ACA is approved, that the President of the United States would nominate from a long list of nominees that could and would be sent to him, a man or woman of distinguished capability and competence who could fairly and justly carry out these duties. They certainly do not go beyond the duties of dozens of other jobs that we have in the executive branch of Government, or beyond the capabilities of many people we would know.

From the standpoint of the Senator from Illinois, I know the distinguished Senator, my beloved colleague, is anxious to retire and fish and think and contemplate. He has earned that right. But if the President would see fit to nominate "Private Citizen Sam Ervin" as the ACA director, and he would be willing to assume that responsibility, the Senator from Illinois would vote aye on a confirmation request of that kind. I am extremely confident that once given a responsibility, whether it is a judicial responsibility or an executive responsibility, or a legislative responsibility, the distinguished Senator from North Carolina, who places the national interest above all interests, would be endowed by the Creater with the confidence to carry out what I consider to be not Herculean duties, but duties that are simple, and laid down in black and white.

A 3 to 1 vote passing CPA in the House of Representatives indicates they have confidence we can find such a person. When the political platforms of both political parties called for the creation of an independent agency, it seems that the parties did not underestimate the capabilities of the Creater and Maker to give us a man or woman endowed with such wisdom and judgment as to carry on not awesome duties and responsibilities, but the responsibilities and duties outlined in very simple terms in the bill before us.

Mr. ERVIN. Mr. President, will the Senator from Wyoming permit the Senator from North Carolina to make a comment?

Mr. HANSEN. I am glad to yield to the Senator from North Carolina.

Mr. ERVIN. I am glad the Senator from Illinois talked about fishing. Under this bill, since it relates to the health of consumers, and since it also relates to prices paid by consumers, this administrator would have to be gifted with the finite wisdom of knowing what fish, when consumed, are best calculated to promote the health of the consumer. That is just one of 50 million things he would have to know. I do not know anybody who can quite answer that question yet.

I would say, if the Senator from Illinois can dig up anybody who has the wisdom to exercise these vast powers, we ought to nominate him, by acclamation, for President of the United States immediately.

I do not put anything past the powers of the Almighty, but I would say that the Almighty, in His wisdom, has never yet, between the time when they are gathered and sang for glory and creation, and this moment, created any human being who has the experience and wisdom to exercise wisely all the powers that this bill would give to the administrator.

I think, while the power of the Lord is not limited, if we ever find a man like that, he is going to be just about a little bit less than Almighty in his wisdom. I do not think that human being has ever been created, and I do not think he ever will be created until long after the last lingering echoes of Gabriel's horn dwindles into ultimate silence.

I thank the Senator.

Mr. PERCY. Mr. President, without losing his right to the floor, would the distingushed Senator from Wyoming yield for a comment?

Mr. HANSEN. I yield.

Mr. PERCY. The Senator from Illinois has indicated an interest in another job. I wonder, whether I was competent, qualified, and capable of being a Senator, because I had had no legislative experience before. I am not a lawyer, but I am surrounded by 70 or 75 lawyers.

In a period of years I have felt relatively comfortable with the duties and responsibilities of this office and have indicated an interest in another office.

I would say without, I hope, undue humility or without overstating the competence of the Senator from Illinois, that I would hope I would be endowed with sufficient wisdom to assume the duties and responsibilities of this position. There would be people who I would say would be far more qualified than the Senator from Illinois by training, experience and background. It would be highly desirable to have a lawyer as head of this agency.

But when 39 States of the Union have, in one form or another, or by one name or another, a consumer protection agency or an advocate for the consumer, and we have a telegram which the Senator from Illinois inserted in the RECORD recently from 31 Governors, urging that the Congress of the United States establish an independent agency and that the President appoint a director of consumer affairs or consumer protection, I would think that there are a great many others who think the Good Lord has created sufficient men or women who could assume this confidence. As for a woman, we have an outstanding example in Virginia Knauer, just as we had in Esther Peterson, when she had State responsibilities. I would say that we have adequate personnel, male or female, to fill this job.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield to me, briefly?

Mr. ERVIN. I do not have the floor.

The PRESIDING OFFICER (Mr. STEVENS). The Senator from Wyoming has the floor.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield to me, briefly, with the understanding that he will not lose his right to the floor?

Mr. HANSEN. I am happy to yield.

Mr. ROBERT C. BYRD. I thank the Senator.

