dom" and "liberty" and "self-determination" are no longer living ideas but handed down, hollow memories.

The Los Angeles Chapter of the Lithuanian American Council commemorated the occasion with a resolution of sovereignty, the text of which I would like to introduce into the CONGRESSIONAL RECORD at this time:

RESOLUTION

We, the Lithuanian Americans of Greater Los Angeles area, assembled on this 17th day of February, 1974 at Marshall High School, Los Angeles, in order to commemorate the Lithuanians Independence Day hereby state the following:

Whereas on February 16, 1918 the ancient Lithuanian nation after a long struggle proclaimed itself as a free democratic Republic of Lithuania and was recognized as such by all the nations and was installed as a full member of the League of Nations:

Whereas the Soviet Union after forming mutual assistance pact with Hitler and on June 15, 1940 broke all her agreements and treaties and forcibly occupied Lithuania, and even now this Stalin-Hitler pact is still in force and Lithuania, Latvia and Estonia are occupied by Russian Communist government;

Whereas the Soviet Union through a program of mass deportation, labor camps, resettlement of the peoples and importation of new settlers from Russia continues to change the population and its ethnic character and commits the genocide of this small but ancient nation;

Whereas these occupants after more than 30 years of persecutions and constant acts of terrorism were still unable to suppress the religion and aspirations of these peoples to be free as shown by the fact of the 17,000 Lithuanian Catholics under threat of severe punishment had the courage to sign a petition to the Secretary General of the United Nations charging Soviets with the religious persecutions;

And whereas there is still no free communication between Lithuania and other countries including United States. Only 5 days visits by special permits are allowed in one city in the assigned hotel which is under surveillance as not to permit to visit the country and relatives in their places of living. Furthermore, the gift packages to Lithuania are charged prohibitively high duty as to the most unfavored country and so to exploit this sad situation, therefore be it resolved

That the American of Lithuanian heritage demand that the Soviet-Hitler pact at last be terminated, permitting the Lithuanian people to exercise their sovereign rights. We also deplore the fact that this occupation and terrorism was permitted to exist for more than 30 years and thousands upon thousands of lives were lost.

That knowing the methods and modes led by Moscow, we consider the cultural exchanges in present form as one way exchange, benefiting the red propaganda in the entire United States with failure to represent the American way of life there.

We believe that human consideration between the nations and people must take precedence over trade benefits or political concessions.

We are watching with utmost gratitude all the endeavor of President R. M. Nixon and of the members of both Houses to stop red aggression and bring peace.

We also trust that the President will recognize these facts and will take a firm stand during pending negotiations and also instruct his representatives in Security Conference at Geneva to do the same.

As we approach the end of the 20th Century we are ashamed that our civilization is able to tolerate conditions where police states with their slave camps and "hospitals" are allowed to exist.

We beg all the freedom loving peoples to unite and use their means to repeal the brutality rule over peoples and nations.

HOUSE OF REPRESENTATIVES—*Wednesday, February 27, 1974*

The House met at 12 o'clock noon.

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

Whatever is true, and honorable, and just, and pure, and lovely, and gracious . . . think about these things.—Philippians 4: 8.

O God, our Father, amid the difficulties of these disturbing days, we turn to Thee seeking the quiet peace of Thy healing presence. In Thy strength we would be made strong, with Thy wisdom we would be made wise, and by Thy love we would be made loving, too.

As we enter into the portal of Lent and live through this period of prayer and self-denial, give us grace to accept the call to moral discipline the mind to develop inner life of the spirit and the desire to increase our faith in Thee which will enable us to lead our Nation in the ways of peace and justice and good will.

"God save America 'mid all her splendors;
Save her from pride and from luxury.
Enthrone in her heart the unseen and and eternal;
Right be her might and the truth make her free."

Amen.

THE JOURNAL

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

Without objection, the Journal stands approved.

There was no objection.

APPOINTMENT TO TECHNOLOGY ASSESSMENT BOARD

The SPEAKER. Pursuant to the provisions of section 4(a), Public Law 92-484, the Chair appoints as a member of the Technology Assessment Board the gentleman from Michigan, Mr. ESCH, to fill the existing vacancy thereon.

A BILL TO PROVIDE FOR LOANS TO SMALL BUSINESS CONCERNS AFFECTED BY THE ENERGY CRISIS

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

Mr. EVINS of Tennessee. Mr. Speaker, I have today introduced a bill, urgently needed, to aid and assist American small business concerns affected by the present energy crisis. This proposed legislation is being cosponsored by every member of the House Committee on Small Business—19 in number—and by Representative ALBERT H. QUIE.

Specifically, the bill provides for amendment of the Small Business Act to authorize financial assistance to small businessmen who are seriously and adversely affected by the shortage of fuel or raw or processed materials resulting from the energy crisis.

The permanent Select Committee on Small Business of the House has for a period of several months investigated and studied problems involving our energy resources. With the introduction and passage of this bill, our committee believes some relief to American small business can be provided during this energy crisis period.

WHEN CAN THE AMERICAN PEOPLE EXPECT ACTION TO ELIMINATE THE BLOCKS-LONG GASOLINE LINES?

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

Mr. GUDE. Mr. Speaker, from all evidence and data available to me, it has become obvious that unless major alterations are made immediately in the FEO gasoline allocation program, the State of Maryland will again in March be at the low end of the stick in terms of getting its fair share of available gasoline supplies. To date, we have received promises and more promises that the allocation program would be adjusted, and that additional factors would be cranked into the allocation program. Promises are simply not adequate. In the words of the poet, we still have "miles to go," assuming of course that there is enough fuel to take us there.

We have been told, time and time again, that the system FEO has established can work if we all cooperate and be patient. The public and the Congress has been patient to the extreme.

I must pose a question to FEO. When can the American people expect definitive action to eliminate the blocks-long gasoline lines?

If the allocation system cannot be made to work, then it, and perhaps the FEO itself, should be scrapped.

AN ATTEMPT TO CONTROL EXCESSIVE FEDERAL SPENDING AND OTHER GOVERNMENT POLICIES SHOULD BE MADE

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

Mr. ARMSTRONG. Mr. Speaker, unless Congress enacts a further extension of the so-called Economic Stabilization Act, wage-price controls will soon expire.

This expiration should be a cause for national celebration.

Obviously, inflation has not been controlled by these illogical economic measures.

But while failing in their intended purpose, wage-price controls have succeeded conspicuously in creating economic dislocations, product quality deterioration, black markets and shortages in such products as gasoline, propane, petrochemicals, plastics, natural gas, lumber, papers, steak, eggs, candles, blue jeans, tennis balls, freezers, wheat, leather, air conditioners, sardines, chicken, turkey, hot water bottles, and flour—to name a few.

Instead of trying to extend control of wages and prices—an aim unworthy of a free people—I trust Congress will at last attempt to control excessive Federal spending and other Government policies that have fostered inflation and which even now threaten permanent damage to our national economy and the stability of our political institutions.

LET US END ALL CONTROLS ON PETROLEUM PRODUCTS

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

Mr. ROUSSELOT. Mr. Speaker, it is evident that the Nation's fuel allocation program has failed to meet the needs of American consumers. Most people can agree on that, but, unfortunately, there are those who say the solution to the problem is more government control and interference in the economy rather than less.

The misconception bubble that surrounds this bureaucratic nonsolution to the energy problem was squashed in the March 4, 1974, issue of Newsweek magazine by the distinguished economist, Dr. Milton Friedman.

Dr. Friedman points out it was a panicky Federal Energy Office that forced oil companies to shift so much of their production to heating oil "that we face a glut of heating oil but a paucity of gasoline." As a result, we have those long frustrating lines at the gasoline pump, courtesy of the FEO, and Government interference in the free market.

Dr. Friedman has a solution to the problem that makes more sense than reliance on allocation programs and unworkable controls. He proposes—as I have proposed—that we abolish the FEO and end all controls on petroleum products. On February 25, I introduced a bill (H.R. 13021) to repeal the Emergency Petroleum Allocation Act of 1973, a piece of legislation which directed the President to provide for the mandatory allocation of each refined petroleum product.

I urge my colleagues to join with me in support of this effort to restore some semblance of sanity to the rapidly deteriorating fuel situation by ending Federal control of our fuel supplies.

CONGRESS FAILS THE PUBLIC AGAIN

(Mr. WYMAN asked and was given 1 minute and to revise and extend his remarks.)

Mr. WYMAN. Mr. Speaker, we are going to act on energy this afternoon. I want to make the observation that the one thing this Congress can do and do right now to help save gasoline in this country is to take emission controls off of cars in the 90 percent of America in which they have no adverse effect on public health. This would apply to vast areas in this country whose residents, with the assistance of automobile dealers, could immediately improve the gasoline mileage of their cars that now suffer a fuel penalty from existing emission controls that ranges anywhere from 10 to 20 percent per vehicle.

This would save hundreds of thousands of gallons of gasoline each day.

How this Congress can pretend action to save energy and not act to reduce the long lines at the pump is beyond me. Such action would cut the gas shortage in half virtually overnight.

Congress should do this. The public wants relief. Those responsible for holding it up in committee and subcommittee should and will face public wrath and outrage for their inaction.

CAMBODIA'S CONTINUING TRAVAIL

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

Mr. DERWINSKI. Mr. Speaker, I want to draw the attention of the House to the continuing travail of the peaceful people of Cambodia, caught up in a war that has become a nightmare. The news reports are replete with the horror of the sufferings of a civilian population whose only sin is that they inhabit territory contiguous to Vietnam and coveted by the Communists. The Cambodians have been fighting on their own with the exception of U.S. air support which was halted last year by the joint action of Congress. Cambodian soldiers are fighting and dying every day, proof of their loyalty to the Cambodian Government. The Cambodian Government has offered to negotiate a cessation of the war but, in return, the Communists shell innocent civilians in residential areas of no military value. In the past 2 weeks, over 200 civilians have been killed in Pnompenh alone, hundreds of others wounded, and some 10,000 rendered homeless. In defense of such acts, Prince Sihanouk only states that he has warned his former subjects to evacuate the capital and to surrender to his Communist allies.

I, for one, wish to register my horror and repugnance for the senseless killing perpetrated by the Communists in Cambodia and call upon the latter to halt the slaughter of civilians and to open negotiations leading to peace.

TRIBUTE TO MR. WILLIAM DROWER

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

Mr. GIBBONS. Mr. Speaker, we are all well aware that for many years the British Government has placed a great deal of importance on maintaining a good relationship with our Congress.

I would like to call to the attention of my colleagues today the retirement of one of the finest diplomats that I have had an opportunity to meet in my 12 years here in Congress. Mr. William Drower who has represented his government here in Washington for 9 years will be returning to his native country shortly. He has served his government here as First Political Secretary and then as Counsellor for Political Affairs and Congressional Liaison. All of us who have had an opportunity to work with Mr. Drower can attest to the great credit he is to his government. Diplomats like Bill Drower are few and far between. I regret to see Bill and his wife Constance leave. His successor, Mr. Mark Russell, has a big pair of shoes to fill and we welcome him to Washington and look forward to working with him.

WILL THE REAL RICHARD NIXON PLEASE STAND UP?

(Mr. LEGGETT asked and was given permission to revise and extend his remarks.)

Mr. LEGGETT. Mr. Speaker, 2 nights ago the President told the Nation that "a criminal offense on the part of the President is the requirement for impeachment."

Yet, only last August, he told us a President could be impeached for violation of his oath of office. I await with interest his explanation of his change of mind.

For the record, here is the question and answer from his press conference of August 22, 1972:

Q. . . . Now under the Constitution you swore an oath to execute the laws of the United States faithfully. If you were serving in Congress, would you not be considering impeachment possibility against an elected public official who had violated his oath of office?

A. The PRESIDENT. I would if I had violated the oath of office.

A. Well, Mr. Rather, you don't have to be a constitutional lawyer to know that the Constitution is very precise in defining what is an impeachable offense. And in this respect it is the opinion of White House counsel and a number of other constitutional lawyers who are perhaps more up to date on this than I am at this time, that a criminal offense on the part of the President is the requirement for impeachment, . . .

CALL OF THE HOUSE

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

The SPEAKER. Evidently a quorum is not present.

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

A call of the House was ordered.

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

[Roll No. 44]

Baker	Clark	Dorn
Brasco	Crane	Dulski
Burton	Davis, Wis.	Edwards, Ala.
Carney, Ohio	Dellums	Ford
Chisholm	Diggs	Forsythe

Frelinghuysen	Michel	Sikes
Goldwater	Mills	Staggers
Gray	Moss	Stanton,
Hansen, Wash.	Murphy, N.Y.	J. William
Hébert	Powell, Ohio	Steed
Jones, N.C.	Price, Tex.	Sullivan
Jones, Okla.	Reid	Teague
Jones, Tenn.	Roberts	Young, S.C.
Kluczynski	Rooney, N.Y.	
Lott	Rostenkowski	

The SPEAKER. On this rollcall 389 Members have recorded their presence by electronic device, a quorum.

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

PROVIDING FOR CONSIDERATION OF CONFERENCE REPORT ON S. 2589, ENERGY EMERGENCY ACT

Mr. PEPPER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 901 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 901

Resolved, That immediately upon the adoption of this resolution it shall be in order to consider the conference report on the bill (S. 2589) to declare by congressional action a nationwide energy emergency; to authohize the President to immediately undertake specific actions to conserve scarce fuels and increase supply; to invite the development of local, State, National, and international contingency plans; to assure the continuation of vital public services; and for other purposes, and all points of order against said conference report except against sections 105 and 110 thereof for failure to comply with the provisions of clause 3, rule XXVIII are hereby waived. Debate on said conference report shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce. At the conclusion of the debate, it shall be in order, on the demand of any Member, for a separate vote to be had on a motion to strike out section 104 of the conference report. At the conclusion of any separate vote demanded under this procedure, and if section 104 has not been stricken out by such separate vote, the previous question shall be considered as ordered on agreeing to the conference report.

The SPEAKER. The gentleman from Florida (Mr. PEPPER) is recognized for 1 hour.

Mr. PEPPER. Mr. Speaker, I yield 30 minutes to the able gentleman from Illinois (Mr. ANDERSON) pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 901 provides for a rule with 2 hours of general debate on the conference report S. 2589, the Emergency Energy Act.

House Resolution 901 provides that all points of order against the conference report are waived except against sections 105 and 110 for failure to comply with the provisions of clause 3, rule XXVIII of the Rules of the House of Representatives—pertaining to amendments accepted by the conferees which are beyond the scope of the House and Senate bills.

House Resolution 901 also provides that at the conclusion of the debate on the conference report, it shall be in order, on the demand of any Member, for a separate vote to be had on a motion to strike out section 104 of the conference report.

S. 2589 creates a Federal Energy Emergency Administration to carry out authorities under this act and the Emergency Petroleum Allocation Act of 1973. The conference report also gives standby rationing authority to the President. S. 2589 also provides that the Administrator of the new Federal Energy Emergency Administration is authorized to issue regulations restricting public and private consumption of energy. All such regulations are subject to a congressional veto.

Mr. Speaker, I urge adoption of House Resolution 901 in order that we may discuss and debate S. 2589.

Mr. Speaker, I yield 1 minute for the purpose of discussion only to the distinguished gentleman from West Virginia, the chairman of the Committee on Interstate and Foreign Commerce (Mr. STAGGERS).

Mr. STAGGERS. Mr. Speaker, I take the floor to urge the defeat of the previous question on this rule. As I am sure my colleagues are aware, the rule would permit a single Member of this House to assert a point of order against two sections of the bill—section 105 dealing with energy conservation plans and section 110, the so-called price rollback provision. In so doing the Rules Committee has provided an opportunity for a single opponent of this legislation to defeat it. Such a result most certainly would not be in the public interest.

I do not have to tell you that this has been a long and difficult legislative effort. In conference many compromises have been made. Your conferees have looked hard to find a middle ground and means of doing things which would overcome the objections of either House.

I know that the conference agreement remains controversial. I would expect legislation this important and complex to be so. But I urge that we permit the conference agreement to stand the test of a vote by the 435 Members of this House.

If the previous question is defeated, I will offer an amendment to the rule in the nature of a substitute which waives points of order on the entirety of the conference agreement, but permits separate votes on its most controversial sections. Accordingly, Members would have an opportunity to specifically express their assent or dissent to sections 104, 105, and 110 of the bill. If the House defeats the conference agreement then so be it. But at least let us give the House the chance to vote on it. Accordingly, I respectfully ask you to defeat the previous question on this rule.

Mr. PEPPER. Mr. Speaker, I yield 1 minute to the able gentleman from Georgia (Mr. FLYNT).

Mr. FLYNT. Mr. Speaker, ordinarily on a rule of this kind I would be inclined to vote for the previous question. However, today I will vote against the previous question. I will do so because I think this House has a right to vote on whether or not we want an emergency energy bill.

If the previous question is sustained, there will be no vote on any item in this bill, because the entire report would be rejected on a point of order.

In addition to the Members of this House, Mr. Speaker, deserving the opportunity and the right to vote on this bill, the people of my district and the people of your district and the people of the United States of America have the right to know whether the House of Representatives is serious about combating this energy crisis or whether we are going to let it roll on and on and on and let the lines at the gasoline stations get longer every day that passes.

Ordinarily on procedural issues I am a purist because I believe in the orderly processes and procedures and rules of the House of Representatives, but today I rise in violent opposition to this rule, which would deny the House and each Member of this House the right to vote on possibly the most critical issue to face this Congress and this Nation during 1974.

Mr. Speaker, I urge a no vote on the previous question on the resolution in order that the House of Representatives will have an opportunity to work its will on the conference report.

If the majority of the House sees fit on a separate vote to reject any one of the three controversial sections in the conference report, the conference report as a whole will fail. If a majority sees fit to reject any one section, it has that right, but by the same rule of fairness each of us—each Member of the House—has the right to vote yes or no on each of these provisions.

As I see it, the issue is clear-cut and squarely put: Are we going to permit this conference report to go down the drain by the objection of a single Member on a point of order, or are we going to accept or reject each one of these controversial sections on a recorded yea and nay vote on the merits of each one?

I believe the people in my district would want this conference report accepted or rejected on its merits rather than to let it die in a parliamentary morass.

There are some sections of this bill with which I do not agree and naturally there are some sections which I would like to change or modify, but I believe that the circumstances which exist at this time require action as opposed to nonaction.

I hope that each of these sections will stand and that the conference report will be adopted. I believe that the many advantages so heavily outweigh its disadvantages that we should put aside our reservations about an individual section or sections and pass something that may bring order out of the chaos that many sections of the country are experiencing today.

Mr. Speaker, let me make my position as clear as the English language can make it: I shall vote against the previous question; I shall vote for the Staggers substitute rule; on a separate recorded rollcall vote I shall vote for each of the three controversial sections; I shall vote for adoption of the conference report.

Mr. PEPPER. Mr. Speaker, I yield 1 minute to the able gentleman from Texas (Mr. MAHON).

Mr. MAHON. Mr. Speaker, I rise in support of the rule, and in support of

the previous question. We have had enough uncertainty already in the fuel situation, and in my view if we want fuel, if we want the people who can produce the fuel to get moving, we have got to give stability to the effort and the people have got to know what they can expect from the Government.

The rollback of crude oil prices as proposed can only have one result. It will slow down exploration and production of oil and gas. What the present energy crisis demands is the stimulation of production. The pending bill moves in the opposite direction. It will slow down and discourage the production of oil and gas. It will deprive the American people of much-needed fuel which can be made available.

I urge Members to vote for the previous question, vote for the rule, and against the bill on final passage.

Mr. PEPPER. Mr. Speaker, I yield 1 minute to the able gentleman from Washington (Mr. ADAMS).

Mr. ADAMS. Mr. Speaker, because of the desperate situation in our country today, with exorbitant fuel prices and long lines of cars at the gas pump, I am going to vote down the previous question on this rule in spite of reservations I have about the conference report. Then I shall vote for the STAGGERS' substitute rule.

Our people are in desperate need of a direct system which assures them a definite supply of fuel, such as a priority rationing system. This conference report repeats the existing discretionary authority on rationing. It is my belief that under the Defense Production Act and the Emergency Petroleum Allocation Act, the President has had adequate authority to ration if he were so inclined, but again this decision has been avoided for too long and much public goodwill has been wasted. Rationing at the first signs of the shortage for a limited period would have prevented the present chaos and given a base on which to build a voluntary allocation system.

The conference report also includes a badly needed price rollback provision. Although I would like to see and will work for a rollback to $4.25 a barrel and strict cost justification for any increases above that amount, the rollback in this bill is a step in the right direction and will provide some relief for the consumer.

Equally as important is section 124, requiring the oil companies to disclose certain vital information. Once again this section should be much more comprehensive, but it is an improvement. As it now stands the only shortage we can be certain about, is a shortage of information.

In spite of these reservations, I will support the conference report because of other valuable sections I do support such as: providing for the protection of franchised dealers, establishing the Federal Energy Emergency Administration, restricting exports and equitable sharing of shortages among classes of users. These are emergency matters that need to be dealt with on an emergency basis in this bill.

However, many sections in this conference report are both dangerous and unnecessary. I am fearful that our hasty action in these areas will result in little additional energy and may do great harm to our people. Section 105, "Energy Conservation Plans," is a grant of discretionary power to the Administrator far broader than was approved by either House. The administration and the Federal Energy Office have demonstrated time and time again that they are unwilling to use existing authority to deal with an obvious problem until it reaches crisis proportions. We have seen this in their treatment of the airline industry, the truckers, and now the gas station dealers. It seems to me that a further grant of discretionary power would not bring about carefully thought out plans, but only more stop-gap measures that placate a special interest and penalize the consumer. We are at a crucial time that requires considered and deliberate action, with full attention to the possible results of any proposed conservation plans. Now more than ever, Congress must assert its rightful authority and use its power well.

Equally as disturbing is the vast destruction done by this conference report to environmental standards and safeguards. The statutory requirement for coal conversion and the accompanying lengthy suspensions of stationary emission standards are hardly an emergency matter and there is serious question whether such legislation is necessary at all. Even without a statutory requirement, conversion to coal is occurring at a rapid rate if for no other reason than the fact that it is more economical. As the Environmental Protection Agency already has the authority to grant suspensions of emission limits up to June 1977, it seems to me that these provisions are not needed at this time and in fact will do serious harm as included in the conference report.

I feel similarly that all of title II, relaxing various environmental safeguards, is an unnecessary gamble. We have no reason to believe that significant amounts of energy will be saved and we have every reason to believe that our environment and the health of our people will be threatened.

I would much prefer to vote on a truly emergency measure not embellished with so many unnecessary, special-interest provisions. I have introduced such a bill, H.R. 12678, which would allow Congress to meet the emergency without abdicating its right to give new proposals the serious consideration they deserve. Our bill includes a price rollback to November 1 levels with only cost-justified increases above that level; full disclosure of vital oil industry information; authority and administrative procedures for rationing; authority to restrict exports of petroleum products; and establishment of the Federal Energy Administration.

Mr. PEPPER. Mr. Speaker, I yield 5 minutes to the able gentleman from Texas (Mr. ECKHARDT).

Mr. ECKHARDT. Mr. Speaker, I am in favor of the rule on the conference committee report, and I should like to state as succinctly as I can why I am.

In the first place, this House should always support its rules unless an exceptional situation exists. If an exceptional situation exists, the Committee on Rules has the power to make exceptions to the rules.

I think that the Committee on Rules acted properly in this case in not making an exception with regard to sections 105 and 110 of the conference report as regards rule XXVIII, clause 3.

Mr. Speaker, let me remind the House that we have gone through this debate before. The point was very well made by the gentleman from California (Mr. SISK) at the time of the Legislative Reorganization Act of 1970 in which rule XXVIII, clause 3, was strengthened. At that time the gentleman from California (Mr. SISK) pointed out that under existing rules, and by the relatively lenient interpretations on them at that time, the conferees had been able to come to agreement outside the four corners of either the House or the Senate bill, and arrive at a compromise which had never had the benefit of any consideration by a committee of primary jurisdiction of this House. Therefore the rule was strengthened to prevent this offense.

The discussion of this rule at a later time in 1970 I think expresses the proposition very well.

At that time Mr. BOLLING was presenting a report of the Committee on Rules providing for consideration of H.R. 4246, extending certain provisions of law relating to interest rates and cost of living stabilization. In response to Mr. BOLLING's statement concerning the rule involved here, in which he referred to the language here involved, Mr. MARTIN stated:

> Mr. Speaker, I want to concur in the comments made by the gentleman from Missouri concerning the intent and understanding of the Rules Committee in drafting the amendments to clause 3 of rule XXVIII with respect to the authority of House conferees.
>
> Here is the language that is pertinent:
>
> Stated simply, the intent of the committee was to insure first, that no issue or question not committed to the committee on conference by either House could be included in conference reports, and second, to insure that with respect to those issues committed to conference, no resolution thereof would be reported which had the effect of going beyond the differences as framed by the two Houses in their individual passage of the legislation.

That is the rule. It is a salubrious rule. It should never be waived unless there is a technical question in which there is so slight a difference between the position of either the House or the Senate which has been altered that the Committee on Rules in its judgment feels that the rule should be waived so that it will not have its severe technical effect. That is what the Committee on Rules did in this case. The Committee on Rules waived all rules, including rule XXVIII, clause 3, with respect to the bill in general.

But there were two points on which the committee on conference had gone far beyond the authority of either the House amendment or the Senate bill. In these instances there was a quite substantive difference between the position of the committee on conference and the position of either the House or the Senate. Those two cases were in section 105

of the conference report and section 110, and these are the sections which the Rules Committee left exposed to a point of order under rule XXVIII, clause 3.

The SPEAKER. The time of the gentleman has expired.

Mr. PEPPER. Mr. Speaker, I reserve the remainder of my time and now yield to the able gentleman from Illinois (Mr. ANDERSON).

Mr. ANDERSON of Illinois. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 901 provides for 2 hours of general debate on the Energy Emergency Conference Report, waiving points of order against the conference report with the exceptions of sections 105 and 110, and providing for a separate vote to strike section 104.

Specifically, this rule would permit a point of order to be raised against section 105, which deals with energy conservation plans, and section 110, commonly known as the price roll-back provision, for failure to comply with clause 3 of rule XXVIII of the House Rules. That rule prohibits the inclusion of new matter in a conference report which was not committed to the conference committee by either House; and it also prohibits the modification of a proposition committed to the conference by either or both Houses if that modification "is beyond the scope of that specific topic, question, issue, or proposition" as committed to the conference committee.

I want to make it very clear that if a point of order is raised against either of these sections for failure to comply with clause 3 of rule XXVIII, and if that point of order is sustained, the section is automatically eliminated from the conference report without further debate or a vote. This is not treated in the same way we deal with a nongermane Senate amendment in a conference report. In that situation, under clause 4 of rule XXVIII, if the provision was adopted by the Senate but is ruled nongermane under the Rules of the House, 40 minutes of debate is provided on the amendment which is followed by a vote on a motion to reject the amendment.

But the situation before us today is governed by clause 3, not 4, of rule XXVIII, and clause 3 is a prohibition against new matter being added in conference or the broadening of the scope of a matter passed by either or both Houses. And under clause 3, unlike clause 4, if a point of order is sustained against a section on these grounds, that section is knocked out of the conference report then and there, unless, of course, there is a two-thirds vote to overrule the decision of the chairman.

If either or both of these sections are knocked out of the conference report, what then is the status of the conference report? Obviously, the House version will be different from that already adopted by the Senate, and the Senate conferees have already been disbanded. Given this situation, the House could ask the Senate for a new conference. We would have the same situation if, as allowed for in this rule, the House should vote to strike section 104 which grants standby rationing authority to the President.

It is my understanding that an attempt probably will be made to defeat the previous question on this rule so that an amended rule could be offered to provide for a separate vote on both the energy conservation plan and rollback sections. I am opposed to such a revised rule for several reasons. First, it seems to me that it would be wrong to start down the road of waiving clause 3 of rule 28, for we would be saying to future conferees that they can completely rewrite legislation in conference and bring back something totally different from what was originally passed by either the House or Senate. I don't want to begin today granting such broad legislative latitude to conferees, for to me that amounts to a dereliction and abdication of the duties and responsibilities of our standing committees and the Committee of the Whole. Clause 3 is a part of the House rules for a very good reason: it places very proper restraints and limitations on the role of our conferees; it is a binding reminder that they are agents representing the positions taken by the Whole House, and they are not appointed as a supercommittee which may superimpose new positions on both Houses.

Second, I would like to make a very practical point. There are some who have argued and will argue today that by granting this type of rule, the Rules Committee has in effect killed the Energy Emergency Act conference report. I beg to differ with that view by submitting that if we throw clause 3 out the window and accept the new matter added by the conferees, we may be saving the conference report but killing the Energy Emergency Act; for make no mistake about it, the conference report as presently written is headed for a veto and I seriously doubt that this body can come close to mustering a two-thirds vote to override that veto. I would therefore challenge the proponents of this conference report to put it to a realistic and practical test today, not by changing this rule, which only requires a majority vote, but by appealing the ruling of the Chair on the point of order, which requires a two-thirds vote—the same ratio needed to override a veto.

Consider, if you will, the real alternatives before us today: if we change this rule and thereby adopt the conference report as it now stands, it will be vetoed, the veto will be sustained, and we will be forced to start from scratch in committee on a new energy emergency bill; and that means bringing this back through the House and Senate again and subjecting it to dozens of amendments, and going to conference again and attempting to reconcile the differences. If, on the other hand, we adopt this rule and the objectional rollback section is knocked out on a point of order, we need only ask the Senate for a new conference and I am confident that this can be resolved so as to avoid a veto. I would ask my colleagues, which of these alternatives is the most realistic and expeditious approach to enacting an emergency energy bill. To me, at least, it is obvious that going the route of this rule is the most practical course in achieving the early enactment of an acceptable energy emergency bill.

In the time remaining, Mr. Speaker, I would like to briefly discuss what is really at issue here today, and that is the controversial section 110 rollback provision. This section, which was drafted in conference as a substitute for the windfall profits provision in the original House bill, would place a ceiling price on domestic oil production under a formula which would result in an average price of $5.25 per barrel. The President could raise the ceiling for classifications of crude production to prices which are 35 percent over the ceiling, or, in other words, up to $7.10 a barrel. Any cost reductions resulting from this would have to be passed through to lower prices for residual fuel and refined petroleum products.

This rollback provision is designed to do two things: First, provide price relief for consumers from skyrocketing fuel costs; and second, to curtail the bulging profits of the major oil companies.

During the initial Senate debate on February 8, Senator WILLIAMS, an avid supporter of the rollback, summed up these arguments neatly:

> I am appalled that this bill has now been delayed even further . . . While all of us recognize the necessity for petroleum producers to receive a fair return on their investment, we cannot allow unrestrained profiteering. We must prevent the energy shortage from draining the consumers bank account the same way it is draining his gas tank. And while we want to make it profitable for producers to expand their production, I think the windfall profits recently reported by *every major oil company* makes it clear that we are going well beyond that point.

Senator WILLIAMS' rhetoric notwithstanding, the rollback will, first, not appreciably reduce consumer prices for gasoline, heating, oil, and other refined products; second, fail to noticeably curtail major oil company profits because last year's increases were not primarily due to higher domestic crude prices; third, impact strippers, small producers, and other independents far more severely than the majors; and fourth, establish a precedent for political manipulation of the energy problem rather than the fashioning of effective long-term solutions. The basis for these assertions follows.

1. UNCONTROLLED OIL ACCOUNTS FOR ONLY 17 PERCENT OF U.S. PETROLEUM SUPPLY

When advocates of the amendment juxtapose skyrocketing consumer fuel prices and $10 per barrel domestic oil, there is a clear suggestion that the rollback to $5.09 will make a substantial difference in the average consumer's fuel oil or gasoline bill. This is highly deceptive because the price of petroleum products is determined by the average price of all crude supplies which go into it. However, only stripper, small producer, and released oil, accounting for about 25 percent of total domestic supply is selling at $10 per barrel.

The rollback will not affect the remaining 75 percent which is already controlled at $5.25 per barrel or less, nor will it affect the price of almost one-third of our daily supply which is imported. Thus, as is shown in the table below, the full

rollback will lower the average price of U.S. crude by only 80 cents per barrel or 2 cents per gallon of gasoline; if the 35-percent increase option is exercised by the President so that prices are only effectively rollbacked to the $7.09 maximum level, the average crude price will be lowered by 49 cents per barrel or slightly more than 1 cent per gallon of gasoline:

IMPACT OF ROLLBACK ON AVERAGE CRUDE OIL PRICE

Source	Share of total supply (percent)	Current prices	Prices with rollback: Maximum [1]	Prices with rollback: Minimum [2]
Domestic controlled	50.6	$5.00	$5.00	$5.00
Domestic uncontrolled	16.9	10.00	5.25	7.09
Imported [3]	32.5	10.00	10.00	10.00
Weighted average price [4]		7.47	6.67	6.98

[1] Full rollback as provided for in conference report.
[2] Assumes President exercises option to increase rollback price by 35 percent to $7.09.
[3] Some of this is landed in the form of product refined overseas and in the Carribbean but it is still refined from foreign crude selling for $10 per barrel.
[4] Weighted average price (plus) equals .506 domestic controlled plus .169 domestic uncontrolled plus .325 imported.

2. SEVENTY-EIGHT PERCENT OF MAJOR'S 1973 PROFIT INCREASE DERIVED FROM OVERSEAS OPERATIONS

If the Jackson roll-back will not affect consumer prices appreciably, neither will it do much to restrain the much publicized profit gains of the major integrated producers. According to a Businessweek survey, the 30 top U.S. petroleum companies increased their combined earnings from $6.8 billion in 1972 to $10.5 billion, or by about 54 percent, during 1973. However, the profit increase on foreign operations was a much more modest 20 percent. As a result, $2.9 billion of a total worldwide profit increase of $3.7 billion is attributable to overseas operations.

This huge disparity is due to the fact that profits on overseas operations had slumped considerably during 1972 and then rose precipitously during the second half of 1973, and, perhaps more importantly, to the fact that these 1973 overseas profits were being counted in sharply devalued dollars. Exxon, for example, maintains that more than $120 million of its 1973 profits were merely paper gains attributable to devaluation. In any case, whether paper or real, fully 78 percent of the major oil company profit increase was due to the vagaries of foreign economic developments, something totally outside the reach of a domestic crude price roll-back.

3. DOMESTIC CRUDE OIL SUPPLY IS NOT DOMINATED BY MAJORS

The U.S. petroleum industry is often assumed to be as highly concentrated as the steel industry, in which the top four firms control 50 percent of production and the top eight control 66 percent, the rubber industry, where the ratios are 70 percent and 89 percent respectively, or electrical equipment where the ratios are 60 percent and 78 percent for the top four and eight firm share of the market. While this image is accurate in some measure at the transportation, refining and distribution level, it would not appear to be true at the initial stage of production where the proposed price rollback would have its impact.

As is shown in the table below, the top four companies accounted for less than 30 percent of domestic petroleum production in 1972. More significantly, this share was almost equalled by the thousands of small independent producers, who, producing less than 1,000 barrels per day, do not even show up in the top 90 companies.

SHARES OF DOMESTIC PETROLEUM PRODUCTION, 1972

Company rank	Production (millions of barrels per day)	Share of production (percent)
1 to 4 (Exxon, Texaco, Gulf, Shell)	3.25	29.1
5 to 8 Chevron, Amoco, Arco, Mobil) [1]	1.80	16.1
9 to 23 (Union, Getty, Sun, Phillips, Continental, Cities Service, and 8 others	1.48	13.2
23 to 37	.95	8.5
38 to 90	.66	5.9
All others	3.04	27.2
Total	11.18	100.0

[1] Chevron—Standard Oil of California; Amoco—Standard Oil of Indiana; Arco—Atlantic-Richfield Co.

It should be stated that these figures are not precise because they were pieced together from two different sources—Office of Oil and Gas and the FTC—and from 2 different years—1970 and 1972. Nevertheless, they give a working approximation of industry structure at the production level, and make clear that in an effort to swat at the bloated profits of the dozen or so large integrated majors, the Jackson amendment would directly affect hundreds of independent producers who account for a large share of total production.

Moreover, it is likely that a large share of the current "uncontrolled oil" is attributable to producers on the bottom end of the ranking, rather than the large majors at the top. This is due to the fact that at least half of the roughly 2.7 million barrel/day of uncontrolled production is accounted for by stripper wells or wells producing less than 10 barrels per day. These were explicitly exempted from controls by the Alaskan pipeline conference report rider amendment. Thus, half of the oil subject to the rollback is produced by firms who do not even show up in the top 90 companies in the industry.

The remainder of uncontrolled oil is accounted for by so-called "new" oil and "released" old oil that was decontrolled by phase IV in August. Undoubtedly, the majors are producing some of this, but industry trade publications suggest that most of this "new" oil—and the corresponding amount of exempt "old" or "released" oil—is accounted for by independent and small producers. We expect to get more definite data on this Tuesday.

Two things should be noted about these considerations. First, it is the strippers and small producers who have been hit hardest by rapid increases in prices of oilfield supplies, machinery, and services because they frequently make these purchases on the used or spot market over which the stabilization program exercise no price control. Just as oil prices have risen to an unsustainable short-run level due to temporary shortages, there is considerable evidence to indicate that those producers not protected by large supply inventories or long-term supply contracts—that is, nonmajors—have experienced the same phenomena on the "input" or production cost side of the industry. Concomitantly, as oil prices must come down when the boycott ends and new supplies are brought onstream, these rapidly rising costs of production should also subside as suppliers produce more oilfield machinery, equipment, and materials. Thus, the market is in disequilibrium on all sides and any effort to impose order by edict is bound to produce inequities and distortions. Indeed, given the likely distribution of production subject to the rollback, it is probable that those producers who would be affected most severely are also those who have the least ability to resist these short-run increases in production costs.

Although I think the industry scare stories about production disincentives due to the rollback are largely unwarranted, it should also be remembered that short-run price prospects are likely to have the strongest effect on the marginal, undercapitalized producer who will be hit hardest by the rollback. Since it seems inevitable that in the next 2 or 3 years crude prices will stabilize in the $7/barrel range, the large majors can afford to wait it out. By contrast, the prospect of continued political manipulation of oil prices may substantially reduce the ability of small producers to raise capital for expanded production.

Viewed in the abstract, the industry can readily survive the Jackson price rollback. As he has pointed out on a number of occasions, as recently as 6 months ago, most industry spokesmen were saying that a price in the $5 range would be more than ample to bring on additional long-term supplies. Nevertheless, the point here is that the actual economic victim of the rollback is likely to be just the opposite of the intended political target. If anything, the rollback would probably allow the majors to sustain or increase their share of the crude production market whereas the current two-tier system is working to decrease it.

4. PRICES, PROFITS, AND PRODUCTION IN THE LONGER TERM

The rollback provision is largely a political response to the fact that within a short 5-month period reported petroleum industry profits have skyrocketed while consumers have felt the first serious energy supply/price pinch since World War II. In my view, Jackson's effort to forge a populistic linkage between these two contains double mischief. On the one hand, it will only defer the adoption of an appropriate policy response to the longer term energy crisis—that is, curtailment of demand and expansion of supply through attainment of a new, higher price equilibrium—and, on the other, will compound, and set precedent for further compounding, the underlying problem that national policy must rectify. The conference report should therefore be defeated so that this counterproductive linkage can be nipped in the bud. The next section presents some alternative, but more benign, means by which consumer sentiment can be mollified. This section focuses on why the current clumsy attempt to manipulate petroleum prices and profits is so misguided.

In the first place, the measurement of aggregate profits on a quarter-to-quarter or year-to-year basis is next to meaningless in economic years. The year 1972 represented the culmination of a 4-year period of petroleum industry profit stagnation; in real dollar terms, 1972 oil profits were 10 percent below 1968 profits, compared to a 12-percent increase in real GNP during the same period. In the case of many individual companies, the inappropriateness of the 1972 base year is even more dramatic. As is shown in the table below, 1972 profits expressed in constant dollars were from 20 to 60 percent below 1968 levels for 11 of the 13 companies. Moreover, while all of them reported huge 1973 increases over 1972, ranging from a low of 24 percent for SOHIO to a phenomenal 267 percent for Clark, nearly half of them had 1973 profit levels which were still below 1968 levels in constant dollars; only 5 of the 13 companies had 1973 profit increases over 1968 which were larger than the 18.5-percent increase in real GNP during the same period. Thus, it can be fairly said that screaming press headlines have seriously distorted the real profit situation in the oil industry:

PETROLEUM INDUSTRY PROFIT CHANGES, 1968–73

[In percent]

Company	Reported 1972–73 increase	1972 compared to 1968 [1]	1973 compared to 1968 [1]
Marathon	62.1	−19.9	23.5
Phillips [2]	55.2	−24.7	11.7
Gulf	70.0	−40.3	−3.5
Shell	28.0	−30.2	−15.2
SoHio	24.1	−28.7	−15.9
Union	44.9	−32.4	−4.3
ARCO [3]	40.4	−26.2	−2.1
Cities Service	36.8	−31.6	−11.1
Amerada Hess	228.6	−57.2	34.0
Clark	267.5	−42.8	100.0
Continental	42.6	−5.1	28.6
Exxon	59.2	.3	51.9
Sun	48.7	−21.3	11.2

[1] Constant dollars.
[2] 1967 base period.
[3] 1969 base period.

Source: Office of Tax Analysis, Treasury.

Whatever the base year chosen, however, profit volumes are not a good way to measure the profitability of business because they give no indication of the changes in the volume of sales or the stock of invested assets which produced them. The legitimate way to measure profits is not in aggregate terms but as a rate of return on investment. Though the media and the demogogs may conveniently ignore these figures, they are the only way of measuring in industry's performance relative to other sectors—by definition "excess" profits must be excess in relationship to some independent standard—and are also the primary consideration of investors and others who supply capital for increased production. In large measure, whether or not we are successful in generating the new domestic capacity needed to achieve energy independence will be a direct function of the cost of capital for energy investment, which in turn will vary closely with the rate of return.

The table following compares petroleum rates of return over time and in relationship to other sectors of the economy. Four trends are noteworthy:

First. Prior to the 1960's, the petroleum rate of return was slightly above the average for manufacturing, including both the durable and nondurable sectors, but considerably below the really high profit industries like automobiles and high technology instruments and computers.

Second. During the sustained economic expansion and boom of the 1960's, industry generally boosted rates of return above the historical average; this was true for both traditionally high and low profit sectors. By contrast, petroleum moved in just the opposite direction as the industrywide trend during this period (column 2), sustaining a lower average rate of return than during the 1950's.

Third. After the peak of the economic cycle in 1967–68 profits in most industries deteriorated sharply, hitting bottom with the trough of the 1970 recession. As the economy recovered in 1971–72, profits recouped even more dramatically—although not fully to 1963–68 levels. Petroleum industry profits also declined but subject to a unique lag. Instead of bottoming out in 1970 and then recovering during the next 2 years, they continued to seriously deteriorate through 1972. This lag is the primary reason for the so-called profit surge in 1973: in reality, the petroleum industry was making a 1-year recovery of the magnitude that other sectors took 3 years to accomplish.

Fourth. Despite the aggregate profit surge of 1973, petroleum profits are still below the manufacturing average—at least for the first three quarters covered by this data. Indeed, the secular trend seems to be that petroleum profits have moved from a place traditionally somewhat above the industry mean to a place somewhat below the average during the last two decades. If excess profits is really such a concern, then 1973 profits for automobiles (16.4), high technology and computers (16.1), chemicals (14.9), lumber (24.5) or nonelectrical machinery (13.3) would seem to be far higher priority targets for action. Given the capital intensity of the petroleum industry and the $100 plus billion that will be needed for new investment before 1980, it seems difficult to conclude that profits or rates of return have yet really gotten out of hand.

PETROLEUM INDUSTRY RATES OF RETURN RELATIVE TO OTHER INDUSTRIES, 1950–73

[In percent]

Industry/Sector	Average rate of return		Actual rate of return		
	1950–59	1963–68	1970	1972	1973 [1]
Petroleum	12.7	11.9	11.0	8.7	10.8
All manufacturing	11.3	12.2	9.3	10.6	12.6
Durables	11.9	12.3	8.3	10.8	13.2
Nondurables	10.8	11.8	10.3	10.5	12.1
High rate sectors:					
Motor vehicles	15.3	16.0	6.1	14.7	16.4
Instruments and computers	12.6	16.6	14.3	14.9	16.1
Low rate sectors:					
Iron and steel	10.7	8.5	4.3	6.0	9.2
Textiles	5.8	8.7	5.1	7.5	9.4

[1] First three quarters only.

Note: All figures expressed as after tax rates of return on stockholders' equity.

Source: Economic report of the President, 1974.

Part of the reason for the serious deterioration in petroleum rates of return—from a peak of 12.5 percent in 1966 to 8.7 percent in 1972—was a price/cost squeeze at the production level, traditionally the major source of petroleum profits. As is so shown in the table below, average domestic crude prices rose about 21 percent from 1964 to 1972, while costs of drilling—the major production expense—increased by 65 percent per well-foot. More importantly, in terms of cost per successful well, costs rose by 90 percent or four times the price rise during the same period:

OIL PRODUCTION COSTS AND PRICES, 1964–72

	Average crude price	Drilling cost per well-foot	Average cost per successful well
Year:			
1964	$2.88	$10.80	$334,000
1968	2.94	13.40	562,000
1970	3.18	16.13	575,000
1972	3.50	17.72	633,000
Percent change, 1964–72	21.5	64.1	89.5

Source: American Petroleum Institute.

The profit slump brought about by this cost/price squeeze had a number of important effects on the ability to finance new exploration, development and production capacity. As the oil industry has traditionally financed a large portion of new investment out of retained earnings, the relative profit slump forced them to turn more heavily to external sources. Given the general stock market slump during this period and the unattractiveness of low industry rates of return, however, this meant primarily debt rather than equity financing. As a result, the ratio of debt to total capital for the industry climbed from 16 percent in 1968 to 24 percent in 1972. While these ratios vary from industry to industry and there is obviously no absolute standard, most investors and financial analysts are wary of such high debt ratios in a high risk industry like oil. The inevitable consequence is higher financing costs per unit of physical capital in external markets. Efforts to rollback allegedly excessive profits will only compound this problem because it will lower the amount of internally generated capital and force the companies to do even more high cost external financing. Since there is no such thing as a free lunch, consumers will sooner or later end up paying higher prices to cover higher capital service costs, or alternatively, will have to put up with shortages and inconveniences longer than otherwise.

This latter possibility is underscored by the data for exploration and development activity during the latter part of the 1960s and early 1970s. As is shown in the table below, both the number of wells drilled and the footage drilled declined steadily during this period. As a result, additions to reserves and the reserve production ratio fell to dangerously low levels. Whereas new reserves added in 1955 equalled 118 percent of production that year, by 1972 new reserves amounted to only 47 percent of annual production.

The adverse trends in these latter two

indicators are the primary reason why we currently have such limited ability to quickly expand domestic production. If for political reasons Congress wants to continue to keep the petroleum industry locked into low profit levels relative to the risk involved, it is difficult to see how domestic production capacity can be expanded to self-sufficiency levels:

TRENDS IN EXPLORATION AND DEVELOPMENT AND RESERVES

Year	Wells drilled	Footage drilled (thousands of feet)	Reserves added (millions of barrels)	New reserve/production ratio
1955	14,937	69.1	2,870	1.18
1964	10,747	55.5	2,664	1.00
1968	8,879	53.9	2,454	.78
1970	7,693	45.3	(1)	(1)
1972	7,129	52.8	1,557	.47

[1] Not meaningful because of 1-year bulge of Alaska discovery add-on.

Source: American Petroleum Institute.

5. ALTERNATIVE POLITICAL RESPONSES TO THE OIL PROFIT QUESTION

Clearly the perception that oil profits have become excessive is a political problem that cannot be ignored. Since the public insists on action, even if only symbolic as in the case of the rollback, the real need is to find some way to constructively channel it. In my view, modification or repeal of the special petroleum industry tax breaks would be a far wiser course than direct manipulation of prices and profits. The depletion allowance, for example, is said to be worth roughly 50 cents per barrel, but even the price of "old" domestic oil has risen far beyond that amount in the last year. The intangible drilling expense allowance, which is worth even less on a per-barrel basis, is in the same category, as is the foreign tax credit on 100 percent of royalty payments.

It seems to me that the pending energy tax bill soon to be reported by Ways and Means should offer plenty of opportunity for castigating the oil companies for raiding the treasury, taxpayer financed bonanza and the like, and at the same time for fashioning good public policy. The depletion allowance and other tax breaks are essentially taxpayer subsidies that keep the true cost petroleum products lower than what would otherwise prevail in the private market. As such, they encourage some measure of overconsumption—a pattern we are trying to reverse with other energy conservation programs—and result in an arbitrary transfer of income from general taxpayers to specific energy consumers. Milton Freedman and other market economists have long argued against the depletion allowance on just these grounds, but never before now has there been a more propitious moment for taking action.

By doing so, we could appease the public and improve national energy policy in one stroke. The price roll-back, by contrast, will only disillusion the public, as the promised benefits fail to materialize, and lead to a retrogression in policy that might not be reversed for some time to come.

I yield to the gentleman from Texas (Mr. ECKHARDT).

Mr. ECKHARDT. Mr. Speaker, the gentleman made an excellent statement and in his statement he has shown the extremely difficult and technical nature of the new matter which is brought into this bill.

Will the gentleman confirm to me that the price of $7.09 to which oil could move under the bill could apply to both old and new oil?

Mr. ANDERSON of Illinois. Absolutely, and for that very reason I would say to the gentleman, it was correctly pointed out in our committee, we should not even call this a price roll-back provision.

I think the gentleman who just spoke suggested it was rolling forward the price of oil to that of control at a lower price than the $7.09 per barrel.

Mr. ECKHARDT. It could be a roll forward from $5.25 to $7.09 on 70 percent of the oil that the country produces; could it not?

Mr. ANDERSON of Illinois. The gentleman again is absolutely correct, because what we are talking about when we talk about uncontrolled oil, we are talking about between 25 and 30 percent of the production of this country. We are not touching with this price roll-back 75 percent of the oil that goes in to make up the over-all price of crude oil in this country.

Mr. ECKHARDT. Except possibly to increase the price on that oil, is that correct?

Mr. ANDERSON of Illinois. Exactly. I would submit further that this is not a price rollback, this is a production rollback. This is telling the entrepreneurs, the independent producers in this country, those many times under capitalized producers, "You go out of business and let the big boys, let the majors who can afford to sit back and absorb that lower price and can afford to wait until this moment of folly passes and prices seek their own level in the market, and then they will go in and capture a bigger share of the domestic crude production than they have at the present time."

What kind of nonsense is that?

Mr. ECKHARDT. Mr. Speaker, if the gentleman will yield briefly further, furthermore with respect to that oil which is commanding a higher price today, that is, new oil; explored oil, it is my understanding—but I understand it would in truth and in fact roll back the price that independent producers could get from their new exploration; that is, the oil that now can be brought on to the market which requires additional expenditures because it is deep or difficult to obtain. So, in effect, we roll back those who are exploring and risking their capital and we roll forward those who do not need increases but are making inordinate profits.

Mr. ANDERSON of Illinois. Mr. Speaker, the gentleman from Texas has stated the case, I think, very succinctly. His argument reemphasized the argument I have sought to make. If we want to help the consumers, for God's sake, do not vote for a provision in a piece of legislation that is going to have the very obvious, almost immediate effect of discouraging the very efforts that have to be made for additional exploration and production.

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

Mr. ANDERSON of Illinois. Mr. Speaker, I yield to the gentleman from Indiana.

Mr. ZION. Mr. Speaker, I thank the gentleman from Illinois for yielding to me.

Mr. Speaker, the gentleman from Texas has talked about the increased need for funds for the difficult to reach oil, such as deep oil. The gentleman from Illinois knows that in the Illinois-Indiana basin most of the oil is now coming from what we call stripper wells. These are wells which have declining production. The people operating them now have the option of expending considerable funds for water injection, chemical injection, or other procedures needed to go after the secondary and tertiary production.

Mr. Speaker, at the present time, as soon as the well becomes unproductive at the current price, these operators are required to fill the hole with concrete and they lose forever some 30 or 40 percent of the oil potentially available in our area of the country.

Mr. Speaker, I ask the gentleman, if the Federal Government is going to put a ceiling on the money that can be received from them, would these producers have adequate incentive to go to these very expensive procedures in order to continue the production of stripper wells?

Mr. ANDERSON of Illinois. Obviously, the answer to the gentleman's question is "No." If we discourage production and cut out incentives to explore and produce, it immediately becomes economically unfeasible for them to get that out to the extent that we are increasing the supply of oil.

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

Mr. ANDERSON of Illinois. Mr. Speaker, I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. Mr. Speaker, I have been fascinated by the colloquy between the gentleman from Illinois (Mr. ANDERSON) and the gentleman from Texas (Mr. ECKHARDT) because it seems to me that it brings into focus the whole argument against the so-called rollback provision.

Mr. Speaker, I gather from what both these gentlemen have said that the effect of that rollback provision is going to be to reduce the supply of oil that we now have in this country and increase the price of whatever petroleum products we have left. Is that correct?

Mr. ANDERSON of Illinois. Exactly, and not do one thing about 75 percent of the crude oil we use in this country.

Mr. BROWN of Ohio. And that does not even speak to the parliamentary precedent we are setting if we go ahead and change the rule here and allow the consideration of previously unconsidered material?

Mr. ANDERSON of Illinois. Mr. Speaker, the gentleman is correct.

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

Mr. ANDERSON of Illinois. I yield to the gentleman from Kentucky.

Mr. CARTER. Mr. Speaker, I thank the distinguished gentleman for yielding.

I will ask the gentleman this question: Since stripper wells have been producing and have been brought back into production, how much has that meant in terms of the production of oil in the country in the past year?

Mr. ANDERSON of Illinois. Of course, the figures which I gave earlier indicate that exploration generally has been on the decline, and the ratio, as I say again, between current production and reserves has gone down precipitously, from 118 to 47 percent, because the economic incentive has not been there.

Mr. Speaker, I submit that this is exactly the wrong time, with lengthening gas lines and considering our desire to attain the goal of petroleum independence, to adopt this kind of legislation, legislation which does not make any legislative sense.

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

Mr. ANDERSON of Illinois. I yield to the gentleman from Texas.

Mr. MAHON. Mr. Speaker, I wish to commend the gentleman from Illinois for putting this whole problem in better focus.

The oil industry is a rather complex industry; as a matter of fact, the entire energy industry is complex. However, the gentleman hit the nail on the head when he said simply that this conference report represents a production rollback. It is just that simple.

I would ask this: Who among us wants to go home and defend a production rollback? I do not.

Mr. ANDERSON of Illinois. Mr. Speaker, I will not yield further to other Members at this time, since there are others who have asked for time.

Mr. Speaker, let me simply conclude at this time by imploring the Members of this House not to yield to what is a totally false and illusory solution to a very real problem. Let us vote up the previous question, adopt the rule, and get on with the business of considering an energy bill.

Mr. PEPPER. Mr. Speaker, I yield 3 minutes to the able gentleman from Massachusetts (Mr. MACDONALD).

Mr. MACDONALD. Mr. Speaker, I appreciate the colloquy which took place among the two gentlemen from Texas and the gentleman from Illinois, and I appreciate their eloquence, and in some ways, their excitability.

However, I do not believe they touched on the real issue that we are to be faced with very soon, within the very near future, and that is whether or not to permit every Member to be recorded, since each Member's constituents would like to know where he stands concerning rollback. They would like to know where each Member stands as far as rollback is concerned and as far as the two other matters which will follow price rollback, conservation, and rationing known to be exercised by the President. That is the real issue.

Now, I listened to the words of the eloquent gentleman from Illinois, when he said that this upsets the orderly procedure of the House. Well, in some ways, of course, he is right. It is a little unusual. But then, too, the present rule was a little unusual as well.

Mr. Speaker, I would recommend to the gentleman, even if it is not true in Illinois, that it might be important for him to try to get gasoline in an orderly fashion here in Washington, D.C., where I get gasoline, and/or in Massachusetts where they are lucky to have any gasoline at all. I think that the rights of the public are more important at this particular juncture than upholding the antiquated rules of this House.

I have no quarrel with the Committee on Rules. They did what they thought was right. It was a very close vote on all three issues. However, it is getting a little ridiculous for us now to go back and tell the public we are trying to protect them and we are trying to do what is right without actually being recorded as to where they stand on this important bill.

I agree with the gentleman who said there has been a lot of debate, but there have not been any votes.

So all we are asking for at this moment is this: We must recognize that all the arguments that have been made for the rule are not all completely true, and I can give concrete examples. I am not going to get into a dispute at this juncture, since I do not have time, but all the figures that are given have been unofficial figures which come from the oil industry itself, as I think the gentleman from Illinois knows. There are no official Government figures. One can get figures from no department in the Government that are believable or official.

Now, it is the proponents of the people who want this rule upheld, and who start calling these industries the "bloated seven sisters." I do not really care if they are bloated or not bloated.

Everyone in America, in the American system, is in business for profit. But when a business or an industry reaches the state where they can put out their hand and stop the orderly democratic procedures of this Congress, then it is time for us to put up or shut up and go back to our constituents and say, "You may not agree with what I did, but at least I did what I thought was right for you." I urge a no vote on the rule.

Mr. PEPPER. Mr. Speaker, I yield 1 minute to my able colleague, the gentleman from Florida (Mr. ROGERS).

Mr. ROGERS. I thank the gentleman for yielding.

Mr. Speaker, I understand the arguments that are made by those who represent the oil States. It is certainly their very sincere judgment that they are expressing, but I happen to come from a consumer State where people are ready for the Congress to do something about this question. They are tired of standing in line in order to get gasoline.

I do not think the oil companies are really concerned so much about this price rollback which goes to $7. Where old oil is being sold for $5.25, this bill says that we will let new oil go to $7 or slightly over $7. The oil industry itself testified earlier that they thought just over $4 would be sufficient through 1980 in order to give them an incentive. If you will bring that up to the current dollar price, it is about $4.35 or $4.50.

The SPEAKER. The time of the gentleman has expired.

Mr. ROGERS. Will the gentleman yield me one additional half minute?

Mr. PEPPER. I yield the gentleman a half minute.

Mr. ROGERS. I thank the gentleman.

The main thing that they are concerned with is that in this bill it says the Federal Energy Office will have the authority to make the petroleum industry report their reserves and what they have stored and where this gasoline is. The American people are looking to us in this Congress to provide that authority, and that authority is in this bill. We can later change the rollback provision if we need to, but we had better get on with the job and find out how much oil we have.

Let us vote down the previous question and then vote for the rule which Chairman STAGGERS will present.

Mr. PEPPER. Mr. Speaker, reserving the remainder of my time, I yield now to the able gentleman from Illinois (Mr. ANDERSON).

Mr. ANDERSON of Illinois. Mr. Speaker, I yield 4 minutes to the distinguished minority leader, the gentleman from Arizona (Mr. RHODES).

Mr. RHODES. Mr. Speaker, the situation as I see it right now is that very shortly we will have a vote on the previous question. If the previous question is voted up, then presumably the rule will be adopted.

The rule provides, among other things, that points of order may be made against the section which deals with the rollback of prices on oil and gas. As I understand it, if the point of order is made, there is every likelihood it would have to be sustained.

I think that is a salutary situation, because I associate myself completely with the remarks of the gentleman from Illinois (Mr. ANDERSON) and the remarks of the gentleman from Texas (Mr. ECKHARDT) as to the probable effects of this rollback provision.

The people of the United States of America, unless I am badly mistaken, want more gasoline and they want to get that gasoline just as rapidly as they can. They are not interested in having people make inordinate profits on that gasoline, but their priority runs just about like this: Give us the gasoline and worry about the excess profits later. That is exactly what I hope this House, the Senate, and the administration are programed to do.

If it is possible to get this bill adopted, then, of course, the next thing we should address ourselves to is the question of excess profits. As a matter of fact, the Committee on Ways and Means is now addressing itself to this problem of excess profits. An excess profits tax is the

best mechanism by which the American people can be assured that nobody will make inordinately large profits because of the energy crisis. Nobody wants inordinately large profits. It is not in the minds of any of the Members of the House to allow it to happen.

The best thing to do is to vote up the previous question. Then we can do what is necessary to remove the rollback provision from this bill.

I understand there have been some rumors going around the floor—of course, this is a very good rumor mill on the floor—that when the chips are down, and this bill is sent to the President, he will sign it.

Mr. Speaker, let me tell all the Members, with all the sincerity at my command, that is not the situation. If this conference report goes to the President of the United States with the rollback provision in it, the President will undoubtedly veto this bill. He will veto it because, as he has said, he wants a bill which will produce more energy rather than less energy. In my opinion, the bill, in its present form, would produce less energy in the long run.

Mr. ECKHARDT. Mr. Speaker, will the gentleman yield briefly for a question?

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

Mr. ECKHARDT. Mr. Speaker, the gentleman from Florida (Mr. ROGERS) pointed out that there was something in this bill with respect to petroleum reporting. Will the gentleman from Arizona confirm to me that the same general type of provision is in the Holifield bill that creates the Federal Energy Agency, and concerning which there is very little dispute on this floor—and that if this bill were out of the way we could proceed with that bill almost immediately?

Mr. RHODES. The gentleman from Texas is absolutely correct. In fact, I have been wondering all along why we have not already taken up and passed the FEA bill. The FEA bill, which was worked out to allow the Energy Administration to do the things which the gentleman from Texas has mentioned. Moreover, and even more importantly, it is necessary in order for the FEA to be able to recruit the people who are necessary to do the job that has been entrusted to this office.

I am told by FEA Administrator Simon that he is terribly handicapped by lack of personnel. He cannot get people to go to work because his office is set up on a temporary basis. So I believe that it is necessary that we enact the FEA bill, and the other energy bills in the administration's package. I hope we will be able to do that just as soon as we dispose of the present bill here.

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

Mr. RHODES. Mr. Speaker, at this time I would like to include a copy of a letter addressed to me from Deputy Secretary Simon, dated February 20, 1974.

(The material referred to follows:)

THE DEPUTY SECRETARY
OF THE TREASURY,
Washington, D.C., February 20, 1974.

Hon. JOHN J. RHODES,
House of Representatives,
Washington, D.C.

DEAR JOHN: The Energy Emergency Conference Report (S. 2589) which soon will be before the House of Representatives contains so many objectionable provisions that the President will have no choice but to veto the bill should it reach his desk in its current form.

We do believe that additional statutory authority is needed in the energy area, and the Energy Act does address several of these areas. We do need the authority to mandate conservation measures. We do want direct authority to institute end use rationing. We do want authority to require conversion of power plants, so that greater use may be made of coal. Finally, we do support changes in the environmental area which the Act also addresses. Nevertheless, in total, the legislation goes far beyond these areas and has so many unworkable provisions and unwarranted controls that it would exacerbate the fuel shortage rather than relieve it.

For example, the provision which would "roll back" the price of all crude oil to an artificially established price creates economic uncertainty and would have the effect of discouraging production of domestic crude oil at a time when the Administration's policy and the Nation's need is to increase supply. We need flexibility in setting prices so that we may be sure that prices will be reasonable to the consumer and yet will stimulate needed investment and increase domestic production. Our experience in administering the crude allocation program has shown how difficult it can be if enough flexibility is not provided by statute. We asked Congress not to require the allocation of crude oil at all levels, but the current law does so and makes administering such a program most difficult.

We must work together to build a strong domestic energy industry so that our country will not be so dependent on foreign sources of crude oil. At the same time, we are concerned that the industry does not profit excessively at the expense of the consumer. I feel the President's "windfall profits" proposal will assure that no one will take advantage of the shortage by unreasonable profits.

Another unworkable portion of the Act is the creation of the Federal Energy Emergency Administration. It contains virtually no administrative authorities, no viable executive structure and no provision for continuity with existing activities under the Federal Energy Office. We prefer enactment of a measure more along the lines of the Energy organization already passed by the Senate and now on the House calendar. We must have the right kind of agency to do the proper job.

An unworkable employment assistance provision is also included in the Conference Report. The states would determine eligibility using vague open-ended guidelines that would make it very difficult to define unemployment due to "the energy crisis." We support the President's unemployment compensation proposals pending before Congress which are workable and reasonable.

The legislation before the Senate contains authority for HUD and SBA to make low interest loans to homeowners and small businesses to finance insulation, storm windows and heating units. If every eligible homeowner and small businessman took advantage of this section, the government could spend as much as $75 billion on this provision alone. The actual energy savings produced by these vast expenditures would be disproportionately small.

These are just a few of many objectionable features of S. 2589. It unfortunately contains very few needed authorities and imposes costly requirements that hinder rather than help deal effectively with the energy shortage. There are some provisions in this bill, such as the requirement for increased reporting of energy data, which are important. However, every one of these provisions is addressed in separate and more reasonable legislation already in the Congressional process.

I know most Members of Congress are eager to be helpful in solving fuel problems, but the Conference Report now before the House will have the opposite effect. The President, after careful consideration, has decided that the only reasonable course is for him to veto S. 2589.

With warm personal regards,

Sincerely,

WILLIAM E. SIMON.

Mr. ANDERSON of Illinois. Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania (Mr. WILLIAMS).

Mr. WILLIAMS. Mr. Speaker, as I understand this matter, if we vote up this rule today there are sections in this bill which are subject to a point of order, and the objections based on a point of order will be sustained.

If we vote down the previous question, I understand the rule to be proposed by the gentleman from West Virginia (Mr. STAGGERS) will waive all points of order, and permit separate votes on sections 104, 105, and 110 and, Mr. Speaker, I think this is the way we could work the will of this House today.

If we reject any of these three sections upon which we can have a separate vote then we will move forward today with measures to solve the energy crisis.

I did not quite understand the comments made by the gentleman from Illinois (Mr. ANDERSON), when the gentleman agreed with the gentleman from Texas (Mr. ECKHARDT), that section 110 could mean a price increase, and at the same time reach a conclusion that section 110 could be a production rollback.

The fact of the matter is that section 110 sets the price of a barrel of oil in a given area at the same level that it was on May 15, 1973, plus it also gives the President the right to set prices not to exceed 35 percent. If that is not coming close to a windfall profit, I do not know what is.

So I would urge, Mr. Speaker, that the previous question be voted down so that we can have the separate votes on these three issues, and if any of these sections are voted down then we can go back to conference.

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

Mr. WILLIAMS. I yield to the gentleman from Massachusetts.

Mr. MACDONALD. Mr. Speaker, I appreciate the gentleman from Pennsylvania yielding to me, and I would like to point out that so far as the costs are concerned that in January of this year the Independent Petroleum Association of America was asking for a price of approximately $6.65 per barrel, and said that if they got that price they could maximize domestic production by 1980.

In January of this year, Deputy Secretary Simon stated that the long-term supply price of crude oil; that is, the level needed to bring supply and demand into balance and to eliminate the shortage—in his own words—would be in the neighborhood of $7 per barrel within the next few years. The gentleman is 100 percent correct.

Mr. WILLIAMS. Mr. Speaker, I should just like to conclude by urging my colleagues to vote down the previous question and adopt the rule proposed by the gentleman from West Virginia (Mr. STAGGERS), because there are very important issues in this conference report, including section 111, protection of franchised dealers.

Mr. PEPPER. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from Louisiana (Mr. WAGGONNER).

Mr. WAGGONNER. Mr. Speaker, I urge the Members of the House as sincerely as I can to sustain this rule and vote "aye" on the previous question. This procedure makes a mockery of House rules.

The reason we are having a problem today with this legislation stems from the very simple fact that last year when the same emergency was portrayed to exist, the distinguished gentleman from West Virginia (Mr. STAGGERS) supported an amendment to the energy bill at that point in time which would strike coal from the windfall provisions of that proposal, but he as a matter of equity refused to do so in an unworkable situation for oil and gas. This is the only reason that the problem exists today.

Let me remind you that when a problem arises in this country, the attitude today is, get Congress to do something about it. All Congress knows to do about a problem in these days is to regulate and stagnate with too much regulation.

This Congress passed an allocation bill last year, and we heard all of these promises of what the allocation bill would do to solve the problem of energy and its supply. This allocation bill, even in the minds of the Washington Post, if you can believe that, is a total and dismal failure and has to be repealed or drastically modified.

The problems we are having today with the supply of crude comes from that allocation bill. Some of us tried to tell you that there were only two things that could happen if we passed that allocation bill: we would disrupt feedstocks, and we would raise the price. This has happened, but we have not learned our lesson yet.

Then this House was told to pass a year-round daylight saving time bill. Let us do something about saving more energy. Almost all of you who voted for it today would like to have that little vote back, would you not, when you face these mothers and fathers who are complaining about what these youngsters are having to put up with when they have to go to school early and in darkness.

This bill will hurt; it will not help. The problem in this country is supply does not meet demand. That means with the problem we have we have to have more energy. We cannot get it with more regulation. We can only make the problem worse, and that is exactly what is going to happen.

Most all Members here today say that you want to provide here at home an incentive to provide for increased exploration and to provide after awhile for self-sufficiency. But, believe me, if we roll the price of American domestic crude back below the market price on a worldwide basis, these people are going to continue to send these dollars overseas and explore overseas. They are not going to invest sufficiently these dollars here in the United States to provide for self-sufficiency. It does not work that way. An investor has to have a return on his money.

Listen to me again. We are going to nullify the provision that we wrote into the allocation bill exempting stripper wells.

You have heard many times that this is a large part of our production, production which is marginal, production which can be lost at any time. On January 1, 1973, there were 359,471 stripper wells in this country and their average production was 3.13 barrels a day. You should put your economic pencil to that statistic and decide what you are going to be doing to that marginal production. Give some consideration to the cost for secondary and tertiary recovery if you are interested in more supply in this country.

We have got to have more energy. But to get more energy we must think about the economics of the situation. We have got to have more capital. The oil and gas industry alone by all responsible studies is said to demand by 1985 some $450 billion to meet their capital needs. Where is that money going to come from? For all energy sources to provide self-sufficiency by 1985 it will require $1.350 trillion of capital.

Are we going to let these people make a reasonable amount of money so they can do this, or are we going to roll the price back, shorten the supply, and not solve any of this Nation's problems? Think about the capital demand. It can not all be borrowed and the Government does not have the money either.

What we are proposing today is not even going to be good short-range politics. We are not attacking the substance of the issue. But if you think it is even good short-range politics to do this and let the problem become worse, then let November come and tell the people you are among those who voted to complicate this problem, because we are going to be asked that question.

The SPEAKER. The time of the gentleman has expired.

Mr. PEPPER. Mr. Speaker, I yield one-half minute additional to the able gentleman from Louisiana.

Mr. WAGGONNER. Mr. Speaker, it is economic folly, pure foolishness for this Congress to establish the precedent of writing a price for anything into a piece of legislation that will remain law until the law expires or is repealed. It is stupidity to allow and worse to mandate the sale of a depletable reserve at less than the replacement value. If you establish the price of an item now in this way tell us please how you will resist doing the same in the future when pressure builds. What about meat, wheat, or milk?

There was no emergency need for this bill in December and there is none now. Authority already exists to do everything this bill provides. It is sure to be vetoed.

The answer is, if you believe in the free market system, to let that system work. The windfall tax would be far more advisable. Consider only the failure of controls in recent months.

But why single out oil? Vepco says they were paying $16.73 a ton for coal a year ago and now they are paying $31.77. Why not roll that price back? Sure, the price of propane must be reduced, but we do not need a new law.

It has been said that prices should be rolled back because Exxon profits increased 59 percent last year. Hold your hats now, but did you know that the Washington Post which owns Newsweek had an increase in profits of 249 percent in 1973? They did, but you will never see that in print unless it is hidden in the want ads. They do not have the nerve to print it and never where it will be read. Oh no, they are too busy criticizing Congress for considering a 7½-percent pay raise after 5 years. Should the Post be nationalized for making too much money? Of course not, but the principle is the same.

Use some commonsense and let the free market work. Prices will adjust as supply meets demand, it always does.

Mr. PEPPER. Mr. Speaker, I yield one-half minute to the able gentleman from Arkansas.

Mr. ALEXANDER. Mr. Speaker, those of us from the rural States such as Arkansas know of a loophole in the COLC regulations that permitted a 350-percent increase in the price of propane over the last 12 months. Section 110, providing for a rollback of prices and attempts to address this injustice and provide relief for the citizens who have suffered from this hardship.

Mr. Speaker, this section provides for a proportional passthrough of costs from the refinery to the consumer. I urge my colleagues to vote down the previous question so we can get some relief for the propane consumers of America.

Mr. ANDERSON of Illinois. Mr. Speaker, I yield 2 minutes to the gentleman from North Carolina (Mr. BROYHILL).

Mr. BROYHILL of North Carolina. Mr. Speaker, the energy shortage we are facing is a complex problem and of course, when the Congress is called upon to deal with a crisis of this magnitude, there is going to be great divergence of opinion as to the best approach to take to deal with it.

There is much in this legislation that has some merit. I do not have the time in the 2 minutes to really go into it, but there are some legislative authorities that are needed in this legislation to positively deal with the energy shortage. For example, there are amendments to the Clean Air Act contained in this bill. We provide for temporary relaxation of

automobile emissions standards. There are other authorities in here which we need, but of course all the controversy, and I recognize there is controversy, is coming on section 110 of the bill.

Of course, there are many approaches suggested to deal with this problem of how we price petroleum products to make them available. The approach that is supported by the conferees, and I was a member of the conference committee, to provide the consumer with the pricing protection in the petroleum market, is the most controversial feature of the conference report.

Here is the parliamentary situation:

PARLIAMENTARY SITUATION ON THE CONFERENCE REPORT ON S. 2589, THE ENERGY EMERGENCY ACT

The Conference Report on the Energy Emergency Act is subject to points of order because of certain rewriting which was done in Conference. The managers on the part of the House asked the Rules Committee for a rule which would waive points of order. However, the Rules Committee has granted a rule which waives points of order for all sections except Section 105 (granting FEO authority to promulgate energy conservation plans) and Section 110 (the price rollback section). Also under the rule, a separate vote can be demanded on Section 104 (authorizing the President to impose rationing).

What this means is that if a point of order is made to the language of Sections 105 or 110, it is believed that the Speaker would sustain a point of order on the grounds that the Conferees went beyond the scope of the Conference in the new language of these sections. If the point of order is sustained, the entire Conference Report falls.

Chairman Staggers will ask the House to vote down the previous question so that he can offer a substitute rule, waiving points of order and permitting an up or down vote on one or more of the above-named sections. He feels that he has the votes to sustain the Conference Committee action on these sections. However, in the event that any of these sections are voted down, that, too, has the effect of killing the Conference Report.

If at any point, the Conference Report is rejected either by vote or point of order or any other parliamentary means, the Chairman can at that time move that the House ask the Senate for a new conference. However, if the Conference Report goes to final passage and is sustained by the House, the President has stated that he will veto the bill. If this occurs, the general feeling is that there are sufficient votes to sustain the veto. This means that all action on the bill would have to start over again at the committee level.

Mr. Speaker, all that we are asking Members to do is to vote down the previous question, as suggested by the chairman of the Committee on Interstate and Foreign Commerce, Mr. STAGGERS. This will give this House an opportunity to vote on these issues and not have the conference report to fall just on a point of order. If we adopt this substitute rule suggested by the chairman, then the House could work its will. If the conference report is to fall, let it be by a vote and not by a parliamentary means, such as a point of order.

Mr. ANDERSON of Illinois. Mr. Speaker, I yield 2 minutes to the gentleman from New York.

Will the gentleman yield for one brief comment?

Mr. HASTINGS. I yield to the gentleman.

Mr. ANDERSON of Illinois. I want to reply to the argument made by the gentleman from Arkansas (Mr. ALEXANDER). I sympathize with the gentleman on the high price of propane and the necessity of doing something about the 300-percent increase that has taken place.

We do not have to adopt this conference report, we do not have to vote down the previous question to get at this particular problem.

Mr. HASTINGS. Mr. Speaker, I intend to vote against the previous question. I think it is perfectly reasonable that the House should have an opportunity to vote separately on the three sections we have been made aware of.

I am a free enterpriser. I do not philosophically believe in rollbacks, but I hear people tell me we ought to have the oil depletion allowances changed, the excess profit taxes imposed, the foreign royalties for oil companies revised, and have antitrust action on vertical integration of major oil companies.

I predict if we do not do something, the only thing now available is a rollback, a year from now, we will still be here talking about actions that this Congress will not take.

The Senate, as far as excess profits, is not willing to discuss the issue; so though I do not believe philosophically in rollbacks, I feel we should proceed here; since I do not believe any other action will be taken.

As far as the stripper wells are concerned, western New York happens to have a few stripper wells. Our oil is higher in price than the average price in this country. They were getting $4.60 a barrel a year ago in November. Today they get $10.35. This bill will allow them to go to $9.20 a barrel and they tell me privately they will get in new production at $7.50 or $8 a barrel.

I intend to vote against the previous question.

The SPEAKER. The time of the gentleman from Illinois has expired.

The gentleman from Florida (Mr. PEPPER) is recognized.

Mr. PEPPER. Mr. Speaker, I yield 3 minutes to the able majority leader, the gentleman from Massachusetts (Mr. O'NEILL.)

Mr. O'NEILL. Mr. Speaker, the debate today reminds me of the American public in 1946, when the signs read, "Like a little meat? Vote Republican." Or, "Had enough?"

Well, the technical argument of the gentleman from Illinois was really brilliant. No question he is an able man and gave a brilliant argument; but the people will say, "Where is the gas and where is the oil?"

That is the only issue. "Where is the gas and where is the oil?" That is what the people want to know.

Now, let us review what is going to happen here this afternoon. The gentleman from Florida will move the previous question.

Mr. STAGGERS, myself, and so many of us, have asked that the previous question be voted down, so that Mr. STAGGERS can then offer a rule to allow 435 Members to work their will on the three controversial and explosive provisions of the bill: No. 1, a price rollback; No. 2, energy conservation plans; and No. 3, rationing authority.

Now, if this substitute rule is adopted, there will be 2 hours of general debate on these three crucial provisions. Following the debate there will be a vote on each one of those matters separately.

Now, that is the situation as it is. I say that it is just a replica of 1946 when people were saying, "Yes, there were technical arguments and there were great debates."

As a matter of fact, we have been deliberating over this legislation for more than 4 months now. Are we going to let all this work go down the drain by allowing one person to object to a provision and thus kill the whole conference report? Are we going to have one-man rule in the House or are we going to let the 435 duly elected Members of the House, who represent 200 million Americans, work their will on emergency energy legislation?

The American people are crying out to be heard on energy. The gas lines are getting longer and longer in California, in Minnesota, in Florida, and in Massachusetts. The energy crunch is not a regional anxiety; it is a national problem and needs a nationally directed policy to resolve the problem.

But the American people deserve to be heard. And the only way this can happen is to vote down the previous question.

The American people want to know the accurate status of our oil and gas supplies. No one in the administration or Congress will be able to give them a straight answer unless we adopt this conference report which forces the administration and oil companies to periodically report to Congress on our oil supplies.

If we have an energy problem, if it is indeed a crisis or if, as the President says, we have weathered the storm, then the American people have a right to know. That is why we have an obligation to the American people to vote on the emergency energy legislation before us today.

Mr. Speaker, this is the crux of the issue. The only people who do not want us to vote on rationing and rollback are the oil oligarchists of this Nation. But we all know, if it were not for their actions, we would not have this energy crisis. And the American people are not deceived. The oil companies are the most unpopular group in this country today.

I understand there have been 672 days of hearings on the energy crisis by this Congress; nevertheless we cannot go back to our constituents and say that we debated it for 4 months or that we had 672 days of hearings. They are going to say to us, "But where is the gas and where is the oil?"

To be true to the American public, the only way to go on this issue today is by voting on each one of these issues independently. Let our American public, let our people back home know how we feel on these questions.

There is a crisis, there is no question about it. This is one of the biggest issues we as Congressmen are going to face in our years here in the House of Representatives.

Mr. Speaker, I hope the previous question is defeated.

Mr. PEPPER. Mr. Speaker, I yield 5 minutes to the able gentleman from West Virginia (Mr. STAGGERS).

Mr. STAGGERS. Mr. Speaker, this is not a perfect bill. I admit that, and anyone would have to admit that. Nothing man has made has ever been perfect. If there are mistakes made in the bill, they can be corrected, but if we do not pass something, we cannot correct it.

Mr. Speaker, I think it is the most important bill any of us are going to vote on in our entire time in the Congress. I think the American people are going to do just exactly what the distinguished majority leader says. They are going to ask, "What did you do and how did you vote when the crisis was on."

That is what they did in 1946, I can say that, when there was a lot of debate and no action.

This is only a temporary bill, did the Members know that? It is to get through this crisis now. One would think that this was an eternity, but it is only until May 15, 1975. Then, if we get through the crisis, everything will be gone and we can do something else.

Do the Members want to do away with the long lines around Washington? Did the Members see the headlines stating that there is no gas around the area? I think this bill will help to do that. Do the Members want to know what the supplies are in America of oil and gas? Do they want the people to know? If they do, then they will vote down the previous question and vote for the bill.

That is the only way we are going to find out. Are the Members going to go back home to their people and tell them that they do not want to know how much gas is here, where it comes from, how much is being spent for it? We will know if the previous question is voted down. They will make a report within 60 days.

This is a crucial bill for the people of America, for the little people, the poor people; not for the rich. A lot of people say, "Let the prices go, let the rich get richer and let the poor pay for it."

I say, let us protect the poor people. Nine months ago, oil was selling in America for $3.86 a barrel for all oil, old and new oil. In 9 months, new crude production has gone to $10, and over in some cases.

In Canada, a person can get all the gas that he wishes, and they have a gas war. This morning on the news, they are vying for prices and trying to sell gas. Yet, they want to sell us oil at a high price, because our prices have gone up and they say, "We are not going to undersell you."

That is the reason we want to roll these prices back to where they are reasonable.

By the petroleum industry's own figures in December 1972, they said:

> Projecting ahead, give us $4.03 a barrel in 1974, and we can make 20 percent profit; if you give us $3.92 a barrel, we will make 10 percent profit.

We are not saying that. We are saying that flowing oil may stay at $5.25 a barrel and up to $7.09 a barrel may be charged for the stripper wells.

Mr. Speaker, I have just been told today, a few moments ago, by a man who knows his business and is in this business, that 50 percent of these stripper wells are owned by the big oil companies. We are saying that they can go to $7.09.

Now, if the Members want to help their farmers, bring down the price of propane which is selling at three times the price. If not, they can go back home to the glassmakers, the business people, the farmers, and tell them they were not willing to bring down the price of propane—just vote this previous question in.

But if a Member votes down the previous question and votes for this bill, he can say, "I voted to bring down the price of propane, which has gone up over 300 percent." But otherwise I do not know how the Members can explain to the farmers and the little business people and the plastics people and all the rest of them in America that they were down here trying to help them. They could not say that.

America is willing to sacrifice. The people are willing to pay any price and do anything if they think it is right. But I cannot go back into my hills and tell one out of a hundred that there is a shortage in America and have them believe it. I have had meetings with them in courthouses, and I know they do not believe that there is a shortage in Amercia. We have to get the reports to show them. Nobody knows. This will let them know.

Mr. Speaker, let me just say this: It just comes down to one simple question. Do the Members want to let one man get up and say that this bill should not pass, or do the Members want to let the people of America vote on it, let the elected Representatives of the people in America vote on it?

Is this not a democracy? Should we not allow everybody in America who has a voice to speak?

This is all we are asking for in the committee, that all the Members in this House will have a chance to express their vote on the three most important issues. We are not saying that we should vote this thing up or down. We are not saying that at all. We are saying, let us give the House a chance.

So the object is to vote down the previous question, and I will ask that the three issues have a vote taken on each one of them.

Mr. PEPPER. Mr. Speaker, I yield one-half minute to the gentleman from Texas (Mr. GONZALEZ).

Mr. GONZALEZ. Mr. Speaker, I take this opportunity to say that I am once again dismayed to see that we are repeating the experience of December 20, when we flailed and floundered around with this energy legislation.

This legislation is superfluous; it is redundant. We have already passed on all the authority that is necessary to the President to do what they intend to do under this bill. The only thing we are going to get here is "legislative constipation."

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

The SPEAKER. The question is on ordering the previous question.

RECORDED VOTE

Mr. PEPPER. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 144, noes 259, answered "present" 3, not voting 25, as follows:

[Roll No. 45]

AYES—144

Anderson, Ill.	Gross	Pickle
Archer	Gubser	Poage
Arends	Guyer	Quie
Armstrong	Hammer-schmidt	Quillen
Ashbrook	Hansen, Idaho	Rarick
Bauman	Hébert	Regula
Beard	Hinshaw	Rhodes
Blackburn	Hogan	Robinson, Va.
Boggs	Holt	Rose
Bray	Horton	Rousselot
Breaux	Hosmer	Runnels
Brooks	Huber	Ruth
Brotzman	Hutchinson	Satterfield
Brown, Ohio	Ichord	Scherle
Broyhill, Va.	Jarman	Sebelius
Buchanan	Johnson, Colo.	Shoup
Burgener	Johnson, Pa.	Shriver
Burke, Fla.	Jones, Okla.	Skubitz
Burleson, Tex.	Jordan	Smith, N.Y.
Butler	Kazen	Spence
Camp	Kemp	Steed
Casey, Tex.	Ketchum	Steelman
Cederberg	Landgrebe	Steiger, Ariz.
Chamberlain	Latta	Symms
Clawson, Del	Long, La.	Talcott
Cochran	Lott	Taylor, Mo.
Collier	Lujan	Thornton
Collins, Tex.	McCloskey	Towell, Nev.
Conable	McEwen	Treen
Conlan	McSpadden	Vander Jagt
Daniel, Dan	Mahon	Veysey
Daniel, Robert W., Jr.	Mailliard	Waggonner
de la Garza	Martin, Nebr.	Wampler
Dellenback	Martin, N.C.	White
Dennis	Mathias, Calif.	Whitehurst
Derwinski	Milford	Wiggins
Devine	Miller	Wilson, Bob
Eckhardt	Minshall, Ohio	Wilson, Charles, Tex.
Edwards, Ala.	Montgomery	Winn
Erlenborn	Moorhead, Calif.	Wright
Esch	Mosher	Wyatt
Findley	Myers	Wylie
Fisher	Nelsen	Young, Alaska
Forsythe	O'Brien	Young, Ill.
Frey	Parris	Young, S.C.
Goldwater	Passman	Young, Tex.
Gonzalez	Pepper	Zion
Goodling	Pettis	
Green, Oreg.		

NOES—259

Abdnor	Bowen	Conyers
Abzug	Brademas	Corman
Adams	Breckinridge	Cotter
Addabbo	Brinkley	Coughlin
Alexander	Broomfield	Cronin
Anderson, Calif.	Brown, Calif.	Culver
Andrews, N.C.	Brown, Mich.	Daniels, Dominick V.
Andrews, N. Dak.	Broyhill, N.C.	Danielson
Annunzio	Burke, Calif.	Davis, Ga.
Ashley	Burke, Mass.	Davis, S.C.
Aspin	Burlison, Mo.	Delaney
Badillo	Byron	Dellums
Bafalis	Carey, N.Y.	Denholm
Barrett	Carter	Dent
Bennett	Chappell	Dickinson
Bergland	Chisholm	Diggs
Bevill	Clancy	Dingell
Biaggi	Clark	Donohue
Biester	Clausen, Don H.	Downing
Bingham	Clay	Drinan
Blatnik	Cleveland	Dulski
Boland	Cohen	Duncan
Bolling	Collins, Ill.	du Pont
	Conte	Edwards, Calif.

Eilberg	Lent	Roncallo, N.Y.
Eshleman	Litton	Rooney, Pa.
Evans, Colo.	Long, Md.	Rosenthal
Evins, Tenn.	McCollister	Roush
Fascell	McCormack	Roy
Fish	McDade	Roybal
Flood	McFall	Ruppe
Flowers	McKay	Ryan
Flynt	McKinney	St Germain
Foley	Macdonald	Sandman
Fountain	Madden	Sarasin
Fraser	Madigan	Sarbanes
Frenzel	Mallary	Schroeder
Froehlich	Mann	Seiberling
Fulton	Maraziti	Shipley
Fuqua	Mathis, Ga.	Shuster
Gaydos	Matsunaga	Sikes
Gettys	Mayne	Sisk
Giaimo	Mazzoli	Slack
Gibbons	Meeds	Smith, Iowa
Gilman	Melcher	Snyder
Ginn	Metcalfe	Staggers
Grasso	Mezvinsky	Stanton,
Gray	Minish	J. William
Green, Pa.	Mink	Stanton,
Griffiths	Mitchell, Md.	James V.
Grover	Mitchell, N.Y.	Stark
Gude	Mizell	Steele
Gunter	Moakley	Steiger, Wis.
Haley	Mollohan	Stephens
Hamilton	Moorhead, Pa.	Stokes
Hanley	Morgan	Stratton
Hanna	Murphy, Ill.	Stubblefield
Hanrahan	Murtha	Stuckey
Hansen, Wash.	Natcher	Studds
Harrington	Nedzi	Symington
Harsha	Nichols	Taylor, N.C.
Hastings	Nix	Thompson, N.J.
Hawkins	Obey	Thomson, Wis.
Hays	O'Hara	Thone
Hechler, W. Va.	O'Neill	Tiernan
Heckler, Mass.	Owens	Udall
Heinz	Patman	Ullman
Helstoski	Patten	Van Deerlin
Henderson	Perkins	Vanik
Hicks	Peyser	Vigorito
Hillis	Pike	Waldie
Holifield	Podell	Walsh
Holtzman	Preyer	Whalen
Howard	Price, Ill.	Whitten
Hudnut	Pritchard	Widnall
Hungate	Railsback	Williams
Hunt	Randall	Wilson,
Johnson, Calif.	Rangel	Charles H.,
Jones, Ala.	Rees	Calif.
Jones, N.C.	Reid	Wolff
Karth	Reuss	Wydler
Kastenmeier	Riegle	Wyman
King	Rinaldo	Yates
Koch	Robison, N.Y.	Yatron
Kyros	Rodino	Young, Fla.
Landrum	Roe	Young, Ga.
Leggett	Rogers	Zablocki
Lehman	Roncalio, Wyo.	Zwach

ANSWERED "PRESENT"—3

Bell	Schneebeli	Ware

NOT VOTING—25

Baker	Jones, Tenn.	Price, Tex.
Brasco	Kluczynski	Roberts
Burton	Kuykendall	Rooney, N.Y.
Carney, Ohio	McClory	Rostenkowski
Crane	Michel	Sullivan
Davis, Wis.	Mills	Teague
Dorn	Moss	Vander Veen
Ford	Murphy, N.Y.	
Frelinghuysen	Powell, Ohio	

So the previous question was not ordered.

The Clerk announced the following pairs:

On this vote:

Mr. Teague for, with Mr. Rostenkowski against.

Mr. Roberts for, with Mr. Frelinghuysen against.

Mr. Price of Texas for, with Mr. Kluczynski against.

Mr. Kuykendall for, with Mr. Rooney of New York against.

Mr. Crane for, with Mr. Murphy of New York against.

Mr. Baker for, with Mr. Brasco against.

Mr. Michel for, with Mr. Moss against.

Until further notice:

Mr. Burton with Mr. McClory.

Mr. Dorn with Mr. Davis of Wisconsin.

Mr. Jones of Tennessee with Mr. Carney of Ohio.

Mr. Ford with Mr. Powell of Ohio.

Mrs. Sullivan with Mr. Mills.

The result of the vote was announced as above recorded.

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. STAGGERS

Mr. STAGGERS. Mr. Speaker, I offer an amendment in the nature of a substitute.

The Clerk read as follows:

Amendment in the nature of a substitute offered by Mr. STAGGERS: Strike out all after the resolving clause of House Resolution 901 and insert in lieu thereof the following:

"That immediately upon the adoption of this resolution it shall be in order to consider the conference report on the bill (S. 2589) to declare by congressional action a nationwide energy emergency; to authorize the President to immediately undertake specific actions to conserve scarce fuels and increase supply; to invite the development of local, State, National, and international contingency plans; to assure the continuation of vital public services; and for other purposes, and all points of order against said conference report for failure to comply with the provisions of clause 3, Rule XXVIII, are hereby waived. Debate on said conference report shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce. At the conclusion of the debate, it shall be in order, on the demand of any Member for a separate vote to be had on motions to strike out the following provisions of the conference report: Sections 110, 105, and 104, and such separate votes, if demanded, shall be taken in the foregoing order. At the conclusion of all of the separate votes demanded under this procedure, and if none of the sections have been stricken by such separate votes, the previous question shall be considered as ordered on agreeing to the conference report."

The SPEAKER. The gentleman from West Virginia is recognized for 1 hour.

Mr. STAGGERS. Mr. Speaker, at the outset I want to say I am very grateful for the vote that just took place a minute ago because I think it is to the great interest of America. I think the Members of this House recognize every Member should have an opportunity to vote on the different issues. This is democracy in action.