Mr. President, later today, the distinguished Senator from Ohio (Mr. METZEN-

BAUM) will offer an amendment. I ask unanimous consent that it now be in order to order the yeas and nays on the Metzenbaum amendment, and I ask unanimous consent that the vote not occur on the Metzenbaum amendment prior to 3:30 p.m. on Monday next.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. METZENBAUM. Mr. President, I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield to me, briefly, for a further unanimous-consent request, under the same arrangement?

Mr. HANSEN. I am happy to yield.

Mr. RIBICOFF. Mr. President, if the Senator will yield, for a clarification, because of the comment of the Senator from Ohio, as I understand the unanimous-consent request, it is that the vote not occur before 3:30. That does not mean it will occur at 3:30.

Mr. ROBERT C. BYRD. The Senator is correct, and I hope the Chair will sustain my undersatnding.

The PRESIDING OFFICER. The Senator is correct.

CLOTURE MOTION—UNANIMOUS-CONSENT AGREEMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the 1 hour of debate under rule XXII, on the motion to invoke cloture, which was submitted by Senator RIBICOFF and the requisite number of Senators, not begin running until 3 p.m. on Tuesday next, rather than 1 p.m., as originally ordered.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. ROBERT C. BYRD. I thank the Senator from Wyoming for his usual courtesy in yeilding.

CONSUMER PROTECTION AGENCY FOR CONSUMER ADVOCACY

The Senate continued with the consideration of the bill (S. 707) to establish a Council of Consumer Advisers in the Executive Office of the President, to establish an independent Consumer Protection Agency, and to authorize a program of grants, in order to protect and serve the interests of consumers, and for other purposes.

Mr. HANSEN. Mr. President, I was greatly interested in the exchange between the Senator from Illinois and the Senator from North Carolina.

I must say that my very brief insights into the dimensions of the powers of the Almighty certainly do not enable me to make any profound observations upon the intelligence of any one individual, as seems to be provided by the distinguished Senator from Illinois in believing that there are people with the ability to make the sort of decisions necessarily, successfully, and fairly to implement the provisions of the proposed legislation before the Senate.

As a matter of fact, it would be the opinion of the Senator from Wyoming that he is not sure there is sufficient collective intelligence within this entire body to write the kind of legislation that would be required to implement what the Senator from Illinois and the other proponents of this bill have in mind.

The distinguished Senator from Illinois amazes the Senator from Wyoming in believing that Government has any business getting into this kind of role.

I recall that when I first learned of the distinguished Senator from Illinois, he was then, I believe, president of Bell & Howell, at the age of 29. I thought then, and have thought many times—I see the evidence all about us—that one of the important differences that sets America apart, that explains why we are so successful, why we accomplish what we do, why it was Americans who left their footprints on the Moon; is that with our unique kind of government, based upon a written Constitution, embodying as wide an extension of freedom as possible to all people, including businessmen, we have struck upon the spark that keeps America going: and that is that we do not believe any one way is best in America.

Unlike the Soviets, we do not have Government trying to dictate to manufacturers, to farmers, to businessmen, to labor, what they should do and what they should make. From time to time, we lay down guidelines and rules, and we change them from time to time as we learn from experience that there may be better ways of spelling out the broad framework of regulation which will better serve our people.

We can all agree the unique thing about American business is that Government does not tell businessmen what to do. The people who buy the products—the housewives, the customers in America's shops and stores and supermarkets and automobile showrooms—make the decisions that guide the investors as they redesign products and as they bring onto the market new products. If the free enterprise, profit-oriented economy has done one thing, it has demonstrated a never-failing ability to reflect what people want. That is one of the great things about America.

So it surprises me that the distinguished Senator from Illinois, my cherished friend and colleague, would now propose drawing upon the brilliant business career he has, and say that Government ought to take over these functions and try to tell people what they are going to produce, how they are going to advertise it, what is best in the marketplace, and then, in the determination of a single man, the Administrator of this agency—formerly the Consumer Protection Agency but now the Agency for Consumer Advocacy—give this one man the authority to bring legal action against individuals, against companies, and, in fact, against other agencies of Government.

I do not think that this is the sort of concept that has filled America's markets with the outstanding great produce we find in them today. It is not the kind of attitude that has developed the 10,001 products that are at once the amazement and the envy of the rest of the world when they come to the United States for the first time.