I am grateful and I know every American is, whether we win or lose on the matter before us. I am hopeful every section of the bill will be voted up because at the start of this bill when it was brought to the House floor, in December, it was debated for a long time and into the wee hours of the night. Afterward we went to conference and worked on the bill again. It was taken up by the Senate and passed, after long and full debate, by a two-thirds majority, 67 to 32.

The vote of the House just now showed me the Members want some kind of bill to take back home. They do not want their people to say this House is not capable of legislating for this land in order to try to help our people.

No one says this is a perfect bill.

I say it ought to be voted up or down and we should give everybody a chance to vote on the bill, so I am willing to vote on it right now. I ask, Mr. Speaker, that we have a vote on this, unless the gentleman from Illinois wants me to yield some time.

Mr. ANDERSON of Illinois. Mr. Speaker, if the gentleman from West Virginia will yield, I shall not ask for any extended amount of time, because I think that this amendment in the nature of a substitute for the resolution offered by the Committee on Rules has been thoroughly explained and debated during the hour allowed that has just taken place.

I cannot help but express some regret that I think we have established an unfortunate precedent and, in effect, I think we have stricken clause 3 of rule XXVIII from the rule book, as far as the future is concerned. It seems to me that may be the tendency from now on, but I think the Members understand the issue that is now before them.

Mr. STAGGERS. Mr. Speaker, I thank the gentleman from Illinois for his comments. I am certain he is very sincere.

Mr. Speaker, I move the previous question on the amendment and on the resolution.

The SPEAKER. The question is on ordering the previous question.

The previous question was ordered.

The SPEAKER. The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER. Under the provisions of the resolution just adopted, the conference report is now before the House, and that resolution provides that it shall be in order following the completion of debate on the adoption of the conference report for separate votes to be demanded on sections 110, 105, and 104 of the report.

Is a seperate vote demanded on any of the sections?

Mr. LATTA. Mr. Speaker, I ask for a separate vote on section 104.

The SPEAKER. The gentleman from Ohio asks for a separate vote on section 104.

Is a separate vote demanded on any of the other sections?

Mr. ECKHARDT. Mr. Speaker, I ask for a separate vote on section 105.

The SPEAKER. The gentleman from Texas asks for a separate vote on section 105.

Mr. ANDERSON of Illinois. Mr. Speaker, I ask for a separate vote on section 110.

The SPEAKER. The gentleman from Illinois asks for a separate vote on section 110.

The Chair will now put the question on these sections in the order specified in the resolution.

PARLIAMENTARY INQUIRY

Mr. ECKHARDT. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state his parliamentary inquiry.

Mr. ECKHARDT. Mr. Speaker, does the gentleman from Texas misunderstand the rule in that it provided for a

motion to strike each of these sections? The gentleman from Texas had thought there would be some debate with respect to these sections.

The SPEAKER. The Chair will advise that under the rule as amended 1 hour of debate is now permitted on the conference report itself.

The gentleman from West Virginia is recognized for 30 minutes and the gentleman from North Carolina is recognized for 30 minutes.

Prior to the debate, may the Chair announce that the sections will be voted on in the following order: Section 110, section 105, and section 104.

The Chair now recognizes the gentleman from West Virginia for 30 minutes.

PARLIAMENTARY INQUIRY

Mr. BROYHILL of North Carolina. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state his parliamentary inquiry.

Mr. BROYHILL of North Carolina. Mr. Speaker, I was under the impression that 40 minutes of debate would be in order on each one of the sections, in addition to the 1 hour.

The SPEAKER. The rule provides 1 hour of debate now under the control of the gentleman from West Virginia and the gentleman from North Carolina.

PARLIAMENTARY INQUIRY

Mr. RHODES. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. RHODES. Mr. Speaker, at what stage of the proceedings does a motion to strike become in order?

The SPEAKER. Immediately after the 1 hour of debate on the conference report.

The Chair recognizes the gentleman from West Virginia (Mr. STAGGERS) for 30 minutes.

Mr. STAGGERS. Mr. Speaker, I shall make my statement very brief.

Mr. Speaker, I rise in support of the conference report on the Emergency Energy Act (S. 2589).

Mr. Speaker, there is much in this legislation which is needed now if we, as a Government, are to respond positively to the energy crisis. Standby authority is provided to permit end-use rationing of petroleum products should the President determine that he is unable otherwise to preserve public health, safety, and welfare of this Nation. Authority has been given to the President to compel the allocation of materials for energy production which are in short supply such as pipes and drill bits to prevent the hoarding of these supplies which is reportedly now going on.

The administration is given authority, tempered by congressional veto, to prevent wasteful and unnecessary energy consumption. The consumer is provided with pricing protection in the petroleum market. Steps are authorized to be taken to begin to make fuller and more efficient use of this Nation's abundant coal supplies. And the States are to be granted assistance in providing compensation for those whose unemployment is attributable to energy shortages. And perhaps most importantly, provision has been made to obtain complete and accurate data reflecting this Nation's energy supply so that both the administration and this Congress can measure the extent of the problem and fashion additional means to deal with it.

I know this legislation is extremely complex and controversial. To assist the Members in their consideration of its terms, I have instructed the staff of the committee to prepare a summary of the major provisions of this bill. This summary is available on the floor for your reference.

I wish to emphasize that this bill contemplates temporary measures to extend only for the next 14 months until May 15, 1975. As we gain further experience and acquire additional information, amendments in its provisions may become necessary. But we cannot and should not defer action awaiting a more perfect solution to our problems. I respectfully urge your support of this current legislative effort.

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

Mr. STAGGERS. Mr. Speaker, I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, is there any pullback provision on rationing that gives Congress the power to intervene to stop rationing at any time, or is this power delegated to the President without limitation?

Mr. STAGGERS. No; the bill runs out in 14 months. It is a temporary bill.

Mr. GROSS. Well, the rationing could go on for 14 months or longer, but would have to be extended by Congress. Is that what the gentleman is saying?

Mr. STAGGERS. No; I am saying that the President is prohibited from any kind of rationing until he has exhausted every means at his command, and then only after hearings and judicial review.

Mr. GROSS. But there is no pullback provision in section 104, no pullback on the part of the Congress?

Mr. STAGGERS. No. But, we do stop him from rationing now, which he can do now. We say he cannot do it until he has exhausted every other means at his command, and after hearings and after judicial review.

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

Mr. STAGGERS. Mr. Speaker, I yield to the gentleman from Kansas.

Mr. SKUBITZ. Mr. Speaker, what the gentleman is saying is that this is an antirationing bill?

Mr. STAGGERS. No; I do not say that at all.

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

Mr. STAGGERS. Mr. Speaker, I yield to the gentleman from Texas.

Mr. KAZEN. Mr. Speaker, what does the gentleman mean by "judicial review"? Does he mean that there will be judicial review by the Courts?

Mr. STAGGERS. Mr. Speaker, I believe I am right on that.

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

Mr. STAGGERS. Mr. Speaker, I yield to my friend from Massachusetts.

Mr. MACDONALD. Mr. Speaker, I appreciate the gentleman yielding to me.

Mr. Speaker, it is up to the President to make a decision on whether or not he will ration. If so, he will then issue appropriate regulations.

Mr. KAZEN. Then it is not mandatory that we have judicial review, if what the gentleman is saying is correct.

Mr. MACDONALD. Mr. Speaker, the deep-seated trouble is that many people, many lawyers both in the White House House and outside the White House, say that he already has the power. He himself has said that he does not have the power, and this bill will give him the power under certain conditions.

Mr. KAZEN. It will give him power to do what, to go to the courts and get judicial review?

Mr. MACDONALD. To impose rationing subject to review by the courts.

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

Mr. STAGGERS. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, must the President declare an emergency either before or after the fact of rationing?

Mr. MACDONALD. Mr. Speaker, if the gentleman will yield to allow me to answer the question, technically the emergency is still on. It goes back to 1933 or some such date. There is still a declared state of emergency. It has never been declared that the state of emergency is over.

Mr. GROSS. So the state of war emergency with respect to rationing gasoline and other fuels has never been declared to have come to an end?

Mr. MACDONALD. No. The President has retained his power as President. He has emergency powers that the Congress has never lifted.

Mr. STAGGERS. Mr. Speaker, I know that my people at home are demanding that something be done now and they are looking to the Congress of the United States to do it. We in Congress are the ones they are blaming. One can say that they are blaming the President, but I do not believe that; I believe they are blaming the Congress.

So something must be done, and now is the time to do it, and now is the time for the Congress to act positively.

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

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

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

I respect the gentleman, the Chairman of the Committee, although I must say that I disagree with him.

Mr. Speaker, what I am about to say will probably be just about as popular as a skunk at a dinner dance. Nonetheless, I feel that it is imperative that it be said.

A roll-back in domestic crude oil prices would be an absolute disaster to this Nation.

Mr. Speaker, I know that many of you do not like to hear Texans talking about the oil business. Some of you even believe that the powerful oil lobbies own the Texas Members, and that our delega-

tion is simply used as a tool by them. I can assure you that is untrue.

If any rational person will stop and learn some very basic facts about the production of oil and then do some unprejudiced thinking, you will quickly see the fallacy of some of the arguments presented on this floor.

The most important fact that you must learn about oil production is that the cost of getting a barrel of crude out of the ground is different for every situation, for every field, and for every well within a field.

For example, if we have a new discovery where the reservoir pressure is high, the oil may flow to the surface without pumping. The cost of that crude recovery is very low. As more wells are developed and more oil is taken out of the reservoir, the pressure is lowered, and the producer must begin to pump the crude to the surface. His production cost goes up. In the latter stages of the oil field's history, the reservoir pressure is depleted, and the well becomes a stripper.

I think that it is very important for us to pause a moment and be sure that every Member fully understands the definition of a stripper oil well. This is extremely important because strippers contribute a significant amount to our overall energy supply.

In the oil business, a well is classified as a stripper when it produces less than 10 barrels of oil per day. The cost of bringing this oil to the surface is very expensive.

There are two other very important facts that every Member should know about stripper oil wells. First, they produce 11.9 percent of our total domestic oil. Second, they are not owned by the big oil companies. They are owned by independent producers—small producers—small businessmen.

The big oil companies will not fool with strippers. They are a headache—they require too much maintenance—they require too much bookkeeping, and therefore, they are not profitable to large operations.

If you roll back the prices of domestic crude, you will shut down stripper oil well operations over the Nation. The small independent operators simply cannot operate at a loss. If it costs them $6 per barrel to produce from a stripper well, and you place a price ceiling of $5.25 on crude, they will simply shut down their wells. They have no choice. You will have done nothing to the big oil companies—they do not operate stripper wells. But, you will have reduced overall crude supplies.

Now, the stripper well is not the end of the line in oil production. It is simply one of the most expensive production wells.

Once we believed the stripped well to be the end of the line in oil production. Most folks thought that the well would soon be dead when it reached the stripper stage. Some oil fields were even closed down with the wells capped.

Now we know that this is not the case. When we have pumped a field until no new oil can be brought to the surface, we have actually recovered only approximately 30 percent of the oil that is in the reservoir beneath. The rest is still there, waiting to be brought to the surface and into the gas tanks of your constituents.

New techniques have been developed to get the remaining oil out of the ground. They are called secondary recovery and tertiary recovery. We have techniques of rebuilding the underground reservoir pressure and forcing the crude oil from the sands underneath.

But, these are expensive techniques. They require large capital investments, and the cost of getting the crude to the surface is high. Believe me, my colleagues, you will never see a drop of that oil with a ceiling price of $5.25 per barrel. The operators simply cannot get it to the surface at that price.

On the other hand, if the independent operators are allowed to develop this potential, it will mean an effective increase in domestic crude oil production. While the cost of that production will be higher than we are accustomed to paying for domestic crude, it will still be much lower than the $15 to $20 per barrel that we are now having to pay for foreign crude.

I plead with my colleagues to recognize a fact of life. If you place a ceiling price on crude oil production, you immediately stop all marginal productions that cost more than ceiling price. This can only aggravate our shortage and force us to purchase higher priced foreign oil. This simply does not make sense.

Mr. Speaker, I would like to make another point about which many of my colleagues grossly misunderstand. I am in agreement with every person in this House when it comes to preventing oil companies, or any kind of company, from exploiting the public during this energy shortage. I am not here today to defend the big oil companies, and I am certainly not here to defend exploitation of the public.

The point I would like to make is that by rolling back crude oil prices, you do not really affect the big oil companies. What you will do is blow the little independent operator out of the tub. Big oil companies do very little oil exploration.

To solve our energy shortage, we must find more oil and recover more from the fields. Exploration is our real answer. Exploration is done by the small independent producers. The big companies do exploration only in the expensive offshore reserves, or the Alaskan reserves, or other indicated reserves requiring large capital investments. The Christopher Columbuses of the oil industry are the independent oil operators. These are little guys.

They are investors that are simply looking for the best return on their capital investments. If they do not get it in oil, they will invest in the stock market, or real estate, or peanuts in Peru.

The moment you place a ceiling on their potential return that will lower the return below other investment potentials, you have stopped oil exploration. Without new oil exploration, we cannot meet the increased demands of our constituents.

Mr. Speaker, I want to make one final point—a very important point. Every Member of this House is concerned about the prices his constituents are having to pay for fuel. Please believe me, the people in Texas do not like to pay high prices any more than the people in Massachusetts, New York, or Wisconsin.

Big oil companies and big oil profits are no more popular in Texas than they are in New Jersey. I also have to face my constituents, just as you do, every 2 years.

I am just an anxious as any other Member from any other State to prevent exploitation of consumers due to a shortage. I am equally anxious to see that my constituents receive fuel to keep their homes warm and to provide for business operations.

A price rollback is not the answer. That will not stop big oil company profits; it will only stop oil exploration and limit oil production. You will not be doing your constituents a favor—you will be hurting them.

If you want to stop excess profits, as I do, the answer does not lie in price ceilings. The answer lies in levying an excess profits tax. Our own Ways and Means Committee is now working on such a plan. That makes sense. It will limit profits, but will not limit production.

An excess profits tax will allow independent producers to place capital back into the exploration for new oil. It will allow stripper well production to continue. It will allow producers to reclaim old oil fields and regenerate production through secondary recovery and tertiary recovery techniques. This generates increased fuel supplies and eases the shortage.

Surely the Members of this House have not forgotten the great meat price rollback that we enacted just 1 year ago. We learned that we could, indeed, pass a law to freeze meat prices. We also learned that such action immediately created a shortage.

Any way you look at it, my colleagues, you cannot make a man operate his business at a loss. It will not work with cattle growers. It will not work with oil men.

I urge each of you to reject this conference report, and vote down the rollback and ceiling price on new crude oil. Otherwise you will surely bring about further shortages and force this Nation into rationing.

Mr. WAGGONNER. Mr. Speaker, will the gentleman yield for a question?

Mr. STAGGERS. I yield for a question to the gentleman from Louisiana.

Mr. WAGGONNER. Mr. Speaker, will the gentleman answer this one question for me:

Will the gentleman tell me what there is in this bill that produces one more barrel of energy?

Mr. STAGGERS. Well, we have a conservation section in the bill, and we let loose of a lot of materials that are now tied up, materials that will be distributed equally so there can be other things done.

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

Mr. STAGGERS. I yield to the gentleman from Florida.

Mr. ROGERS. Mr. Speaker, if the

gentleman will permit me, I would just like to say to the gentleman that I think the most important provision in this bill, as far as every American I have talked to is concerned—and I will bet that if the gentleman has talked to people in his home district, it is true there—the most important feature in this bill is the provision to give the Federal Energy Office the right to require every producer of oil and gas in this country to give them a proper inventory, saying what is in the ground in their wells, what is stored and where it is stored, what is refined and where it is going, so that we will know. There is no current authority in law to require this.

That is going to bring us more oil than any of us can conceive, because we are going to find out exactly what we do have, and the Energy Office then can make intelligent judgments on what must be done.

And I predict that we are going to find out there are a lot of wells tapped that only have about 20 percent or 30 percent taken out of them.

We are going to find out that there is some inventory stored up that nobody knows about now. The gentleman is going to be surprised, and he will just find out a lot of things as soon as we pass this bill. We ought to give them this authority right away.

I know the gentleman is sincerely concerned about the rollback provision, but that shows that it is a little strict, and we can handle that later if we need to. That can be done.

Mr. Speaker, we had better move on and get something done and cut down these gas lines and find out what we have in this Nation and allocate it properly.

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

Mr. STAGGERS. I yield to the gentleman from Washington.

Mr. PRITCHARD. Mr. Speaker, I would like to make it very clear in my mind as to the issue of rationing.

The gentleman said,

As I understand it, it will really impede the President from putting in rationing.

Is that what the gentleman said?

Mr. STAGGERS. I said the President must exhaust all his means before he puts in rationing.

Mr. PRITCHARD. If you will allow me to go on, one of the things the gentleman said further was that the public was clamoring for action, and I think they are demanding rationing and they want it now. I am a little surprised that we are bringing forth a bill now that will make it more difficult to put in rationing.

Mr. STAGGERS. It will not make it more difficult. Let me say to the gentleman that if we put in rationing, you are also putting in billions of dollars in the way of rackets that we cannot stop in America. It will be just like prohibition and it will be just like the situation we had in 1946, and this Congress had to change it completely in 1948 because they were tired of rationing in America.

Mr. PRITCHARD. Then I think this bill makes it tougher to put in rationing.

Mr. BROYHILL of North Carolina. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, as I pointed out a few moments ago, when we were considering the other rule, this is a complex problem dealing with an energy shortage and we are being called upon to deal with it here.

Of course, there is a great deal of divergent opinion as to how best to approach this problem, but I do want to point out that there is much more in this legislation than is found in this one section 110, which is the pricing section.

For example, the Clean Air Act in this bill is amended to provide for some temporary relaxation of automobile emission standards in an attempt to conserve fuel. I wish the Members would study that section.

In addition to that there is authority contained in this bill that would suspend certain stationary source emission standards. The purpose of this section is an effort to permit fuller and more efficient use of the Nation's very abundant coal supply.

As the chairman pointed out, there is standby authority in this bill which provides for rationing of petroleum products. But, as the chairman pointed out, the President has to determine that such a program is necessary and all other practicable and authorized methods to limit energy demands will not achieve the objectives of the act.

There is also increasing evidence that many aspects of the energy crisis cannot be rapidly corrected and that these problems may burden the Nation for some time. In light of this situation, and in response to it, in section 105, the administration is granted the very essential authority, subject to congressional veto, to issue regulations designed to prevent wasteful and unnecessary use of our energy resources, and to reduce energy consumption to a level which can be supplied by available energy resources. There are also other provisions in the bill designed to promote energy conservation such as authority to encourage the use of carpools and a requirement that all agencies of Government, where practical, make use of economy model motor vehicles.

It is well recognized that when a product is in great demand and short supply the price is going to increase correspondingly. When the product is essential to the Nation's economy and to its welfare, steps must be taken to assure that the price will not become prohibitive during the period of short supply. There were many approaches suggested to deal with this problem and none of those suggested were completely satisfactory to all the conferees. The approach adopted by the conferees to provide the consumer with pricing protection in the petroleum market is the most controversial feature of the conference report. The provisions of the bill dealing with this problem are contained in section 110, the so-called price rollback provisions. There have been strong attacks on this provision based on the theory that a price rollback will reduce capital available for exploration and production of new energy resources.

Others are equally strong in their opinion that the price limitation contained in section 110 will provide more than adequate capital needed for the maximum exploration and production of new domestic energy resources. The problem is an extremely complex one and an informative statement in support of the provision can be found in Chairman STAGGERS' letter of February 25, 1974, which was sent to all Members of the House.

It is my sincere belief that on the whole this bill contains numerous authorities that are essential to deal with this Nation's energy crisis and for this reason I ask for your support in passing this measure. I would like to emphasize that this bill provides only temporary authorities that extend for 14 months until May 15, 1975. As we acquire additional information we may find that amendments to this measure are necessary, but with the magnitude of the problem facing us today we cannot allow further delay by rejecting the good in pursuit of the perfect.

I want to point out—and this is very essential—that these energy conservation programs that would be promulgated under section 105 would be subject to congressional veto.

Mr. ECKHARDT. Will the gentleman yield?

Mr. BROYHILL of North Carolina. I will be delighted to yield to the gentleman.

Mr. ECKHARDT. Is it not true until March 15 they are not subject to veto but, rather, go into effect without congressional action, but the Congress would have the authority in either House to in effect reverse them?

Mr. BROYHILL of North Carolina. That is true. But March 15 is almost upon us, and I doubt that the Federal Energy Office would even have that authority. So I want to point out that this matter, of course, has been debated up and down as to whether this authority should be granted. I want to point out further it is subject to congressional veto plus the fact that this is a temporary bill and is not permanent legislation.

It is temporary because the authority granted in the bill to promulgate regulations would expire on May 15, 1975. There are other provisions in this bill designed to promote energy conservation. I hope that the Members will have the opportunity, if they have not already done so, to study the conference report. All of the provisions are designed to try to promote energy conservation so as, hopefully, not to have to rely upon rationing.

Section 110, of course, is the controversial section. There have been many approaches suggested to deal with this problem of pricing of petroleum products, and of course none of those suggested were completely satisfactory to all of the conferees. There have been very strong attacks made upon this provision, but I would like to call to the attention of the Members a very informative and thoughtful statement that was circulated by the chairman of the full committee, the gentleman from West Virginia (Mr. STAGGERS), dated February 25, which goes into all aspects of this

section 110, and all aspects of the pricing section. And I would hope that the Members, if they do not already have one, would get a copy of this, because I believe it is very complete and it is accurate.

In conclusion, Mr. Speaker, the conferees believe that on the whole this bill does contain numerous authorities that are essential to deal with this energy shortage, and that is the reason we are asking for the support of the Members in passing the measure.

I want to say again that this is temporary—I repeat that—temporary and that as we acquire additional knowledge and as we acquire additional information, that when we feel amendments to this measure are necessary that we can take them up, but with the magnitude of the problem facing us today we cannot allow further delay by rejecting the good in pursuit of perfection.

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

Mr. BROYHILL of North Carolina. I yield to the gentleman from Nebraska.

Mr. McCOLLISTER. Mr. Speaker, I wish to associate myself with the remarks of the gentleman from North Carolina.

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

Mr. BROYHILL of North Carolina. I yield to the gentleman from Missouri.

Mr. ICHORD. Mr. Speaker, I appreciate the gentleman from North Carolina yielding to me. I wold say to the gentleman from North Carolina that perhaps I am a little old fashioned, but I still believe in the free enterprise system, a system based upon the law of supply and demand, price competition, and profit, and I still have not received an answer to the question of the gentleman from Louisiana.

There was a rather oblique answer, I would say, from the gentleman from Florida (Mr. ROGERS). But if I may repeat the question: What is there in this bill to assure the production of 1 additional barrel of oil? That is the problem we face, the problem of a shortage of supply.

The SPEAKER. The time of the gentleman from North Carolina has expired.

Mr. BROYHILL of North Carolina. Mr. Speaker, I yield myself 1 additional minute.

Mr. Speaker, I will ask the gentleman from Missouri if the gentleman is referring to one particular section of the bill?

Mr. ICHORD. To any section of the bill. I have not yet heard an answer to the question posed by the gentleman from Louisiana: What is there in the bill to cause the production of 1 additional barrel of oil?

Mr. BROYHILL of North Carolina. If the gentleman will permit me to respond, I am trying to point out that this is an energy conservation bill, as I see it. We need to take some steps right now in order to conserve energy, and certainly that will provide a considerable amount of petroleum products.

Mr. ICHORD. If the gentleman will yield further, then I take it that the committee anticipates further legislation to provide incentives for the production of additional supplies of petroleum products?

Mr. BROYHILL of North Carolina. I think that any tax incentives, or any legislation of that sort, will have to come from another committee of the House.

Mr. MACDONALD. Mr. Speaker, if the gentleman will yield, in answer to the inquiry of the gentleman from Missouri, and also the gentleman from Louisiana, I can point out that specifically in the bill we have tried to help the independent producers by giving the President authority to allocate the drilling machinery that is in such short supply for the independents.

The SPEAKER. The time of the gentleman from North Carolina has again expired.

Mr. BROYHILL of North Carolina, Mr. Speaker, I yield myself 1 additional minute.

Mr. MACDONALD. Mr. Speaker, if the gentleman will yield still further, as I say, the President will have the authority to take drilling equipment from companies who may be accused of hoarding it, and we will stop the exportation of such equipment into the Middle East, and in that way the independents will have the equipment in order to drill, which they now find in such very short supply, so that they will be able to produce more oil. In that specific way we will be helping the independent.

Mr. ICHORD. Mr. Speaker, will the gentleman yield further on that point?

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

Mr. ICHORD. Does the gentleman from Massachusetts feel that the price set for the production from stripper wells will be sufficient to bring additional production into being? I understand that a little greater than one-quarter of our total domestic oil production comes from stripper wells, and the gentleman has provided for a differential in price. Does he feel that this is high enough to increase production from stripper wells?

Mr. BROYHILL of North Carolina. The only thing we can do is to quote what the Independent Petroleum Council reported to Congress, that in order to achieve the greatest feasible level of domestic self-sufficiency, the domestic price of crude oil would have to rise to 3.65 per barrel in 1975.

I insert at this point a joint statement prepared by me and Chairman STAGGERS:

JOINT STATEMENT

There is much in this legislation which is needed now if we as a government are to respond positively to the energy crisis. For example, standby authority is provided to permit end-use rationing of petroleum products should the President determine that he is unable otherwise to preserve public health, safety, and welfare of this nation. Authority has been given to the President to compel the allocation of materials for energy production which are in short supply such as pipes and drill bits to prevent the hoarding of these supplies which is reportedly now going on. The Administration is given authority—tempered by Congressional veto—to prevent wasteful and unnecessary energy consumption. The consumer is provided with pricing protection in the petroleum market. Steps are authorized to be taken to begin to make fuller and more efficient use of this nation's abundant coal supplies. And the states are to be granted assistance in providing compensation for those whose unemployment is attributable to energy shortages. And perhaps most importantly, provision has been made to obtain complete and accurate data reflecting this nation's energy supply so that both the Administration and this Congress can measure the extent of the problem and fashion additional means to deal with it.

Most certainly this is a most complex and controversial bill. Objection to its terms is principally focused on section 110—the so-called price rollback provisions.

Let us take a moment to describe how these provisions will affect the current prices of domestically produced crude oil. As you undoubtedly know, the President has imposed ceiling prices for so-called "flowing oil" produced in the United States. The formula that he has employed for doing this is identical to that contained in section 110 of the Conference Substitute (i.e., producers are permitted to charge the field price in effect on May 1, 1973, plus an additional $1.35). Thus the pricing provisions of the Conference Substitute will not force a change in the current price levels for flowing crude production. There are, at present, no price ceilings for new oil production nor for production from stripper wells which produce 10 barrels or less per day. According to recent testimony given by officials of the Federal Energy Office, on a national average, the price of new crude and stripper well production has risen to about $9.51 per barrel. In many cases, the price is well over $10—approximating the international market prices set by the cartel of Mideastern oil producing countries. The provisions of section 110 would require a rollback of these prices to an average range of between $5.25 and $7.09. Your Conferees believe that this price range is sufficiently broad to permit the President to establish prices which are adequate to induce production of additional crude supply while providing pricing protection to industrial and individual consumers at a time when the market mechanism of supply and demand is not working so obviously.

For example, in December, 1972, the National Petroleum Council reported to this Congress that, in order to achieve the greatest feasible level of domestic self-sufficiency, the domestic price of crude oil would have to rise from $3.18 per barrel in 1970 to $3.65 per barrel in 1975. In August, 1972, the Independent Petroleum Association of America testified that a domestic price of $4.10 per barrel would be adequate to assure the United States 100 percent self-sufficiency by 1980. While these projections were stated in "constant dollars", after adjustment, the National Petroleum Council's price would be projected at $4.35 and the Independent Petroleum Association of America's price would be increased to $4.55. It is to be emphasized that these price estimates are well within the national average ceiling price of $5.25 called for in section 110 of the Energy Emergency Act. Moreover, it should be kept in mind that this section permits the President to increase the ceiling price to levels which would result in a national average price of $7.09. This is well above the most recent projection of the Independent Petroleum Association of America calling for an average price of approximately $6.65 per barrel for crude oil in order to maximize domestic production by 1980. Let us point out also, that as recently as January 23 of this year Deputy Secretary Simon stated that the long term supply of crude oil—i.e., the level needed to bring supply and demand into balance and to eliminate the shortage—would be "in the neighborhood of $7 per barrel within the next few years". In Secretary Simon's words, any price higher than that creates "a windfall—a price to pro-

ducers which is more than producers could have anticipated when investments were made and more than that required to produce all that we can in fact expect to be supplied".

We believe that you share my concern and the concern expressed by the Conference Committee with the inflationary spiral which confronts this nation. Because fuel is so basic to every industry and every homeowner, the continued acquiescence of the Administration in permitting market prices of petroleum products to increase by as much as 300 to 350 percent in the last year could well have a multiple inflationary impact which could threaten our nation's ability to remain economically viable. It is patently clear that the Congress must act to restore rationality to the market in petroleum products.

The people of this nation have, over the course of this last year, voluntarily made considerable sacrifices. As your constituent mail clearly indicates, their patience has been exhausted, and frustration with long lines at the gas pump coupled with significantly increasing prices has markedly increased. It is incumbent on us in the Congress to respond to their needs and to act forthrightly to equip the Executive with full powers to deal with this situation. This legislation is an important and necessary step in that direction. It is one we must take now without further delay.

We wish to emphasize that this bill contemplates temporary measures to extend only for the next 14 months until May 15, 1975. As we gain further experience and acquire additional information, amendments in its provisions may become necessary. But we cannot and should not defer action awaiting a more perfect solution to our problems. We respectfully urge your support of this current legislative effort.

Mr. McCOLLISTER. Mr. Speaker, I intend to vote for the conference report even though some provisions are objectionable to me.

My support comes from these provisions:

First, the reporting provisions contained in the bill will give us verified, timely, uniform information on reserves, refining capacity and utilization and inventories. Hearings before the Select Committee on Small Business the third week in January demonstrated beyond any reasonable doubt to this participant in these hearings the great need for reliable information. Regrettably, the American people lack confidence in the assurances that the energy crisis is real, that it is not contrived. Better information will greatly help in determining the facts upon which confidence must be based.

Second, title II provides for the relaxation of clean air standards which allows certain stationary powerplants to convert from oil or gas to coal. Because the petroleum shortage, is in part, caused by the earlier conversion from coal to oil and gas this provision will in certain cases relieve the strain on scarce oil inventories.

Also, the provision to freeze auto emission standards at the 1975 standard for 2 years will, I believe, make it possible to increase automobile gasoline economy significantly.

I would have preferred to have the amendment of the gentleman from New Hampshire (Mr. WYMAN) adopted when the bill was considered in the House. It would have made it possible to remove emission control devices on automobiles in those areas of the country where air quality standards are not in jeopardy. Unfortunately, Mr. WYMAN's amendment did not carry. Thus, the provision to freeze emission standards at the 1975 levels is all the more necessary.

Finally, I shall vote for the conference report because of the rollback provisions. Some have said that the rollback from $8 to $10 per barrel to a maximum of $7.09 will be a disincentive for increased production. I think in judging that question we need to be reminded that the price of crude was approximately $3.28 only a few months ago. Only a little more than a year ago the National Petroleum Council said that to stimulate production to achieve domestic self-sufficiency the price would have to increase from $3.18 per barrel to $3.65 per barrel by 1975.

In August 1972, the Independent Petroleum Association testified that $4.10 per barrel was necessary to achieve domestic self-sufficiency by 1980. The most recent projection by this same group was an average crude price of $6.65 per barrel. This legislation permits a price of $7.09 per barrel which it seems to me is a most adequate incentive. I do not believe that less product will be available.

I do not favor the provisions for rationing contained in section 104 nor the conservation power given to the President in section 105 and shall vote against those sections when given that opportunity.

Mr. Speaker, I urge support for the conference report.

Mr. STAGGERS. I yield 1 minute to the gentleman from Texas (Mr. PICKLE).

Mr. PICKLE. I thank the chairman for yielding.

I want to address a question to the chairman or to the gentleman from Massachusetts. With respect to the price of crude at $7.09, it is an arbitrarily set sum, and I do not suppose anyone knows for sure whether it is going to be enough or too little. Since foreign oil or imported oil comes in now at $10, $12, or $14 or more per barrel, there is every reason to believe that this bill might cut down domestic production. We hope it will not. But if the figures show that production is not forthcoming and that the price of $7.09 is not a realistic figure, and if that is so determined by the President or the FEO office, would the gentleman or the committee recommend legislation that would make this correction? Otherwise, we will find ourselves in a position of giving great favor to imported oil producers, and a disservice to domestic producers.

Mr. MACDONALD. Will the gentleman yield?

Mr. PICKLE. I yield to the gentleman from Massachusetts.

Mr. MACDONALD. In answer to the gentleman's question, and I cannot speak for the committee, nor do I intend to, I do know that it is in the intent of the committee to try to treat everybody fairly. If domestic oil cannot be produced——

The SPEAKER. The time of the gentleman has expired.

Mr. STAGGERS. I yield 1 additional minute to the gentleman from Texas (Mr. PICKLE).

Mr. MACDONALD. Will the gentleman yield?

Mr. PICKLE. I yield to the gentleman from Massachusetts.

Mr. MACDONALD. I would personally guarantee the gentleman that, under the statements given by Mr. Simon and by the independent producers that were just read into the RECORD by the gentleman from North Carolina, such will not be the case. I think it is perfectly possible to make a decent profit at $7.09. I do not believe there is anyone in the industry who can tell exactly what a fair price is. I have asked various people, and they come up with various answers. I am sure the gentleman has done the same thing. As of now, it seems like $7.09 is more than a reasonable figure to produce the oil and to have an incentive to get more oil for our people, and still keep the gas and oil people's incentive enough to stay in business to produce energy for the American people.

Mr. PICKLE. I appreciate the gentleman's willingness to consider this possibility. The proposed rollback is an arbitrary sum, so we still must do what is right and fair for the domestic or independent producer.

Mr. MACDONALD. My personal response to the gentleman is that, in my judgment, that would happen; yes.

The SPEAKER. The time of the gentleman has expired.

Mr. BROYHILL of North Carolina. Mr. Speaker, I yield 2 minutes to the gentleman from New York (Mr. PEYSER).

Mr. PEYSER. Mr. Speaker, I only take the floor at this time because of something that has just come to my attention. It seems to me part of this bill outlined as No. 9 in the staff summary certainly will have an impact on a piece of correspondence that I have just received. This is a letter sent out by a major oil company in New York, and it was sent to its franchised dealers. The letter is dated February 25. I will read in part from the letter. This is from the Mobil Oil Corp., and it is to a franchised dealer in my district:

If you have a contract with Mobil, this will serve as notice to you that your contract will not be renewed and will expire at the end of its current period.

It goes on to say:

At the expiration of your current contract or effective immediately if you have no contract, sales of Mobil products will be made on the following terms and conditions:

And it goes on to outline the terms and conditions which are such that the dealer would never have any notification of whether his orders were going to be delivered or not or accepted or not until the day of delivery. It is obvious nobody can stay in business on the basis of not knowing at any time whether he is going to get anything regardless of what the allocation is.

My question to the chairman is: Is it the chairman's understanding of section 109 of the conference agreement, that the issue on which I am addressing myself, is covered and the franchise dealer will be protected?

Mr. STAGGERS. This section is written especially to protect the franchise dealers.

Mr. PEYSER. I think this is a very important part of this bill. The independent station owners are entitled to this protection. In turn, the public will be protected and assured of a place to get gasoline when it is available. After nearly 2 months of waiting, it is about time that this Congress took some positive action.

Mr. STAGGERS. Mr. Speaker, I yield 1 minute to the gentleman from Arkansas (Mr. ALEXANDER).

Mr. ALEXANDER. Mr. Speaker, during the past year the oil refineries have been permitted to increase the wholesale price of propane gas to the retail dealer, and therefore, to the consumer, as much as 350 percent. Since most of the people using propane in States such as Arkansas are rural, elderly, or poor people, the practice has been discovered there to be patently unfair and causing extreme hardship.

I am advised that after refining a barrel of crude oil only 3 percent of the volume is refined into propane gas and the rest is refined into gasoline and fuel oil, middle distillates and other fuel oil products. Only 3 percent of the oil is refined into propane gas where an increase of 350 percent in the wholesale price has been permitted.

I have a question or two I would like to ask the chairman. Referring specifically to section 110, prohibition of inequitable prices, if this legislation becomes law will there be a rollback of the propane prices?

Mr. STAGGERS. Yes, there will.

Mr. ALEXANDER. Is it intended in this conference report that under section 110 only those costs which are traditionally and directly related to the production of propane gas shall be considered in determining the new price of propane gas?

Mr. STAGGERS. That is the intention of the committee.

Mr. ALEXANDER. If this provision becomes law then it is my understanding that a propane price rollback amounting to approximately 50 percent of the current price would occur, a reduction of 50 percent in the current price. Is that the gentleman's understanding?

Mr. STAGGERS. That or more. The gentleman is talking about propane?

Mr. ALEXANDER. Yes. In other words if the price is approximately 27 cents at this time, we could expect a 12 to 15 cents per gallon reduction in the current prices of propane?

Mr. STAGGERS. I would say to the gentleman that is the intent of the committee and the conferees, but I must say this in fairness, that will happen only in certain cases, in certain market areas.

Mr. ALEXANDER. I thank the chairman.

Mr. BROYHILL of North Carolina. Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. ECKHARDT).

Mr. STAGGERS. Mr. Speaker, I yield 2 additional minutes to the gentleman from Texas (Mr. ECKHARDT).

The SPEAKER. The gentleman from Texas is recognized for 4 minutes.

(Mr. ECKHARDT asked and was given permission to revise and extend his remarks and include extraneous material.)

Mr. ECKHARDT. Mr. Speaker, I thank the distinguished chairman of my committee, and my distinguished friend, the senior member of the subcommittee on which I serve. I have a very brief time to make, I think, a very important point.

I suppose there has not been an action since 1322 in England or in the United States in which the sovereign has been given authority to make law in a broad range of affairs and in which the parliamentary body has only been given authority to negate that law; but section 105 does precisely that. These provisions, with respect to the making of law taking effect before Congress has been given an opportunity to act upon it, came into being as a result of the conference committees action.

Nothing appeared in either the House or Senate version that clearly authorized the making of law by the President by which he could, for instance close night grocery stores; he could close bowling alleys at night; he could close the whole display lighting industry in the country without any opportunity for Congress to stop it, except to rescind the Presidential fiat before the terminal date, the 15th of March this year, or after March 15 by vetoing it after it is submitted to Congress.

I think it is wrong to have only 4 minutes before this body to argue against a process that has not been before either House of Congress; that provision which was of somewhat the same nature was rejected in this body by over 100 votes. It was rejected in committee by 19 to 10. Yet the conference committee came back, not with a compromise between the Senate and the House, but a compromise between the President and the Senate.

Now, that is, of course, the point at which section 105 would have been subject to the provisions of rule XXVIII, clause 3. But at the very least, we should strike from this bill new legislation that for the first time in Anglo-American history since 1322 gives authority to the sovereign or the President to put into effect law and only tells the parliamentary body that it may at a later time approve it or overturn it.

Now that, I think, is most offensive to the democratic process and that is the reason that rule XXVIII, section 3, was devised to protect this body from such an action. If we waive that rule, we run into the kind of situation that compels me today to discuss one of the most important, sweeping, and drastic changes in our democratic system, within the scope of 4 minutes of debate.

Mr. Speaker, I have a letter here that I addressed to Mr. Simon asking if he had authority in the allocation bill to ration without further action before this body. I have the answer of his General Counsel, which is somewhat equivocal, but there is no question that he has the right to ration.

The letters follow:

FEDERAL ENERGY OFFICE,
Washington, D.C., February 21, 1974.

Hon. BOB ECKHARDT,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN ECKHARDT: Mr. Simon has asked me to respond to your letter concerning the President's authority under the Emergency Petroleum Allocation Act of 1970 to implement a system of gasoline rationing at the retail level. I hope you will forgive our delay in responding, and apologize for any inconvenience we may have caused you.

We have examined carefully the points made in your letter and both the language and full legislative history of the Act. Having done so, we believe a respectable argument can indeed be made for the proposition that the allocation authority therein conveyed includes authority for end use rationing.

On the other hand, we cannot close our eyes to the fact that since enactment of the Emergency Petroleum Allocation Act, the President, other spokesmen for the administration and numerous members of Congress have taken the position that further legislative authority is needed in this area. As you know, the Senate has just approved and sent to the House the Conference Report on the Energy Emergency Act, S. 2589, one of the principal provisions of which expressly grants the President authority to promulgate a rationing plan.

In view of this Congressional action, and in light of the fact that both Congressional and Administration officials have apparently been proceeding on the assumption that such additional legislative action was necessary, the Congressional intent underlying the Emergency Petroleum Allocation Act and hence the necessary effect of the language itself must be viewed as open to serious question. We are constrained to conclude, therefore, that the issue you raised cannot be definitely resolved pending a more explicit statement from Congress.

I regret that I could not be more definite in my reply, and hope that this statement of our understanding of the matter will be of assistance to you.

Sincerely,

WILLIAM N. WALKER,
General Counsel.

HOUSE OF REPRESENTATIVES,
Washington, D.C., January 4, 1974.

Mr. WILLIAM E. SIMON,
Administrator, Federal Energy Office, New Executive Office Building, Washington, D.C.

DEAR MR. SIMON: Senator Henry Jackson has been quoted recently in various news reports as saying that the President presently has the authority to draw up a standby rationing plan but cannot order such a plan into law without further Congressional action. I strongly disagree with such a statement, for I feel that the Emergency Petroleum Allocation Act of 1973 does authorize the President to implement rationing.

Section 4(a) of the Emergency Petroleum Allocation Act mandates Presidential promulgation of a "regulation providing for the mandatory allocation of crude oil, residual fuel oil, and each refined petroleum product, in amounts . . . and at prices specified in . . . such regulations." Section 4(b)(1) states that the regulation "to the maximum extent practicable, shall provide for . . . equitable distribution of crude oil, residual fuel oil, and refined petroleum products at equitable prices . . . among *all users*." (emphasis added) Gasoline rationing is no more than the allotment of specific amounts of gasoline to end-users and is clearly embraced within the above language.

In December of 1973 your Federal Energy Office issued draft regulations instructing refineries to limit their gasoline output to

95 percent of the gasoline produced in the first quarter of 1972. Subsequent reports from FEO officials indicate that the 95 percent figure may be scrapped in favor of a flexible system allowing the government to order refineries to change their product mix on a periodic basis. Whatever the means, it is clear that action by your office will result in a considerable reduction of the amount of gasoline available to the ultimate consumer. Without an allotment system for the end-user, the effects of reduced gasoline production are likely to include forcing consumers to stand in long lines at gas pumps without being assured that gasoline will be available once they reach the front of the line, pay outrageous prices or be left to the mercy of individual gasoline companies and dealers who can exact whatever demands they want before an individual can obtain gasoline. It was to prevent just such results from shortages that the Emergency Petroleum Allocation Act stipulated that the allocation regulations are to provide for the "equitable distribution of . . . refined petroleum products at equitable prices . . . among all users."

That the Emergency Petroleum Allocation Act does authorize the allocation of gasoline to end-users is further supported by the Emergency Petroleum Allocation Act Conference Report (Report No. 93-628).

On page 13 of that report, the conferees stated:

"[B]ut it is not generally expected that the regulation promulgated by the President will be burdened with the complexities of assigning fuels to users *unless such assignment is necessary to carry out the purposes of the Act*. When required, however, it is intended that the President would have full authority under this Act to identify permissible uses of covered fuels and to restrict the amounts which may be made available to such uses." (emphasis added)

This language, adopted by both Houses of Congress, read in conjunction with the purposes expressed in section 2(b) that the "Act is to grant to the President of the United States and direct him to exercise specific temporary authority to deal with shortages of crude oil, residual fuel oil, and refined petroleum products . . ." and in section 4(b) that the regulations are to provide for the "equitable distribution of refined petroleum products . . . among all users" should leave no doubt that the Act authorizes the President to undertake the end-use allocation of gasoline.

For these reasons I am convinced that the President now has the authority to implement gasoline rationing. But the various statements which have been made by persons in both the executive and legislative branches, have, I think, created some confusion in the public mind on the point. It is necessary, of course, for me to respond to questions from constituents concerning the matter. Therefore, it is a matter of very pressing interest to me to have your understanding of the Emergency Petroleum Allocation Act as to the authority of the President to undertake end-use allocation of gasoline (rationing). Would you please give me your response setting forth your views at your very earliest convenience.

Sincerely,

BOB ECKHARDT.

Mr. BROYHILL of North Carolina. Mr. Speaker, I yield 5 minutes to the distinguished minority leader (Mr. RHODES).

Mr. RHODES. Mr. Speaker, I would like to address myself to the so-called rollback section of the conference report. It is my hope that when the separate vote occurs, as provided in the rule, that the section will be voted down. In my opinion this section would result in the production of less energy, instead of more energy.

I am at a loss to understand how anybody can think that we are going to produce more oil by cutting the price on new production, or new crude oil.

I am also at a loss to know how anybody thinks that the American consumer will be well served by the price structure created in this bill. The price on oil, which we have anyway in production, would be raised, causing the price of gasoline and other petroleum products to go up. The price increase on refined products would be to no avail, however. The ceiling on crude oil prices would not produce one drop of oil in excess of that which we now have.

Also, I think we ought to look to the future with regard to new production, not only production by conventional methods, but by other, newer methods. There are deposits of oil shale on the western slope of the Rocky Mountains which I am told contain three times as much oil as there is under the Middle East. We say that the Middle East is the greatest pool of oil in the world. Apparently, it is not; the American Rocky Mountains are.

At a price, and I understand the price is estimated to be something near $10 a barrel, it would be feasible under existing technology for the oil companies who have leases for that purpose to extract oil from oil shale and to market it in the markets of the world to add to the energy supply of the world. However, if the inflexibility which is inherent in the provisions of this conference report are to become law, then of course it would not be possible for oil to go to a price which would allow the production of oil from oil shale.

As I stated before, it has been said by the President that if this provision which, as he says, only manages the scarcity instead of producing more—if this provision were to become law, it will be vetoed, so that there will be no opportunity to get this particular conference report into the law. I hope that if this happens, if the veto is upheld, as I rather assume that it might be, that the Members of the House and Senate, the committees move to get a bill adopted which will be passed. There are provisions of the bill which are needed.

Mr. Simon, the Federal Energy Administrator, certainly needs a provision which will at least allow rationing in the event it becomes necessary. He does not think it will become necessary; I do not think it will become necessary, but the existence of the authority to ration I regard as very important. I think it is good psychology for the people who are in the business of producing and selling petroleum products to know that they can be rationed in the event that it becomes necessary. I think that is an important feature.