I am not saying, nor has the Senator from North Carolina said, that we do not need any rules. Of course, we need some rules and we have a number of rules still on the books, but as one taxpayer in a nation of taxpayers, as one person who is concerned about inflation—a double-digit inflation, they call it these days, because the rate of it is growing by at least 10 percent and, as we know, oftentimes more per year—I am concerned and disturbed that anyone would say we have not any better thing to do with our tax dollars than to set up yet another agency of Government. I am concerned that there are those who would have such an agency take those tax dollars and be able to bring suit against individuals, against partnerships, against companies, against corporations, and against other agencies of the Government, in order that the so-called public interest may best be served.

I make these observations because there is a growing disenchantment with some of the things that have been taking place in this country in the last few years. I think we are finding out that it is not hard for a group of politicians to decide the kind of society we ought to have and then to draft and design the kind of legislation which they believe will bring about this Utopian state of affairs that every 2 years just before election they proclaim to their constituents is on the horizon. And further, they are moved to say that the way to insure its accomplishment and its being brought into being is to reelect them.

There is a growing disenchantment in America with politicians who promise more than they can deliver. There is a growing realization among all Americans, I am sure that there is not a single Member of this body that has not received a very significant amount of mail from his constituents saying, "Inflation is the most important thing, the most serious problem we have in this country today."

When they say that, they are not implying that is the only problem, they are not minimizing the troubles right here in Washington, they are not forgetting Watergate, they are not forgetting or laying aside any other considerations, but they are saying that unless we do something about getting a handle on inflation all of our other accomplishments could go down the drain.

We know as students of history that it will not take too many more interventions by Government in business to bring the typical American businessman to his knees.

A few years ago, I was one of the majority of all but two Members of this body who voted for OSHA, Occupational Safety and Health Agency. Who could be against what was called "safety and health?" From what I know of it now, I wish I had been against it. I was not against it because I was caught up in the magnetic charm of a name that promises more than it can deliver.

I did not know then, at the time I was voting for that act, that there would not be any reduction in writing of all of the rules that apply under OSHA. I was one

of the many Senators who did not know we were enacting legislation that would not permit a Federal inspector to advise a businessman what he needed to do to comply with the law. Those charged with enforcing the law could not set foot on a business establishment without citing and fining the business if a violation were found. Yet the law and all of its voluminous regulations were not printed and available to the businessman to even find out what was involved.

I say these things, Mr. President, because that is the kind of a law we are dealing with here.

That situation underscores the reasons we had better make sure we know what is in this bill that would create an agency for consumer advocacy.

Mr. METZENBAUM. Mr. President.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM. Mr. President, I call up my amendment No. 1563 to S. 707 at this time.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

On page 86, strike out lines 22 through 24.

Mr. METZENBAUM. Mr. President.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM. Mr. President, I rise today to offer an amendment to S. 707, the Consumer Protection Agency Act. I believe this amendment is necessary to insure that this bill fully benefits the American consumer in the marketplace.

Presently, section 17(e) provides that the proposed Consumer Protection Agency shall not participate in any decision of the Federal Communications Commission with respect to the renewal of a radio or television broadcasting license.

This provision was not included in the bill which my distinguished colleague, the senior Senator from Connecticut, first introduced in this body last year. Nor was such a clause included in the consumer measure passed by an overwhelming margin only 2 months ago in the House of Representatives. Furthermore, neither in the committee reports nor in the bill itself is there any discussion or explanation as to why the CPA should be excluded from participating in FCC license renewal decisions.

My amendment would eliminate this provision and allow the CPA to present the consumer viewpoint in these hearings.

Never before has this country been more concerned with the rights of consumers. In the communications field, this concern for the broadcast consumer was articulated by Congress in the original legislation to regulate the industry, the Communications Act of 1934. The courts have recognized public ownership of the airwaves and asserted the need to protect and regulate public interest in broadcasting. The license granted a broadcaster must be used in a way beneficial to community interests.

At present, stations are subject to regulatory examination only once every 3 years. There are proposals pending to extend this period to 5 years, thus diminishing the opportunities to challenge a broadcaster's service to his community. Should that proposed legislation become law, it makes it more imperative that the consumer be represented and have an advocate in license renewal proceedings.

As Chief Justice Burger, while sitting on the U.S. Court of Appeals for the District of Columbia, observed in a much-quoted 1966 decision, Office of Communication of United Church of Christ against FCC:

Unless the listeners—broadcast consumers—can be heard, there may be no one to bring programing deficiencies or offensive overcommercialization to the attention of the Commission in an effective manner.

It should be emphasized that the Chief Justice's purpose was not to undercut the structure of the broadcasting industry, but "only to vindicate broad public interest relating to a licensee's performance of the public trust inherent in every license."

The Commissioners and staff members of the FCC, as with most other regulatory agencies, have too often proven themselves more susceptible to pressures from special interests than they are responsive to the public interest. As the Senate Government Operations Committee majority report concludes:

Representation of an interest so vital to the public welfare as that of the consumer is too important to be left to chance.

I quote further:

The way to assure as fair a decision as possible is to let advocates from the different sides make the best arguments each can. It will be up to the regulatory agency . . . not the CPA to decide from among the arguments made where the best solution to the problem lies.

It should be noted that there is no guarantee that the Agency would always oppose the renewal of existing licenses; indeed, the CPA might even file a brief on behalf of the existing licensee, recognizing its service to community interests.

I urge my colleagues to join with me in amending S. 707 to fulfill the needs of the broadcast consumer.

Mr. MOSS. Mr. President, once again that which has been called impeachment politics has been raised by the President of the United States. I refer here to the information which was revealed on Tuesday that the President will veto the Consumer Protection Agency Act unless drastic changes are made.

Frankly, I am disturbed, disappointed, and disgusted by this development. I am disturbed first because the President has strongly endorsed the concept of a Consumer Protection Agency on numerous occasions. I am disappointed because many months of hard work were spent by the Office of Management and Budget and the Congress to eliminate those provisions which were considered offensive to the administration. And lastly, I am disgusted because those provisions which appear to be objectionable to the President are those which are essential to the establishment of a vigorous, independent consumer advocate.

How can we enact legislation creating an "independent" consumer advocate if the "independent" agency must enunciate an administration point of view? Whether it be a Democratic or Republican administration, whether it be a liberal or a conservative administration, in order to truly function, the consumer advocate must be independent. An effective consumer advocate must be able to argue his case on the merits and support of the interests he is protecting.

By the very nature of its function as an advocate, the agency for consumer advocacy will be continually taking positions in controversial matters. Thus, it is essential to insulate the CPA from day-to-day political pressures within the executive branch. Equally important, the CPA's independence insulates the executive branch from direct responsibility for the positions taken by the Administrator.

This insulation is appropriate for the positions the CPA may take will not necessarily be the positions of the administration. The CPA is an advocate, rather than a regulatory decisionmaker, its position does not commit the Federal Government to any policy.

The President, other agencies, and members and committees of Congress will no doubt disagree with the positions taken by the CPA from time to time. Their responsibilities are broader, and whereas these broader constituencies may coincide at times with the interest of consumers, at times they will not. The President and the regulatory agencies must balance consumer interests against other interests in order to reach a policy position. The CPA should provide a new input in Federal decisionmaking, but it should not determine output.

An independent consumer advocate must be secure in his freedom to advocate the consumer interests, openly, without interference, without the threat of retribution. How else can the consumer advocate serve in the painful process of rebuilding confidence in our Government.

Yet, each of the amendments which Roy Ash seeks in the President's name has the sole consequence of eroding that independence. Roy Ash was an excellent advocate for Litton Industries, but I would not want him to be my advocate for the consumers interests. Thus, the very amendments which he espouses in the President's name are the amendments which both a President uncertain of his total control upon government, and a corporate constituency leery of consumer input, would support.

Mr. President, we have been up this road before and have noted the duplicity in the position of our Chief Executive on other legislation. He asked for land use legislation loudly touted his efforts, and scuttled the bill. He asked for surface mining legislation and his forces have eroded that legislation and now threaten its enactment. How well I remember prior to the third cloture vote in 1972 the supporters of the Consumer Protection Agency at that time offered to accept each and every amendment suggested by the President in exchange for his endorsement of a vote for cloture. The result: continued opposition to the legislation. I fear, Mr. President, that

once again we are on that course. Even if every amendment proposed by Mr. Ash is adopted—and I would note that between August and February we have worked closely with the OMB to accommodate virtually every amendment he has previously proposed—there would still be Presidential opposition. I regret to say in view of this past experience that I cannot accept the President's word on this legislation or other matters which now press upon him.