I think the conservancy part is an important feature. Therefore, it is certainly not my idea to say that this bill in toto is bad. It is not, but there are provisions of it which are so counterproductive that the President of the United States, I am sure, will find it necessary to exercise a veto.

As far as excess profits are concerned, of course we do not want the situation involving the energy crisis to redound to the benefit of anyone who tries to exploit it at the expense of the American consumer. But the Committee on Ways and Means is doing its thing. It is going to get out an excess profits bill, and that is exactly where the matter should rest. The Committee on Ways and Means has expertise in the field. I am satisfied that at the proper time, before too long, a bill will be brought out which is adequate to take care of the excess profits tax situation.

Mr. Speaker, another point which I think the Members of the House should understand, is that this is a nongermane provision of the bill; nongermane because this was not in the Senate bill nor in the House bill. We amended the rules of the House not many months ago to provide that this sort of thing would come up for a vote on the floor of the House. I hope we will not undo what we did before by allowing nongermane material to become a part of the conference report.

Mr. BROYHILL of North Carolina. Mr. Speaker, I yield 2 minutes to the gentleman from Kansas (Mr. SKUBITZ).

Mr. SKUBITZ. Mr. Speaker, I take this opportunity just to make a few observations.

Mr. Speaker, this body some time ago accepted an amendment that would exempt the small stripper well operators from price and allocation provisions. These are the high-cost producers of oil. These are the operators that produce 11 barrels or less per day. In my State, the average production from these wells is 3.9 barrels per day. As a result of that provision, wells that have been capped for years have been reopened, and with the profits that have been made the wildcatters have gotten into the field and began looking for new oil. These are the gamblers who in yesteryears found new reserves.

Now, what are we doing? Well, over in the other body they beat the big majors across the backs about what they were doing. Screamed about these profits. I make no case for the majors; my plea is that we do not kill the small operators in order that the profits of the majors are reduced. In this legislation we are aiming not at the big producers, but also the small stripper operators.

Mr. Speaker, when the gentleman from North Carolina, said this is an oil conservation bill, he is exactly right. That is exactly what we are going to do. We are not going to bring oil out of the ground for the use of people; we are going to keep it in the ground because these small operators cannot exist and neither can they afford to seek new production.

You want more oil? Then do not eliminate the small producer. I hear many of colleagues weep for the small businessmen—I sometimes wonder if they ever listen to them—do they really give a damn.

Mr. STAGGERS. Mr. Speaker, I yield 3 minutes to the gentleman from Washington (Mr. ADAMS) a member of the committee.

Mr. ADAMS. Mr. Speaker, I have been

quite surprised at some of the remarks that have been made concerning whether or not there are incentives in this bill for the production of gasoline, and also whether or not we will have to manage a scarcity.

I think it is very important for 1 minute that we look at what this bill tries to do as one overall package. First, it says, "Let us inventory and find out what we have." Second, if we find we have a scarcity, let us put the authority in here to manage that scarcity.

The third there is a flexible provision on the rollback of prices so the consumer will be fairly treated.

The gentleman from Texas (Mr. ECKHARDT) and the gentleman from Illinois (Mr. ANDERSON) both attacked the rollback provision from different directions, one saying too much and the other not enough. The reason they did so is because at the present time we have a situation where as Mr. Simon stated on "Issues and Answers" and before the committee, and as the petroleum industry has testified, $5.25 a barrel is enough to give an incentive for production, and we give flexibility to go even above that to as much as $7.09.

At the present time old oil is at $5.25 a barrel. We have the right in the so-called rollback provision here for a 35-percent flexibility, so it could go up to $7.09. That flexibility is in the President. The matter was well considered in the committee. There is the problem of whether or not enough incentive is in this bill.

Mr. Speaker, I think probably there is too much incentive, but we have left the right to adjust the situation with the President.

I want to speak for a moment to the point which the gentleman from Texas made, and I think it is a very important one. Section 105 is a dangerous part of the bill. These are the energy conservation plans. I have not liked granting these powers to the President and neither has the gentleman from Texas.

But at the present time under the Emergency Allocation Act, Mr. Simon and Mr. Sawhill are changing the regulations now without the Congress doing anything.

They said, for example, that distributors could not use a flag system to determine his regular customers or his nonregular customers or the fact that he was not pumping gasoline at all. There were a number of dealers who used these flags to prevent riots in their lines.

Those regulations are changing now.

This is in the bill in order to provide an orderly system until March 15, and I want to state to the gentleman that this bill is probably not going to get to the President's desk much before March 15. What we have after the date of March 15, is to provide a veto of the regulations, and after September 1, then we have to go through the regular congressional processes.

I do not like it, but I am going to vote for it.

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

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

Mr. ECKHARDT. Mr. Speaker, I understand that until September 1, this authority exists in the President unless vetoed?

Mr. ADAMS. The gentleman is correct.

Mr. ECKHARDT. And it enlarges his authority beyond mere allocation regulations. In other words, the existing law limits the authority to allocation regulations?

Mr. ADAMS. It has limited it, but they have gone beyond that in their interpretations of what is equitable and what is a proper allocation system.

What I am saying to the gentleman is that we have tried to produce an orderly system of regulation here rather than issuing regulations as they do now.

Mr. BROYHILL of North Carolina. Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. ARCHER).

Mr. ARCHER. Mr. Speaker, as I sat here and listened to the debate it became very clear to me what this House is going to do. Perhaps it is useless to take this podium to discuss many of the things that have been said and a few that have not been said.

However, it should be put in the RECORD that my colleague from Kansas (Mr. SKUBITZ) is 100 percent accurate: This is an oil conservation bill; wells will be shut down that are now producing oil if this bill is passed. Make no mistake about that. When you vote for this bill you are voting for longer lines at the service stations and less crude oil in the United States of America.

There are wells today producing throughout this land, where the cost of production is in excess of $6 per barrel, so-called stripper wells, secondary and tertiary production methods, which are highly expensive and which would have been closed down before. They are producing today because they have the right under the current law to make a profit. A common example is one field in west Texas which is producing 200 barrels of oil a day, from 60 wells, with the cost of production being over $6 per barrel.

When you pass this bill you will shut down every one of them and much of that oil will be lost and will be lost forever, because many of these wells once capped cannot produce again. Unfortunately, outdated figures from 1972 were quoted by Mr. BROYHILL of North Carolina. They no longer represent the cost of exploring and producing a barrel of oil. In the last year alone, the cost of drilling a well has increased 40 percent or more. No mention of this was made by the proponents of this legislation. The price permitted in this bill will make the drilling of many new wells uneconomical. Exploration will be curtailed, production will suffer, and the consumer and our overall economy will be the losers. It is rather incredible to me that we would take a position that would deny the people of this country desperately needed oil and at the same time add more and more power to a Presidency where we have condemned the policy of giving power to that Presidency.

Mr. BROYHILL of North Carolina. Mr. Speaker, I yield 1 minute to the gentleman from California (Mr. GOLDWATER).

Mr. GOLDWATER. Mr. Speaker, I rise in support of the response by the chairman of the Interstate and Foreign Commerce Committee to the question asked by the gentleman from Texas (Mr. PICKLE). At this point I ask permission to revise and extend my remarks.

Mr. Speaker, the need for household moves is one this House addressed when we originally considered this bill. I am pleased to know that it remains the intent of Congress that fuel be provided for household moves.

It is apparent that Congress must make this intent clear to the administration. To date the administration has not addressed this vital need.

The allocation regulations are set forth in the Federal Register, of Tuesday, January 15, 1974, vol. 39, No. 10, part 3, at page 1944. Servicemen and other people using do-it-yourself moving methods are not included under those regulations.

This is a significant problem. To put the scope of the situation in proper perspective we should note certain facts. In 1973, 12.5 million families moved or 18.7 percent of the Nation's 66,890,000 households. It should also be noted that 46.8 percent of these household moves utilized do-it-yourself household moving equipment.

And these figures are for 1973. They do not include the effects of the energy crisis. A week ago the Department of Labor released information showing that the number of workers claiming they lost jobs because of the energy shortage has risen steadily since early December and the latest count stood at 226,000.

The Manpower Administration said more than 2,618,000 workers are receiving unemployment insurance benefits for the week ending January 19, an increase of 98,100 from the previous week and more than double the number receiving benefits last September 15.

We must concern ourselves with the productive individuals who lose their jobs due to the energy shortage. These people want to work. Past experience shows that many people will move their households to locations where employment is available. We must protect and assist the mobility of the American work force.

I am pleased that this report makes clear our concern and determination to get fuel to those people who have to make a household move. Otherwise we will continue to find the Federal Government standing in contradictory positions.

One example of the contradictions I refer to is the Federal Energy Office's consistent pronouncements decrying the energy crisis' effect on employment while, at the same time, the regulations they have formulated for the allocation of fuel actually eliminate the availability of fuel to the families who find it necessary to relocate for employment purposes.

Another example of the Government's current contradictory position can be seen by looking at the activities of two executive agencies.

There have been instituted in the past programs for the relocation of workers who have lost their jobs in difficult times. During the 1971 aerospace employment cutbacks the Department of Labor provided up to $1,200 for the relocation of workers. We have now heard talk that such a program is again under consideration.

What could be more contradictory than for the Government to consider on the one hand providing financial assistance for necessary and purposeful household moves and, on the other hand, eliminate the availability of the fuel needed for such moves.

There is an energy crisis before us. Its effects are raising serious concerns about a related unemployment crisis. We must address these problems with reason, not with bifurcated programs and regulations borne out of myopic reaction.

We must assist the American people in their efforts to help themselves. I submit that providing the fuel so that a family suffering unemployment in one area can relocate in another area where employment is available is a type of assistance needed.

We should also remember that 46.8 percent of the household moves undertaken in this country utilized do-it-yourself household moving equipment.

The Federal Energy Office must recognize that the trucks and trailers of the do-it-yourself household moving industry are unique. They are all powered directly or indirectly by motor gasoline. Gasoline that the moving family itself purchases at retail stations along the route to their destination. People who find it necessary to utilize the service provided by the do-it-yourself household moving industry must receive fuel.

Family moving is not undertaken lightly, it is a difficult experience. People who undertake household moves do so out of necessity. It is not a recreational activity.

The household mobility needs of the American people are of National concern. I am pleased to see that this legislation provides for the availability of gasoline for the necessary and purposeful moves of the American people. I compliment my colleagues who served as conferees for addressing and providing for this very important need.

Mr. PICKLE. Mr. Speaker, upon the passage of S. 2589, amended by this House, there was a colloquy on the floor, December 12, between the chairman, Mr. STAGGERS, and Mr. ANNUNZIO with reference to the intent of the so-called Pickle amendment as follows:

Mr. ANNUNZIO. Does subsection (4)(J), found on page 55 of the report, include under the term "household moves" the situation where a soldier moves his family's personal possessions from one base to another in a trailer which may be rented or borrowed or belong to him?

Mr. STAGGERS. That is included in the bill and taken care of in the provisions of movement of persons.

Mr. ANNUNZIO. They would be supplied with gasoline; would your answer be yes?

Mr. STAGGERS. Yes; my answer would be yes.

I would like to point out that in the House-Senate conference on S. 2589, the Pickle amendment and other amendments were deleted; however, a recognition of the effect and need for my amendment was agreed to in the Conference Report No. 93–793 and can be found on page 48 as follows:

The Conferees also recognize that end-use rationing plans should give consideration to the personal transportation needs of American military personnel re-assigned to other duty stations and of those persons who are required to relocate for employment purposes.

I would like to point out further that in the Senate debate of January 29, a colloquy was had between Senator JACKSON and Senator ALLEN specifically on this language of the conferees as follows:

Senator ALLEN. Mr. President, I read from Senate Conference Report No. 93–663, page 45. Does this language mean that the intent of the conferees is to accommodate the do-it-yourself movement of both people and their personal possessions from one job site to another during these times of national stress, when jobs in the country are either opening up or closing down and people may be very mobile; seeking greater opportunities or greater economic security?

Senator JACKSON. Mr. President, the needs of the Armed Services necessitate the periodic reassignment of personnel and the transport of these personnel, their families and their household goods from one duty station to the next. In addition, we Americans are a very mobile people. The family move from one city to another in search for better employment is probably more common here than in any other nation. It is a routine facet of our society and of our economy. In incorporating in the Conference Report the passage which my esteemed colleague has cited, it is the intent of the conferees to acknowledge those two facts. Furthermore, it is their intent that, insofar as it may be possible, and consistent with the other provisions of this Act and of the Emergency Petroleum Act of 1973, end-use rationing plans should be so developed as not to unduly inhibit this normal movement of people and their personal possessions be it by van line or by hired vehicle.

Mr. Speaker, the proposed gasoline rationing contingency plan, issued by the Federal Energy Office and printed in the Federal Register on January 16, 1974, does not express any concern or show any recognition of the need pointed up by my amendment. I would ask the gentleman from West Virginia, if as chairman of our committee and as a conferee, he is still convinced of the need for the Federal Energy Office to carry out the intent of Congress as expressed by the Senator from Washington and by the Senator from Alabama and by his answer on this floor, December 12, to the question made by the gentleman from Illinois?

Mr. STAGGERS. I believe that the Senator from Washington has properly stated the concern of the conferees.

Mr. PICKLE. Mr. Speaker, never before in the history of our country has the mobility of families who are moving to seek employment, or an education, or a healthier environment been so threatened as it is by the current energy crisis. I find nothing in the proposed gasoline rationing contingency plan of the Federal Energy Office that promises any relief to lower income families who for reasons either of employment, health, education, change of marital status, or retirement must utilize do-it-yourself moving equipment when they take to the road for a household move. These are essential, purposeful, nonrecreational moves made by families who have no other viable alternative except to liquidate their household belongings. Those of my colleagues who remember the "Grapes of Wrath" migrations from the dustbowls of the 1930's know what I am talking about.

The expected displacement of people due to the energy crisis could further intensify the need for mobility to where the jobs are, and the need for an economic, flexible system of household moving.

No group of people in our economy feel these economic pressures so acutely as the younger families with school-age children, young couples, young unmarrieds and the elderly. These are the age groups who have the lowest job stability, rising needs, and limited savings. They are the ones most likely to face the psychic and monetary traumas that are connected with moving from one locality to another. They are the ones who must stuff what few household goods or tools they can into the back of a car or into a rented trailer when they have to make a move. When such families must set out for a destination hundreds or even thousands of miles away, they should have assurance that they will not become stranded en route due to lack of fuel.

Mr. Speaker, the only recourse so far proposed by the administration, for servicemen's families and other people using do-it-yourself methods of moving, is to apply to the individual States for gasoline under the State setaside provisions. The State in turn must justify the hardship application to the appropriate Federal office. Such recourse is a virtual impossibility, only further compounding the problem for the approximately one out of five families in our country who must relocate each year. Few Governors can be expected to provide gasoline to persons who are only passing through their States when it must be provided from the meager amount allocated to the States under the setaside provisions of the proposed gasoline rationing contingency plan.

Mr. Speaker, the intent of this Congress with relation to the provision of gasoline for those families who have to move their household possessions must be clearly and forcibly brought to the attention of the appropriate agency drafting the necessary regulations so they will incorporate our intent in whatever rationing plan may be adopted. Family moving is rarely undertaken lightly—it is a difficult experience at best involving large psychic costs as well as considerable monetary expenditures.

It is a matter of national concern that our populace be able to carry out considered decisions on where to live to best meet the economic and social demands of these hard times.

Mr. BROYHILL of North Carolina. Mr. Speaker, I yield 4 minutes to the gentleman from Ohio (Mr. BROWN).

Mr. BROWN of Ohio. Mr. Speaker, unfortunately a vote for this bill and for this conference report with the language which it has in it on so-called price rollbacks is a vote for a shortage of oil and a vote for the higher price of the oil that we do have moving through the supply systems of our country.

This was very effectively illustrated by the colloquy between the gentleman from Texas (Mr. ECKHARDT) and the gentleman from Illinois (Mr. ANDERSON) during the debate on the rule.

$3.80 a barrel oil—and there is some in this country now flowing into the supply systems—will, under this conference report rollback, cost $5.25 a barrel or, if the President chooses to raise the price or allow it to be raised, will cost $7.09 a barrel. So low-priced oil will now become higher priced oil, and the $8 a barrel oil which has come in since the imported oil was cut off will not not be in the marketplace at all because people are producing from wells that cost $8 a barrel to drill and you are putting a cap on that well, so you will not have that oil.

The result is that we will have less oil, and that the oil or the product that we do have in the marketplace will generally cost more, which will result in foreign oil not finding its way into the United States because the foreign oil will go abroad where it can sustain a higher price. The companies who are getting foreign oil now will have a higher price at their pumps than do the companies using domestic oil, and the result will be that people will go to those outlets that have the lowest of the two prices. Anybody who tries to sell foreign crude oil through the system in this country will say to heck with the United States, let us get the oil into England where it costs a dollar a gallon, or where the barrel price equivalent is much higher.

The conclusions I have come to, having served on the conference committee, is that a candidate for the U.S. Presidency should not be permitted to participate in conference negotiations because, in fact, that is where this section came from, from the other side of the Capitol, and who are making an effort to put into this piece of legislation really one of the more attractive things about our system, and that is a short-term result that would look good politically, but would be disastrous economically.

Of course we have done a very clever thing here. We have given the President the right to ration gasoline, when we create the shortages, and the result is that by the time we get into the elections this fall, the results of this piece of legislation will be devastating for those people who voted for the conference report. I think it is a gross error to look at a vote for this conference report as a matter of political advantage. I think it will be a definite disadvantage by the time the people, this fall, face the problems that will grow out of it.

Mr. MAYNE. Mr. Speaker, if the gentleman will yield, I want to say that I did not vote for the price rollback, but when the price of propane to the people in my district has risen 300 percent, and has risen 300, 400, and 500 percent in other places in the country, it would seem to me that there is total bankruptcy in the leadership in this industry, and that the purpose was to stop this sort of thing——

Mr. BROWN of Ohio. Mr. Speaker, I might say to the gentleman from Iowa that this effort in oil is brought to us by the same group of people who brought us the beef shortage. They tried to roll back and hold down the prices of beef, and the result was that beef prices went higher than ever, and in the marketplace beef became scarcer and scarcer until the price control was lifted.

Mr. STAGGERS. Mr. Speaker, I yield 2 minutes to the gentleman from New Jersey (Mr. ROE).

Mr. ROE. Mr. Speaker, the chairman of the full committee has allotted me 2 minutes in which to say what I would like to say on this most vital issue, and that is that it seems to me everybody in this House is worried about whose ox is being gored, and they are worried about their own ox being gored, but what about the essential needs and rights of our people. I have not heard too many Members get up today and talk about a simple, basic point, and that is that there is a certain thing we are responsible for in this House, I believe, and that has to do with the consent of the governed who are the American people.

I wonder if their direct representatives in this House are listening to their people. Our people are not concerned with the feelings of the oil industry. My people in my State are coming back and saying let me tell you something, Democrats and Republicans alike, I think you will have to answer to us for what you have done or not done for us the American people. And certainly we will have to answer for our actions because we have granted to this administration the right to allocate our fuel and our oil and they have done their thing, and they have botched it up terribly. Prices are the highest they have ever been for gasoline throughout every State in this Nation, certainly in my State, and I see no point of equity to the American people in that situation.

Let me say one thing about this bill. I do not like two sections of it, but I will definitely vote for the price rollback because I think it is fair to the American people.

I believe we ought to share the wealth, and I believe we ought to share the economy of this country, and this has to be done through the power of our people through the consent of the governed by their elected representatives.

I think there is just one final thought to keep in mind if you believe in this wisdom, and that is if you give the administration legislation to be able to allocate the fuel, and if we have the chaos and the disorder that we have now, where we have a lack of the truth, and where people do not understand, and they disagree, and they are literally badgering each other and battering each other, would it be such a terrible thing to say to Mr. Nixon, to say to our good President, "Here we have tried in concert to present an approach and a new idea, we have tried to do this in concert with the Congress. So let us try one more time, and put some teeth into this law to give the people of the United States fair play and justice."

That is what my people are saying about it in New Jersey, not the oil industry.

The SPEAKER. The time of the gentleman has expired.

Mr. STAGGERS. Mr. Speaker, I yield such time as he may consume to the gentleman from New Mexico (Mr. RUNNELS).

Mr. RUNNELS. Mr. Speaker, I rise in opposition to the conference report on the National Energy Emergency Act, S. 2589. Our Nation has been bound and gagged by a restricting fuel allocation program and a restraining set of wage-price controls for far too long. The various haphazard cures to our fuel shortage malady which have been administered to this country have turned out to be worse than the disease.

The best remedy available for our energy crisis and especially for the gasoline shortage is to transfuse a heavy dose of free enterprise into Uncle Sam's body. Supply and demand have been the lifeblood of our Nation and it is time we realized that fact. Our immediate problem is that the National Energy Emergency Act contains provisions which would kill off one of the most important elements of the free enterprise system still in operation by rolling back the price of stripper oil and new oil. I am talking about section 110 of the bill.

Stripper wells are operated by almost 4,000 independent oil and gas producers throughout the Nation. These independents are responsible for approximately 80 percent of the exploratory drilling that takes place from year to year. The price of crude pumped out of a stripper well is now in the vicinity of $10. If this price is rolled back to a national average of $5.25, these independents are going to lose an awful lot of incentive to continue in their exploration activities.

In New Mexico, in mid-January of 1973, we had 382 locations holding or awaiting drilling rigs, 46 of them were exploratory locations and 336 were development locations. In mid-January 1974, our State had 433 locations holding or awaiting rigs. That is an increase of 51 locations in 1 year. The exploratory location increase was from 46 to 117.

Now what do you think the figures will be for mid-January 1975 if the price of the crude out of these new locations is set at $5.25 per barrel? I will tell you that there is not a roughneck in the oil patch who will bet on those figures going up. When you consider that two-thirds of all the oil we consume in this country is domestically produced and one-fourth of our domestic production is from stripper and new wells, you see that we are talking about a major portion of an oil supply.

Approximately 1.9 million barrels of the 9.2 million barrels produced each day is produced by these independents. If you figure that this oil is currently priced at $9.51 per barrel, a rollback to $5.25 per barrel will dry up over $3 billion per year in possible domestic exploration funding for the independents.

In addition to considering how this price rollback provision will seriously curtail domestic exploration, let us consider what this bill means to the consumer. The Federal Energy Office has indicated that this price rollback will probably only mean a decrease of 1.4 cents per gallon of gasoline sold. The Independent Producers Association sets that price decrease figure at 1 cent per gallon and the Secretary of the Treasury, George Shultz, sets the same figure at less than 2 cents.

A good argument can be made for the

proposition that this rollback provision will increase prices instead of decreasing them. From all the facts and figures I have read concerning the fuel shortage, it apparently is an undisputed fact that the high price of gasoline today is the direct result of the high price of imported foreign crude, which costs between $10 and $20 per barrel these days, and higher charges for marketing and refining. If this rollback provision is enacted into law and if $3 billion in exploration funds is eliminated, the end result could very well be an increased dependence on foreign crude. That would mean an increase in costs to the refiner and thus to the consumer.

While I am discussing price increases let me point out that the price of wheat has gone up from $2.46 per bushel on February 19, 1973, to $6.12½ per bushel on February 19, 1974, a percentage increase quite similar to the oil price percentage increase during the same period of time. Is a similar rollback being proposed for the wheat producers of this Nation? Obviously not, which makes a person wonder why the independent oil producers are being singled out for a rollback.

There is another important consideration to be made here. It concerns the tax revenues derived from the oil business. In 1973 New Mexico collected $45.5 million in State royalty, school, severance, conservation, and ad valorem taxes from the oil companies. If the average price of oil is $7 per barrel in 1974, New Mexico will collect $72.3 million. If the price is rolled back to $5.25, our State will receive $20 million less in these revenues, a decrease which is extremely important since it concerns revenues used to finance our school system.

Finally, let us not forget the fact that thousands and thousands of plugged and abandoned stripper wells could be reactivated if the price of stripper oil is allowed to vary according to the laws of supply and demand. These wells are expensive to operate in relation to their production but they are an additional source of oil. I think it would be far wiser to make it possible to put these wells back into production instead of making it impractical to even operate many of those stripper wells that are now in production on a marginal basis.

There is one other reason why I will oppose this conference report and that is section 104 of the bill which explicitly reserves to the President the sole power to institute nationwide mandatory coupon gasoline rationing.

I am strongly against rationing. This Sunday I listened to Mr. Simon of the Federal Energy Office discuss the rationing problem on a television program. He indicated that he does not feel that the President now has clear, undisputable authority to initiate rationing. I do not want to give him that authority now and, even if it becomes necessary, I want to have something to say about when, how, and under what procedures it will be placed into effect. I urge all of my colleagues to think about the fact that a vote for the conference report on S. 2589 is a vote for gasoline rationing and the bureaucratic nightmare which will be concomitant with it.

Mr. STAGGERS. I yield 1 minute to the gentleman from Texas (Mr. WHITE).

Mr. WHITE. Mr. Speaker, I have just returned from west Texas recently, and let me tell the Members what I found there. After we reduced the oil depletion allowance and made other regulations that forced oil producers to reduce their production, towns were being depopulated; rigs were dismantled; some oil wells were capped, and many drilling crews dispersed. Now that oil is severely needed by this country, the crews are beginning to come back; the rigs, when they can find them, are being set up; and some of the oil wells previously closed are being uncapped and put into production. I have been answering mail all morning pleading that Congress not reverse this development by rolling back the price of crude oil.

I can assure the Members that production will fall if we roll back crude prices. Do not do this if we really want to produce oil for this country in order to alleviate our shortage. The independent oil producer who finds and produces 70 percent of our domestic oil will be most hurt by this disincentive.

Mr. STAGGERS. I yield 2 minutes to the gentleman from Massachusetts (Mr. MACDONALD), chairman of the subcommittee.

Mr. MACDONALD. Mr. Speaker, I just have 2 minutes. I am not going to argue with anybody, but I do think that certain things should be straightened out, especially concerning prices. I just state what I know to be facts, that on May 15, 1973, the average price for domestically crude oil was $3.86 per barrel. That was just 9 months ago. That price included the stripper well and the new crude production as well as the so-called flowing oil. Today the price of flowing oil is ceilinged at $5.25. The price on new crude and stripper production as of now is $9.51 per barrel. In many cases the price is over $10 a barrel, an increase of 150 percent in just the last few months.

The market mechanism of supply and demand simply is not working in this case. We are not dealing with a free market structure, and our economy cannot any longer afford to pay the price.

I should like also to point out that the provisions of section 110 require a rollback of prices on an average of between $5.25 and $7.09. That range obviously is broad enough to permit the President to establish prices which are adequate to induce production of additional crude supply and still keep prices from becoming really an unreasonable burden on not just our consumers for the home but also for our industrial production, so that we can try to avoid, perhaps, the oncoming recession.

For example, in December 1972, the National Petroleum Council reported to this Congress that, in order to achieve the greatest feasible level of domestic self-sufficiency, the domestic price of crude oil would have to rise from $3.18 per barrel in 1970 to $3.65 per barrel in 1975. In August 1972, the Independent Petroleum Association of America testified that a domestic price of $4.10 per barrel would be adequate to assure the United States 100 percent self-sufficiency by 1980. While these projections were stated in "constant dollars," after adjustment, the National Petroleum Council's price would be projected at $4.35 and the Independent Petroleum Association of America's price would be increased to $4.55. It is to be emphasized that these price estimates are well within the national average ceiling price of $5.25 called for in section 110 of the Energy Emergency Act.

Moreover, it should be kept in mind that this section permits the President to increase the ceiling price to levels which would result in a national average price of $7.09. This is well above the most recent projection of the Independent Petroleum Association of America calling for an average price of approximately $6.65 per barrel for crude oil in order to maximize domestic production by 1980. Let me point out also, that as recently as January 23 of this year Deputy Secretary Simon stated that the long term supply price of crude oil—that is, the level needed to bring supply and demand into balance and to eliminate the shortage—would be "in the neighborhood of $7 per barrel within the next few years." In Secretary Simon's words, any price higher than that creates "a windfall—a price to producers which is more than producers could have anticipated when investments were made and more than that required to produce all that we can in fact expect to be supplied."

The SPEAKER. The time of the gentleman has expired.

Mr. BROYHILL of North Carolina. Mr. Speaker, I yield such time as he may consume to the gentleman from Indiana (Mr. HILLIS).

Mr. HILLIS. Mr. Speaker, after carefully studying the conference report on the Energy Emergency Act, I am concerned that certain measures incorporated into this act will be counterproductive to the goals stated. I refer specifically to the provision for a price rollback.

The price rollback is an unkind ruse on the American public. It promises a price reduction in oil products while, in truth, the long-term effect will be higher prices and more shortages. The price rollback will affect the small independent producers, those companies which drastically need a higher price in order to survive. By reducing the income of these independent producers, we shall reduce production and exploration for additional petroleum sources. The net result will be a need to import more oil from foreign countries at astronomical prices.

I fail to see how representatives of the people can propose and support this price rollback measure which is so deleterious to the welfare of our Nation. The damage of this provision is far reaching in that it may have the effect of postponing the passage of needed energy legislation.

The administration desperately needs responsible legislation which will enable it to deal more effectively with this crisis. Thousands of Amercans are unemployed as a result of the lack of energy. It is urgent that we provide assistance to the people who are bearing the brunt of energy shortages. It is also urgent that we come forth with incentives to increase

production of petroleum here in America rather than in the Middle East.

I strongly urge my colleagues to work for effective energy legislation. I also urge you to deplore the type of irresponsible measures, such as the price rollback, which are counterproductive and which delay the passage of responsible energy legislation.

Mr. BROYHILL of North Carolina. Mr. Speaker, I yield my remaining time to the gentleman from Illinois (Mr. ANDERSON).

Mr. ANDERSON of Illinois. Mr. Speaker, I think it is clear at this point in these proceedings that we are suffering very much this afternoon from the syndrome, as someone recently described it, or the attitude: "Don't just sit there, do something, do something even if it is wrong." And in the desire on the part of some in this House to convince the American people that they are making genuine progress toward a workable solution of the energy crisis, they are going to go ahead and pass this conference report notwithstanding the assurance that it is going to receive a Presidential veto which will not be overridden and which will therefore necessitate the Congress once again beginning the laborious process of working out the kind of bill that should be passed.

I want to say something else in brief reply to what the distinguished majority leader said earlier this afternoon when he participated in the debate, and incidentally I thank him for his more than generous remarks, but the sum and substance of what he had to say was, yes, that the arguments the gentleman from Illinois has made are very good and they ring very well but the question in November is still going to be: Where is the gas and where is the oil?

I say to Members of the House they should not deceive themselves. When this conference report is passed, if and when it should ever become the law of the land, the question will still ring out: When or where are we going to produce the oil and the gas that we need to supply the energy needs of the American people?

This bill is not going to produce one single additional pint of crude oil for the American people. Quite to the contrary. When we build into our economic system the kind of disincentives—yes, disincentives—that are embodied in this artificial distortion of the pricing system, the pricing mechanism of our country, we are simply going to do what the gentleman from Kansas (Mr. SKUBITZ) and what the gentleman from Texas (Mr. WHITE) and what numerous other spokesmen on the floor this afternoon have said will happen. We are going to discourage some of the small marginal operators from going out and making the additional effort and investing additional capital that needs to be invested to increase the total supply of oil in this country.

I further think we are really doing violence to the rules of this House and wiping out, as I said earlier, clause 3, rule XXVIII of our own rules when we adopt new matter entirely, as we are doing in this conference report.

I do not know how many Members have read pages 11, 12, and 13 of the conference report. I suppose there are almost 1,000 words of very technical and closely written and very sophisticated language there dealing with what is said to be a prohibition on inequitable prices. It is material that was never confided to the jurisdiction of a committee of this House, but rather new material that was written in conference, new material on which this House has had only the very briefest opportunity to even debate and discuss it this afternoon, because under the procedures we are following, when the motion to strike is offered on section 110 and the other objectionable sections of this conference report, there is no further debate. The only time that we have had this afternoon is the 60 minutes that was allotted under the rule for discussion of the conference report itself.

When I think of what the consequences of this action may be, when I think—and I use the term advisedly—"of the cynical, political, partisan, manipulation of the energy crisis" that this alleged rollback represents, I think it is a travesty on the procedures of this body that we should undertake to legislate in this faulty manner on something fundamentally so important to the American people.

Notwithstanding the vote that took place a little while ago, earlier this afternoon, I hope that when the motion to strike is offered on section 110, the Members will yet take time to reconsider and vote in favor of the motion deleting that matter from this conference report.

The SPEAKER. All time of the gentleman from North Carolina has expired.

Mr. STAGGERS. Mr. Speaker, I have listened to the debate and some of the arguments made. I would remind the Members that only 9 months ago the price of crude petroleum in America was only $3.86 a barrel, 9 months ago. It was adequate then. They said so, and since that time it has gone way up.

Why will wells suddenly be capped, as somebody said? Has anybody had any evidence or any hearings to show that? They are speaking out of fantasy, wild figures, grasping for something they do not know anything about. It was never testified before our committee.

So many are saying wild things. I cannot understand where they are saying that wells be capped because this bill permits amounts far above the $3.86 they were getting 9 months ago. Mr. Simon said on ABC last month $5.25 was all that was needed. I have that quotation exactly from the ABC, that he said that was enough.

We allow them for the stripper wells and independents to go up to $7.09, which was testified to by the Independent Petroleum Institute before the Senate, that $6.65 was adequate. We are allowing $7.09 to do the job.

I would read the testimony to the gentleman of Mr. Miller. He said that—

> Given todays' prices of natural gas, the IPA analysis shows that an average price of about $6.65 per barrel on domestic crude oil would be required over the long run to achieve or permit self-sufficiency in oil and gas by 1980.

This is a long time ahead. This gentleman said it is enough.

I want to remind the gentleman again, that 50 percent of those wells are owned by the big petroleum companies.

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

Mr. STAGGERS. I yield to the gentleman from Ohio.

Mr. HAYS. I just want to make the point, the more I see Mr. Simon on television the more I feel like if there is an energy crisis, it would go away if Mr. Simon would go away.

Mr. STAGGERS. Mr. Speaker, I just want to say that this thing of saying that $7.09 is not sufficient, just is not so. Nobody has the evidence to show that.

I want to say again, the gentleman mentioned awhile ago about the price of propane going out of sight at 350 percent. This bill says it has to come down. We mentioned it specifically.

If some Members go back home and cannot run their glass plants and plastic plants and so forth and they vote against this, how can they explain it? They cannot explain it. That is all I say.

This thing of the capping of the wells, I say again, where is the evidence? No one has shown us anything in any way.

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

Mr. STAGGERS. I cannot right now.

Mr. SKUBITZ. The gentleman asked a question. Let somebody answer it.

Mr. STAGGERS. Let me ask this. Are the Members thinking of all the lost jobs, the jobless back home, caused by the fuel shortage?

Yesterday in West Virginia many thousand miners did not go to work because they did not have the fuel to get to work. What is going to happen in this State?

We are trying to resolve these things, these long lines in America, and we are asking for help.

We want to say that propane will be given to the farmer and to those that have to have it.

Gentlemen, just one further thing I would like to point out, that we are going to vote separately on sections 110, 105, and 104. Let us all understand this, and I would like to make this very clear, that if either one of these sections is deleted, the conference report goes down.

I would like to say, let us vote up all three of them and send the bill to the President and get on with the business of this country. Americans have waited long enough for an energy bill. I think the time is now, not next week. Let us not say, "Let's vote it down and come back later."

Members cannot explain to their people why they voted "no." I cannot go back into my district and say that I voted against something to stop the long lines at the gasoline stations and to make the price of gasoline reasonable once again.

This is the one thing I wanted to make plain, that if any one section of the bill is voted down, the whole bill fails. Members may say, "You can go back to your committee, back to conference." It would be months before we could come back, and I know the people of America would never understand this Congress. This Congress only received a 21-percent vote of confidence by the people, and if this is voted down, I would say that the peo-

ple would have no confidence in the Congress of the United States; none whatsoever.

Mr. Speaker, we worked hard and long on this. There were good men on this conference, and I would put them up against any other Member in the House. There were at least two other committees on the Senate side, and they worked for many days and far into the night to come out with the conference report. I say it is the best we can possibly do. It would not matter how many more months we would debate it; how many more months in committee or in conference, so I say at the present time it is our only objective, our only hope to do something for this land. There are a lot of people who have come to me and said that they want to help the people who use propane. Now is the time to help them. There are a lot of people who say, "We want to know what resources there are in America, what fuel resources there are."

If the Members want to know, vote for this bill. It says that within 60 days they must report back to the Congress and tell us what the fuel supplies are in the country, where energy is coming from, where supplies are coming from, and where they are going. At that time we will move and we can make a judgment, but at the present time we are in the dark and we do not know what is going on.

Mr. Speaker, I urge approval of these three sections.

Mr. DINGELL. Mr. Speaker, one of the landmark provisions of the conference report (H. Rept. 93–793) on S. 2589, the Energy Emergency Act, is section 124 which is entitled "Reports of National Energy Resources." For the first time, the Congress has established a mandatory system for full disclosure of information on reserves, production, distribution and use of petroleum products, natural gas and coal. This will for the first time give the executive branch, the Congress, the States, and, most importantly, the public an opportunity to know the true facts about these essential resources and the shortages which now affect our country. For too long the companies dealing in these resources have hidden the facts from the American people and from the government under a heavy and tight veil of secrecy, misinformation and partial information.

Mr. Speaker, I sponsored this section in the House on December 14, 1973 (See CONGRESSIONAL RECORD, daily issue, pp. 41703–41707). The House adopted it unanimously. It was unanimously accepted by the conferees without change—and I will note that for a brief time I was one of those conferees.

The objective of the section is as stated; that is, to provide "reliable," which means truthful, data to the new Federal Energy Administration. The basic objective of the section is that the information be fully available to Congress, the States, and the public, and it is the intention of Congress that this section be construed by the FEA, the courts, and other Federal agencies in such a way as to provide maximum information to achieve this objective. It covers all "reserves, production, distribution, and use of petroleum products, natural gas, and coal." The term "petroleum products" is defined in section 102(3) of the act.

To further this objective, the section directs the FEA to "promptly" publish implementing regulations in the Federal Register. The term "promptly" was deliberately chosen by me to insure that FEA will act with utmost speed to publish these regulations. Since the Administrator, Mr. Simon, has been fully cognizant of this provision for several weeks, I would consider it to be dilatory and not in compliance with this requirement if the publication of the proposed regulation is delayed more than 45 days after the law is enacted. The Congress showed its intention to have these regulations become operative quickly, by the provision allowing only 30 days between publication and final adoption.

The proposed regulation will apply to all persons—as that term is defined in title I, United States Code, section 1—including but not limited to subsidiary and parent corporations and brokers, who are "doing business in the United States"—as that term is defined in section 102(3) of the act—and who, on the date of enactment, "are engaged" in exploring, developing, processing, refining, or transporting by pipeline, any petroleum product, natural gas, or coal, either in the United States or in some other country, or both. The clear intent of the language is full disclosure. This intent should not be allowed to be defeated by gimmicks or other means.

The regulation will require "detailed" written reports every 60 calendar days to FEA on:

First, all known reserves of crude oil, natural gas, and coal wherever located, including estimates of such reserves, that are owned, leased, or otherwise subject to control, wholly or partially, or jointly, by such persons.

Second, the production and destination of any petroleum product, natural gas, and coal. This will enable FEA and the public to know more precisely how much of each of these fuels is being produced or mined over a 60-day period, who is going to use them and for what purpose, where they are stored, including fuels stored under bond, and who is stockpiling the produced fuels;

Third, the refinery runs for each product; and

Fourth, such other data as the Administrator deems necessary to help him achieve the purposes of this section. This provision gives him broad authority to carry out his duties under this and other laws effectively and efficiently. I expect to use this authority for the purpose of obtaining and providing to the public "maximum" and "reliable" information as directed by this section.

The regulation is not only prospective, but also requires similar reports covering the past 4 years—beginning January 1, 1970—so that we will have a base bank of data with which to evaluate the adequacy and accuracy of future data. This provision should be extremely important.

All data in the reports furnished to the FEA must be truthful. If any person willfully and knowingly falsifies, conceals or covers up any material fact or makes any false, fictitious or fraudulent statement or representation or makes or uses any false writing or document knowing it contains any false, fictitious or fraudulent statement or entry, he will, of course, be subject to a fine of up to $10,000 or imprisonment for up to 5 years or both, pursuant to title 18, United States Code, section 1001.

Section 124 requires that four times each year FEA shall publish in the Federal Register "a meaningful summary analysis" of the reported data. This is an important feature. It is deigned to inform the public and the States fully in an understandable manner. Such summaries should not be brief. They should be fully informative. They will, of course, contain much technical information. But even technical documents can be written so that they are understandable.

The reporting requirements of this section will not apply to retail operations, such as service stations. But this term "retail operations" should not be construed so as to defeat the purpose of the section. For example, the Washington Gas Light Co. should not be required to report how much gas is used by each and every one of its residential customers. But it should be required to show, at the very least, how much gas goes to all or the largest consumers in its categories of residential, commercial, and so forth, customers in each area.

If a person is already reporting some or all of the required data to another Federal agency, such as the Geological Survey, he may obtain from the FEA Administrator an exemption from duplicating the reporting of such data to the FEA. But in such case the other Federal agency must make the data available to the FEA. The burden will be on the person to show to FEA that the required data is, in fact, being fully reported by such person to another Federal agency and FEA must verify this fact, before an exemption is granted. Any exemption granted shall continue so long as the data is supplied to the other agency and the other agency makes the data available to FEA. The existence of the exemption and the basis therefor shall be made known to the public.

The reporting requirements shall be enforced by FEA by such means as it deems appropriate. If FEA requires court assistance to help enforce these reporting requirements, FEA is authorized to invoke the enforcement provisions of sections 119 and 120 of the act and the Federal courts are specifically authorized to enforce the reporting requirement.

Section 124 recognizes that there may be some instances in which the reports or some of the information in the reports obtained under this section should be kept confidential. It therefore incorporates the provisions of 18 United States Code section 1905 which provides protection against disclosure of trade secrets and other proprietary information.

However, section 124 does not grant blanket confidentiality to the reported data. To obtain confidentiality, the person reporting the data must make a written "showing" that confidentiality is warranted because disclosure would "di-

vulge methods or processes entitled to protection as trade secrets or other proprietary information of such person," and the Administrator must be satisfied that confidentiality is, in fact, warranted.

It is intended that FEA grant confidentiality judiciously and only after a clear showing that it is warranted. Of course, even this limited confidentiality blanket will not apply to any person or agency to whom the Administrator has delegated any of his responsibilities for carrying out the Energy Emergency Act. Nor will the confidentiality blanket apply to the Attorney General, the Secretary of the Interior, the Federal Trade Commission, the Federal Power Commission, or the General Accounting Office when the data is needed by any of those agencies to carry out its "duties and responsibilities" under this new law or other laws. I emphasize that it is the responsibility of each of the latter agencies to determine which and how much data the agency needs to carry out its duties and responsibilities. The FEA Administrator is not authorized to second-guess any of these agencies or to deny its requests for any data it deems it needs.

Thus, for example, the GAO would be granted access to the data in carrying out its functions of review and evaluation of FEA operations, including audit and examination of the FEA's use of Federal funds, or as part of its investigative functions which are performed for Congress or its committees or Members. The clear objective of this requirement is to allow access to GAO so it can verify all data pertinent to its responsibilities.

The data would also be available to Congress or any committee thereof. The committee chairman on his own initiative or pursuant to the direction of the committee can request and obtain this data.

Mr. Speaker, if this section is effectively utilized, much of the public skepticism that hangs heavy over the present fuel emergency could be lifted. I hope Mr. Simon realizes this and will use it effectively.

At this juncture, I insert a letter which I have today received from Mr. Simon concerning this section and an accompanying January 18, 1974, statement by Mr. Sawhill which he presented to my subcommittee:

FEDERAL ENERGY OFFICE,
Washington, D.C., February 19, 1974.

Congressman JOHN D. DINGELL,
House of Representatives,
Washington, D.C.

DEAR MR. DINGELL: In reply to your letter of February 11, 1974, we regret that our communication of January 23, 1974 was not completely responsive to your letter of January 2, 1974.

We sincerely regret this occurrence and appreciate the opportunity to furnish the additional information you require.

Regarding the question you raised concerning the compromise version of section 124 of S. 2589, it must be understood that this version was worked out on the Senate floor and the FEO had no time to develop an official position.

As Mr. John Sawhill, Deputy Administrator, advised in his opening statement on January 18, 1974 before the Small Business Committee, the FEO supports both the intent and general thrust of the original provisions.

We realize the need for better data and that the FEO is the agency which should collect it. However, we believe there are some changes which would be appropriate. These changes are detailed in Mr. Sawhill's statement (copy attached).

We are in the final stages of developing proposals which will incorporate these changes and which we believe will satisfy the goals of section 124. As soon as these proposals are finalized, members of FEO will be available to discuss them with you or your staff.

I am attaching copies of tables containing the information requested in your January 2, 1974 letter.

We are currently studying your comments regarding the composition of the FEO Advisory Committees and will furnish you our views by separate letter in accordance with conversation with your staff.

If you require additional information, please contact us.

Sincerely,

WILLIAM E. SIMON,
Administrator.

JOINT TESTIMONY BY HON. JOHN SAWHILL, DEPUTY ADMINISTRATOR OF THE FEDERAL ENERGY OFFICE, AND GERALD PARSKY, EXECUTIVE ASSISTANT TO THE ADMINISTRATOR, SMALL BUSINESS COMMITTEE, JANUARY 18, 1974

Mr. Chairman, thank you for the opportunity to appear before you today to discuss our energy data requirements.

The Arab embargo will reduce our petroleum supplies almost 14 percent below expected demand. Some have questioned the accuracy of these estimates. I welcome the opportunity to address the credibility of our estimates, the sources of the data we use in making them and our plans to improve our energy information capabilities.

While many doubt the accuracy of the data being provided by industry, there is no doubt in my mind that we do indeed have a serious shortage. Consumption this year is expected to reach over 19.1 million barrels per day or an increase of 1.5 million barrels per day over 1973.

This growth represents a continuation of the historic trends in demand growth. Domestic production on the other hand leveled off in 1971 and has been steady or declining since. We have had to make up the difference between demand and domestic supply with imports • • •.

NEW LEGISLATION ON ENERGY REPORTING

While we have sufficient authority to mandate the petroleum data we now need, I still feel that specific mandatory reporting legislation is required. First, tailored sanctions and enforcement provisions may be more appropriate than those in our current authorities. Secondly, expansion of mandatory reporting to other energy sources, such as coal and uranium, is a necessity in the months ahead and may not be practical under our existing authorities.

We are now developing the information needed to propose specific mandatory reporting legislation. Such legislation will go beyond information on petroleum inventories, imports and refinery operations. The more complex problems of reserves, and nonpetroleum products will be included.

Let me briefly comment on the basic provision of Section 124 of S. 2589 which was considered before the recess. There have been widespread reports that FEO was either against or substantially weakened the provision. Let me say now without reservation that we support both the intent and general thrust of the original provisions. We need better data; it should be collected and FEO should be the agency to collect it. However, there are some changes which we feel are appropriate.

First, Section 124 would require comprehensive reporting from the energy industries once every 60 days. I feel we need more frequent information for certain categories of data—such as inventories of key fuels during a shortage—and probably less frequent information in other areas, such as reserves which do not change significantly on a month-to-month basis.

Secondly, retail operations are exempt from reporting under Section 124. I feel we may well need the authority for spot checks or statistical sampling procedures, if we are to deal with problems such as hoarding.

Finally, the Section also requires FEO quarterly reports. I feel that quarterly reports are insufficient. Right now we are reporting weekly to the American people and would intend to continue to do so during this crucial time.

PUBLIC DISCLOSURE

A central issue, and one which is very important, is the extent to which the information which is reported to us ought to be made available to others. The public has a right to complete and accurate information on the energy situation. This policy should give way only where limitations are imposed by statute and where important public policy considerations dictate otherwise.

For example, there will undoubtedly be national security constraints upon the release of certain information about military fuel supply levels. Further, competitive considerations will dictate confidentiality in cases where disclosure of future production or shipment plans could be used for anticompetitive or predatory purposes. We will be conferring with the Justice Department and Federal Trade Commission on the antitrust risks involved in disclosure, on a company-by-company basis, of certain sensitive commercial information. But I would expect these limitations to be relatively narrow and that most of the information would be more widely available.

Both the government and the public are entitled to much more information about the petroleum industry than is now available. We intend to see that it is gathered and made available. To this end, we will be presenting proposals recognizing three categories of information disclosure. The first will be that information generally available to the public; second is that information which should be available only to other government bodies with a legitimate interest in and need for the material; and, third, that information which ought properly to be limited to FEO in the carrying out of its responsibilities. I believe these proposals will mitigate concerns about excessive confidentiality, and will greatly broaden public acceptance of the information which the government collects and publishes on this subject.

SUMMARY

In summary, the Federal Energy Office fully intends to get all the information needed to do our job and fairly present the facts to the American people. We have already made substantial progress in our energy data systems. Under the authorities we now have, we will implement mandatory reporting requirements for the petroleum industry. And, under authorities which we are now evaluating, and would hope to work closely with Congress in finally formulating, to develop the broad-based energy information systems needed not only to deal with our current problems but with the challenges in the decade ahead.

Mr. Speaker, Mr. Sawhill makes several points concerning section 124 which I believe deserve comment.

First. I am pleased that FEO supports "without reservation both the intent and general thrust" of section 124, and the concept that FEA should collect this data. I think that is encouraging.

Second. Mr. Sawhill suggests that re-

porting of "detailed" data more frequently than 60 days may be necessary for such purposes as obtaining data on "inventories" of key fuels during a shortage. I do not think section 124 precludes this. But I point out that FEA has adequate authority under the Emergency Petroleum Allocation Act of 1973 to obtain such data.

Third. Mr. Sawhill suggests that FEA may need authority "for spot checks" of retail operations "to deal with problems such as hoarding." Here again I believe FEA has adequate authority in the above cited statute to deal with this problem. I have some difficulty believing that service station operators could hoard much fuel.

Fourth. Mr. Sawhill indicates that quarterly reports to the public "are insufficient" and points out that FEA is reporting "weekly" to the public and intends to continue this practice.

The weekly reports should be continued. However, they do not suffice for the more detailed quarterly reports required by section 124. Such weekly reports are generally given by FEA through press conferences. Section 124 requires a far more comprehensive report to be printed each quarter in the Federal Register where it is more widely available for critical analysis by the public.

Fifth. Mr. Sawhill notes, on the issue of confidentiality, that "there will undoubtedly be national security constraints upon the release of certain information about military fuel supply levels."

I agree with Mr. Sawhill's comment, but it is my expectation and I feel sure it is the expectation of Congress, that the "national security" label not be used loosely to prevent the publication of data whose publication will not actually endanger the national security. Subparagraph (1) of title 5, United States Code, section 552(b)—the Freedom of Information Act—provides adequate protection for the confidentiality of information which the President has specifically required by Executive order "be kept secret in the interest of the national defense or foreign policy." However, I want to make it plainly understood that the Energy Emergency Act will in most cases conflict with, and therefore it will clearly override, the exemption contained in subparagraph (9) of 5 U.S.C. 55(b), which heretofore exempted from disclosure under the Freedom of Information Act "geological and geophysical information and data, including maps, concerning wells." This exemption has been used to justify the withholding of information about reserves and production of oil and gas, and it is precisely this very withholding practice which section 124 of the Energy Emergency Act was expressly and directly designed to change and prevent.

Sixth. Mr. Sawhill then states:

Further, competitive considerations will dictate confidentiality in cases where disclosure of future production or shipment plans could be used for anti-competitive or predatory purposes. We will be conferring with the Justice Department and Federal Trade Commission on the anti-trust risks involved in disclosure, on a company-by-company basis, of certain sensitive commercial information. But I would expect these limitations to be relatively narrow and that most of the information would be more widely available.

The provisions of section 124, including 18 U.S.C. 1905, adequately deal with the confidentiality of commercial information, such as trade secrets and proprietary data. The considerations suggested by Mr. Sawhill appear to go back to the very thing that section 124 seeks to prevent, namely, the granting of confidentiality for all manner of reasons under the guise of encouraging competition or preventing some unidentified antitrust risks. Section 124 is clearly intended to preclude such sweeping use of confidentiality.

Mr. KEMP. Mr. Speaker, we are—once again—considering the proposed National Energy Emergency Act. This legislation has bounced back and forth between the floor of the Senate and the Joint House-Senate Committee of Conference like a tennis ball during the 2 months. That action would have been amusing, were it not for the gravity—the seriousness—of the problem this legislation is allegedly intended to help resolve.

THE NATIONAL ENERGY EMERGENCY ACT IS NOT THE RIGHT ANSWER

Of the many important measures to come to this floor for action since I began service here, this one has distressed me the most.

This bill is a cumbersome piece of legislation. It tries to do everything within the confines of its pages. This is an approach which will "lock into concrete" our immediate present perception of the problem. Yet, as these perceptions change—as they surely will—the old perceptions will remain, nonetheless, the law of the land. And, Congress has seldom moved with the speed and versatility of the people and a free economy.

This bill would, also, give the Executive powers so broad as to be of questionable constitutional validity.

It embodies a significant threat to the free market economy which provided adequately all the peoples' needs for fuels before Government began interferring with the market structure.

It discourages production, rather than encouraging it, at a time when it should be obvious that the most effective way to alleviate the shortages is to increase production of fuel supplies.

It sets into motion a mammoth, new Federal interventionist program which will produce endless regulations, countless forms, thousands of tax-consuming Government jobs, and power brokering not always necessarily in the public interest.

And, it will perpetuate the "horrors" of the energy crisis—high prices because Government price setting is artificial—that is not based on the realities of supply and demand; long lines at the gasoline stations because Government policies do not allow adequate production; threats of strikes and dangers of plant shutdowns as competing interests—forced now by Government policies to view each other as threats to each's livelihood—browbeat the decisionmakers. This crisis has already resulted in the loss of jobs and incomes, in production line closings, in countless shortages in other industries, in loss of tax revenues, in violence, and even in death.

It seems to me, measured against this factual background, that the Congress should seek genuinely to remedy the crisis—not to continue it for whatever purpose—refusing to postpone longer that day when the market system is restored for the benefit of the people.

I have addressed the House on a number of occasions since the Yom Kippur War in October 1973 and the subsequent imposition of the Arab oil embargo. I had spoken a number of times, even before that war broke out, on what was about to happen in the energy field unless the Congress acted promptly to remove disincentives to production, and I had introduced bills to help meet that objective. This crisis had been brewing for a long time—well over a decade—as demand continued to mount but production leveled off.

PRICES SHOULD BE REGULATED BY THE LAWS OF SUPPLY AND DEMAND

I consider the debate over the price of fuels to be among the most important aspects of the bill before us. Unfortunately, because it effects directly the consumers' pocketbooks, the debate over pricing policies has tended toward immediate, political solutions, rather than crucial, long-term economic solutions. And, this is an economic problem. In a quest for perceived advantages at the voting booth this fall to be supposedly had by holding prices down to levels wholly unrealistic to today's supplies and demands, we run the high risk of discouraging production, perpetuating Federal interventions continuing shortages, and paying more—much more—over the long run.

Why do we hear so much about allocation? About rationing? Especially, when both are but temporarily remedial solutions—perhaps, illusions—to the real solving of the problem? Because it is the Government's political answer to keep the prices from going up—maybe even from going down.

The price mechanism is the only instrument the Government could ever use that will handle a million variables an hour, that will enable New Yorkers to buy gas from California when New Yorkers have too little gas, or to reverse the process without having to go through a maize of Federal regulations and approvals when New Yorkers have too much gas and want to sell it. Decontrol of petroleum prices is the only solution which will work, and I think it will be the ultimate one used. Unfortunately, that may be after the Government has produced fiasco after fiasco, failing each time to reckon with the reality that the market system works more efficiently and effectively than does Government regulation.

Will decontrol—deregulation—result in soaring, outrageous prices? According to an editorial commentary in Barron's of February 18, the answer is "No." Enough return on investment to reinvest in badly needed capital improvements with which to explore, recover, refine, and distribute fuels is needed and should be allowed. This will result in more realistic and higher prices than we were paying a full year ago. Beyond that, major suppliers compete for increasing their respective shares of the market—they try to win consumers over to buy their products. How? By lowering the

price, so that their products are more attractive to those consumers—in other words, cost less. Enforcement of antitrust and price-fixing laws must be active to insure this, for such antitrust as price-fixing actions are as antithetical to a market system as are Government's arbitrary and mandatory controls. Name an example? Barron's cites the experience of Western Europe since the Yom Kippur War.

When the Arab nations announced their embargoes, every nation feared the worse. As in the United States, the democracies of Western Europe established allocation and rationing systems. Long lines formed, tempers flared, prices soared. How did those governments first deal with the crisis? By imposing more controls and more regulations, by allocating and rationing, by shifting supplies around, and by drawing down reserves? Such policies did not work. Then, what was done? They abandoned rationing and other futile devices and allowed the market price to prevail. As a result, the Continent already has restored the balance between supply and demand. Life is, once again, somewhat normal.

What about price? On the average, prices rose by about 38 percent. If this holds true here, the top rate would be about 42 cents for regular and 55 cents for high test. This is less than is being paid today at most pumps. Then prices should start to steadily recede.

Only in America, thanks to controls and our Congress penchant for getting its nose into everything and calling such intervention "leadership," are we now "blessed" with continuation of the problem.

What about those who say that the time is not now right for removal of these controls?

The fact is that the time is never right to abolish controls, if one is trying to avoid totally the short term rises in price which will inevitably result immediately after their removal. This happened in 1947 after the wartime controls were lifted. But that is shortsighted. After the immediate rise—and this is not speculation, it is fact—the laws of supply and demand begin to take effect, reflecting accurately their interrelationship. Prices then start to decline, as they did after 1947; production starts upward, and so forth. All that we do by keeping these oppressive controls is postpone the day in which we must lift them or risk the total destruction of our economic system.

SELF-RESTRAINT IS LEADERSHIP TOO

There is an unfortunate tendency in public life: A tendency to think the people will believe you are really doing your job only if you are doing something very visible, very vocal, very news worthy. Thus, one's quality of performance is erroneously equated with the amount of one's publicity-oriented ventures. Nothing could be further from the truth—the diligent, countless hours of homework performed by Members, away from the glare of the lights, the hum of the cameras, the ink of press releases. Yet, this quiet leadership often holds the best answers for really resolving issues before the Nation.

Speaking to a member of the other body before a recent hearing, Secretary of the Treasury, George Shultz, rightly observed:

In the stampede for "action, action, do something," you find yourself doing the wrong thing.

That is true of both the leadership of the administration and of the Congress, for it is a reflection of human inadequacy when emotion controls reason, when political exigencies are given priority over conviction and the truth.

There are those who cry out against what they call a "do nothing" Congress, when on some issues, like this one, the public interest might be much better served if the Congress did adopt a hands-off policy, not "do-nothing" in the sense of abandoning responsibility but rather a "do-nothing" in the sense of consciously recognizing and appreciating the fact that by doing nothing in the way of imposing controls, regulations, and statutes, we might be doing a lot to remedy the problem. Government policy fostered this chaos; by removing such policies, we will go a long way toward removing the chaos too.

THE FEDERAL ENERGY OFFICE IS NOT AN ANSWER

I have a somewhat different attitude about the Federal Energy Office and its Administrator, William E. Simon, than others. I think Bill Simon is one of the most capable, dedicated, and intelligent men in this administration. No man could have gone as solidly and as far in the private sector as he did in his relatively few years in business without "having something on the ball." And, I believe the vast majority of FEO regional and headquarter administrators, managers, and employees are dedicated, sincere, and willing to work endless hours to help resolve energy problems. They certainly have always tried to help me help my constituents.

But, that's the bulk of the problem. The problem is inherent to using Government policy and a Federal agency as a substitute for the dynamism of the American people and their economy.

No matter how hard FEO strives to resolve one crisis, another crops up; and, it will always be that way. Statutes, regulations, and rules cannot be a substitute for the mechanics of a diverse economy—an economy which has produced the prosperity we have always heretofore enjoyed in this land.

As an example of such an agency's inability to deal with a problem of this magnitude, not as a reflection on FEO or its leadership, let me read from a recent column:

From the outset, despite the considerable talents of its Administration, FEO has been plagued by one snafu after another. Barely a week after opening its doors, the Office erroneously announced cutbacks of 25% in the production of gasoline, a figure which it later in embarrassment changed to 5%. Again, in choosing 1972 as the base period for allocations, regulator and regulated alike inevitably have fallen afoul of regional differences and local quirks. Because it launched its own voluntary program of conserving energy a year ago, Oregon, for example, used relatively less petroleum than the other 49 states; hence its allocations were lower and its shortages worse. In New England, where ski resorts have had a bad season, service stations are awash with gas. Fearful of a scarcity of heating oil, FEO ordered refineries to maximize such output at the expense of gasoline. Now everyone has more of the former than he can use and not enough of the latter.

Legalities aside, the mischievous impact of the allocations program is painfully clear. Under its strictures, crude must be diverted to inefficient, antiquated and even obsolete capacity. One refinery blessed by an FEO quota has been closed for over a decade. In consequence, as Gulf argues, "the nation will have less gasoline, heating oil, petrochemical feedstocks and other petroleum products." Indeed, by reducing the incentive of surplus and deficit refiners alike to import costlier foreign crude—a barrel of oil commands several more dollars abroad than in the U.S.—the program virtually mandates perennial shortage. In recent weeks, according to the American Petroleum Institute, oil imports have dropped sharply; if the bureaucrats and lawmakers, in unholy alliance, succeed in rolling back domestic oil prices, as they threaten, things will go from bad to worse. Townsend-Greenspan & Co., economic consultants, recently observed, "Our current shortages seem to be developing largely from (1) our suppressing prices below world levels and (2) our allocating machinery. If we fumble our way into gasoline rationing, the problems will be of our own making and not attributable to the Arab boycott."

The consumer, through his exercise of individual choice, collectively creates demands which are met by supplies. The interaction of producer and consumer results in a price. That is so very simple. The use of this system has produced the most productive economy in the history of the world—ours. And, we did it without Federal regulations, redtape, and bureaucracy. The sooner the Government gets its nose out of the people's livelihood, the better off the people—and their Government—will be.

The House should reject this conference report and make a decision on each of the meritorious measures in this bill by voting on them separately.

Mr. FRENZEL. Mr. Speaker, after long consideration last December, I decided to support the conference report on the emergency energy bill, even though I believed that it contained major flaws.

As I would have voted for it then, I shall vote for it now because there is no alternative. When Congress adjourned in disorganization in December, we chose the alternative of nothing. Nothing is a poor alternative. A flawed energy bill was better than no energy bill in December, and it still is.

The title II deferral of air standards is absolutely necessary so the FEA can mandate reconversions of utility plants back to coal, or prevent conversions from coal to other sources. Our overall energy strategy is totally dependent on this alteration of air standards for stationary sources.

Also in that title II is authority to defer auto standards for at least 1 and probably 2 years. Further, the EPA, in making determinations for the second year, must take fuel economy into consideration.

Title II alone is enough reason to vote for this conference report. Without it, Congress will have done nothing to prevent serious economic disruption and possible danger to the health and safety of our people.

Title I is primarily a grant of power to the President to carry out conservation policies with certain safeguards. Its ma-

jor flaw is that it grants rationing authority to the President without the safeguard of a congressional veto. That is a useful safeguard. At a time when we mourn the erosion of congressional powers, it is hardly appropriate to grant such sweeping power without some sort of legislative braking device. Other conservation programs are subject to congressional veto. The bill is already under criticism for reversing the traditional executive and legislative roles. Even so, I think the executive policymaking and the legislative veto can be justified in the name of "crisis" or "emergency." Most of us agree that rationing should be a last resort and that the power to make a timely determination on rationing is better vested in the executive branch. But to exempt the rationing power from legislative veto is a real copout. The Congress should have maintained its veto as a matter of legislative prerogative.

As a practical matter, the President, through FEA Administrator William Simon, is probably less likely to impose rationing than the Congress. A further practical consideration is that the whole thrust of title I is to encourage fuel conservation other than rationing. The FEA Administrator has said he will use the authority of this bill to try to avoid rationing. The critical period is the first quarter of 1974. If we can survive this quarter, we may avoid rationing. That should have been a pretty good incentive to legislate these authorities in December.

There are other flaws. The worst is the oil price rollback. Its terms may seem generous today, but it freezes into law a rigid price inflexibility which almost certainly will inhibit oil production. How could Congress approve a counterproductive law at a time when everyone agrees we need more production?

Surely we need price controls. Nobody is for unjust enrichment. But we do have price controls now. Fortunately they are flexible. If we are silly enough to make them rigid by statute, we will only be re-creating in oil the beef shortage of last year. Price controls, yes. Windfall profits tax, yes. But never statutory, counterproductive rollbacks.

The unemployment compensation feature is untidy, and I am not sure that all working people can be protected. Some unemployment generated by energy may be difficult to prove. I believe we ought to have a single program that is fair to all working people. But here, again, we do have time to improve this section by other legislation.

We have required too many studies in this bill. Both Houses called for studies of every item they did not know what to do with. The conference seems to have approved most of them. I only hope we do not waste the resources of the FEA on all these studies.

In general, flaws can always be found in legislation of this complexity. But, I think the people expect this Congress to act. This Congress failed the people when it went home for Christmas without passing the emergency energy bill. I can find lots of things wrong with the bill, but I could not justify a negative vote in December, and I cannot now. The people wanted action in December. We failed them then. The people want action now.

I voted "No" on the previous question so we could vote on the three items in dispute. A yes vote on the previous question would have killed the bill. I could not vote for that.

I will vote against two of the three disputed features, but in any case I shall vote for the bill. The Congress owes the people some action.

Mr. ICHORD. Mr. Speaker, The gentleman from Louisiana and I have asked the question but still have not gotten the answer detailing in what fashion the legislation before us today will result in the production of additional oil. It is my intention to vote against this legislation because I see in the measure several provisions which will deter the production of oil. I fear that this legislation will guarantee the rationing of gasoline in the future for the American consumer.

Oil in the United States is now in serious short supply and the actions of oil producing Arab States have prevented the importation of sufficient supplies to bridge the gap between demand and supply.

I have no sympathy for the large oil companies. They are responsible in part for the situation in which we now find ourselves, just as Government, both the executive and the Congress, as well as the American consumer must share a part of the fault. However, I feel very strongly, Mr. Speaker, that by this measure we are departing from the principles of the American free enterprise system. The action we are taking today could very well mean the beginning of the end. We have followed in this Nation from its very inception a system of production and distribution based upon the laws of supply and demand, price, profit and competition. It is not a system which always works with perfection. In fact, one of its imperfections is that it has had a consistent tendency, until Government started to tinker promiscuously with the system, to overproduce. Why, my friends, in this emergency situation, when we face a shortage of supply do not we use this system which has the best track record of production, to overcome a shortage of supply. If this conference report is adopted and signed into law by the President, I predict we will have frozen the United States into a permanent condition of domestic underproduction. We will have put politicians and bureaucrats directly into the business of the production and distribution of oil and the end result will be chaos. I cannot in good conscience cast my vote other than in the negative.

Mr. WRIGHT. Mr. Speaker, every Member of this House would like to solve the energy shortage. If there were just some magic wand someone could wave to dispell the shortage and to turn on a spigot of unlimited fuel, we would be falling over one another to get our hands on that wand and wave it.

But let us not aggravate the disease in a clumsy effort to treat its symptoms.

The disease is a shortage of petroleum in the face of ever increasing demand. The price of petroleum is an uncomfortable symptom of that disease, but it is not the disease.

There are intelligent and effective ways to treat the disease. But rolling back fuel prices is not one of them, however politically attractive it may presently appear.

Such an approach is not only superficial. It could be tragically counterproductive. It easily could result in less petroleum rather than more.

Up and down the east coast, our citizens already are suffering the harassing indignities of long waiting lines at the fuel pumps. What ultimate good would it do them to reduce the price by a few cents a gallon if in the process we doubled their waiting time?

What we desperately need is more oil. We get this only through exploration and discovery, and then through expanded refining capacity.

Seventy-five percent of all domestic oil and gas has been discovered not by the giant companies but by independents, relatively small companies operating on borrowed capital and at high risk. Eight out of every nine exploratory wells have been dry holes.

Most of the shallow strata have already been explored and exploited. Most of the remaining oil would seem to lie in deeper strata, which means higher drilling costs.

Do we encourage the high-risk venture of exploratory drilling by reducing the price of the product? Of course not.

Like many of you, I have been appalled at the recital of statistics showing a few big, integrated international companies enjoying increased profits while the rest of us sweat in line to buy gasoline.

But the rollback here proposed would hurt those companies less than it would hurt the independents, the very ones on whom we are relying to find more oil.

If you want to vent your wrath upon unjustified profiteering, then draft some reasonable language barring excess profits.

Or draft a law requiring all profits in excess of a previous level to be reinvested in exploration.

Or put a severance tax upon the exploitation of these exhaustible resources and channel the proceeds back into the finding and development of new sources, as some of us have proposed.

But let us not in a fit of pique kill all the goslings because the goose hasn't laid more eggs. For that's the way to have even fewer eggs—or none at all—in the future.

I will admit that this move to rollback prices has a superficial political attraction, but it could be extremely shortsighted.

Some of you think you are slaying a dragon in the dark of night, but it could turn out to be the family cow. And its ghost could return to haunt you for your lack of vision.

Mr. WYLIE. Mr. Speaker, I would like to explain my vote to strike section 110, the provision which would roll back crude oil prices.

This is the second time around for this conference report and the conferees have added a new controversial section authorizing the President to roll back and set prices on petroleum products. Any

price reductions for petroleum must be passed through for a dollar to dollar basis to the consumer.

Here we go again taking the Alice in Wonderland path of bureaucrats and politicians attempting to manage an essential segment of the economy. Legislating lower fuel prices for the American people—How can anyone be opposed to that? Everyone knows how the pocketbook has suffered from the energy crunch, and the people have a right to demand relief. Consequently, section 110 of the amended conference report will peg the price of so-called "new" and "stripper well" crude oil at between $5.25 and $7.09 per barrel. Currently, these two categories of production are uncontrolled; and the market brings about $10 a barrel. The price of "old" domestic crude is already controlled at an average of $5.25 per barrel. Under the present price control, 76 percent of domestic crude is controlled and 24 percent is uncontrolled, Section 110 is aimed at the 24 percent category.

It is very tempting for those of us in politics to support such a proposal considering the current mood of the public. It is therefore essential that such a proposal be given a rational analysis. The issue basically hinges on the broad question of the effect of past Federal attempts to regulate by bureaucracy the workings of the market economy. In this context it is important to remember that in a Government-controlled economy prices and production levels are not determined by business-consumer decisions based on a supply and demand situation. Under economic controls prices and related decrees are essentially political decisions instead of economic decisions.

The difficulty with control is that a truly efficient economy must necessarily be regulated by market decision based on products supply and consumer demand. When politics ventures into the market, gross distortions are introduced into the economy that would never have occurred under the discipline of market forces.

A classical example is the recent independent truckers' strike which never would have occurred if the Government was not in the business of regulating freight rates and fuel prices. The regulations here involved appeared to be a good idea designed to protect the public's interest. In actual operation, however, they drove a major segment of the Nation's independent small businessmen to the brink of bankruptcy.

Shortages of beef are again predicted in the near future. Why? Well, in the not too distant past, retail food prices especially beef shot up rapidly. The Government responding to political pressures clamped on controls to allegedly protect the consumer. While these prices were rising, farmers started increasing their herds to cash in on what appeared to them as an improving market for beef. As soon as price controls were imposed, a lot of these ranchers decided that the incentive to expand their herds was no longer there and they cut back on beef in order to channel their assets into more profitable agricultural endeavors. Growing a steak is not like manufacturing toasters, and the production rates cannot simply be turned on and off at will.

A beef shortage was caused by Government policies which were attempting to solve the very problem which the Government helped create. In short, it becomes a rather vicious cycle.

The Congress has enacted wage-price control authority so that the President can regulate the economy. We are now somewhere in phase IV of said controls. Have they worked? A look at the accelerating rate of inflation since controls were first implemented under phase I provides the obvious answer. What the controls have caused in this period is twofold. One result is an expensive bureaucracy with the inevitable redtape recordkeeping and reporting costs imposed on the business community. Second, there were a number of serious economic dislocations suffered by numerous segments of the economy because wages and prices were being determined by "politics" instead of market forces.

And now, the same dreamers who believe that the State is capable and competent to do all things, are pushing for the same economic regulatory practices on crude oil. Will we ever learn the dismal lessons of past experience in this area? Is there any remote reason to believe that total price controls on crude oil and related products will somehow be effective this time, that there will be no serious economic dislocation, that the bureaucrats and their regulations will be more effective than the disciplines of the marketplace. In my judgment, this is a very dangerous provision and I will vote to strike it.

The price rollback provisions are totally unrealistic when viewed objectively and should be defeated.

Mr. GILMAN. Mr. Speaker, I applaud the work of the committee in reporting this energy bill from Conference with many of the House provisions in tact.

I was particularly concerned about section 112 of the conference report, "Prohibitions on Unreasonable Actions," and am pleased with the committee's clarification of that provision.

My concern reflects the disrupting effects our energy shortages have brought to bear on many small industries throughout our Nation.

One sector of our economy, the decorative lighting industry, has been particularly hard hit. As a result of the Federal Energy Office release of December 11, 1973, in which the Administrator called for a ban on "promotional, display and ornamental lighting of homes and apartments," the decorative lighting industry has experienced severe imbalances in business operations.

One small business engaged in the manufacture, sale and distribution of Christmas lighting in my own district, the Leco Electric Co., Inc., of Florida, N.Y., has provided my office with financial data which verifies a drastic reduction of sales since the FEO release.

While we all recognize that energy shortages call upon each of us to sacrifice to weather the storm, major disruptions to some small industries emphasize the critical burden shortages have created in some sectors of our economy.

For this reason I am pleased that the conference report clearly states the committee's legislative intent with regard to section 112. Accordingly, I include the following section of that report in this portion of the RECORD:

> The Committee has added a separate section to this legislation creating a statutory standard of reasonableness to be observed in the allocation of refined petroleum products and electrical energy among users or in taking actions which result in restrictions on use of such products and electrical energy. The Committee intends the term equitable to be applied in its broadest and most general sense. As such, the term denotes the spirit of fairness, justness, and right dealing. No user or class of users should be called upon during this shortage period to carry an unreasonably disproportionate share of the burden. This is fundamental to the traditional notion of fairness, and equal protection. The Committee expects the President and the Administrator of the Federal Emergency Energy Administration created under this Act to addidiously observe these requirements in the conduct of their functions.

This language is very clear in its intent. While the decorative lighting industry is more than willing to make reductions in their production and assume their fair share of the burden of our crisis, it is totally unfair to ask this portion of the economy to bear the full brunt of the shortages. The language cited above evidences the committee's recognition of this inequity.

I appreciate the fine work of the committee and am pleased to support the passage of this bill.

Mr. GRAY. Mr. Speaker, I first want to commend my friend and neighbor the distinguished gentleman from West Virginia (Mr. STAGGERS) and all of the members of his committee on both sides of the aisle for working so long and hard to resolve a complicated problem concerning the energy crisis. With so many divergent views I know everyone in Congress has agonized over how best to resolve the energy crisis by providing an adequate amount of gasoline, heating oil, propane and other oil products at reasonable prices.

Answers to these questions are not easy and I think the conference report now before us will help but certainly is not the total answer to meeting the energy crisis.

Mr. Speaker, we need to have better cooperation from the oil industry on supplying the Government with true and accurate figures on just what oil is on hand and what their total capability is for supplying the needs of the American people in the future. The figures given us so far do not square with the present facts. For example, we are told by the oil companies that all imports from the Middle East amounted to only 13 to 15 percent of total consumption of gasoline and other products in this country. The administration including the President recently announced that the American people through their car pooling, elimination of pleasure driving, and other conservation measures have reduced consumption by 20 percent. If we can believe these figures, then we should have 5 percent more gasoline on hand than we had before the Middle East oil embargo and therefore we should see no lines at service stations. We know this is not correct, therefore, where is the problem? Are the oil companies deliberately holding back their supplies in order

to force higher prices? If so, the amendment in this conference report rolling back prices will only add insult to injury.

Therefore, Mr. Speaker, I intend to vote for the conference report to give the President authority to deal with this crisis but I plan to vote to strike the rollback provisions for two reasons: First, the President will veto the conference report with this provision in the bill and therefore we will have no legislation at all; second, the Middle Eastern countries are now charging $15 per barrel for crude oil and if you force a price rollback to $7 a barrel in this country, how many oil companies do you believe will pay $15 a barrel or even $10 after the embargo is lifted and then turn around and sell the oil to the independents and others for half price.

I want cheaper gasoline and other fuels for my people in southern Illinois and across the Nation but we have seen what controls have done to the entire American economy. It has caused shortages in many commodities which in turn inevitably causes higher prices. What we need to do is make more oil available through increased exploration, conversion of coal to gas and conserve fuel wherever possible. Price controls 2 or 3 years ago across the board would have worked along with wage controls. However, at this late date, piecemeal approach to price controls is unworkable with oil or any other commodity. The price of gasoline will automatically come down when we produce more than we are using. When the oil embargo is lifted and we find new sources of oil in this country, as we can and will, the Arab nations will then roll back their prices in fear of losing their customers. Right now they have us over the oil barrel, as it were. I have many independent oil producers in southern Illinois who are willing to invest their high risk capital in exploring for new oil reserves, however, they must have a free market as a proper incentive. We also have a number of power and gas companies interested in joining the Federal Government in a partnership arrangement to build coal to oil conversion plants in southern Illinois. Mr. Speaker, we have over 150 billion tons of minable coal reserves in my congressional district. More than any other State in the Union. We are ready and willing to help solve the energy crisis. The best way to do it is to take the shackles from all segments of this industry and put them in the arena of competition, thereby letting them exemplify the American tradition of seeing "who can get there firstest with the mostest." If we vote for the conference report, we will be giving the President some additional tools to deal with the energy crisis on an immediate basis and if we vote against the rollback, we will see more gasoline, no lines at service stations, and in the long run much cheaper prices.

Mr. DONOHUE. Mr. Speaker, I very earnestly urge and hope that the great majority of this House will accept and approve this Energy Emergency Act conference report now before us.

In approaching our voting decision on this conference report, let us calmly and patiently remind ourselves that no human instrument can be perfect and that no legislative action can be entirely satisfactory to everyone involved.

On this score, let us further remember and emphasize, in our action here today, that effective response to a national emergency in the overall national interest is the very highest obligation of the Congress and it is our additional high duty to insure that necessary sacrifices in a national emergency are equally imposed on every group and sector within our American society.

Mr. Speaker, it is only too clear that existing energy shortages with their attendant confusion, aggravation and disruption of everyday American life has brought our average citizen practically to the breaking point of personal patience. It is only too clear that the energy crisis has accelerated the inflationary spiral and is visiting even more extreme financial hardships upon already overburdened millions and millions of American workers and their families and particularly our older citizens.

It is only too clear that the energy emergency is solely responsible for vastly increasing unemployment for millions of Americans. It is only too clear that increasing numbers of our citizens are daily questioning the ability and determination of the Congress to effectively act on their behalf at a time of national emergency.

This conference report is a reasonable overall compromise of most of our varying convictions and it presents us all with a timely opportunity to answer the question about our ability to act and to resolve the growing doubt about our paramount concern for the national interest.

In effect the approval of this report will constitute a first step toward the eventual solution of this agonizing energy supply problem. In summary, the adoption of this bill will provide for a freeze on domestic crude oil prices, a rollback, after 30 days, of crude oil prices that are not now subject to control, to offset windfall profits, and a pass-through to consumers of any resultant reductions in fuel cost. It will expand imperatively needed unemployment assistance and require compensation to be paid to all persons who become unemployed as a result of the energy crisis.

It will also grant standby authority to the President to initiate gasoline rationing if necessary; instruct certain electric utilities to switch from oil to coal; provide franchise protection to gasoline dealers; require major oil companies to disclose information about reserve supplies, price structures and operating practices; establish antitrust review action; permit the President to raise the price of oil on the condition that such action will stimulate new oil production and research; temporarily suspend the limitations on stationary or motor vehicle fuel emissions and authorize low interest loans to homeowners and small businesses to assist in improvement projects designed to conserve energy.

Mr. Speaker, as I previously indicated, this conference proposal is by no manner of means inherently perfect nor fully satisfactory to each one of us. For instance, I and many others feel that the fuel price ceiling established in this report is still too high for the average consumer's pocketbook but it is a step in the right inflation control direction while we continue to work for further and more realistic price reductions. Also the opportunity for the oil companies to extract excess profits is not completely eliminated and it does generate some justifiable concern about restrictions.

However, Mr. Speaker, I believe that, in its entirety, the adoption of this report will initiate imperatively needed government action to alleviate a great many of the hardships and discomforts that have been inflicted upon this Nation by the sudden energy shortages and it will provide vitally needed assurance to the average American that the Congress is truly concerned about his welfare and determined to find solutions for the short- and long-term problems associated with this energy crisis. Therefore, I hope that the conference report is resoundingly adopted by the House today while we plan and work for even more effective legislative action to enlarge our domestic energy production sources and establish our everlasting independence from political pressure threats and caprices of foreign supply sources.

Mr. HORTON. Mr. Speaker, today is another sad chapter in Congress pitiful response to an energy crisis. President Nixon has said recently that we no longer have an energy crisis, but an energy "problem." I do not agree with the President on that score, but just think what that says of the Congress. We have seen a crisis come and go and all we have been able to do is reduce highway speeds and return to daylight saving time.

I will not recount my frustrations with getting congressional approval of bills creating a Federal Energy Administration and an Energy Research and Development Administration. There is no good reason why those crucial bills should not have become law many weeks ago. But today we must concern ourselves with the emergency energy legislation, a long-overdue product in its own right.

Unfortunately, the conference report before us contains so many questionable provisions that the veto stamp is poised for action. Granted, as the legislative branch, we should not succumb to veto threats and merely pass bills that are totally acceptable to the administration. But surely we could have done a better job of keeping this bill free of provisions which are of dubious merit and which should be resolved in separate legislation.

The price rollback provisions in section 110 of the conference report are a case in point. Rolling back prices sounds good to the American consumer whose fuel costs are soaring along with everything else. They have tremendous political appeal. But they are a hoax. They do not solve the problem and they will probably make our fuel situation worse.

In the first place, as much as five-sixths of the oil consumed in this country would not be affected by the rollback. About a third of our oil comes from imports and no act of Congress is

going to change the prices being charged on foreign crude oil. The oil producing nations are exhibiting tactics which are nothing short of extortion and they can only be dealt with through diplomatic channels. In addition, about two-thirds of the oil produced domestically in the United States is now under price controls at levels equal to or below the rollback level, and the rollback would have no effect on this oil. That leaves the so-called new oil, the new discoveries and the small, marginal stripper wells. These are the very sources we must encourage if we want to increase domestic production and become less dependent on foreign oil. Our experience with price controls should have taught us by now that people do not produce goods at a loss or at a low rate of return on investment.

I would agree that the current uncontrolled price for new domestic crude is probably excessive, and that new exploration and production could be encouraged by a somewhat lower price. However, the $5.25 rollback ceiling price that would be imposed by this provision of the bill is so low, by comparison to the current price, that it could seriously endanger our ability to develop new domestic sources. I must oppose the setting of artificial prices which would discourage domestic oil production and only compound our problems. If we want to act in the true interest of the consumer, we should concentrate our efforts on preventing the oil companies from profiting excessively. A windfall profits tax, with plowback provisions to encourage increased investment and research, is the proper vehicle to prevent the oil companies from getting rich on the sacrifices of Americans.

Mr. Speaker, I will also vote to strike the rationing provisions of the conference report. I am not against rationing should it become necessary as a last resort and I am adamantly opposed to placing a tax on fuel or any other scheme that uses economic disincentives to reduce fuel use. But the rationing authority provided in this legislation offers no opportunity for congressional input or veto. The President could implement any plan he wants to. He should not have that blanket authority. Rationing, if it comes, will change the lives of every American and their representatives should have a voice in it.

Mr. Speaker, I expect the rollback and rationing provisions to remain in the conference report. I will vote to send the bill to the President despite my concerns with these provisions. Congress must get a bill to the President's desk. We have delayed far too long. The administration cannot continue to cope with the energy crisis by Executive order. This conference report appears to be our only hope of getting congressional authority and guidelines to the White House.

Mrs. BURKE of California. Mr. Speaker, I would like at this time to clarify briefly the intended scope and purpose of section 206(d) of the Emergency Energy Act.

This section of the bill was offered as a floor amendment by Congressman JOHN ANDERSON on December 14, 1973, in behalf of Congressman GLENN ANDERSON and myself. It was originally introduced as a separate bill in the House of Congressman GLENN ANDERSON and myself with over 30 cosponsors and was entitled the "West Coast Corridor Feasibility Study Act of 1973." It was introduced in the Senate by Senator TUNNEY, who succeeded in getting it adopted in the Senate last July 11 by a unanimous vote.

I know that in passing the Emergency Energy Act, the Members of this body recognize the vital and real need to begin now to develop a plan for a high-speed ground transportation system linking the major cities of the west coast—a system that will insure fuel savings, promote the economy of the region, and provide our citizens with an effective and efficient alternative to the automobile and airplane as a mode of transportation.

In conducting this study required in section 206(d) of the bill, the Secretary of Transportation is directed to evaluate and analyze a number of factors, including but not limited to the efficiency of energy utilization, the cost and the impact on the economy of the region. In addition, it is intended that the Secretary will evaluate and analyze those factors listed in the Senate-passed version of the West Coast Corridor Feasibility Study Act of 1973, S. 1328. These factors include—

> The various means of providing such transportation, including both existing modes and those under development, such as the tracked levitation vehicle; the environmental impact of such a system, including the future environmental impact from air and other transportation if such a system is not established; the factors which would determine the future adequacy and commercial success of any such system, including the speed at which it would operate, the quality of service which could be offered, its cost to potential users, its convenience to potential users, and its ability to expand to meet projected increases in demand; and the ability of such a system to be integrated with other local and intrastate transportation systems, both existing and planned, in order to create balanced and comprehensive transit systems.

In carrying out the investigation and study pursuant to this act, the Secretary of Transportation should be permitted to enter into contracts and other agreements with public or private agencies, institutions, organizations, corporations, or individuals, without regard to sections 3648 and 3709 of the Revised Statutes (31 U.S.C. 529; 41 U.S.C. 5).

These are not by any means an exhaustive list of the factors which the Secretary will evaluate, but they are intended to identify the desired nature and scope of the study. Now is the time, in the legislation before us, to recognize the need to undertake a national effort to update our national transportation system to achieve our national goal of fuel conservation and greater development of public mass transportation systems.

Mr. BIAGGI. Mr. Speaker, I rise in opposition to the rule as proposed which will allow consideration of the emergency energy bill conference report. We cannot afford to permit this vital legislation to fall victim once again to a parliamentary quagmire which could consume the bill once and for all.

The rule proposed today will allow points of order to be raised against sections 105 and 110 of this report which could eliminate these sections without even the benefit of a vote by the representatives of the people. Such key provisions as the rollback in crude oil prices—and emergency energy conservation plans are essential to the development of viable solutions to our present energy dilemma. Let us not be afraid to bring these matters to a vote, let the American people know our positions on key energy issues.

This Congress has already been the butt of much criticism as a result of procrastination and inaction on this important legislation. We cannot allow this poor record to continue. How much longer do our gasoline lines have to get before we act responsibly? I say the time is now, to act. Let us begin by defeating this unfortunate rule.

Mr. HANRAHAN. Mr. Speaker, because our country is facing this serious energy crisis today, and because it is becoming difficult for some of us to reach our place of employment, or warm our homes, I will vote to support the Emergency Energy Act. I think the Nation desperately needs decisive legislation in this area without further delay.

However, I would like to go on record as being strongly opposed to the language in this bill which bestows upon the President and the administration of the Federal Energy Office the power to ration gasoline. My opposition is based on the same reasons I first cited: Statistics have proven gasoline rationing would cause unemployment to skyrocket; and the multitude of individual appeal cases that would need immediate attention would create an unworkable flood of red tape. Our lifestyles have not been set up to run on 9, 10, or 15 gallons of gasoline a week, and any attempt to force this rationing could be disastrous to millions of Americans.

In spite of this unbending opposition to gas rationing, I shall vote to pass this emergency energy bill considering the benefits we do stand to gain from the legislation.

Mr. BURKE of Florida. Mr. Speaker, I want to voice my objections to the bill before us—S. 2589—and to the bewildering array of amendments that this body, and the other body have become enmeshed, with the result that it delays coming to grips with the energy crisis.

Frankly, I must admit that I am frustrated and angry and I can well understand the angry frustration of my constituents who daily obtain inaccurate information and rumors regarding the availability or nonavailability of crude oil and gasoline supplies. It does not help matters any either to heap onto this conflicting information, complicated parliamentary maneuvers, and unlimited amendments.

When we considered S. 2589 before for several days last December, it was a foregone conclusion that nothing workable could come out of the prolonged floor fights. Although I favor debate on major issues, yet the time and place to write legislation is not on the House floor with 435 Members expressing 435

different views as to what must be done, and the offering of numerous amendments thus resulting in the final legislation becoming a crazy quilt of do's and don'ts that confuses even the diligent bureaucrat who is called to administer—or I might say try to bring order out of bewilderment.

It is exasperating to even try and explain so little accomplishment. I am, aware of the complexities of the present energy situation but it is our responsibility as representatives of the citizens of the United States to honestly investigate and ascertain the true facts, and then recommend reasonable actions to help alleviate the widespread shortages of gasoline and other petroleum products.

Many of the debates in the Congress are only mere words, and people want helpful action and not rhetoric. They want gasoline. They want heating oil. They want petrochemical products. We all know that many jobs are dependent on adequate supplies of these materials. My job, for example, as the elected representative of the 12th Congressional District of Florida, is made almost impossible by the present situation. I have had to miss scheduled appointments, because I had to wait in long lines to get to a gas pump to buy enough gas to drive to the Capitol. Last weekend, I had a difficult time getting a reservation on an airplane to my district, due in part to the cutback in flights made by the airline because of the energy shortage. When I got to the district, it was difficult to get around because of the severe gasoline shortages there.

The situation is not only exasperating but almost intolerable to the citizens of our country without us belaboring it further with continual debate on a poor piece of legislation.

It seems to me that we must exercise more discipline in our procedures so that legislation that comes to the floor of the House can be handled in an orderly and sensible manner sufficiently so that we will know when the voting is over, just exactly what we have done and that we passed an honest workable bill. Vital problems that our Nation today faces deserve the fine legislative brush strokes of an artist, not the wild, unrestrained strokes of a house painter. It is true that it is hard for a body as diverse as is the House of Representatives, to act in concert, but it must be done. It is the responsibility of both Houses to work in concert with each other without involving itself in politics if we are to the energy problems that plague us today. We, who represent the people, owe this to them.

Mr. NIX. Mr. Speaker, I rise in support of the conference report and the emergency energy bill. While this bill will obviously not satisfy everyone on all counts, it does take several major steps in the right direction. Perhaps the most important step is the rollback of exorbitant price increases that the administration has allowed for nearly a third of all crude oil produced in this country. These price increases have placed unnecessary and intolerable burdens on American consumers. The rollback provision in this bill will allow adequate incentive for more oil production while preventing windfall profits at the expense of the American people.

I am also pleased that this bill contains several other positive features, such as the requirement for energy companies to report accurate information to the Federal Government concerning their resources and production, the extension of unemployment benefits for workers who have lost their jobs due to the energy crisis, new protection for franchised retail dealers, and antitrust safeguards.

Of course passage of this bill will not end our responsibilty to deal with the energy situation. I have introduced, along with many of my colleagues, several bills designed to deal with the long-term energy crisis. I believe we must consider several areas of possible legislation, including the tax structure of the energy industry, monopolistic practices among the giant multinational oil companies, the lack of adequate energy information, and the role of the Federal Government in developing energy resources on Federal lands.

Mr. HANLEY. Mr. Speaker, at this time I wish to make an inquiry with regard to the conference report of the Energy Emergency Act (S. 2589) which is now pending before this body.

I have noted that the purposes of this act, as set forth in section 101(b), are "to call for proposals for energy emergency rationing and conservation measures," and to authorize specific temporary emergency actions necessary to meet the fuel needs of the United States. These purposes must be fulfilled "in a manner, which to the fullest extent practicable: maintains vital services necessary to health, safety, and public welfare."

In my position as chairman of the Subcommittee on Postal Service of the Committee on Post Office and Civil Service, I have become increasingly aware of the necessity for the Postal Service and its contractors to receive the fuel they need to deliver the mail in a prompt and efficient manner. There are few services which touch our constituents as frequently or as regularly as that provided by the U.S. Postal Service—the collection and delivery of some 90 billion pieces of mail each year. It is essential to the well-being of the Nation that those who provide this service be given sufficient fuel.