Mr. President, in conclusion let me cite that as far as impeachment politics is concerned it is generally accepted that the President's objective is to obtain a vote of one-third plus one of the Senate to prevent conviction if the House sends impeachment articles to the Senate. Considering the vote last week on a motion to table the entire Consumer Protection Agency bill in which only 23 Senators supported the President, I would note that he would be better off currying favor with the supporters of the CPA rather than its opponents. After all, 66 of us voted against tabling the bill. Lastly, let us also remember, while on the subject of impeachment politics, that our Senate President, now the Vice President of the United States, Mr. Ford, voted for the Consumer Protection Agency in the House in 1971.

Mr. RIBICOFF. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

ORDER FOR ADJOURNMENT UNTIL MONDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 12 o'clock noon on Monday next.

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

ORDER FOR MORNING BUSINESS ON MONDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after the two leaders or their designees have been recognized under the standing order on Monday next, there be a period for the transaction of routine business of not to exceed 30 minutes, with statements therein limited to 5 minutes each.

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

ORDER FOR RESUMPTION OF UNFINISHED BUSINESS ON MONDAY

Mr. ROBERT C. BYRD. Mr. President I ask unanimous consent that at the conclusion of routine morning business on Monday next, the Senate resume the consideration of the unfinished business (S. 707).

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

ORDER FOR ADJOURNMENT FROM MONDAY TO 11:30 A.M. ON TUESDAY, JULY 30, 1974

Mr. ROBERT C. BYRD. Mr. President I ask unanimous consent that when the Senate completes its business on Monday next, it stand in adjournment until the hour of 11:30 a.m. on Tuesday.

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

ORDER OF MORNING BUSINESS ON TUESDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Tuesday next, after the two leaders have been recognized under the standing order, there be a period for the transaction of routine morning business of not to extend beyond the hour of 12:00 noon, with statements therein limited to 5 minutes.

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

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

SENATE RESOLUTION 368, RELATING TO THE SELECT COMMITTEE ON STANDARDS AND CONDUCT

Mr. ROBERT C. BYRD. Mr. President, I send a resolution to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

Resolved, That subsection (a) of the first section of Senate Resolution 338, 88th Congress, agreed to July 24, 1964, is amended by adding at the end thereof the following: "For purposes of paragraph 6(f) of rule XXV of the Standing Rules of the Senate, service of a Senator as chairman of the Select Committee shall not be taken into account."

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the resolution was considered and agreed to.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will convene again on Monday next at the hour of 12 o'clock noon. After the two leaders or their designees have been recognized under the standing order, there will be a period for the transaction of routine morning business of not to exceed 30 minutes, with statements therein limited to 5 minutes.

At the conclusion of routine morning business, the Senate will resume the consideration of S. 707, the unfinished business, a bill to establish a Council of Consumer Advisers in the Executive Office of the President, and for other purposes. The pending question at that time will be on the adoption of the amendment by Mr. METZENBAUM. The yeas and nays have been ordered on the Metzenbaum amendment, with the understanding that a vote thereon will not occur prior to the hour of 3:30 p.m.

Other yea and nay votes may occur subsequent to the hour of 3:30 p.m.

As far as Tuesday is concerned, the Senate will resume consideration of the Consumer Protection bill, and votes may occur. A vote will occur on the Ribicoff motion to invoke cloture at around 4:15 p.m.

Under the consent order already granted by the Senate, the 1 hour of debate on the motion to invoke cloture will not begin running until the hour of 3 o'clock p.m. At the hour of 4 o'clock p.m., the automatic quorum call will ensue, and upon the establishment of a quorum—or about 4:15 p.m.—the vote on the motion to invoke cloture, which is a rollcall vote under the rule, will occur.

On Wednesday the Senate will take up H.R. 15544, an act 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.

Also during next week it is anticipated that the Senate will take up the bill, S. 3792, to amend and extend the Export Administration Act of 1969.

It is anticipated that S. 3569, a bill to amend the Rail Passenger Service Act of 1970, will be taken up.

Other appropriation bills may be ready for floor action next week.

Conference reports, being privileged matters, may be called up at any time, and other measures on the legislative calendar may be called, and rollcall votes may occur.

ADJOURNMENT UNTIL 12 O'CLOCK NOON MONDAY, JULY 29, 1974

Mr. ROBERT C. BYRD. If there be no further business to come before the Senate, Mr. President, I move, in accordance with the previous order, that the Senate stand in adjournment until the hour of 12 o'clock noon Monday next.

The motion was agreed; and at 3:39 p.m. the Senate adjourned until Monday, July 29, 1974, at 12 o'clock noon.