When the Emergency Petroleum Allocation Act of 1973 was pending before this body several weeks ago, a similar inquiry was made with regard to that legislation during the floor debate. I believe you remarked that it was the intention of the committee that the movement of the U.S. mail by the Postal Service was a priority in the allocation of fuel, and that the term "mail delivery," which was contained in the committee report (93–531) at page 18, included the movement of the U.S. mail by the Postal Service, its lessors, rural carriers, contractors, and air carriers.

Mr. Speaker, as I understand section 101(b), of the Energy Emergency Act and its relationship to section 104, entitled, "End-Use Rationing," and section 105, entitled "Energy Conservation Plans," any regulations promulgated pursuant to the aforementioned sections, which codify the purposes of this act, must provide, to the fullest extent practicable, for the maintenance of vital services necessary to health, safety, and the public welfare.

In view of our action on the Emergency Petroleum Allocation Act of 1973, and the statements made during the consideration of the Committee report on the House floor which specifically included the movement of the U.S. mail within the act, am I correct in assuming that the committee intends that the term "vital services" in section 101(b) of the Energy Emergency Act includes the collection, transportation, and delivery of mail by the U.S. Postal Service, its lessors, contractors, and carriers?

Mr. MOAKLEY. Mr. Speaker, once again the House is forced to vote on a crucial measure; one that affects each and every American.

Too often, however, bills such as this come up with laudable intentions, yet the purposes which these bills are intended to serve immediately are frequently outweighed by necessary but more long-term goals.

This bill is a case in point.

I can therefore rise only in reluctant and reserved support for the measure.

As I said earlier, the bill's intentions are noble. But it is not enough. The American consumer must be given some relief. He has suffered long enough at the hand of the major oil companies and the actions of a seemingly uncaring and incompetent administration. The relief that this bill would provide him is minimal.

I am confident that more effective legislation could be written.

Such new legislation must include the basic ideas of this bill, but must go deeper, to get at the heart of the problem in the most efficient manner.

Such new legislation must attack the question of a price rollback on domestic crude oil. The current bill, designed to combat an "artificially high" price of crude, would allow the President to set a ceiling of $7.09 per barrel on some crude, and $5.25 per barrel on the rest. Is this also not artificially high? In January of 1973, not really so long ago, the price of domestic crude was $3.40. Oil currently sells for above $10 per barrel. The rollback suggested in this bill would provide the consumer with only a 1- or 2-cent saving at the gas pump. This simply is not enough.

Opponents of the rollback argue that such a price decrease eliminates the incentive which oil producers have for exploring and drilling new wells. If the current increase of nearly 300 percent has not elicited any new supply, how can we believe that a 200-percent increase will do the same?

I thus am reluctant about the rollback provisions in this bill. It simply does not curb the windfall profits which oil producers are reaping. It simply does not give the consumer adequate and immediate relief.

A second major point which this bill does not adequately serve is of the environmental problem. By authorizing an-

other delay in the timetable for achieving effective emission standards for automobiles, the effort the Congress has made in this area would suffer an extreme setback. Further, the bill would extend in some cases for 5 years pollution requirements on certain powerplants and industries. The previous efforts which the Congress has made on the environmental front must not be so undermined. Effective legislation can be written so as to help the energy problem, and not make our people suffer from unclean air.

I am thus not satisfied with this bill. It sacrifices too much which the American people need so desperately now.

However, this bill, while certainly not perfect, is at least a start. It at least begins to tackle this enormous problem.

Finally, it shows that the Congress is dynamic, that it can respond to the needs of the American consumer when the administration cannot.

I therefore lend my reluctant support to the conference report as it stands.

Mr. MURPHY of New York. Mr. Speaker, as originally reported out of the House Interstate and Foreign Commerce Committee, this Emergency Energy Act contained three amendments of mine, added to different sections of this bill, which would have extended to our educational sector a priority classification in any energy conservation plan or gas rationing system. My reasons for introducing these three amendments were, in principle, rooted in what I consider to be the vital role education plays in our social fabric. I felt then, and always will, that education supplies one of the principle underpinnings to political, social, and economic cohesion in America. I felt that I was not only catering to the needs of education. My motives grew out of the conviction that I was only fulfilling the rights of education, as perceived by me, commensurate with its role in the United States.

As passed by the House, the Emergency Energy Act contained these vital amendments. I pointed out to my colleagues, during debate over these provisions, that the November 27, 1973, edition of the Federal Register had published a series of modifications to the mandatory allocation program for middle distillate fuels which did not give education a fair shake. Section 2 of these regulations had defined "vital community services" in such a fashion that education was not included. What were listed as "vital community services" constituted priority categories. Thus, these regulations implied that education would receive its allotment only after the needs of the priority users had been met. This was unacceptable.

Unfortunately, the first joint House-Senate conference elected to strike out priority listings. It was my understanding, however, that it was the firm intent of the conferees that education be extended top priority in whatever conservation plans or gas rationing systems might be put into effect. They had decided to abolish priority categories for other reasons.

I understand that the Federal Energy Office Mandatory Fuel Allocation Regulations, which went into effect in mid-January, gave our Nation's schools the place of high importance which they deserve and I am very pleased about that.

The distinguished chairman of the Committee on Interstate and Foreign Commerce knows that a general purpose of this act and the Mandatory Petroleum Allocation Act is to protect the public welfare and maintain all essential public services. In this connection, I ask the chairman of the committee about the intent of this measure with regard to education. It is my impression that the intent of this measure is not intended to result in a forced closing of schools, and that the educational process and schools will continue with a minimum of disruption.

It is my understanding also that the conference report language, coupled with the House record on passage of the Emergency Petroleum Allocation Act, insures that education will be treated as a vital public service whenever priorities are established under section 4 of the Emergency Petroleum Allocation Act.

May I also bring to the attention of this body an amendment to this bill, introduced by me in committee, which will permit New York State to import electricity from Canada. It is my firm conviction that anyone familiar with the dire problems New York State is facing in regard to energy will concur with me in the emphasis I have placed on such action.

The next phase of the New York State Power Authority's construction program includes fossil and/or nuclear baseload facilities to serve the Metropolitan Transportation Authority, a second pumped storage plant also in part for the use of MTA and high voltage transmission lines to connect those projects to the State grid and to connect our St. Lawrence hydro project to Quebec and to reinforce its connection via Utica to the Niagara project. Those transmission lines will make it possible to import from Canada each summer beginning in 1977 a minimum of 800,000 kilowatts of power which during 7 months of the year is surplus to Canadian needs.

The new facilities which will be used to import Quebec power will be subject to very thorough review by the New York State Public Service Commission pursuant to article VII of the public service law. The Public Service Commission will examine every possible environmental consequence.

In order to import the power, the authority plans to construct a 765 kilovolt transmission line from a point on the international boundary between the State of New York and the Province of Quebec approximately 2 miles east of the village of Fort Covington, N.Y., to a substation located near the authority's St. Lawrence power project and thence to a substation near Utica where it will connect with the New York statewide transmission system. The transmission line will be approximately 150 miles in length. The arrangement with Hydro-Quebec will result in a very substantial net importation of electric energy into the State of New York thereby resulting in substantial savings of fossil fuel resources which would otherwise be used to generate the power within the State of New York. Also, of significant importance, this project will improve the air quality within the State in areas where the power would otherwise be generated by fossil fuels. If the minimum 3 billion kilowatt-hours of electric energy to be imported through the border connection were to displace an equivalent amount of gas turbine generation, the savings of petroleum resources would amount to at least 7.8 million barrels annually. Since the agreement with Hydro-Quebec provides that additional amounts of energy can be imported, the savings of petroleum resources could be even greater. All of the electric energy imported through the border connection will be sold within the State of New York, primarily within the New York City area. I consider this provision to be of critical importance to New York State.

May I also take this time to stress, very briefly, the value of this Congress encouragement of public usage of mass transit facilities in combating this energy shortage. We are all aware of the vital necessity of seeing to it that the people of America wake up to the importance of their utilizing mass transit. This will be of direct benefit to this Nation as it attempts to combat this energy crisis. It will also contribute to the continued and habitual use of these facilities so that our long-term needs are met. We all have a responsibility at this time, despite the fact that this is an emergency bill, to look ahead. In this vein, I introduced, and the House adopted, an amendment calling for Federal planning and studies of ways mass transit usage can be encouraged.

I oppose rationing. However, since this bill is designed to give the President the flexibility necessary to imposing a rationing system, if he sees fit, I am in favor of the President's having this domain of authority. Under the provisions of this Emergency Energy Act, our President will be able to declare the necessity for a rationing system, draft a specific policy formula in this regard, and impose it. He will have the responsibility to decide when such a measure is called for. He will have the responsibility for implementing it properly. He will also have the responsibility for its consequences.

As the problems involved within this energy crisis multiply, with the concomitant public outrage, certain recent discoveries startle me. Why are American citizens waiting for 3 hours in line at service stations to buy gas while 214 million gallons of gas are in storage? Is the public supposed to accept this fact in a hands-down manner? While immersed in acute shortages of energy fuels, why is propane being flared in New Jersey because it abounds in excess? Are there not certain dimensions to this energy shortage that need clarifying if a responsible course of action is to be followed?

The first step in meeting this monster is to intelligently delineate the respective areas of responsibility for those involved. The Federal Energy Office should not have a monopoly on decisionmaking with regard to the distribution process. It does not have the expertise and wisdom to

merit such power. Let the Federal Energy Office cooperate with the oil industry. The oil companies know the real problems involved in distribution. They have a wealth of experience here. The Federal Energy Office, no matter how good its intentions, lacks this. A rational balance must be found in order to adequately work out these difficulties.

The Federal Energy Office might have the genuine capacity to rule in the area of pricing. The Office does have experienced, knowing personnel in this sector. It might be able to unilaterally handle this. But not in the distribution field. Lets bury the illusions and pursue a program of sound public policy.

Mrs. HECKLER of Massachusetts. Mr. Speaker, prompt passage of emergency energy legislation is essential.

Each day, millions of Americans are forced to wait for hours in line to get gasoline for their cars. Mothers have to watch their children trudge off to school in darkness each morning and pray they make it safely. Hundreds of thousands of people are losing their jobs because of the energy crises.

The people cannot wait any longer for their leaders to respond to this crushing problem.

The Energy Emergency Act (S. 2589) before us is a start toward resolving our short-range energy problems. However, this bill contains a great many serious shortcomings.

For example, in Massachusetts unemployment was at about 7 percent before the full impact of the energy crisis was felt. In Fall River, in my 10th Congressional District, the jobless rate was 9 percent. These figures could go even higher before the crisis reaches its peak.

To assist workers who lose their jobs because of the energy crisis, the Energy Emergency Act (S. 2589) offers little help. A paltry $500 million would be divided among the 50 States, and benefits would be provided for 6 months to a year.

This is outrageous. Unemployment benefits should be continued for as long as they are needed, for as long as we have the crisis. And we cannot even get officials of this administration to agree on how long that will be.

The bill does contain provision for low interest loans to homeowners and small businessmen to stimulate installation of storm windows, insulation, and more efficient heating units as a step toward long-range conservation of energy. As you know, I cosponsored such a measure H.R. 11615, along with 13 other of my colleagues, on November 28, 1973.

I am disappointed, however, that the basic contents of the Energy Reporting and Information Act on which I am currently working have not been included. With the passage of this energy bill the American people must continue to depend on oil company figures as the major source of energy data. Approval of such self-reporting is totally irresponsible. The Federal Government desperately needs an objective means of obtaining verifiable energy data. Provisions for such information-gathering are not found in this bill.

The gasoline price rollback outlined in this legislation is a first step toward fairer treatment of the consumer. Increasing gas prices and never-ending lines at the pumps are infuriating the American public and rightly so. Excessive oil company profits appear to be lifted right out of the consumer's pocket. Such excesses cannot be tolerated.

This bill leaves a great deal to be desired. I regret that it cannot be amended. However, the American people have a right to expect their leaders to act swiftly. They have waited in mile-long lines, sent children to school in the dark, and paid skyrocketing home heating fuel bills for weeks. Congress must act and must act now.

Mr. CULVER. Mr. Speaker, I am supporting final passage of the conference report on the Energy Emergency Act, even though in my judgment, the bill shows all the earmarks of the tremendous pressures brought to bear on the conferees in November and fails adequately to address the emerging problems as we now perceive them near the end of the winter season.

It is no disparagement to the conferees to say that they have been subjected to tremendous time and lobbying pressures, and have labored under the severe handicap of not knowing the true dimensions of the problems they were asked to remedy. The perhaps inevitable reaction has been to hand over excessive power to the administration and the industry, in the hopes that emerging information would allow for meaningful congressional oversight. I believe we must pledge ourselves to redress this imbalance through an ongoing and carefully deliberated legislative program.

What is needed, as I see it, is first to collect the necessary energy information and then to develop fully matured legislative proposals in each of the interrelated areas that bear on both short-term and long-term remedies. I have myself set forth an agenda for such action in a special order that appeared in the RECORD on February 7. The conference report does not preclude our acting on such an agenda, and the Federal Energy Administration Act will provide a solid institutional foundation for our doing so when we act on that bill. Thus, although I have serious misgivings about the conference bill now before us, I am hopeful that it will be administered with restraint until such time as we can come up with better solutions.

I am not at all satisfied that the emergency authorities conferred on the President by this bill are justified by any current necessity. We are very nearly through the winter, we have managed to avoid any serious heating-oil shortages, and I am not happy at all with the idea of Federal bureaucrats ordering schools to close or regulating office hours by decree. We should make clear our intent that decisions on these matters should be taken largely by private individuals and by State and local authorities. The 15-day congressional veto by itself is unlikely to provide an adequate check on excessive bureaucratic zeal.

The price rollback provisions of this bill are a considerable disappointment. They would fix all domestic crude prices at a national average of $5.25 per barrel, yet give the President an essentially unreviewable discretion to raise these prices to more than $7 a barrel if he finds that it is needed to balance supply and demand and is not "inequitable." This is really buckpassing, and we know what is likely to happen because the administration is publicly committed to a long-term $7 price—which I consider and even the National Petroleum Council has conceded to be far too high. Under the bill, even "old" oil from nonstripper wells could be removed from its present price controls, although there is no justification whatever for doing so. Higher prices are certain to be "inequitable" to specific classes of consumers—particularly the poor, the elderly, and those on fixed incomes—yet the President could determine that such higher prices should prevail. Clearly this is one area that the Congress must closely monitor and revisit at the earliest opportunity.

The environmental and antitrust aspects of the bill are similarly disturbing. Fidelity to principle is professed, but in practice significant degradation of environmental and competition goals is made possible. Here, too, we need to move beyond emergency reactions to well-considered legislation confining the discretion of the administration and the industry.

I am voting for the bill because it does provide us with the only present opportunity to authorize end-use rationing. It seems to me that we have reached a point where rationing may well be needed to assure smooth and equitable distribution of available fuel supplies. What we have now in many areas are lengthening lines of motorists with shortening tempers, and skyrocketing prices for certain essential fuels like propane. The Federal Energy Office is meeting these problems with a blizzard of press releases but no effective action. It takes political courage to recognize realities and impose unpopular remedies, and I think we are right to insist on that kind of courage rather than allowing the President a continuing opportunity to escape it.

Having said all that, I must confess that I think we have labored long enough on emergency legislation and that the thing to do now is to put it behind us and get on with the unfinished energy agenda that confronts us. It is with that definite objective and on that understanding that I have determined to vote "yea" on final passage of the conference report.

Mr. CLEVELAND. Mr. Speaker, if those of us who are opposed to the rationing section in the conference report are unsuccessful in having it removed, I intend to vote against the bill. Colleagues may recall that I voted for the measure when it first came before this body, though with considerable reservations. I can only say that my misgivings have intensified in the period since.

My principal objection relates to the standby powers to impose gasoline rationing, which were rewritten in conference. This represents another abdication of congresional responsibility in two respects: First, it vests a great deal of

arbitrary power in the executive branch at a time when the Congress has otherwise been exhibiting some faint stirrings of independence. Second—and this is a related point—Members should stand and be counted on whether rationing is necessary and in the public interest, rather than drop the problem in the administration's lap. Instead, we offer the spectacle of Congress refusing to face its own responsibilities.

This body has been fearless and forceful in acting to limit the powers of the Executive to do unpopular things like committing U.S. forces to hostilities and impounding funds for programs voted by the Congress. I have supported these in the name of needed reform. Similarly, I have supported reassertion of our own responsibility to determine national priorities through the budgeting process and am now in the process of developing other initiatives to strengthen the Congress.

But if the Congress wants to be treated as a coequal branch, it should start acting like one. With the latest survey on the subject now showing that the Congress ranks lower than the post-Watergate White House in pubic esteem, our performance on this bill may only generate more of the same.

I wish to emphasize that my opposition to the rationing powers should not be interpreted as any slighting of Mr. Simon, who has been performing a most difficult task as well as can be expected to date, under the emergency fuel allocation program. But I cannot say the same for the contingency rationing program published by the Federal Energy Office in the Federal Register on January 16, whereby the most a driver can expect to get is 10 to 12 gallons a week. If instituted, this would work an incredible hardship on many residents of New Hampshire who must use the automobile. It would also be a crippling blow to the recreation and tourism industry which is a significant factor in the economy of the State and others in New England.

Mr. BAUMAN. Mr. Speaker, with the passage of the conference report on S. 2589, the National Emergency Energy Act, the House has brought to a close the 4-month drama in which all the worst angles of our nature were revealed. Not only have we succeeded in twisting the rules of the House, but today we have made a valiant but doomed attempt to repeal the laws of economics.

We have taken the totally mistaken step of trying to write into Federal law the price for a named commodity, domestic crude oil. We voted to extend and expand the powers of Mr. William Simon whose administration of his existing powers has already been called into question and rightfully so. And lastly we have abrogated our constitutional duty to pass upon the issue of rationing by turning over to the President the power to impose rationing plans without our consent.

All the hot air of politicians will not produce one drop of additional fuel, and the measure we have passed today will in all likelihood produce economic chaos in our country. Waiting lines that have been long should now double, fuel that has been scarce should disappear and those who have voted against this so-called Emergency Energy Act will soon be able to say "we told you so." I am pleased to be in that group.

Sadly enough, the economic havoc we are creating is not the most serious by-product of this legislation. Even graver is the demonstration that the House is unable to act responsibly in a time of national crisis.

Mr. BADILLO. Mr. Speaker, I urge passage of the Energy Emergency Act conference report without further delay. And let us make it clear, Mr. Speaker, that while the President has criticized the Congress for inaction on this legislation, it has been White House lobbyists who have been up here since December battling the bill every inch of the way. First they were against a prohibition on windfall profits, and now it is the price rollback provision. But it is clearly our responsibility to deal with the problem of runaway oil prices at the same time we grant the President authority to ration gasoline and take other emergency steps that might be necessary to deal with the present crisis.

The cost of living went up 8.8 percent in 1973, the highest increase since 1947, and inflationary pressures have gotten stronger rather than abating so far in 1974. With skyrocketing food and fuel prices leading the way, real earnings declined almost 2 percent last year, and the surge of energy-related unemployment in the last few months promises more hardships for the average American.

If the oil companies were in distress, the White House might have a point. But in a period of retrenchment and sacrifice for most of us, reflected in long lines of cars at gas stations and partially heated apartment buildings, the oil industry has racked up record profits. The oil shortage has enabled Exxon to increase its 1972 earnings of $1.5 billion to $2.44 billion in 1973; Mobil to advance from $574 to $834 million; Socal from $547 to $843 million; Texaco from $889 million to $1.3 billion; and Gulf from $447 to $760 million.

I have no objection to earnings levels that will allow the oil companies to carry on needed exploration and development of new energy sources. Regrettably, we have learned that the oil companies have not been plowing their profits into expansion in the United States but have instead been investing development funds in their more profitable overseas ventures. The oil majors' corporate investment abroad has in fact leaped in 10 years from $6 billion to $16 billion while going up only from $6 billion to $10 billion in this country.

A year ago domestically produced crude oil was selling for $3.40 a barrel. Today the price is $5.25, and new oil and oil from small stripper wells is selling for as much as $10 a barrel. The 1973 earnings of the industry reflect the profits built into that price range. The price rollback provision in S. 2589 would lower only the higher figure and would allow ample profits for investment in domestic exploration and development. We simply cannot justify continued rising prices that will double the $9 billion earnings of last year during 1974.

Mr. Speaker, the demand for exorbitant profits in the midst of national deprivation cannot be acceded to. The oil companies have shown little inclination in recent years to develop new energy sources here in the United States with their earnings, and there are no guarantees that they will do so under any price structure.

American multinational oil companies have prospered from an artificial pricing system for Mideast oil that has enabled them to avoid nearly all U.S. tax liability on overseas profits. The same companies have lobbied vigorously to keep the oil import quota system in place as a barrier to import of new supplies, with the fallout of discouraging development of new refining capacity in this country. In fact, the majors have successfully opposed efforts by independents to build new facilities; for example, Occidental's planned new terminal at Machiasport, Maine, in the 1960's. Consequently, capital spending by the oil companies in the United States peaked in 1970 and there has been no expansion since.

The monopolistic pattern of the oil industry has also contributed to the current shortage. Profits are a function of supply in a free market, Mr. Speaker. But the oil majors are vertically integrated from wellhead to retail outlets, and their transactions amount to a continual process of selling oil to themselves over and over again right through the production-distribution cycle. With the almost total dependence of independent refiners on the willingness of the multinationals to supply them, oil coming onto the American market can be effectively controlled so that prices can be maintained at artificial levels. The revelation that some of the companies are holding out badly needed supplies of crude oil because of disagreement with the Government's mandatory allocation program illustrates the total unaccountability of this industry and its undivided devotion to its own prosperity.

Amidst the loss of jobs, personal inconvenience, and cutbacks in services and amenities caused by the oil shortage, we cannot condone an unprecedented bonanza for one industry. Equity requires us to see that sacrifice is borne equally and that one sector does not prosper out of all proportion in a period of severe national distress.

This conference report is but a beginning in our attempt to bring a runaway situation under control. It deserves an overwhelming vote in the affirmative to demonstrate our concern to the public and to send a message to the White House. Further measures will be needed, but let us pass this emergency bill to give the country the assurances it wants that sacrifices will be uniform.

The additional unemployment insurance in the bill is already necessary, and I believe that we should have the rationing authority in place should the shortage worsen. Our obligation is to all the people, and the conference report before us is a fair and rational beginning for the long-range efforts to deal with the crisis we face.

Ms. HOLTZMAN. Mr. Speaker, it is with grave misgivings that I am voting for the energy conference report. The report has some good provisions. It rolls back prices. It improves benefits for people who lose their jobs as a result of the energy crisis. It will also allow us to get the facts about the true extent of the oil and gasoline shortages.

I strongly suport a rollback of oil and gasoline prices. In fact, I had introduced a bill calling for such a rollback earlier this year and I hope that that effort was helpful in getting Congress to recognize the need for such a provision. I am not sure, however, that the rollback provision in this report is the best one we could have had. While it will reduce prices on "new crude," it will raise prices on "old crude" supplies. On the whole, however, we are told that the consumer should be able to save a few cents on a gallon of gas as a result of this price rollback.

The conference report, however, has some very bad features. It contains no windfall profits provision. I know that the American public will not tolerate oil companies' exploiting the energy situation to make windfall profits on the backs of the consumer. We should have dealt with this problem in this report.

In addition, the report gives the President enormous powers over the entire economy without specifying how those powers are to be used. We have seen in the past the dangers that result when Congress gives up its responsibilities and prerogatives over the legislative process to the President. For this reason, I voted against the section of the report that allows the President to put into effect a vast array of "conservation" measures. I hope that the enormous grants of power in this bill do not come back to haunt us.

Under prior legislation, the President has already been given the power to allocate gas and oil supplies, to control prices, and to ration petroleum products. In my view, he has failed to exercise wisely the powers he already has. The Federal Energy Office has just admitted today that its first month of gasoline allocation was a shambles and a failure. I believe that that accurately categorizes the administration's handling of the entire energy crisis. Therefore, it seems to me that instead of giving the same and even more power to the President to do what he had been doing before, the Congress should have specified the course of actions which we feel appropriate to this situation and give the country some real leadership.

Finally, the bill goes too far in relaxing environmental standards. Until we know the true extent of our shortages, such a wholesale rejection of the major environmental advances we have made in the past seems to me unwarranted. Also, there is no guarantee in this bill that areas of high pollution, such as New York City, will receive first priority on clean fuels.

On balance, therefore, while the bill has some important features, it will not in itself provide any ultimate solution to the energy crisis. For the most part, it merely passes the buck to the Nixon administration which has shown no real capability of providing the leadership or the answers the country so desperately needs.

Mr. KOCH. Mr. Speaker, when the separate sections of the Emergency Energy Act were considered today, I voted for the rollback of crude oil prices because they are unreasonably high. I voted to give the President authorization for gas rationing because long gas lines make it essential that we deal with that problem. I voted for energy conservation plans because it makes sense to conserve energy.

We prevailed on the price rollback, on rationing, and on conservation of energy. However, we were unable to include a restoration of all previous environmental safeguards in the final version of the act.

I believe this energy crisis to be fueled by oil company avarice, companies which encourage gas-guzzling cars, companies happy to denigrate environmental health provisions needed to protect the atmosphere.

Yet our cost of living has risen so high, and our gas lines have grown so long, that I decided on balance to vote for the bill.

This Congress and the President have failed miserably to deal with the energy situation. Finally the Congress has acted, not as I would prefer it to, but it has at least addressed the problem.

On final passage, those representing the oil interests opposed the bill because of the rollback. That rollback, if fairly executed, should prevent further escalations in rent and food prices due to increases in fuel prices.

I have been asked by manufacturers making diverse equipment such as outdoor lighting to ask the President to consider very carefully section 112 of the bill when he applies it. This section requires equitable treatment whereby no one sector of the economy suffers unduly.

What we all must remember is that which is unessential to some is essential to others who earn their living through making it.

An old saying could not be more germane today: "It depends on whose ox is being gored."

Unfortunately, the oil companies are goring all of us.

The President has stated that he will veto the bill if it includes the price rollback, which it now does. I would urge the American public to let the President know by letter that they oppose any such veto.

Mr. BIAGGI. Mr. Speaker, I rise in support of the conference report to accompany the emergency energy bill. After a long and bruising legislative battle the final version which has emerged is adequate and contains a number of key provisions which will aid this country a great deal in its efforts to find both immediate and long-range solutions from our present energy crisis.

Ironically since November when this legislation was first introduced, our national energy situation in the eyes of the administration has come full circle. During this 4-month period they have gone from classifying it as a problem to a crisis, and now according to the latest Presidential assessment, the energy crisis is over and it is again merely a problem.

Yet when the crisis is viewed in the eyes of my constituents, many of whom waited up to 2 hours to get $2 of gasoline at 65 cents a gallon, they are far from ready to celebrate the end of the energy crisis. I also contend that this premature estimate is not shared by too many of my colleagues in the House, who are more concerned with passing responsible legislation to provide the beleaguered people of this Nation with relief from their present energy burdens.

Without a doubt the most serious consequence of our current energy crisis has been the astronomical increases in the prices of crude oil and petroleum products. In New York City alone these prices have risen by a whopping 77.4 percent in the last year alone. In the last 3 months of 1973, the cost of residual fuel oil to utilities has risen by 150 percent. What these dismal statistics conclude is that the cost of heating a home, of filling an automobile tank, has become a luxury which fewer Americans, particularly our elderly citizens on fixed incomes, can afford.

The other main consequence of the energy crisis has been a drastic shortage of petroleum products. Even with the institution of certain quasi-rationing plans in several States, gasoline for automobiles remains at a premium, with the end of each month being a particularly hard time. For some in this Nation the remedy for this problem is nationwide mandatory rationing, for others it is the limiting exports of petroleum products and for others increased production. An indication of the comprehensive nature of this legislation, all three of these remedies are included.

Section 13 limits the exports of coal, petroleum products.

Section 106 authorizes certain domestic oilfields to operate at full efficiency so as to increase production.

Section 104 deals with rationing. While I am opposed to nationwide rationing, as it is written in this bill this will only be utilized after the President has exhausted every alternative to avert any drastic emergency which could arise.

One of the major difficulties we have faced is the lack of knowledge of just what supplies of oil and gasoline are available. I continue to maintain that sufficient supplies exist and that the monopolistic oil companies are withholding supplies from the market to force prices up, drive out competition, and increase profits. A key provision will compel the oil companies to reveal their total reserves on hand and their production of gasoline and other distillates. This provision above could end the shortage and bring supplies—heretofore hidden—to the marketplace.

The American consumer then can look to this legislation for some real relief. One of the factors which has contributed to these drastic price increases has been this administration's archaic economic policies which allowed the release of certain categories of domestic crude oil from price controls. As a result the barrel of crude which sold for $3.40 last year now sells for $10.35.

This bill proposes to roll back these prices as well as impose a freeze on remaining domestic crude oil prices. However, the most important aspect of this section is the fact that any decreases in the prices of crude oil will be passed on to the consumer, in the form of lower gasoline and home heating.

While this legislation provides relief for the American consumer, it does not ignore the plight of the independent and franchised dealers. Not only do they stand to benefit from anticipated increased production, section 109 also provides assurances to franchised dealers from unreasonable actions on the part of major oil companies with respect to canceling, renewing contracts.

I am also pleased to see that the great strides this Nation has made with respect to restoring and preserving our environment will not be totally negated by this legislation. It seeks to strike a fair balance between our immediate energy needs and the future environmental concern of this Nation.

The bill contains many additional provisions, some important others not. I consider the most positive aspect of the legislation to be its wide-ranging commitment at providing relief to a nation which has been forced to endure a long and cold winter without the benefit of such essential commodities as heat and gasoline. The average American has been forced to do continuous battle with rising prices and dwindling supplies. Yet until now the Federal Government has been terribly remiss in providing the necessary leadership to help the country out of the cold. Today could be the major step forward. We have proposed a viable, working plan to deal with the crisis. Yet while we might make great strides with this legislation, we will have to overcome one final hurdle first, the President—who has indicated his opposition to it in its present form. I implore the President to listen to the pleas of the American people, the pleas of the infirm and elderly who fear their very survival in the raw cold heatless months ahead; pleas of doctors who are forced to sit in gasoline lines while their patients are in desperate need of their assistance; and the pleas of the average American consumer who finds his wages can no longer provide his family with a warm home. Their cries are real and deserve not to be ignored. We have waited long enough to act, it is time to pass this legislation and get it onto the President's desk for his prompt signature.

Mr. RANDALL. Mr. Speaker, I rise in support of S. 2589, the conference report on the Energy Emergency Act. This measure and its House equivalent have been considered by Congress since last November. I am pleased that although it has been 6 weeks since the second session of the 93d Congress convened, we have today acted decisively and I think wisely. In any event we have not avoided our responsibility to take some action that will hopefully contribute to a lessening of the energy shortages.

I voted against the previous question to permit an amended rule which in turn allowed three separate rollcall votes on three different sections of the conference report, being section 110, section 105, and section 104.

Section 110 covers the so-called rollback provision. With oil at about $10 a barrel, a control price of $5.25 is certainly needed. However, latitude is given the President to raise the ceiling by as much as 35 percent or to $9.09 a barrel. This kind of latitude should avoid a major reduction in production from stripper wells that produce 10 barrels or less a day.

In this context I have been shown letters and transcripts by the members of the Interstate and Foreign Commerce Committee taken from testimony given by the major oil companies that they can live, meaning can continue to produce, with a ceiling of $7 a barrel. This ceiling should lower prices of refined petroleum products including propane.

Some slight progress has been made administratively in the adjustment of propane prices but section 110 should accomplish much more to restore lower propane prices.

There are two other record votes taken under the amended rule after the previous question was rejected. On the vote on section 105, being that section devoted to energy conservation plans, I voted to strike that section because the provision for congressional veto, in my judgment, would not be workable or effective.

Regulations could be put into effect before March 15 without any possible veto and then as to those regulations submitted to Congress after March 15 would take effect with only a 15-day delay within which Congress would have the opportunity to veto the regulation. In my judgment, this was not enough time. This provision gave the President absolute, complete, and unfettered authority to regulate the opening and closing hours of every small businessman in America. Under section 105 of the conference report the power was so broad and absolute it included not only all business and industry but all transportation of every sort, kind, or nature in this country. Surely the Congress should retain some right of review better than a short 15-day delay before the implementation of such absolute authority.

The third and last separate rollcall vote on the conference report was the vote on section 104 which covers what is described in the report as end-use rationing. At least the conference report is less misleading and more straightforward in the use of terms than the description of rationing in our House bill which called it end-use allocation. I voted to strike this section from the conference report, notwithstanding the requirement that the President make a finding that all other actions he has taken are not sufficient to preserve public health, safety, and welfare.

I voted against section 104 because I believe rationing would have an adverse effect on those who have to commute. Adjustments could be made but that would take time. Now I am on record as against rationing by a rollcall vote. I shall express my further opposition to rationing by the immediate introduction of legislation that will give Congress a counterveto over any rationing plan imposed by the President.

But after the House worked its will and failed to strike from the conference report the rationing section, what is left at this juncture for those of us against rationing to do? Should we vote against the entire conference report which contains such meritorious provisions as lower ceilings on crude, coal conversion plans, unemployment assistance authorization for those whose unemployment results from the energy crisis, as well as the very worthwhile fuel energy information section which will require full information or some exploration, development processing of any petroleum products? The obvious answer is "No."

So frequently we are served a package of legislation that contains some items that are objectionable or less acceptable, in the same measure with provisions that are in general beneficial and meritorious, such a situation we have with us today in S. 2589. This brings us back again to the hard decision whether the good outweighs the bad. In this instance, Mr. Speaker, I am convinced that even though the rationing authority is accorded the President, I also find that in section 118 of the report that any rule or order having any substantial impact on the Nation's economy issued by the authority of this conference report is subject to such hearings no later than 45 days after the implementation of the rule or order. Thus it would seem that if rationing should be imposed, hearings would have to be held in 45 days and after that a judicial review could be had in the circuit court of appeals.

If for no other reason I must support S. 2589 on final passage because its section 106 may well be the salvation of this country in the future. Section 106 requires, where practicable, for all major fuel burning installations to convert to coal. That not only means our electric powerplants but also our industries. Coal is the one fossil fuel of which we have unlimited supplies perhaps enough for hundreds of years. The time may come when the Arabs will be begging our country for some of its coal, long after their oil supply has been exhausted.

Then I have to ask myself, who can vote against section 116, which provides for grants that States provide unemployment assistance for those who lose or have lost their jobs because of the energy crisis?

Also let me ask who can vote against section 115, which for the first time gives the power to the Administrator to restrict exports of coal, petroleum products, and petrochemical stocks?

Finally, someone has said that there may be an Arab oil embargo, but there is also an information embargo. We do not know the capacity of our refineries, the amount of crude they have available, how much we have in our pipelines, or how much we have in our storage tanks, or any of the necessary data from which the Administrator must make his decisions.

Section 124 for the first time gives the Administrator the tools to require reports on all of our energy resources. Who can vote against a conference report which contains such a valuable and essential provision?

Yes, I am against rationing. I do not believe that we will ever have coupon rationing. I voted against the rationing section, but those who voted for this bill on final passage, also voted for the first effective tool to get energy information which is so desperately needed. To vote for the conference report on final passage, is a vote for ceilings on crude until such times as another committee of Congress can look into the matter of windfall profits. Everything considered, the only wise course is to vote for the conference report of S. 2589.

Mr. DRINAN. Mr. Speaker, I support the Energy Emergency Act before us today because of this country's great need for legislation to help ease the great energy shortages which have confronted us.

There are many difficult and controversial aspects of this bill, but, on the whole, I think the legislation is needed and it is important that the House pass it.

I had been hopeful that the provision for the rollback of prices would be more comprehensive and of greater help to the consumer. I think that the environmental provisions in this bill which relax the hard-won environmental standards which the Congress has enacted are regrettable. The provision granting standby authority to the President to ration gasoline will be a helpful one if indeed rationing is needed at some point.

Title I of this bill provides, in summary, as follows:

Creates a Federal Energy Emergency Administration.

Gives stand-by rationing authority to the President, to be exercised on a finding that all other actions are not sufficient to preserve public health, safety and welfare.

Authorizes the Federal Energy Administrator to issue regulations restricting public and private consumption of energy, with such regulations being subject to congressional veto.

Requires the Administrator, where practicable, to order major fuel burning installations to convert to coal, if they have the capability and necessary plant equipment to do so.

Requires the Administrator to develop a contingency plan for allocation of supplies of materials and equipment necessary for energy production.

Authorizes the Administrator to require designated domestic oil fields to be produced at their maximum efficient rate of production without detriment to the ultimate recovery of oil and gas under sound engineering and economic principles.

Amends the Emergency Petroleum Allocation Act of 1973 to require adjustments in the allocation program to reflect regional disparities in use, population growth, or unusual factors influencing use—including unusual changes in climatic conditions.

Provides a rollback provision which places a ceiling price on domestic oil production under a formula which would result in an average price of $5.25 per barrel, with resulting cost reductions in the price of crude mandated by this section to be passed through to lower the prices of residual fuel oil and refined petroleum products—including propane.

Prevents major oil companies from unreasonably canceling, failing to renew, or otherwise terminating their franchise agreement with retailers of petroleum products.

Exempts from the antitrust laws those engaged in voluntary action undertaken to achieve the purposes of this act.

Authorizes the Federal Energy Administrator to restrict exports of coal, petroleum products, and petrochemical feedstocks, and requires those restrictions if either the Secretary of Commerce or the Secretary of Labor certifies that such exports would contribute to unemployment in the United States.

Requires the President to minimize adverse impacts of actions taken pursuant to this Act upon unemployment.

Directs the Secretary of Transportation to establish an office to assist in carpool promotion throughout the United States.

Imposes criminal and civil penalties for violations of this act.

Authorizes the President, notwithstanding provisions of the Natural Gas Act, to authorize, on a shipment-by-shipment basis, the importation of liquified natural gas from a foreign country.

Authorizes the Small Business Administration and the Department of Housing and Urban Development to make loans to homeowners and small businesses to permit the installation of insulation and other energy-saving equipment.

Directs the Secretary of Transportation to establish an office to assist in carpool promotion throughout the Nation.

Requires the Administrator to obtain full energy information every 60 days from those engaged in the exploration, development, processing, refining, or transporting of any petroleum product, natural gas, or coal.

While I support the gas rationing provisions of this bill, it is not without considerable reluctance that I support the concept of gas rationing. The question of rationing is a complex one. Ultimately, any system of rationing must be fair. If it is unfair, individuals and businesses will be hurt, and it will not enjoy the support of the people. Perhaps the most effective system might be one where each individual could make known his specific gasoline needs and then share equally with all others in the shortage, with limited exceptions. For instance, if there were 10 percent less gasoline available than was needed to meet the Nation's requirements, then each person should get 10 percent less than he needs. I think that this system would be fairer and less discriminatory than a rationing system which arbitrarily assigns 30 or 40 gallons to all individuals for a specific period of time. Individual needs must be considered. Some may require 60 gallons over the same period of time; others, 10 gallons.

Title II of this bill attempts to co-ordinate emergency energy plans with environmental protection requirements now in the laws. Section 201 amends the Clean Air Act to authorize the Environmental Protection Agency to suspend, until November 1, 1974, stationary source fuel or emission limitations, based on the unavailability of clean fuel necessary for compliance.

Section 202 requires the Environmental Protection Agency to review and make "reasonable and practicable" revisions in air quality implementation plans for those regions in which coal conversion may result in a failure to achieve ambient air quality standards on schedule.

Section 203 amends the Clean Air Act to continue the emission standards established for 1975 model year automobiles during the 1976 model year, thus delaying until 1977 the 90-percent reduction in hydrocarbon and carbon monoxide emissions required by law.

I am unpersuaded that relaxation of environmental standards as proposed in these and other sections of this bill will have any impact on increasing fuel supplies. We simply do not have data to support that proposition. What is known is that relaxing environmental standards will significantly increase dangers to public health and will negate the progress we have made to this date in cleaning up our air. The freeze on auto emission standards may have a negative effect on the energy shortage since installation of pollution control devices may actually save fuel by increasing gasoline mileage.

I oppose the exemption of actions taken under this legislation from the requirements of the National Environmental Policy Act. It is very difficult for me to believe that this landmark legislation protecting the environment exists for the sole purpose of being disregarded at times when it is needed most.

I vigorously support those principles on which the legislation is based. I believe that the Congress must curb outrageous oil company profits and compel disclosure of fuel reserves. This will also call for immediate recommendations on means for developing short- and long-term increases in energy supply or reductions in energy consumption. This bill also requires progress reports from the President to the Congress every 60 days.

It is difficult in the extreme to explain the President's announced intention to veto this legislation except for his willingness to protect the giant oil companies. The havoc which the increases in energy prices—and profits—has played with every citizen's pocketbook is woeful. I cast my vote in favor of this bill today to end that favoritism, that havoc, and those price increases.

Mr. MELCHER. Mr. Speaker, price rollbacks on oil would assure continued foreign investments of U.S. capital to develop oil and gas abroad rather than in our own country.

We are paying high prices for oil because the Arab countries control enough of the world supply to force prices higher and all other countries have followed their lead. An artificial rollback in the United States at this time would only hold up a direct solution to the Arab oil power play.

The right answer is to develop our own domestic oil and gas supplies, but if the new oil discoveries are more profita-

ble in Canada, Venezuela, the North Sea, Africa, the Near East, Sumatra, et cetera, et cetera, et cetera, that is where the money will go. As night follows day, just as certainly American oil investment dollars will seek the higher prices and go to the more profitable foreign oil fields if we roll back prices here.

And we will buy that oil at the world price, whatever it is, because we have to have sufficient quantity to keep our industries going and keep our economy from a further recession with massive shutdowns and job losses.

At our current rate of petroleum consumption, America depends for 30 percent of its needs on foreign sources. Only a few years ago we did not need to import oil but because Arab and other foreign oil discoveries were so plentiful and so cheap, big oil companies invested billions of dollars abroad and less and less in domestic production.

Even conservation methods to fully pump out developed fields were sidetracked or almost abandoned completely because secondary recovery did not pay out as good as drilling new wells in the lucrative foreign oil fields.

Recently Congress acted to correct this by lifting all price controls on low production wells—the so-called stripper wells that produce less than 10 barrels of oil per day. This turned unprofitable wells which had been shut down into profitable producers. Old oilfields scattered around the country are now getting secondary treatment to recover oil heretofore left there because the economics of recovering it was unprofitable.

A rollback would be a pullback from the obvious need to put American oil dollars to work in America—not abroad.

Ms. ABZUG. Mr. Speaker, I am unable to support the conference report on the Energy Emergency Act. I will vote for retention of sections 104, 105, and 110 of the act only because I feel that some legislation is essential in all these areas—rationing, consumption control, and price rollbacks—and not because I feel that these provisions are adequate, but because I feel that this is a poor piece of legislation, I feel constrained to vote against adoption of the conference report on the Energy Emergency Act.

Through errors of commission and omission, this legislation presents serious consequences for our Nation and its people. It grants broad, ill-defined powers to the executive branch; it removes or suspends environmental protection controls; it fails to provide for mandatory rationing; it lacks any adequate restriction on windfall profits; and it fails to provide adequately for the immediate relief of those individuals already adversely affected by energy shortages. In attempting to deal with both long and short-range needs, it does neither effectively. Like many of my colleagues, I feel we must act at once to solve some basic, immediate problems.

First of all, we must provide for a more equitable distribution of our fuel supplies. Second, we must impose some meaningful controls on prices and profits. Equally important, we must start to obtain the information necessary to enable us—as a legislative body—and the administration to deal with some of the more vital, long range problems posed by the energy shortage. The executive branch already has the power to deal with some of these issues. We have already granted the executive broad authority under the Emergency Petroleum Allocation Act and I see no justification for a further abdication of our legislative function. When will we stop passing the buck and start to exercise some of our legislative responsibilities?

Whether the President calls the present situation a crisis or a problem, certain facts are clear. Our present system of fuel allocation is not working. Rather than providing an equitable distribution of fuel supplies throughout the country and protecting the small independent refiners and retailers against the big companies, it is having just the opposite effect. And it is doing nothing whatever to improve the lot of the ordinary consumer. If we feel that rationing is necessary—and I for one am convinced that it is—let us say so. Instead of telling the President again that he may impose rationing—this time only as a last resort measure—which is just what section 104 of the conference bill provides—let us mandate rationing.

As for price controls, we know that these are needed and that prices of fuel and petroleum products have skyrocketed. We must put an end to this inflationary spiral and rollback prices to give some relief to long-suffering consumers. We also know that the large oil companies have enjoyed ever-increasing profits as a result of this energy shortage. The best way to regulate prices and to relieve the plight of the consumer is to impose a limitation on these exorbitant profits—at least at 1972 levels. Section 110 of the conference bill imposes a price rollback and ceiling prices on new domestic crude oil and, through a pass-through arrangement, on residual fuel oil and refined petroleum products, including propane. This represents only a small portion of our total fuel resources.

Moreover, section 110 makes no attempt to impose direct limitations on the huge profits now being reaped by the large oil companies. I, for one, cannot condone profiteering by any group while hundreds of thousands of workers are losing their jobs as a direct result of the energy crisis, and other segments of our population—those that must rely on driving to make a living, the elderly, the handicapped, and even the ordinary middle-class consumer—are suffering severe hardships.

There are two provisions in the conference bill which warrant some favorable comment. The bill authorizes $500 million for grants to the States to provide additional unemployment compensation benefits for energy-related unemployment. On its face, this is commendable. But all one need do is look at the broad definition of energy-related unemployment set forth in section 116 to realize that the funds authorized would not even begin to pay the bill for these benefits.

Unlike President Nixon, I foresee continuing and worsening inflation accompanied by more and more unemployment. I am frankly more than a little worried about how working people, the poor, the elderly, and even the middle-class are going to survive under these conditions. I see a real need for economic relief for those segments of our society who always take the brunt of any crisis. Hundreds of thousands of auto workers and others have already lost their jobs as a direct result of the energy crisis.

There is clearly a need for extending the period of eligibility for unemployment benefits and for providing other economic relief. If this bill did not have so many objectionable features, I would support this provision even though I feel it is inadequate to meet the real problem. I believe there is immediate need for separate legislation in this area and I plan to sponsor such legislation.

I see only one provision in this conference bill which I can wholeheartedly support and that is section 124, requiring detailed reporting by persons engaged in various aspects of the petroleum, natural gas, and coal industries. This provision, if enacted and adequately enforced, should provide us with information that is long overdue. I would hope that if the conference bill does not become law, we will immediately enact a similar requirement. In this connection, I hope that we will be able to define our terms and definitions precisely so that we will know exactly what information we are getting; and that we will also provide adequate penalties for willful or negligent false reporting. I cannot stress too strongly the necessity for this or a similar reporting requirement.

I, in fact, would go further and grant subpena powers to the Administrator to obtain necessary data. Until we have some reliable facts and figures—and not just those supplied voluntarily by the oil, gas, and coal industries—we cannot begin to know the dimensions of or the reasons for or the ways of dealing with this energy crisis.

There are grave questions as to whether we have a genuine energy shortage or a shortage at the consumer level manipulated by the oil monopolies so that they can boost prices and profits and reduce competition at the producer and retail levels. Yet this bill would allow the President, in the name of a shortage, to suspend urgently needed environmental protection programs, thus endangering the health and safety of the American people.

I do not agree with many of my colleagues who will be supporting this conference agreement that some action is better than none. My concern is that once having passed legislation which most may agree is inadequate, we will lose the incentive to take significant action in many of these areas. Moreover, I have very grave concerns about this Congress continuing to abdicate its legislative functions to the executive branch while, at the same time, criticizing the Executive for usurping its legislative functions.

The proposed Energy Emergency Act vests much too much power in the hands of the Nixon administration. Such an unjustifiable delegation of legislative power becomes particularly shocking when one considers that this administration bears

a major responsibility for our current energy problems. Despite repeated warnings during the past several years, the Nixon administration has taken no action to forestall an energy crisis—through support for mass transportation, development of alternative energy resources, or otherwise, but has, instead, been guided in its policy by what is best for big business.

For all these reasons, I must vote against adoption of the conference agreement on the Energy Emergency Act.

Mrs. HOLT. Mr. Speaker, it is extremely difficult to vote against any bill with "energy" in its title, especially in these days of short gas supplies, short tempers, and long gas lines. The American people are rightfully demanding action from Congress and from the administration and from their State and local governments. We must act decisively in this crisis and we must make sure that our actions are responsible and responsive to the situation.

The conference report before us today is not, in my opinion, responsible legislation; it is rather an abrogation of responsibility. It was poorly and hastily written and amended and reamended on the floor of both Chambers. Rather than solve the problem, it is an attempt to get the problem off the back of Congress; it is in essence a buckpassing bill with an appealing title.

Let us look at some of the provisions of this legislation. One section provides for a rollback of crude oil prices. This will certainly have popular appeal, but will it mean lower prices at the pump for consumers? We are all concerned about the rising price of petroleum and profit gouging during this period of crises, but will this provision prevent such activities? The answers to both questions are "No." The authors of this provision have guaranteed that it will be ineffective. Only 13 percent of current crude oil consumption will be affected; the remaining 87 percent is being sold at a price equal to or less than the rollback figure. And if this is not enough, the vast majority of the portion of oil which would be rolled back in price is produced by small, independent producers—not the giant international oil companies. And finally, the rollback provision allows the President to increase prices by up to 35 percent provided that he informs Congress of his action.

There are also many provisions in this bill which substantially increase the power of the Federal Energy Office and the President in energy-related matters. We are asked to give the administration the authority to institute rationing and to order priorities for the consumption of energy resources. We are asked to give the Federal Energy Administrator sweeping powers to propose energy conservation plans to reduce consumption. Have we already forgotten that the results of the allocation program in Maryland and many other States has been highly unsatisfactory? We were shortchanged. Now we are going to solve the problem by giving the bureaucracy even more power? It must also be remembered that the granting of these additional powers is taking place at the same time that the majority of Congress is objecting to the flow of power from the legislative to the executive branch of Government.

Mr. Speaker, it is no secret that Government is lacking in credibility. The American people are crying out for leadership. The bill before us today does not provide leadership; it is another example of abrogation of congressional responsibilities.

I urge the defeat of the Emergency Energy Act and immediate attention to drafting meaningful legislation to deal with the energy crisis.

The SPEAKER. The Chair will now put the question on these sections in the order specified in the resolution. The sections will be voted on in the following order:

Section 110; section 105 and section 104.

The question is, Shall Section 110 be stricken from the conference report?

The question was taken; and the Speaker announced that the noes appeared to have it.

RECORDED VOTE

Mr. ANDERSON of Illinois. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 173, noes 238, answered "present" 1, not voting 19, as follows:

[Roll No. 46]

AYES—173

Anderson, Ill.	Gubser	Pickle
Archer	Hamilton	Poage
Arends	Hammer-schmidt	Pritchard
Armstrong	Hanna	Quie
Ashbrook	Hansen, Idaho	Quillen
Ashley	Hébert	Railsback
Aspin	Hillis	Rarick
Bauman	Hinshaw	Reuss
Beard	Hogan	Rhodes
Blackburn	Holt	Robinson, Va.
Boggs	Horton	Robison, N.Y.
Bray	Hosmer	Rose
Breaux	Huber	Rousselot
Brooks	Hudnut	Runnels
Brotzman	Hutchinson	Ruppe
Brown, Mich.	Ichord	Ruth
Brown, Ohio	Jarman	Ryan
Broyhill, Va.	Johnson, Colo.	Satterfield
Buchanan	Johnson, Pa.	Schneebeli
Burgener	Jones, Okla.	Sebelius
Burleson, Tex.	Jordan	Shipley
Butler	Kazen	Shoup
Camp	Kemp	Shriver
Casey, Tex.	Ketchum	Skubitz
Cederberg	Kuykendall	Slack
Chamberlain	Landgrebe	Smith, N.Y.
Clawson, Del	Litton	Spence
Cochran	Long, La.	Steed
Collier	Long, Md.	Steelman
Collins, Tex.	Lott	Steiger, Ariz.
Conable	McClory	Steiger, Wis.
Conlan	McCloskey	Symms
Culver	McDade	Talcott
Daniel, Dan	McEwen	Taylor, Mo.
Daniel, Robert W., Jr.	McKay	Teague
de la Garza	McSpadden	Thornton
Dellenback	Mahon	Towell, Nev.
Denholm	Mailliard	Treen
Dennis	Mann	Ullman
Derwinski	Martin, Nebr.	Vander Jagt
Devine	Martin, N.C.	Veysey
Dickinson	Mathias, Calif.	Waggonner
Downing	Melcher	Ware
Duncan	Milford	White
Eckhardt	Miller	Whitehurst
Edwards, Ala.	Minshall, Ohio	Wiggins
Erlenborn	Mizell	Wilson, Bob
Esch	Montgomery	Wilson, Charles, Tex.
Findley	Moorhead, Calif.	Winn
Fisher	Murphy, Ill.	Wright
Frenzel	Myers	Wyatt
Gibbons	Nelsen	Wylie
Goldwater	Obey	Wyman
Gonzalez	Passman	Young, Alaska
Goodling	Patman	Young, S.C.
Gray	Pettis	Young, Tex.
Griffiths	Parris	Young, Ill.
Gross		Zion

NOES—238

Abdnor	Fraser	O'Brien
Abzug	Frey	O'Hara
Adams	Froehlich	O'Neill
Addabbo	Fulton	Owens
Alexander	Fuqua	Patten
Anderson, Calif.	Gaydos	Pepper
Andrews, N.C.	Gettys	Perkins
Andrews, N. Dak.	Giaimo	Peyser
Annunzio	Gilman	Pike
Badillo	Ginn	Podell
Bafalis	Grasso	Preyer
Barrett	Green, Oreg.	Price, Ill.
Bennett	Green, Pa.	Randall
Bergland	Grover	Rangel
Bevill	Gude	Rees
Biaggi	Gunter	Regula
Biester	Guyer	Reid
Bingham	Haley	Riegle
Blatnik	Hanley	Rinaldo
Boland	Hanrahan	Rodino
Bolling	Hansen, Wash.	Roe
Bowen	Harrington	Rogers
Brademas	Harsha	Roncalio, Wyo.
Breckinridge	Hastings	Roncallo, N.Y.
Brinkley	Hawkins	Rooney, Pa.
Broomfield	Hays	Rosenthal
Brown, Calif.	Hechler, W. Va.	Roush
Broyhill, N.C.	Heckler, Mass.	Roy
Burke, Calif.	Heinz	Roybal
Burke, Fla.	Helstoski	St Germain
Burke, Mass.	Henderson	Sandman
Burlison, Mo.	Hicks	Sarasin
Byron	Holifield	Sarbanes
Carey, N.Y.	Holtzman	Scherle
Carter	Howard	Schroeder
Chappell	Hungate	Seiberling
Chisholm	Hunt	Shuster
Clancy	Johnson, Calif.	Sikes
Clark	Jones, Ala.	Sisk
Clausen, Don H.	Jones, N.C.	Smith, Iowa
Clay	Karth	Snyder
Cleveland	Kastenmeier	Staggers
Cohen	King	Stanton, J. William
Collins, Ill.	Koch	Stanton, James V.
Conte	Kyros	Stark
Conyers	Landrum	Steele
Corman	Latta	Stephens
Cotter	Leggett	Stokes
Coughlin	Lehman	Stratton
Cronin	Lent	Stubblefield
Daniels, Dominick V.	Lujan	Stuckey
Danielson	McCollister	Studds
Davis, Ga.	McCormack	Symington
Davis, S.C.	McFall	Taylor, N.C.
Delaney	McKinney	Thompson, N.J.
Dellums	Macdonald	Thomson, Wis.
Dent	Madden	Thone
Diggs	Madigan	Tiernan
Dingell	Mallary	Udall
Donohue	Maraziti	Van Deerlin
Dorn	Mathis, Ga.	Vanik
Drinan	Matsunaga	Vigorito
Dulski	Mayne	Waldie
du Pont	Mazzoli	Walsh
Edwards, Calif.	Meeds	Wampler
Eilberg	Metcalfe	Whalen
Eshleman	Mezvinsky	Whitten
Evans, Colo.	Mink	Widnall
Evins, Tenn.	Mitchell, Md.	Williams
Fascell	Mitchell, N.Y.	Wilson, Charles H., Calif.
Fish	Moakley	Wolff
Flood	Mollohan	Wydler
Flowers	Moorhead, Pa.	Yates
Flynt	Morgan	Yatron
Foley	Mosher	Young, Fla.
Ford	Murphy, N.Y.	Young, Ga.
Forsythe	Murtha	Zablocki
Fountain	Natcher	Zwach
	Nedzi	
	Nichols	
	Nix	

ANSWERED "PRESENT"—1

Bell

NOT VOTING—19

Baker	Jones, Tenn.	Roberts
Brasco	Kluczynski	Rooney, N.Y.
Burton	Michel	Rostenkowski
Carney, Ohio	Mills	Sullivan
Crane	Moss	Vander Veen
Davis, Wis.	Powell, Ohio	
Frelinghuysen	Price, Tex.	

So the motion was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Roberts for, with Mr. Carney of Ohio against.

Mr. Price of Texas for, with Mr. Burton against.

Mr. Crane for, with Mr. Moss against.

Until further notice:

Mr. Rooney of New York with Mr. Powell of Ohio.

Mr. Rostenkowski with Mr. Frelinghuysen.

Mrs. Sullivan with Mr. Brasco.

Mr. Kluczynski with Mr. Davis of Wisconsin.

Mr. Jones of Tennessee with Mr. Mills.

Mr. Baker with Mr. Michel.

The result of the vote was announced as above recorded.

The SPEAKER. The question is, Shall section 105 be stricken from the conference report?

The question was taken; and the Speaker announced that the noes appeared to have it.

RECORDED VOTE

Mr. ECKHARDT. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 66, noes 343, not voting 22, as follows:

[Roll No. 47]

AYES—66

Anderson, Ill.	Goodling	Poage
Andrews, N. Dak.	Gross	Randall
Archer	Hammer-schmidt	Rarick
Ashbrook	Hays	Roy
Bauman	Holtzman	Runnels
Boggs	Hungate	Scherle
Bray	Hutchinson	Sebelius
Brooks	Jarman	Smith, Iowa
Burleson, Tex.	Jones, Okla.	Steed
Camp	Jordan	Steelman
Casey, Tex.	Kazen	Studds
Cederberg	McCollister	Symms
Clancy	McSpadden	Teague
Culver	Mahon	Thornton
de la Garza	Martin, Nebr.	Vander Jagt
Denholm	Mayne	Waggonner
Dennis	Melcher	White
Dent	Milford	Wilson, Charles, Tex.
Eckhardt	Mizell	Winn
Fisher	Murtha	Young, Alaska
Gaydos	Myers	Young, S.C.
Gonzalez	Parris	Young, Tex.

NOES—343

Abdnor	Burlison, Mo.	Downing
Abzug	Butler	Drinan
Adams	Byron	Dulski
Addabbo	Carey, N.Y.	Duncan
Alexander	Carter	du Pont
Anderson, Calif.	Chamberlain	Edwards, Ala.
Andrews, N.C.	Chappell	Edwards, Calif.
Annunzio	Chisholm	Eilberg
Arends	Clark	Erlenborn
Armstrong	Clausen, Don H.	Esch
Ashley	Clawson, Del	Eshleman
Aspin	Clay	Evans, Colo.
Badillo	Cleveland	Evins, Tenn.
Bafalis	Cochran	Fascell
Barrett	Cohen	Findley
Beard	Collier	Fish
Bell	Collins, Ill.	Flood
Bennett	Collins, Tex.	Flowers
Bergland	Conable	Flynt
Bevill	Conlan	Foley
Biaggi	Conte	Ford
Biester	Conyers	Forsythe
Bingham	Corman	Fountain
Blackburn	Cotter	Fraser
Blatnik	Coughlin	Frenzel
Boland	Cronin	Frey
Bolling	Daniel, Dan	Froehlich
Bowen	Daniel, Robert W., Jr.	Fulton
Brademas	Daniels, Dominick V.	Fuqua
Breaux	Danielson	Gettys
Breckinridge	Davis, Ga.	Giaimo
Brinkley	Davis, S.C.	Gibbons
Broomfield	Delaney	Gilman
Brotzman	Dellenback	Ginn
Brown, Calif.	Dellums	Goldwater
Brown, Mich.	Derwinski	Grasso
Brown, Ohio	Devine	Gray
Broyhill, N.C.	Dickinson	Green, Oreg.
Broyhill, Va.	Diggs	Green, Pa.
Buchanan	Dingell	Griffiths
Burgener	Donohue	Grover
Burke, Calif.	Dorn	Gubser
Burke, Fla.	Drinan	Gude
Burke, Mass.		Gunter
		Guyer
Haley	Metcalfe	Seiberling
Hamilton	Mezvinsky	Shipley
Hanley	Miller	Shoup
Hanna	Minish	Shriver
Hanrahan	Mink	Shuster
Hansen, Idaho	Minshall, Ohio	Sikes
Hansen, Wash.	Mitchell, Md.	Sisk
Harrington	Mitchell, N.Y.	Skubitz
Harsha	Moakley	Slack
Hastings	Mollohan	Smith, N.Y.
Hawkins	Montgomery	Snyder
Hébert	Moorhead, Calif.	Spence
Hechler, W. Va.	Moorhead, Pa.	Staggers
Heckler, Mass.	Morgan	Stanton, J. William
Heinz	Mosher	Stanton, James V.
Helstoski	Murphy, Ill.	Stark
Henderson	Murphy, N.Y.	Steele
Hicks	Natcher	Steiger, Ariz.
Hillis	Nedzi	Steiger, Wis.
Hinshaw	Nelsen	Stephens
Hogan	Nichols	Stokes
Holifield	Nix	Stratton
Holt	Obey	Stubblefield
Horton	O'Brien	Stuckey
Hosmer	O'Hara	Symington
Howard	O'Neill	Talcott
Huber	Owens	Taylor, Mo.
Hudnut	Passman	Taylor, N.C.
Hunt	Patman	Thompson, N.J.
Ichord	Patten	Thomson, Wis.
Johnson, Calif.	Pepper	Thone
Johnson, Colo.	Perkins	Tiernan
Johnson, Pa.	Pettis	Towell, Nev.
Jones, Ala.	Peyser	Treen
Jones, N.C.	Pickle	Udall
Karth	Pike	Ullman
Kastenmeier	Podell	Van Deerlin
Kemp	Preyer	Vander Veen
Ketchum	Price, Ill.	Vanik
King	Pritchard	Veysey
Koch	Quie	Vigorito
Kuykendall	Quillen	Waldie
Landrum	Railsback	Walsh
Latta	Rangel	Wampler
Leggett	Rees	Ware
Lehman	Regula	Whalen
Lent	Reid	Whitehurst
Litton	Reuss	Whitten
Long, La.	Rhodes	Widnall
Long, Md.	Riegle	Wiggins
Lott	Rinaldo	Williams
Lujan	Robinson, Va.	Wilson, Bob
McClory	Robison, N.Y.	Wilson, Charles H., Calif.
McCloskey	Rodino	Wolff
McCormack	Roe	Wright
McDade	Rogers	Wyatt
McEwen	Roncalio, Wyo.	Wydler
McFall	Roncalio, N.Y.	Wylie
McKay	Rooney, Pa.	Wyman
McKinney	Rosenthal	Yates
Macdonald	Roush	Yatron
Madden	Rousselot	Young, Fla.
Madigan	Roybal	Young, Ga.
Mailliard	Ruth	Young, Ill.
Mallary	Ryan	Zablocki
Mann	St Germain	Zion
Maraziti	Sandman	Zwach
Martin, N.C.	Sarasin	
Mathias, Calif.	Sarbanes	
Mathis, Ga.	Satterfield	
Matsunaga	Schneebeli	
Mazzoli	Schroeder	
Meeds		

NOT VOTING—22

Baker	Kluczynski	Roberts
Brasco	Kyros	Rooney, N.Y.
Burton	Landgrebe	Rose
Carney, Ohio	Michel	Rostenkowski
Crane	Mills	Ruppe
Davis, Wis.	Moss	Sullivan
Frelinghuysen	Powell, Ohio	
Jones, Tenn.	Price, Tex.	

So the motion was rejected.

The Clerk announced the following pairs:

Mr. Rooney of New York with Mr. Mills.

Mr. Burton with Mr. Jones of Tennessee.

Mr. Rostenkowski with Mr. Ruppe.

Mr. Brasco with Mr. Landgrebe.

Mrs. Sullivan with Mr. Baker.

Mr. Roberts with Mr. Michel.

Mr. Kluczynski with Mr. Crane.

Mr. Kyros with Mr. Davis of Wisconsin.

Mr. Carney of Ohio with Mr. Price of Texas.

Mr. Rose with Mr. Frelinghuysen.

Mr. Moss with Mr. Powell of Ohio.

The result of the vote was announced as above recorded.

PARLIAMENTARY INQUIRY

Mr. LATTA. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. LATTA. Mr. Speaker, on this motion to strike, the Members who are against rationing and wish to strike section 104, which authorizes rationing, will vote aye, is that correct?

The SPEAKER. The Chair will state that that is not a parliamentary inquiry.

The question is, Shall section 104 be stricken from the conference report?

The question was taken; and the Speaker announced that the noes appear to have it.

RECORDED VOTE

Mr. LATTA. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 199, noes 211, not voting 21, as follows:

[Roll No. 48]

AYES—199

Abdnor	Gross	Pettis
Anderson, Ill.	Grover	Poage
Andrews, N. Dak.	Gubser	Quie
Archer	Guyer	Quillen
Arends	Hammer-schmidt	Railsback
Armstrong	Hanrahan	Randall
Ashbrook	Hansen, Idaho	Rarick
Bafalis	Harsha	Regula
Barrett	Hastings	Rhodes
Bauman	Hays	Robinson, Va.
Beard	Hébert	Roncalio, N.Y.
Blackburn	Hechler, W. Va.	Roush
Boggs	Hillis	Rousselot
Bray	Hinshaw	Runnels
Breaux	Hogan	Ryan
Brinkley	Holt	St Germain
Brooks	Horton	Sandman
Broomfield	Hosmer	Scherle
Brotzman	Huber	Schneebeli
Brown, Ohio	Hudnut	Schroeder
Broyhill, N.C.	Hungate	Sebelius
Buchanan	Hunt	Shipley
Burgener	Hutchinson	Shoup
Burke, Fla.	Ichord	Shriver
Burleson, Tex.	Jarman	Shuster
Camp	Johnson, Colo.	Slack
Carter	Johnson, Pa.	Snyder
Casey, Tex.	Jones, Okla.	Spence
Cederberg	Kastenmeier	Stanton, J. William
Chamberlain	Kazen	Steed
Clancy	Kemp	Steelman
Clausen, Don H.	Ketchum	Steiger, Ariz.
Clawson, Del	King	Steiger, Wis.
Cleveland	Kuykendall	Stubblefield
Cochran	Landgrebe	Studds
Collier	Latta	Symms
Collins, Tex.	Lehman	Talcott
Conable	Long, La.	Taylor, Mo.
Conlan	Lott	Teague
Conyers	Lujan	Thomson, Wis.
Daniel, Robert W., Jr.	McClory	Thone
de la Garza	McCollister	Thornton
Dellenback	McEwen	Tiernan
Denholm	McKay	Towell, Nev.
Dennis	McSpadden	Treen
Dent	Madigan	Veysey
Derwinski	Mahon	Waggonner
Devine	Mallary	Wampler
Dickinson	Martin, Nebr.	Ware
Dorn	Mathias, Calif.	White
Duncan	Mathis, Ga.	Whitehurst
Edwards, Ala.	Mayne	Whitten
Evins, Tenn.	Melcher	Wiggins
Findley	Milford	Williams
Fisher	Miller	Wilson, Bob
Forsythe	Minshall, Ohio	Winn
Frenzel	Mizell	Wyatt
Frey	Montgomery	Wydler
Froehlich	Moorhead, Calif.	Wylie
Fulton	Murtha	Wyman
Gaydos	Myers	Young, Alaska
Gettys	Natcher	Young, Fla.
Gibbons	Nelsen	Young, S.C.
Goldwater	O'Brien	Young, Tex.
Gonzalez	Parris	Zion
Goodling	Passman	Zwach
	Perkins	

NOES—211

Abzug	Ford	O'Neill
Adams	Fountain	Owens
Addabbo	Fraser	Patman
Alexander	Fuqua	Patten
Anderson, Calif.	Giaimo	Pepper
Andrews, N.C.	Gilman	Peyser
Annunzio	Ginn	Pickle
Ashley	Grasso	Pike
Aspin	Gray	Podell
Badillo	Green, Oreg.	Preyer
Bell	Green, Pa.	Price, Ill.
Bennett	Griffiths	Pritchard
Bergland	Gude	Rees
Bevill	Gunter	Reuss
Biaggi	Haley	Riegle
Biester	Hamilton	Rinaldo
Bingham	Hanley	Robison, N.Y.
Blatnik	Hanna	Rodino
Boland	Hansen, Wash.	Roe
Bolling	Harrington	Rogers
Bowen	Hawkins	Roncalio, Wyo.
Brademas	Heckler, Mass.	Rooney, Pa.
Breckinridge	Heinz	Rosenthal
Brown, Calif.	Helstoski	Roy
Brown, Mich.	Henderson	Roybal
Broyhill, Va.	Hicks	Ruppe
Burke, Calif.	Holifield	Ruth
Burke, Mass.	Holtzman	Sarasin
Burlison, Mo.	Howard	Sarbanes
Butler	Johnson, Calif.	Satterfield
Byron	Jones, Ala.	Seiberling
Carey, N.Y.	Jones, N.C.	Sikes
Chappell	Jordan	Sisk
Chisholm	Karth	Skubitz
Clark	Koch	Smith, Iowa
Clay	Kyros	Smith, N.Y.
Cohen	Landrum	Staggers
Collins, Ill.	Leggett	Stanton, James V.
Conte	Lent	Stark
Corman	Litton	Steele
Cotter	Long, Md.	Stephens
Coughlin	McCloskey	Stokes
Cronin	McCormack	Stratton
Culver	McDade	Stuckey
Daniel, Dan	McFall	Symington
Daniels, Dominick V.	McKinney	Taylor, N.C.
Danielson	Macdonald	Thompson, N.J.
Davis, Ga.	Madden	Udall
Davis, S.C.	Mailliard	Ullman
Delaney	Mann	Van Deerlin
Dellums	Maraziti	Vander Jagt
Diggs	Matsunaga	Vander Veen
Dingell	Mazzoli	Vanik
Donohue	Meeds	Vigorito
Downing	Metcalfe	Waldie
Drinan	Mezvinsky	Walsh
Dulski	Minish	Whalen
du Pont	Mink	Widnall
Eckhardt	Mitchell, Md.	Wilson, Charles H., Calif.
Edwards, Calif.	Mitchell, N.Y.	
Eilberg	Moakley	Wilson, Charles, Tex.
Erlenborn	Mollohan	Wolff
Esch	Moorhead, Pa.	Wright
Eshleman	Morgan	Yates
Evans, Colo.	Mosher	Yatron
Fascell	Murphy, Ill.	Young, Ga.
Fish	Murphy, N.Y.	Young, Ill.
Flood	Nedzi	Zablocki
Flowers	Nichols	
Flynt	Nix	
Foley	Obey	
	O'Hara	

NOT VOTING—21

Baker	Jones, Tenn.	Rangel
Brasco	Kluczynski	Reid
Burton	Michel	Roberts
Carney, Ohio	Mills	Rooney, N.Y.
Crane	Moss	Rose
Davis, Wis.	Powell, Ohio	Rostenkowski
Frelinghuysen	Price, Tex.	Sullivan

So the motion was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Roberts for, with Mr. Rostenkowski against.

Mr. Crane for, with Mr. Rooney of New York against.

Mr. Price of Texas for, with Mr. Kluczynski against.

Mr. Frelinghuysen for, with Mr. Brasco against.

Mr. Michel for, with Mr. Carney of Ohio against.

Mr. Baker for, with Mr. Reid against.

Until further notice:

Mrs. Sullivan with Mr. Jones of Tennessee.

Mr. Moss with Mr. Rose.

Mr. Burton with Mr. Powell of Ohio.

Mr. Davis of Wisconsin with Mr. Rangel.

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the conference report.

The question was taken, and the Speaker announced that the ayes appeared to have it.

RECORDED VOTE

Mr. BROWN of Ohio. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 258, noes 151, answered "present" 1, not voting 21, as follows:

[Roll No. 49]

AYES—258

Abdnor	Fish	Mann
Adams	Flood	Maraziti
Addabbo	Flowers	Mathias, Calif.
Alexander	Flynt	Matsunaga
Anderson, Calif.	Foley	Mayne
Andrews, N.C.	Ford	Mazzoli
Andrews, N. Dak.	Forsythe	Meeds
Annunzio	Fountain	Metcalfe
Ashley	Fraser	Mezvinsky
Aspin	Frenzel	Minish
Badillo	Frey	Mink
Bafalis	Froehlich	Mitchell, Md.
Barrett	Fulton	Mitchell, N.Y.
Bell	Fuqua	Moakley
Bennett	Gaydos	Mollohan
Bergland	Giaimo	Moorhead, Pa.
Bevill	Gilman	Morgan
Biaggi	Ginn	Mosher
Biester	Grasso	Murphy, Ill.
Bingham	Gray	Murphy, N.Y.
Blatnik	Green, Oreg.	Murtha
Boggs	Green, Pa.	Natcher
Boland	Griffiths	Nedzi
Bolling	Grover	Nichols
Bowen	Gude	Nix
Brademas	Gunter	Obey
Breckinridge	Haley	O'Brien
Broomfield	Hamilton	O'Hara
Brown, Calif.	Hanley	O'Neill
Brown, Mich.	Hanrahan	Owens
Broyhill, N.C.	Hansen, Wash.	Patman
Burke, Calif.	Harrington	Patten
Burke, Mass.	Harsha	Pepper
Burlison, Mo.	Hastings	Perkins
Byron	Hawkins	Peyser
Carey, N.Y.	Hays	Pickle
Carter	Heckler, Mass.	Pike
Chappell	Heinz	Podell
Chisholm	Helstoski	Preyer
Clark	Henderson	Price, Ill.
Clausen, Don H.	Hicks	Pritchard
Clay	Hillis	Quillen
Cohen	Hinshaw	Railsback
Collins, Ill.	Holifield	Randall
Conte	Holtzman	Rangel
Corman	Horton	Regula
Cotter	Howard	Reuss
Coughlin	Hudnut	Riegle
Cronin	Hungate	Rinaldo
Culver	Hunt	Robison, N.Y.
Daniels, Dominick V.	Johnson, Calif.	Rodino
Danielson	Jones, Ala.	Roe
Davis, Ga.	Jones, N.C.	Rogers
Davis, S.C.	Karth	Roncalio, Wyo.
Delaney	Kastenmeier	Roncalio, N.Y.
Dellums	King	Rooney, Pa.
Dent	Koch	Rosenthal
Diggs	Kyros	Roush
Dingell	Landrum	Roy
Donohue	Leggett	Roybal
Dorn	Lehman	St Germain
Drinan	Lent	Sandman
Duncan	Litton	Sarasin
du Pont	Long, Md.	Sarbanes
Edwards, Ala.	McClory	Seiberling
Edwards, Calif.	McCloskey	Shuster
Eilberg	McCollister	Sikes
Esch	McCormack	Sisk
Eshleman	McDade	Smith, Iowa
Evans, Colo.	McFall	Smith, N.Y.
Evins, Tenn.	McKay	Snyder
Fascell	McKinney	Staggers
	Macdonald	Stanton, J. William
	Madden	Stanton, James V.
	Madigan	
	Mallary	
Stark	Tiernan	Williams
Steele	Udall	Wilson, Charles H., Calif.
Steiger, Wis.	Ullman	
Stephens	Van Deerlin	Wolff
Stokes	Vander Jagt	Wydler
Stratton	Vander Veen	Yates
Stubblefield	Vanik	Yatron
Stuckey	Vigorito	Young, Ga.
Symington	Walsh	Young, Ill.
Taylor, N.C.	Wampler	Zablocki
Thompson, N.J.	Whalen	Zwach
Thomson, Wis.	Whitten	
Thone	Widnall	

NOES—151

Abzug	Goldwater	Quie
Anderson, Ill.	Gonzalez	Rarick
Archer	Goodling	Rees
Arends	Gross	Rhodes
Armstrong	Gubser	Robinson, Va.
Ashbrook	Guyer	Rousselot
Bauman	Hammer-schmidt	Runnels
Beard	Hanna	Ruppe
Blackburn	Hansen, Idaho	Ruth
Bray	Hébert	Ryan
Breaux	Hechler, W. Va.	Satterfield
Brinkley	Hogan	Scherle
Brooks	Holt	Schneebeli
Brotzman	Hosmer	Schroeder
Brown, Ohio	Huber	Sebelius
Broyhill, Va.	Hutchinson	Shipley
Buchanan	Ichord	Shoup
Burgener	Jarman	Shriver
Burke, Fla.	Johnson, Colo.	Skubitz
Burleson, Tex.	Johnson, Pa.	Slack
Butler	Jones, Okla.	Spence
Camp	Jordan	Steed
Casey, Tex.	Kazen	Steelman
Cederberg	Kemp	Steiger, Ariz.
Chamberlain	Ketchum	Studds
Clancy	Kuykendall	Symms
Clawson, Del	Landgrebe	Talcott
Cleveland	Latta	Taylor, Mo.
Cochran	Long, La.	Teague
Collier	Lott	Thornton
Collins, Tex.	Lujan	Towell, Nev.
Conable	McEwen	Treen
Conlan	McSpadden	Veysey
Conyers	Mahon	Waggonner
Daniel, Dan	Martin, Nebr.	Waldie
Daniel, Robert W., Jr.	Martin, N.C.	White
de la Garza	Mathis, Ga.	Whitehurst
Dellenback	Melcher	Wiggins
Denholm	Milford	Wilson, Bob
Dennis	Miller	Wilson, Charles, Tex.
Derwinski	Minshall, Ohio	Winn
Devine	Mizell	Wright
Dickinson	Montgomery	Wyatt
Downing	Moorhead, Calif.	Wylie
Dulski	Myers	Wyman
Eckhardt	Nelsen	Young, Alaska
Erlenborn	Parris	Young, Fla.
Findley	Passman	Young, S.C.
Fisher	Pettis	Young, Tex.
Gettys	Poage	Zion
Gibbons		

ANSWERED "PRESENT"—1

Ware

NOT VOTING—21

Baker	Jones, Tenn.	Price, Tex.
Brasco	Kluczynski	Reid
Burton	Mailliard	Roberts
Carney, Ohio	Michel	Rooney, N.Y.
Crane	Mills	Rose
Davis, Wis.	Moss	Rostenkowski
Frelinghuysen	Powell, Ohio	Sullivan

So the conference report was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Rooney of New York for, with Mr. Crane against.

Mr. Carney of Ohio for, with Mr. Roberts against.

Mr. Frelinghuysen for, with Mr. Price of Texas against.

Mr. Burton for, with Mr. Michel against.

Mr. Kluczynski for, with Mr. Powell of Ohio against.

Mr. Rostenkowski for, with Mr. Baker against.

Until further notice:

Mr. Brasco with Mr. Jones of Tennessee.

Mr. Reid with Mr. Mills.

Mr. Moss with Mr. Davis of Wisconsin.

Mrs. Sullivan with Mr. Mailliard.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. McDADE: Mr. Speaker, just a short time ago the House voted on the question of whether or not a rollback should occur on the price of petroleum products. The parliamentary situation was such that in order to achieve that end it was necessary to cast a nay vote. I inadvertently cast my vote "yea" believing that would effect the rollback when in fact the parliamentary situation to effect a rollback required a "nay" vote. I wish the record to reflect the fact that I am in favor of the price rollback.

GENERAL LEAVE

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report just passed.

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

There was no objection.

PERSONAL EXPLANATION

Mr. KYROS. Mr. Speaker, on rollcall No. 47 I was present and voted "nay," but I was not recorded on the electronic voting machine.

EMPLOYEE BENEFIT SECURITY ACT OF 1973

Mr. DENT. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 2) to revise the Welfare and Pension Plans Disclosure Act.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H.R. 2, with Mr. BOLAND in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday, there was pending in lieu of the committee amendment now printed in the bill H.R. 2, as one amendment in the nature of a substitute for the bill H.R. 2 the text of the bill H.R. 12906 as title I of said substitute and the text of the bill H.R. 12855 as title II of said substitute. Part 1 of title I of the said substitute, ending on page 73, line 17, had been considered as read.

Are there any amendments to part 1?

AMENDMENTS OFFERED BY MR. ARCHER

Mr. ARCHER. Mr. Chairman, I offer an amendment to part 1. It is the first of a series of amendments which will go to title I, all of which seek the same thing.

Mr. Chairman, I ask unanimous consent to offer all these amendments en bloc inasmuch as they relate to the same subject matter, and to save the Committee and the Members a great deal of time.

Mr. Chairman, in essence the amendments would bring about a consolidation of the administration as to vesting, participation and funding in the Treasury Department.

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

Mr. DENT. Mr. Chairman, reserving the right to object, if the ranking minority Member will give me his attention, I have no objection to taking the amendments en bloc if the gentleman has no objection.

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

Mr. DENT. I will be happy to yield to the gentleman.

Mr. ERLENBORN. Mr. Chairman, I have no objection to the gentleman's request.

Mr. DENT. Mr. Chairman, I withdraw my reservation of objection.

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

There was no objection.

The Clerk read as follows:

Amendments offered by Mr. ARCHER: Page 19, in line 1, after "apply" insert "or sections 410, 411, and 412 of the Internal Revenue Code of 1954 apply".

Page 21, line 18, before the semicolon insert the following: or section 410(d) of the Internal Revenue Code of 1954".

Page 35, line 9, after "apply" insert ", or to which sections 410, 411, and 412 of the Internal Revenue Code of 1954 apply,".

Page 36, in line 3, after "302" insert "(or 412 of the Internal Revenue Code of 1954)".

Page 37, in line 3, after "302" insert "(or 412 of the Internal Revenue Code of 1954)".

Page 37, in line 5, after "302" insert "(or section 412 of the Internal Revenue Code of 1954)".

Page 37, in line 8, after "302" insert "(or section 412 of the Internal Revenue Code of 1954)".

Page 75, after line 11, insert the following:

(d) This part (other than section 204) shall not apply to any employee pension benefit plan if sections 410, 411, and 412 of the Internal Revenue Code of 1954 apply to such plan.

Page 100, in line 2, strike out "or".

Page 100, in line 6, strike out the period and insert in lieu thereof "; or".

Page 100, after line 6, insert the following:

(9) sections 410, 411, and 412 of the Internal Revenue Code of 1954 apply to such plan,

Page 126, in line 1, strike out "is" and insert in lieu thereof "to which section 412 of the Internal Revenue Code of 1954 applies or which is".

Page 126, in line 22, strike out "qualified under section 401(a)" and insert in lieu thereof "to which section 412".

Page 126, in line 23, insert the word "applies" after "1954".

Page 127, in line 22, after "203" insert "(or section 411 of the Internal Revenue Code of 1954)".

Page 137, in line 7, after "301" insert "(or section 412 of the Internal Revenue Code of 1954)".

Page 144, in line 10, insert the following before the period: "(or section 412 of the Internal Revenue Code of 1954 becomes effective by operation of section 1017(b)(2))".

Mr. ARCHER. Mr. Chairman, I want to explain and urge support for the amendments which I have offered, which represent a fair resolution of the problem of dual administration of pension plans inherent in the package presented in this legislation.

At the outset let me say that the offering of these amendments is in no way to be considered as a criticism of the efforts of either of the committees or their staffs to reach a reasonable compromise on this incredibly complex legislation. Both have labored diligently and in good faith to bring to this body the compromise before us. Unfortunately, it was not possible for them to agree on every point, and so in a sense they have left it to us to do the job of trying to deal with that which in the minds of many is one of the most critical aspects of this legislation.

That is, of course, the administration and enforcement of the new requirements and its cost to the pension plans in America.

We have heard about the vastness of the private pension system, that it presently covers over 30 million American workers. What has not been stressed to a sufficient degree and what is absolutely critical to any understanding of the pension system is that it is voluntary, and rightly so.

This legislation does not change that. It is not required by government at any level. It is only encouraged by them—primarily by the Federal Government through the special tax incentives that we grant to employers who establish and contribute to private pension plans. This voluntary nature of the system means that employers can either establish a plan or not. They can either end an existing plan or continue it at reduced or increased benefits. While most of the large pension plans are union-negotiated and their establishment, maintenance, and continuance are subject to collective bargaining agreements, most of the smaller plans covering lower paid workers in less skilled jobs are not negotiated and are subject to the volition of the employer. And, as you know, the primary concern to any employer when he considers benefits for employees is cost.

As a result, it is important that as we legislate to improve this voluntary private pension system and give added benefits and protection to workers, that we not so increase the costs of these plans—particularly the non-productive administrative costs—so that employers will find it financially impossible to continue providing pension plans for their workers or will decide—because of the high costs—against establishing them in the first place. The administrative costs associated with pension plans to the small employer under present law can and do run as high as 30 and 40 percent. As we increase costs—as we do in this bill, the increases will fall heaviest on the small plans whose participants generally need the most protection.

I am told by experts in this field that dual administration can double existing costs of administration. That would mean some of the small plans in America would be facing an administrative burden of 60 to 80 percent of the cost of the plan. Obviously this is not workable and the plans will cease to continue in effect.

The problem with the pension reform package agreed to by the two committees

is that it will unnecessarily and, in my view, foolishly increase the costs and administrative burdens falling on all pension plans because of the dualism of administration, standards, and enforcement it imposes. This dualism can and, I believe, will force mass terminations of existing plans and greatly discourage the establishment of new plans for the half of the work force not presently covered by any plan. If this results, we in Congress will have achieved exactly the opposite of what pension reform was supposed to have accomplished. We will have, in effect, thrown the baby out with the bathwater.

The reason for this dualism was to satisfy the legitimate jurisdictional concerns of both committees involved. However, although the result does that, it also creates bad law and must be changed. I would like to point out here that two Senate committees faced the same confrontation during consideration of pension reform legislation in that body, and resolved it early in their efforts in a way very similar to that which will result if my amendment is adopted.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. ARCHER was allowed to proceed for 3 additional minutes.)

Mr. ARCHER. My amendment is simple. It would provide that the Secretary of the Treasury would be solely responsible for the administration and enforcement of vesting, funding and participation provisions of plans which qualify for special tax treatment under the Internal Revenue Code.

My amendment would not in any way change the responsibilities under the Education and Labor Committee's portion of the bill relating to reporting, disclosure and fiduciary standards. They have been functions carried on by the Department of Labor in the past and should continue under its province.

My amendment is simply designed to eliminate the dual enforcement and dual administration over participation, vesting and funding under the pension package in the present bill.

It is fair to ask why this kind of a sensible legislative dichotomy is not in the compromise package. I believe the answer is that both sides felt they should have the authority over the whole package, neither being willing to cede on the jurisdictional point.

The result is that both got everything, and such a situation is not only absurd, it will be disastrous to the private pension system.

There is no worthy purpose in proliferating the administration of the already complicated pension law by dual standards, dual reporting, dual bureaucracies, and dual enforcement. This dualism will harbor uncertainty about the future, will force duplicative reporting requirements on employers, and of course greatly increase the administrative costs attendant to pension plans.

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

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

Mr. CONABLE. Mr. Chairman, I would like to thank the distinguished gentleman from Texas (Mr. ARCHER) for the initiative the gentleman has taken in bringing this amendment forward. It is an important amendment, and it is a needed amendment. The gentleman from Texas is doing a service to the House in presenting such an amendment. I hope the amendment will be agreed to by a wide margin.

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

Mr. ARCHER. I yield to the gentleman from Pennsylvania.

Mr. SCHNEEBELI. Mr. Chairman, I thank the gentleman for yielding to me.

Mr. Chairman, I wish to concur in the remarks of the gentleman from New York (Mr. CONABLE). The amendment offered by the gentleman from Texas (Mr. ARCHER) is indeed a worthwhile amendment, and should have been written in, in the first instance, and I hope the House will support the amendment.

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

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

Mr. WINN. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Texas (Mr. ARCHER). I would like to ask the gentleman one question. Is it true that there is a difference between the enforcement between the IRS and the legislative process in this bill?

Mr. ARCHER. The enforcement by the IRS under the regulations will always be accomplished within the broad frame of the authority that we grant them, but the enforcement by the Department of Labor, if we continue with these combined administrative standards, could be very much different. The interpretation by the Department of Labor could possibly be different than the same regulation as interpreted by the IRS. This too would be an intolerable situation, even if the regulations were the same, the interpretation could be and very well might be different.

Mr. WINN. There is, of course, the difference, though, is it not true, that the legislative protection that we are about to vote on today or tomorrow is taken away by the differences given to the IRS?

Mr. ARCHER. No. If you have a dual situation you can have a quagmire of controversy as to which interpretation is correct, with no solution benefiting anybody.

I think it is interesting to note that here we are trying to permit small employers to compete with big business, and that this dual situation will have just the reverse effect; the large corporations and the unions have been basically excepted by this bill. But the small employer, faced with this added protection cost of administration on their pension plans, will no longer, in my opinion, be able to compete, in many instances, with the big corporations, and the result could very well be they will be swallowed up by the big corporations, which is exactly what we do not want in this House.

The CHAIRMAN. The time of the gentleman has expired.

Mr. DENT. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Texas (Mr. ARCHER).

Mr. ULLMAN. Mr. Chairman, would the gentleman yield?

Mr. DENT. I am happy to yield to the gentleman from Oregon.

Mr. ULLMAN. Mr. Chairman, I want to say that the gentleman in the well has been most cooperative in working out an arrangement with me in a very difficult matter, and one that is very complicated. And while I fully respect the views of my friend, the gentleman from Texas (Mr. ARCHER) and recognize, in his sincerity, the things that the gentleman believes in, I think it would be a great mistake for the House to accept this kind of an amendment that would upset what I consider to be a very fine and workable arrangement that the gentleman's committee and the Committee on Ways and Means have worked out. This really is an integral part of that understanding, and I would hope that this House would stay with us and not accept the amendment.

Mr. DENT. Mr. Chairman, I thank the gentleman from Oregon for his remarks. I think in essence they are the main reason for this whole situation. We were put into this position by the action of the other body.

There is no way in the world we can dodge our responsibility here to pass legislation in this area. If we cannot dodge that responsibility then we must accept the proposal as it was sent over from the other body, that it be a joint effort between the Committee on Ways and Means and the Committee on Education and Labor.

But there is a very good and sound reason for not accepting the amendment. One very important reason is that the insuring feature, the reinsuring feature is contained only in that part of the bill that is under the jurisdiction of the Committee on Education and Labor, and the Department of Labor.

In order to approve plans for insurance, there have to be some minimum criteria. In this particular area that the gentleman is trying to take out of the legislation are the criteria for approval of the question of whether the fund is sound in its vesting, whether it meets the requirements of that law that is in the hands of the Department of Labor on funding. Therefore, we would take away the criteria that establishes the base for determining whether a plan can be reinsured or an optional base for a lowered rate of payment on the insurance because of the character of that particular plan itself.

Each and every plan will be judged on the question of whether they pay more for their insurance now or less.

The gentleman mentioned the added cost. I have not objected here to added cost which will be given entirely to a certain per capita charge against every participant in the fund to the Internal Revenue for its administration. We already have the machinery in the Department of Labor. There will not be, according to my information, any abnormal increase or prohibitive increase in cost for the administration in the Department of Labor.

Second, and more important—even if I

come down to the basics—is this: The negotiated part of a plan negotiated between labor and management, whether that be a plan that is qualified or not qualified, is a matter of contract. We are prescribing a minimum requirement for that contract, not a maximum. Neither is the IRS restricted to these particular minimum requirements. It may, when it sees fit to do so, add some other criteria before it gives a tax deferment to some wild-eyed proposal that might come across in a non-negotiated plan, for instance, which is still qualified.

I believe that we have struck upon a formula that will endure and will give justice to every person covered by a pension plan, whether he be in a qualified or nonqualified plan. We need the criteria in our section of the bill, and that was agreed upon a long time ago. In fact, for the benefit of the sponsor of the act—and I respect his position on the thing—every member of our committee fought hard to take out of his particular section of the bill the very features that he is taking out of our section of the bill.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. DENT was allowed to proceed for 1 additional minute.)

Mr. ARCHER. Mr. Chairman, will the gentleman yield for a question?

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

Mr. ARCHER. I have no doubt as to the gentleman's sincerity in his effort to develop a good pension bill, but I do take issue with the question of the cost to the employer which in effect becomes the cost of the worker for administration. If we have in effect provided all of these fine safeguards but the cost of providing reports in complying with all of the regulations of two Federal agencies, which might and probably will be conflicting, then we have undone all the good safeguards. I should like to point out that he mentioned insurance. My amendment does not touch the question of insurance. This would stay exclusively in the Department of Labor, and that is fine.

I have no real quarrel so much as to whether the Department of Labor or the Department of the Treasury administers it, as to the fact that it be done by one. If we can separate the functions out so that one has exclusive control over one function and another over another, we will simplify this cost.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

(By unanimous consent, Mr. DENT was allowed to proceed for 1 additional minute.)

Mr. DENT. Mr. Chairman, in answer I might say at the present moment both the IRS and Labor Department have supervisory powers, administrative powers, and administrative duties over all the sections on all matters dealing with pension plans. There is less duplication because we have unified the criteria under this particular act on the minimum standards.

In fact, the motion I thought the gentleman was going to make, and I would have had to reject it, was to move to take these features out of the IRS and give them to that particular part of the Government that has jurisdiction over contracts, because all of these plans come from contracts basically and if we do not have criteria to govern contracts certainly we would be in a very weak position to have criteria determining the tax deferment. I would have had to go along with the gentleman from the Ways and Means Committee because we sincerely believe that it is a dual effort and unified and ought to be operated in that manner.

Mr. ERLENBORN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, as I said yesterday when we were debating the rule, the acting chairman of the Ways and Means Committee and the chairman of the Education and Labor Committee, were asked by the Rules Committee to get together and resolve their differences as to jurisdiction. With the wisdom of a Solomon, they cut the baby in half and each one unhappily has half this dead child. This is no compromise.

What we have here is a ridiculous posture for this House to take: to pass in the same bill two separate laws quite similar, not identical, but quite similar in the same area and investing two different departments of the Government with the authority to see that these laws are complied with. This means the plan administrators are going to have to go to the Department of Labor to get an OK relative to the provisions on vesting and funding and then go to the Department of the Treasury and IRS where another set of bureaucrats will look at a similar law and maybe even regulations and interpret them differently. Then the Administrator will find he has not satisfied IRS and he will change the plan to satisfy IRS, and then Labor is going to be unsatisfied.

This is a prescription for utter chaos. If there is one thing we can do to discourage the future growth of private pension plans in industry, this is one of those things, to have so much paper work and conflicting jurisdiction as to discourage any employer from ever beginning a new plan; and those that are operating plans now will be sorry that they are.

I would have preferred to see primary jurisdiction in the Department of Labor. We really have no choice under this rule, working under a closed rule on title II. We could not even move to strike participation and vesting in title II. We do not have that option. We are operating under a closed rule. That being the case, the only way we can avoid dual jurisdiction is to adopt the amendments offered by the gentleman from Texas.

I do not think that is the perfect answer, and the gentleman from Texas himself said he does not think it is the perfect answer, but it will avoid this conflict which is inherent in the bill as it is being considered now.

The gentleman says he would divide the jurisdiction this way: On tax-qualified plans the jurisdiction would be in IRS; those that are not tax qualified would be in the Department of Labor.

When we stop and think about it for a moment, however, if we are adopting the same set of regulations for the right to even operate a plan as to have a plan tax qualified, who is going to have an unqualified plan in the future? Nobody. One might as well be tax qualified and get the tax deductions as to just operate a plan which is not tax qualified. One might as well have the tax qualifications.

I think if the gentleman's amendments are adopted, all the jurisdiction ultimately will be in the IRS. There will not be anything for the Department of Labor to do because we will not have any plans; but I would rather have that than have this House appear so foolish as to adopt two sets of laws in the same area in the same bill and invest two separate departments with the same power to regulate.

That just makes no sense at all, so I think I must support the amendments offered by the gentleman from Texas.

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

Mr. ERLENBORN. I yield to the gentleman from Pennsylvania.

Mr. DENT. If the gentleman is in support of this amendment, his assumption is that there will be no qualified plans. That is only, of course, a guess on his part. I would say there would be still many thousands of qualified plans, that over 2,000 of them exist, and if we wipe out jurisdiction from us by taking away these features, will the gentleman tell me what qualified features he would set up for a qualified plan?

Mr. ERLENBORN. I cannot imagine any wise business administrator operating a plan that is not tax qualified, if it has to meet all the same rules and regulations as a tax-qualified plan. Why would he be so foolish as not to take advantage of the tax determinations allowed under the rules of tax deduction?

I do not think there would be any unqualified plans if they were under the same set of rules.

I would urge that the amendments be adopted.

Mr. WRIGHT. Mr. Chairman, the legislation now before us is clearly one of the most important bills which will reach this floor for consideration this year. It will have far-reaching and lasting effects upon the lives of many Americans.

This bill is designed to protect the rights earned by millions of our citizens to the fruits of their labor and the reasonable expectation of a decent income on which to live after their retirement.

It has been estimated that upwards of 30 million employees were participating in private pension plans in this country in 1972 and that approximately 42 million will be involved by 1980. Pension plan assets had a book value of $150 billion in 1972. They are expected to reach $225 billion by 1980. So what we do here today will have far-reaching ramifications.

Undoubtedly one of the saddest spectacles of our society, in fact little short of criminal neglect, is to see a conscientious American wage earner spend 20 years or more of his life in the expectation that he is laying aside something of security for his old age, only to be rudely

shocked to discover that, for any one of a number of reasons, he really has nothing at all.

A traumatic example of this neglect comes to my mind from an episode in the history of my own family. In 1931, with the onset of the Great Depression, my grandfather at the age of 61 lost his employment with a large nationwide firm which he had served faithfully for 23 years. In only 2 more years he would have been eligible for retirement benefits from a pension plan operated by that company. Thrown out of work in the midst of the Depression at the age of 61, after 23 years in one job, he was unable to find other employment and had nothing—absolutely nothing—by way of vested retirement rights for his years of labor. And this, of course, was before the days of social security.

Nor was my grandfather's case in any way unique. All those with 20 years or more of service to this company were summarily discharged in that massive reduction in force. The company apparently had deliberately chosen to dismiss those with the longest service as a means of avoiding the payment of retirement benefits.

Fortunately, most of American industry today is more humane and less cruelly oblivious to the rights and feelings of its employees than many of its forerunners were in that earlier period.

But examples of this type of criminal neglect still occur. The Studebaker case is one of the most prominent examples. When Studebaker closed its South Bend, Ind., plant in 1964, the employees were separated and the pension plan was terminated. Many—including some who presumably had vested rights—were laid off with little or no benefits at all.

While one of the most celebrated cases, the Studebaker case is far from an isolated incident. According to the Department of Labor, there were 1,227 terminations of pension plans in 1972 alone. A joint study by the Treasury Department and the Labor Department indicates that these terminations probably resulted in the loss of some $49 million of benefits by 19,400 pension participants.

What I am saying should not be misinterpreted as a blanket criticism of private pension plans. Most of them, happily, are sound. A great many of them do a truly excellent job of providing the retired worker with the income for which he has jointly paid with his employer and to which he has looked forward. Private pension plans should by all means be encouraged, not discouraged.

Nevertheless, a study of the wide gamut of such plans as they exist today has revealed a number of deficiencies. I seriously doubt that there is any Member of this House who has not received at least a few letters from dismayed, shocked—and, yes, heartbroken——constituents who relate a series of circumstances through which they have been deprived of what they thought was rightfully theirs.

Any number of inadequacies, and sometimes hidden technicalities in the plan under which they thought they had coverage, have led to a financial disaster for too many retired workers.

In the aerospace industry, for example, it is not uncommon to find a highly skilled workman spending 10 or 12 years of his life in the employment of one company, only to be required by a reduction in force—a circumstance over which he has absolutely no possibility of control—to seek employment at another plant. He may work there for 8 to 10 years and then suffer a recurrence of the same fate. The result would be that a man with anywhere from 15 to 20 or in some cases 25 years of service to various companies in a given industry would end up with no guaranteed pension protection at all.

These facts of economic life argue impellingly for the adoption of certain minimum Federal guarantees to assure to our working force the benefits of vested rights and some portability of pension plan coverage.

We have been at some pains in the Congress to write laws which protect the consumer from being deceived and cheated by fraudulent practices in the market place. How much more unconscionable—how much more irremediable to allow any American to be deprived of his retirement from the fruits of his own labor over an extended portion of his working career.

When a person is deprived of money by fraudulent packaging or advertising, he has suffered some immediate injury but one from which he can recover. When a person is deprived of the fruits of 15 or 20 years of his life, however, he has lost something which he can never recapture.

For each of these reasons, I support the move to strengthen and improve the pension rights of America's working force. We need to correct the injustices that exist. It seems to me that we owe our fellow citizens nothing less.

Mr. BIESTER. Mr. Chairman, I rise in strong support of the substitute to H.R. 2, the Pension Reform Act, comprised of H.R. 12906 and H.R. 12855.

Private pension plans are a rapidly growing and expanding economic reality. From coverage of 4 million employees with assets of $2.4 billion in 1940, private pension programs now cover 35 million workers with assets of $150 billion.

Although private retirement plans established by employers for their employees are of a voluntary nature, it has become increasingly apparent that there are fundamental problems with the present system which must be corrected if we are to protect an individual's right to the pension for which he has worked and planned.

Over the years, thousands of individuals have seen their retirement benefits disappear as a result of inadequate safeguards in their pension plans. A mechanical engineer worked 20 years for a leading electronics corporation and several other companies but never quite accumulated enough time at any one job to earn rights to each company's pension benefits. A worker for a nationwide food chain put in over 32 years with the firm, but when the company closed down the warehouse where he worked he was fired 4 years short of the company's minimum pension age and received nothing. When the Studebaker plant in South Bend closed its doors a decade ago, pension plan participants were shocked to discover that the company had never funded their plans. Similar stories have been repeated too many times.

The private pension system represents a tremendous financial resource. Existing law in this area, minimal as it is, has not done the intended job, and it has become clear that steps must be taken to better guarantee the objectives of the private pension system. This must be accomplished without jeopardizing the ability of private programs to expand and serve more individuals.

In enacting requirements to bring deficient or potentially unsound programs to a minimally acceptable level, we should not unnecessarily impede those which are and have been performing well. The purpose of pension reform legislation, therefore, is not to inhibit or unduly restrict private plans but to insure their continued vitality and viability on a sound basis.

History and experience with private plans has indicated problems in four general areas: vesting, or granting employees a nonforfeitable right to at least a portion of their benefits; funding, or insuring the adequacy of assets for payments under the plan; fiduciary, or assuring the ethical reliability of fund managers and plan operations, and portability, or allowing pension rights to follow an employee from one job to another.

The Pension Reform Act addresses itself to these concerns. Guidelines are set forth in determining eligibility of participants, including such factors as age, years of service and interrupted service. The vesting section provides the employer three differing options from which to choose: 25 percent after 5 years plus 10 percent for each of the next 5 years—full vesting after the 15th year; full vesting after 10 years; or 50 percent vesting when the sum of age and years in covered service equals 45—with 100 percent vesting 5 years later. Covered service prior to the legislation's enactment would be taken into account in determining benefit entitlements.

Minimum funding requirements call for annual employer contributions sufficient to cover normal costs and amortization of all plan benefits. A termination insurance program is included which would protect workers against plans that partially or completely fail. Participants would be covered to a maximum of $20 monthly times the years enrolled in a plan or plans. Pension plan managers would have to meet certain minimum fiduciary standards to assure their competence and trustworthiness, and the funds themselves would have to be placed in diversified investments. Plan participants would be required to be provided with comprehensible explanations of a plan's features and its financial condition.

Provision is made for plan participants moving from one job to another who wish to transfer pension benefit credits accrued in previous employee service. Also

included is an arrangement whereby self-employed individuals are encouraged to set up their own retirement plans through a system of tax incentives but with specified limits on the benefits and contributions under such a program.

In reconciling the interests and concerns of both employer and employee in this legislation, Congress is seeking a balance which can fairly satisfy most of those involved. We should be establishing an encompassing program, comprehensive in scope, to cover adequately all those problems which experience tells us should be dealt with. While I support the bill now before us as a considerable improvement over the present approach, I feel it could be stronger in the protection it affords the American worker covered by its provisions. Although this measure is not a final answer to the problems of the private pension plan system, once it is enacted and we have the opportunity to observe its impact over a period of time we will be in a position to evaluate its effects and then recommend whatever changes may be warranted. We should, however, give this legislation the full opportunity to achieve its intended and necessary purposes.

The pension reform measure we pass should assure that private pension systems do what they are intended to do, and do so in a sound and businesslike manner. I believe the legislation, as reported by the two committees which considered it, can help accomplish this.

Mr. MEEDS. Mr. Chairman, for America's working people legislation to protect private pension plans is long overdue. It is perhaps our most important piece of unfinished business. For too long we have permitted tragedies in which the hope of a pension becomes a broken promise.

We, on the Education and Labor Committee, have worked many months and years to shape this legislation. Frankly, pension protection is one of the most complicated subjects ever to come before us. But there is nothing complicated to the letters which I am sure all Members of this House have received from people who, for one reason or another, were shortchanged on the pension they had been promised.

It was my honor to chair a subcommittee hearing in Seattle last April during which we took testimony from local parties concerned about pension reform. Among those who appeared were Chuck Mahlum and Farris Bryson of the Association of Western Pulp and Paper Workers. The three of us live in Everett, Wash., where a local paper mill closed in 1972. Because all the liabilities came due at once, there were insufficient assets in the pension fund to cover the several hundred employees. Workers who had served the company for 20 years got severance checks and directions on how to get to the local employment office.

With the legislation that has already been passed by the Senate and which is pending here today, we can prevent the kind of rending experiences that occurred in Everett. We can assure people that after years of faithful service they will not become throwaways.

I think our substitute bill is a wise and careful compromise. We require in-depth reporting and disclosure standards so that unions and employees will know just where they stand. We require itemized accounts of assets, receipts, disbursements, loans, leases, and other important information. The fiduciary is required to diversify holdings to minimize potential losses.

The legislation's provision on vesting is noteworthy. Followers of White House and congressional pension legislation know that a hangup has been the difference of opinion as to how soon and when an employee should be vested. So what we have done is to give participants three options. In the first option, an employee can become fully vested after 10 years of service. In the second option, he can become vested by 25 percent after 5 years, and then full vesting after 15 years. The third option is the "rule of 45". That is, 50 percent vesting when age plus years of service equals 45, and then increasing to 100 percent by 10 percent each year.

As for eligibility, our compromise requires that a person become eligible not later than age 25 or after 1 year of service. The funding section is simple. For new plans all unfunded liabilities must be funded in 30 years and 40 years is the time schedule for existing plans.

The heart of the bill, in my view, is plan termination insurance. Pensions are deferred wages, and they are also based on the probability that a certain number of people in the pension plan will retire each year. As I said previously, the Everett situation saw all the liabilities come due at once. In our bill we establish a Pension Benefit Guaranty Corporation. All plans are required to insure unfunded vested liabilities.

We have reached a reasonable accord with the Ways and Means Committee on tax treatment of group plans and on Keogh self-employed plans.

Mr. Chairman, the people of America have been asking for this overdue legislation. They deserve it. Let us make sure that deferred wages will never be deferred permanently.

Mrs. SCHROEDER. Mr. Chairman, I would like to express my enthusiastic support for the two bills being offered today as substitutes to H.R. 2, H.R. 12906, and H.R. 12855. Together these bills provide a series of reforms in private pension plans to transform what has been up to now an amalgam of giant lotteries into a sensible, standardized, supervised plan of retirement income for older persons in America.

Private pension plans have assumed increasing importance in this country over the past 10 years. Today, some 30 million Americans are covered by pension plans, including nearly half of all full-time nongovernment employees. Another 14 million persons are covered by Government plans; this represents a 50-percent increase in one decade of persons covered by these two types of plans. The median pension payment for those retiring has doubled over this same period of time; and today these plans have in excess of $150 billion in assets. Up to now, pension plans have been characterized by gross deficiencies in organization and gross inequities in distribution of benefits. Far too many people never draw the pensions toward which they have contributed their hard-earned dollars, money they had counted on, and to which they are entitled—not as a reward but as a matter of right.

The legislation before us would protect working men and women from being arbitrarily deprived of these retirement benefits by establishing minimum standards for companies offering such plans and by preserving tax advantages to encourage their participation. H.R. 12906 would establish tighter reporting and disclosure requirements to provide each participant or beneficiary with a written description of the plan and a summary of the annual financial report to be submitted to the Secretary of Labor.

Members would thus be informed of their schedule of benefits, eligibility and vesting provisions, claim procedures and remedies, bases of financing, and any other plan provisions which affect their rights as employees. Fiduciaries of the plans are required to discharge their duties "solely in the interest of the participants"; they are prohibited from engaging in transactions purely for their own gain, directed to diversify investments so as to minimize the risk of loss to plan members, and to make available copies of the plan description and annual report to keep the public well informed.

Under this bill, a company offering a pension plan would be required to extend coverage to every employee who has reached the age of 25 and completed 1 year of service; employers may choose one of three plans by which to convey increments; most employees would receive 100 percent vesting after 15 years of service. Adequate funding would be required for current and prior liabilities; and a Pension Benefit Guaranty Corporation would be created to provide insurance against termination in case a company folded before its employees began to receive their benefits. Both the Labor Department and the Internal Revenue Service are authorized to enforce various aspects of the legislation; and the bill has the sanction of both criminal and civil penalties to be imposed in the event of violations.

H.R. 12855, title 11 of the substitute bill, offers identical provisions for participation and coverage, vesting, and funding. In addition, this bill would also increase the tax deduction for retirement plans of self-employed persons; limit the amount companies can set aside as part of profit sharing and money purchase pension plans; and allows individuals not covered by any qualified private or government pension plans to deduct up to 20 percent of their earned income up to $1,500 to be set aside in a special custodial account, in a credit union, a bank, a savings and loan account, or a life insurance company, whichever they choose.

It mandates automatic joint and survivor annuities unless an individual, with full knowledge of the terms of the annuity, voluntarily in writing "opts out." Finally, title 11 would require the Social Security Administration to maintain records of retirement plans in which

former employees who have not yet retired have vested benefits, and to provide this information to plan participants and their beneficiaries on request. This information reserve is a major step in the direction of instituting portability of pension rights, so that a person will one day be able to transfer benefits from job to job.

The repercussions of this extensive reform will be widespread indeed; retired persons in this country will have more money to spend, enabling them to live more comfortable lives in a more self-sufficient way, and providing them with the purchasing power necessary to contribute to the overall stability of the economy. Accumulated security plans appear to be gradually leading toward earlier retirements, enabling people to enjoy the middle and later years of their lives, exploring new ways in which to experience their leisure time. In addition, pension funds are themselves becoming a source of financial power, as a source of corporate capital and real estate investment. Finally, retirement programs will become an increasingly important component of the overall benefits package used by companies to attract and retain employees. They will provide an incentive for both union and nonunion industries to formulate pension plans where none presently exist and to improve existing benefits for the worker.

While H.R. 12481 and H.R. 12855 address themselves to a number of long overdue, much needed reforms, they represent only a beginning in solving some of the problems in our private pension system, especially as that system affects women. Private pension plans have not looked kindly on women who work and then leave their jobs temporarily to give birth or to raise a family, or women who work part time. Moreover women generally receive less benefits than men simply because they are still discriminated against in employment and salary opportunities. We should not hesitate to do away with these inequities now.

The present pension bill provides for vesting at age 25. I would support a provision to set eligibility at age 25 or after 3 years of service, whichever occurs first. Many persons in this country begin to work upon graduation from high school, at age 18. A number of women who start to work at 18 leave the workforce for a couple of years to have children and then return—80 percent of all first births in this country occur before a woman reaches 25. If vesting is to be truly a nonforfeitable right, it should not be deferred for any arbitrary reason, particularly when this results in hardship to both blue collar workers and to working women.

While the legislation under consideration does mandate survivorship benefits to be automatic unless they are explicitly waived, I would support a plan whereby both the worker and the spouse are required to waive their rights to these benefits. Since it is the spouse who is directly affected, he or she should participate directly in the process of waiver.

Part-time employment is often a necessity for many women in this country, particularly those with family responsibilities or who are over the age of 65. One-third of all working women work only part time or part of a year; yet, many private pension plans exclude employees whose customary employment is less than 24 hours per week. I would support a provision which would include pension credit for part-time work, reducing the baseline figure to 20 hours per week and allowing proportional credit for such employment on a prorata basis.

The Labor Department has declared pensions to be a form of salary; yet we know all too well, despite legislation to the contrary, that there exist gross discrepancies and inequities between male and female earning power in this country. Women are more apt to be white collar workers than men, but the jobs they hold usually pay far less than those of men. The existence of separate actuarial tables for men and women in the same jobs are discriminatory against women, for they include statistics for nonworking women and compute their figures to arrive at an average, not a median, age. The result has been that women in the same occupation as men are given a life span up to 10 years longer, a figure which is very misleading. It is imperative that we continue to fight to reverse the trend towards sex discrimination in employment by making explicit in this legislation the prohibition of such discrimination in granting benefits, implementing programs, and in any way administering the act. It is also important that we continue to give meaning to title VII of the 1964 Civil Rights Act by encouraging stronger enforcement of its provisionns by the EEOC.

From board room to boiler room, working women have been deprived of financial security in this country. The patterns of employment for women are rapidly changing; let us pass legislation which both reflects these facts and protects these fundamental rights.

Mr. PRICE of Illinois. Mr. Chairman, pension safeguards are becoming increasingly important as the private plans grow and increasing numbers of Americans come to depend upon them as major sources of retirement income. An estimated 25 to 30 million Americans are covered today, and their number is expected to reach 42 million by 1980. Pension plan assets now exceed $150 billion and are expected to be $225 billion by 1980. Such funds have become a major source of investment capital.

Yet there is still no law governing the management of such funds or assuring that workers will receive the pensions they have been promised, even though workers may have been contributing toward them for many years. A recent Government study shows that in 1972, there were 1,227 plans terminated involving 42,000 claimants. The total present value of the lost benefits amounted to $48.7 million for all claimants and $34.4 million for those retired, eligible for retirement, or whose rights were fully vested.

There are two outstanding examples of the situation this legislation is intended to remedy in the 23d Illinois District. The closing of the General Steel and American Zinc plants adversely affected the pensions of many workers who had not put in 30 years of service before they were terminated. All contributions to the pension fund were lost to these workers, and most were too old to find other employment but not old enough to collect Government benefits such as social security.

The impact current inadequacies in pension regulation have had in my congressional district persuaded me to become one of the original cosponsors of H.R. 2 and work for its enactment.

Under this bill, a company offering a pension plan would be required to extend coverage to every employee who has reached the age of 25 with 1 year of service. An employee's right in his pension plan would vest—that is, become legally enforceable—under one of three minimum standards: first, graduated vesting beginning with at least 25 percent after 3 years, increasing to 100 percent after 15 years; second, 100 percent after 10 years, with nothing before that period of time; third, 50 percent when years of service and age of employee total 45, 10 percent per year over the next 5 years. Most employees would have 100-percent vesting after 15 years of service.

Adequate funding would be required for current and prior liabilities of the fund, and strict fiduciary standards would be established for persons who manage pension funds. This is to protect the fund's existence. An insurance program would be created to protect against plan termination, as well as a reporting and disclosure requirement so that information about a plan and its transactions may be monitored. Enforcement of the bill's provisions will be carried out by the Labor Department and the Internal Revenue Service.

With regard to self-employed individuals and persons working for companies without pension plans, there are provisions in the bill to improve their situation. There are provisions to increase the amount self-employed individuals can set aside and deduct for retirement purposes from 10 percent of their income up to $2,500 per year to 15 percent up to $7,500. There are also provisions to permit employees not covered by pension plans to set aside and deduct for retirement purposes 20 percent of their yearly income up to $1,500.

Mr. Chairman, I think the case for this legislation is clear, and I hope that my colleagues will vote to protect the pension rights of millions of Americans.

Mr. BOLAND. Mr. Chairman, H.R. 2, the Employee Benefit Security Act, brings before us a genuine milestone amongst all the legislation that has been or will be considered by this Congress. It will go a long way toward providing full protection for millions of American workers participating in pension plans.

I would like to commend the efforts of the distinguished chairman of the General Subcommittee on Labor of the Committee on Education and Labor (Mr. DENT) as well as those of the acting chairman of the Committee on Ways and Means (Mr. ULLMAN) in developing a bill which combines substantive provisions on vesting, funding, portability, termination

insurance, fiduciary responsibility, and reporting requirements with tax provisions covering deductible contributions.

Mr. Chairman, some 36,000,000 American workers are presently participating in some sort of pension or retirement scheme. It is essential that comprehensive, effective protection be extended to these workers so that their pension expectations will not be eliminated by business or pension plan failures. In my district alone, two major plant closings in the last decade—those of the Westinghouse vending machine plant in Springfield and the Perkins Machine and Gear Co. facility in West Springfield, have laid bare the inadequacies of present pension regulation.

Hundreds of workers who had been employed for many years suddenly discovered that they had no vested rights to pension benefits, and that the funds upon which they had depended to supply their retirement needs were underfunded. Some have since died without a single penny of reimbursement for the many years' contributions they made. Many others cannot even draw reduced annuity payments because they are too young.

Similarly tragic cases such as these abound throughout the country. It is apparent that improved Federal standards are necessary to halt the inequities they produce.

Title I of the bill provides these options for the vesting of pension rights: full vesting after 10 years of service; 25 percent vesting after 5 years with full vesting after 15 years; and a "rule of 45" whereby a worker with 5 years of service will be 50 percent vested when his age and years of service equal 45, and 10 percent additionally vested each successive year thereafter.

In all cases, when a worker acquires a percentage vesting, he has an undisputedly clear right to benefits no matter what happens subsequently. The bill envisages the possibility of his leaving his employer or the business failing without harm to his right to some pension benefits.

Title I also assures adequate contributions to fund every plan so that it will always be able to meet its obligations. A further guarantee of this is provided by mandatory plan termination insurance, which will set up a pension insurance fund that can back up pension plans that might fail for reasons from embezzlement to business failures.

Title II of the bill concerns itself with the amounts that constitute deductible contributions to individual plans for self-employed individuals as well as to other qualified plans like profit sharing or money purchase plans. It insures that both individuals and employees covered by qualified plans will be able to receive adequate pensions upon retirement from their savings.

Mr. Chairman, I am pleased to give H.R. 2 my support. At present, only one-half of the nonagricultural work force are covered by some sort of pension plan. That section can too easily fall prey to any number of circumstances that might totally deprive them of any equity in their established fund. And for nearly all of these workers, vesting occurs only upon retirement.

This situation is entirely too chance-ridden. It must give way to enforceable standards and effective regulation. The Employee Benefit Security Act will help to encourage expansion and growth of pension plans because it sets up enforceable criteria for the management of all kinds of funds, whether existing or new. The act demands fiduciary standards from those entrusted with the operation of pension plans. Both the Labor Department and the Internal Revenue Service would administer those provisions most appropriate to their area of expertise and collaborate in those areas which require joint action. This, I believe, will satisfy both workers and employers who feel that their interests deserve representation in this crucial sector.

Mr. Chairman, this legislation is both complex and far reaching in effect. It will have a profound impact on the latter years of millions of workers. It can enable them to enjoy their retirement with dignity. I am pleased that I can so wholeheartedly endorse this bill. I urge my colleagues to join me in supporting it.

Mr. CAREY of New York. Mr. Chairman the House will vote soon on final passage of historic pension reform legislation—a joint bill produced by the House Ways and Means Committee and the House Education and Labor Committee. For the first time, the 30 million workers covered by company and union pension programs will enjoy Federal guarantees that their pension plans will provide the retirement benefits to which they look forward and have earned.

Present tax law already encourages the establishment and continuing operation of pension programs in private industry and commerce. For over 30 years, the Federal Government, through favorable tax treatment of retirement fund investments and earnings, has enabled millions of Americans to invest in their futures. Deductions are permitted to employers and employees for contributions to pension plans, plus, increases in the value of these funds are not taxable until the retired worker actually starts receiving payments from the fund—when his tax bracket is substantially lower.

By 1980, 42 million Americans will be covered by pension programs, and pension plan assets will rise from a 1972 book value of $150 billion to $225 billion by 1980. These vast sums will now be protected and will be used to maintain workers and their families in economic security after completion of their active working years.

Mr. Chairman, the House Ways and Means Committee, on which I have the honor to serve, has worked long and hard in producing title II of the composite legislation we are considering today. We have had extensive hearings on this matter and considered the bill during 33 executive sessions of the committee. I wish to salute Chairman MILLS for his leadership and commitment to pension reform legislation; our distinguished acting chairman, Congressman ULLMAN, for his leadership during the exhaustive, day-by-day work of the committee; and Congressman JOHN DENT, for his continuing efforts in behalf of pension protection and reform. I also wish to salute the membership of both the committees for achieving this statesman-like jurisdictional allocation of the bill's provisions—title I to Education and Labor, and title II to Ways and Means. This itself is clear evidence of the firm commitment shared by both committees to making pension reform and pension protection a reality.

The committee has worked diligently to see that, in adding protective guarantees for pension rights, plans currently operating were not harmed. Many amendments were added to the bill to take the special needs of certain existing plans into account, while still maintaining revenue losses to the Treasury at a minimum.

Provisions in both bills for tax treatment, coverage, portability, insurance and funding represent truly landmark legislation in this vital area of insuring tens of millions of Americans with secure retirement years. I mentioned earlier the hundreds of billions of dollars that these combined funds will contain.

It is my hope that that these increasing billions will be used to provide additional badly needed mortgage money for housing. Mortgage interest rates in excess of 8 percent on a national scale have practically brought the home construction industry to a halt. This in turn has a very serious dampening effect on all the industries that service the construction, finishing, equipping and furnishing of these homes. Slack in employment is then further aggravated by decreased production, plus energy crisis unemployment.

The average worker, looking at the housing market right now, can see no way to buy a decent home for himself and his family. Housing averages approximately $30,000 for each new start, and inflationary pressures have driven the prices of other housing up at about 10 percent rate per year. What is needed badly right now is an increase of mortgage money in the private housing market.

Investment of increasing amounts of these institutional investments and portfolios in housing would permit some easing of the cost of credit in this vital area. It would provide a steady growth investment and, most appropriately, it would permit the American worker to borrow pension funds now, in order to provide decent, reasonably priced housing for his family.

Mr. Chairman, I cannot emphasize how significant this legislation is. We are taking the first step in Congress to guarantee the American worker with a certain and secure economic future. We will be looking at pension reform laws in the next several years. We will see whether deductions should be raised or lowered. We will evaluate inclusion of other types of plans in the coverage and tax deduction provisions which will be enjoyed by those coming under the protections of this pending bill.

The bill certainly does not represent nor promise utopia. Making this plan work will require a healthy, productive economy, increased investment oppor-

tunities for these funds in housing and other growth investment markets, and a commitment on the parts of both labor and management to see this legislation work. I am confident that all these conditions will be met.

Mr. Chairman, as a member of the House Ways and Means Committee, I support and urge the passage of this bill—legislation easing the mind of the worker who fears loss of pension at retirement, encouraging labor and management to invest in the senior consuming years of retired workers, and protecting and enhancing the security represented by pension plans already in operation.

In closing, Mr. Chairman, I want to say I am pleased I was able to be of direct assistance to a number of concerned groups of workers in securing inclusion of provisions protecting and improving their present pension plans. We can all be proud of this Pension Reform Act of 1974—legislation that will prove a sound investment in America's and our own futures.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Texas (Mr. ARCHER).

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. DENT. Mr. Chairman, I demand a recorded vote.

A recorded vote was refused.

Mr. DENT. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count.

Sixty-two Members are present, not a quorum. The call will be taken by electronic device.

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

[Roll No. 50]

Addabbo	Hansen, Wash.	Price, Tex.
Baker	Holifield	Reid
Brasco	Jarman	Roberts
Burton	Jones, Tenn.	Rooney, N.Y.
Camp	Kluczynski	Rose
Carey, N.Y.	Kuykendall	Rosenthal
Carney, Ohio	Long, Md.	Rostenkowski
Chisholm	Maillliard	Sikes
Clark	Martin, Nebr.	Sullivan
Conyers	Michel	Thompson, N.J.
Crane	Mills	Tiernan
Culver	Minshall, Ohio	Wiggins
Davis, Wis.	Mitchell, Md.	Wilson,
Dulski	Mosher	Charles H.,
Frelinghuysen	Moss	Calif.
Gray	Nichols	Yatron
Gubser	Powell, Ohio	

Accordingly the Committee rose; and the Speaker pro tempore (Mr. MCFALL) having assumed the chair, Mr. BOLAND, Chairman of the Committee of the Whole House on the State of the Union, reported that that committee having had under consideration the bill H.R. 2 and finding itself without a quorum, he had directed the Members to record their presence by electronic device, when 383 Members recorded their presence, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. For what purpose does the gentleman from Pennsylvania rise?

Mr. DENT. Mr. Chairman, I demand tellers.

PARLIAMENTARY INQUIRIES

Mr. ARCHER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. ARCHER. Mr. Chairman, I would like to make a point of order against the request of the gentleman from Pennsylvania for a teller vote. The gentleman had sought to get a vote on the amendment, and he failed to do so, and then he asked for a quorum call. Further, the vote was announced that the ayes had it. Then the gentleman failed to be able to get a recorded vote, and when the gentleman could not get a recorded vote he then made the point of order that a quorum was not present. I would like to have us proceed in the regular order.

The CHAIRMAN (Mr. BOLAND). The Chair will inform the gentleman from Texas that the Committee has not passed on to other business, and the gentleman from Pennsylvania is entitled to ask for a teller vote on the amendment offered by the gentleman from Texas (Mr. ARCHER) but he may not ask for a recorded vote.

Mr. ARCHER. Mr. Chairman, a further parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. ARCHER. Mr. Chairman, did the gentleman not have to do that before he asked for a quorum call, and before the vote on the amendment was announced?

This appears to me highly irregular. I have been here for only 3 years, but I have never seen anything like this happen in those 3 years.

The CHAIRMAN (Mr. BOLAND). The Chair will state to the gentleman from Texas (Mr. ARCHER) that it is not highly irregular. It is not necessary to take a teller vote before a recorded vote, and the order of preference is within the discretion of the Member asking for the vote. A teller vote is now in order if the gentleman from Pennsylvania requests one, and a sufficient number of the Members of the Committee agree to his request.

PARLIAMENTARY INQUIRY

Mr. DENT. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. DENT. Mr. Chairman, is it not always in order that any Member of the House, when he suspects or believes there is not a quorum present at any point of order in the business of the House, can call for a quorum?

The CHAIRMAN (Mr. BOLAND). The Chair will state to the gentleman from Pennsylvania (Mr. DENT) that the gentleman has stated the general principle. The Chair again will inform the Members of the Committee that the gentleman from Pennsylvania is within his rights in demanding a teller vote, but not a recorded vote.

PARLIAMENTARY INQUIRY

Mr. DU PONT. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. DU PONT. Mr. Chairman, my parliamentary inquiry is this: Is it the ruling of the Chair that at any time following a request for a recorded vote, or a teller vote, in which a sufficient number of Members do not arise, that at any time later on in the proceedings of the House a Member is entitled to get a vote on an amendment that has been adopted on a voice vote?

The CHAIRMAN (Mr. BOLAND). The answer to the inquiry of the gentleman from Delaware is no; only if the Committee of the Whole House on the State of the Union has not proceeded with further business.

TELLER VOTE

Mr. DENT. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. ARCHER and Mr. DENT.

The Committee again divided, and the tellers reported that there were—ayes 111, noes 158.

So the amendments were rejected.

Mr. DENT. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. MCFALL) having assumed the chair, Mr. BOLAND, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 2) to revise the Welfare and Pension Plans and Disclosure Act, had come to no resolution thereon.

PROTEST ON TITLE I FORMULA DEVELOPED IN ELEMENTARY AND SECONDARY EDUCATION ACT

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

Mr. PEYSER. Mr. Speaker, within the next week or two we are probably going to have action on the Elementary and Secondary Education Act, and at this time I want to register a strong protest on the formula developed in this legislation specifically dealing with the question of title I moneys.

Mr. Speaker, I am a member of the Committee on Education and Labor, and deeply disturbed over what has happened in the development of this program—it is going to strike a blow at nearly every urban area in the country, and it is going to change the real thrust of title I, which was supposed to be directing money to the areas where there are poverty children who are in need of extra aid in education.

It seems to me any dilution of this effect which is going to happen if this legislation is passed the way it is now proposed is going to be very detrimental to the entire program.

I am entering into the RECORD a com-

plete statement as to what the impact of this bill on title I will be.

Mr. Speaker, as a member of both the Education and Labor Committee and its General Education Subcommittee, I have actively participated in the 13 months of hearings and markup session held on H.R. 69. During this time, the committees attempted to carry out a thorough investigation of all aspects of the Elementary and Secondary Education Act, and especially the title I program, aid to disadvantaged children, and its formula for distributing funds. It is unfortunate that after all of its careful deliberations the committee was forced to vote on a formula for title I which it had not seen prior to its being offered as an amendment, and for which there was no data indicating its effect on different areas of this country.

Throughout the hearings and subsequent to full committee passage of H.R. 69, a great number of myths about aspects of the new title I formula and about New York State have been created to cloud the real issues and to insure acceptance of this new formula. I would like to take this opportunity to clarify a number of confusing points and inaccuracies that surround the title I formula.

It has been stated that the new committee formula is better than the old formula because it uses the "more flexible and realistic" Orshansky poverty index to determine low-income eligibility for title I. However, no one has taken the time to truly describe to the Members of this body either what the Orshansky formula is or what its limitations are.

The Orshansky poverty index was developed to be a means of evaluating the relative economic well-being of diverse groups in our society, especially farm and nonfarm dwellers. Its basic concept is that the well-being of a family is indicated by the percentage of income used to purchase necessities, and that families needing to use the same proportion of income for a given level of food expenditures are considered to have the same level of living.

The index was developed in 1963 from an analysis of the percent of income devoted to food expenditures by families and the lowest dollar outlay at which a housewife can hope to provide a recommended nutritional goal for her family. The consumption information for the comparison was supplied by a 1955 Department of Agriculture food consumption survey and a 1961 study of family expenditures conducted by the Departments of Labor and Agriculture. Although food expenditures represented only 30 percent of the use of a person's income, it was felt that by comparing food expenditures, the relative poverty of different groups could be found. Initially, 1963 price and income levels were used with the cost of food figures being derived from the Department of Agriculture's "Economy Food Budget Plan," and it was estimated that a farmer got approximately 30 percent of his food from his farm so farm poverty levels were set at 70 percent of nonfarm levels. In 1968, two modifications were made: one called for the use of the Consumer Price Index to update prices rather than just changes in the food plan cost as had previously been used; and the other revised the farm poverty levels upward to 85 percent of the nonfarm.

The criteria for the Index are: sex of the head of the household; whether the head of household is over 65; number of children under 18 in the household; total size of household; whether the family is a farm or nonfarm family—this is not a rural-urban differentiation, so that nonfarm persons in Los Angeles or Snowflake, Ariz., are considered equivalents.

The limitations of this index start when it is noticed that the base levels of the index were set over 10 years ago, and the data used to derive the base levels was over 9 years old at that time. Furthermore, the index uses only food expenditure data as its basis, ignoring such necessities as cost of housing and transportation, medical expenses, a person's assets, and the difference between the cash income of a farmer, who has a greater ability to use income tax provisions, and a nonfarmer. Mollie Orshansky, the index's developer, has said of the index:

> It (the index) concentrates on the income-food relationship, although in urban families, particularly those handicapped not only by a lack of money but by minority status and large families, the cost of housing may be critical.

It should also be noted that there was no attempt to account for the "cost-of-living" differences in the initial determination of the cost of food and the subsequent updating of price levels for the index, and, thus, the index tends to overstate poverty in "low-cost-of-living" areas—rural—and to understate poverty levels in "high cost-of-living" areas—metropolitan areas. Ms. Orshansky recommended in her testimony before the Special Education Subcommittee that "further analysis" of the formula be conducted before it was used as a poverty index.

Throughout the Education and Labor Committee's consideration of the renewal of the Elementary and Secondary Education Act, the Orshansky poverty index was continually offered as a new and better way of determining eligibility of children for title I moneys. The general shortcomings of the Orshansky formula have already been mentioned, but there are specific failures of it that are especially relevant to its use in title I. It is argued that the index is more flexible than a static poverty level, and that it is better than the "outdated" figure of $2,000 that was set in 1965. Ms. Mollie Orshansky answers these by saying, "The index is a still photograph, not a moving picture," and this still photograph was taken in 1963, 2 years before the "outdated" 1965 determination of $2,000, and its subject was 1955 data. Further, it should be realized that the count of people below the Orshansky poverty level for States, counties, and cities is from the decennial census, and thus Orshansky is as dependent on 10-year-old census data as the old formula.

In considering title I, it must be remembered that the funds appropriated for this program have never been sufficient to meet the needs of all of the eligible children. Under the 1960 census and $2,000 poverty level, the number of children below the title I poverty level was approximately 4,800,000—which is comparable to the number of children under the 1970 census at $3,500 poverty cut off—while the use of Orshansky will increase the number of children to about 7,700,000. This 50-percent increase in the number of children will cause a dispersion of monies to the extent that the true effectiveness of title I in helping disadvantaged children is questionable.

A final effect of the Orshansky formula is to shift the funds out of urban areas and distribute them in farm areas. This shifting of funds is in direct contradiction to the movement of people, including poor people, from rural areas into metropolitan areas, and coupled with the greater dispersion of money, the result is a decrease in funds for almost all urban centers while they are increasing in the number of eligible children.

The use of the Orshansky poverty index in title I will alter the purpose of the program, which was to aid local education agencies with concentrations of disadvantaged children, and this change will severely harm the attempt to provide an equal educational opportunity to all disadvantaged children.

Another point concerns the eligibility for title I assistance of children from families who have income in excess of the poverty cut off from AFDC. It is argued that AFDC is not a reliable poverty indicator since the payment levels differ from State to State and since certain groups do not register for AFDC. It is also argued that AFDC is biased against rural areas, and many ineligible people are receiving payments.

The clearest response to the complaint about the differing level of payments was made by the Social Services Administration in their response to the question: "Does the variance between AFDC eligibility and payment levels reflect the regional variations in cost of living and as such, constitute an important part in an equitable distribution of funds?" The reply was:

> Although there are variations in AFDC eligibility and payment levels which do favor States with less restrictive eligibility rules and higher payment levels, if AFDC data are used to allocate funds, we are unaware of any other more adequate data which is provided county-by-county [Title I is a county distribution formula] on a relatively current basis (yearly) which could be used for an equitable distribution of funds. These data can be augmented by data on the ethnic-racial composition of jurisdictions in such a way as to increase funds to communities with higher proportions of ethnic-racial concentrations [thus compensating for the failure of groups to register].

AFDC payment levels do vary from State to State, but in reality—although the Orshansky index ignores this fact—so does the true level of poverty.

In regard to the argument that AFDC is biased against rural areas, this bias is as much a result of the failure of the States, especially in the Southeast, to provide the necessary assistance as it is caused by any shortcomings with the AFDC program. The lower payment levels and the failure to provide out-reach

services are not due to the poorness of the States, but rather are part of a general disinterest of Southern States in providing services to their citizens. This is clearly shown when one compares the average relative tax effort—which is compiled by the Advisory Committee on the Intergovernmental Relations by dividing the personal income adjusted for "tax capacity" by the total State and local tax collections—of the Northeast to the Southeast, which are 12.87 and 10.05 respectively. It should also be noted that over the last 2 years, since 1972, the Southeast's increase of 55.4 percent in the number of children from families over $2,000 from AFDC is far greater than any other regional increase in the country. As these States increase their efforts, the so-called bias of AFDC will disappear.

The last complaint about AFDC was that there were many ineligible people on its roles. This argument does not discredit AFDC, but rather says that there is a need for reforming it to insure that only eligible people receive payments. This reform has been initiated, and the recent social security regulations require that the AFDC rolls be reviewed every 6 months to weed out any ineligible people.

As was stated by the Social Services Administration, AFDC is probably the best way of getting updated accurate data on the number of poverty families in a community. Further, I think it is ridiculous for anyone to try to argue that people on AFDC are not impoverished.

A further point of argument is that permitting a State to use the higher of either its State average per pupil expenditure or the national average per pupil expenditure is a great inequity, and that the committee formula corrects this inequity by limiting States to 120 percent over and 80 percent below the national average per pupil expenditure. The basis of his argument is that New York is getting more than its fair share since—

> The extra cost—the difference between New York's average per pupil expenditure being 150 percent of the national and its average teacher salary being only 120 percent of the national average—are apparently due to a large degree to the very rich pension system which that State maintains.

This myth of the New York State Pension System causing the higher per pupil expenditure in my State was first created during the committee proceedings on the title I formula and is once again being used to justify a section of the new formula that is inequitable. Although New York State does maintain a pension system more liberal than many States, this is not the basic reason that our per pupil costs are 150 percent of the national average, while our average teacher salaries are only 120 percent of the national average. The "richness" of New York's pension system only accounts for approximately 5 percent of the additional costs of educating our students.

The major reason for the difference in costs and teachers' salaries is that New York State has a much higher professional—instructional—staff ratio than exists nationwide. The staffing ratio in New York State exceeds the nationwide ratios by approximately 25 percent in total instructional staff and by 18 percent in classroom teacher staffing. This difference is a result of New York State's commitment to providing quality education for all of the children of our State. It is strange to me that a State which is trying harder than anyone else to provide quality education should be singled out, criticized, and legislated against for its efforts.

Another point that should be made about this argument is that the four States and the District of Columbia that exceed the national average per pupil expenditure by more than 120 percent, are receiving pupil grants under title I, which represent only 19.83 percent of their State per pupil expenditure, while a State such as Minnesota is receiving grants that are equal to over 25 percent of its per pupil expenditure. Although New York may be receiving more dollars than other States under the present title I formula, it is getting comparatively less than other States are for their children.

It is very clear that the committee formula does not correct any of the shortcomings of the existing formula, and that it actually creates some new inequities. It is unfortunate that this formula was secretly contrived and that the committee was forced to vote on it without the availability of requested pertinent data and in an atmosphere of hostility created by myths about New York. I, and all New Yorkers, believe that there is a need for a positive updating of the allotment formula for title I, but, that in developing a new poverty index, the Congress should be concerned with helping all disadvantaged children and not merely cutting funds for New York State and the densely populated areas throughout this country.

The committee's formula is not a good formula and it should be changed.

INTRODUCTION OF "COMPREHENSIVE SCHOOL HEALTH ACT"

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

Mr. MEEDS. Mr. Speaker, I am pleased to join with 37 fellow House Members in introducing today the Comprehensive School Health Act. Senator DICK CLARK is introducing a similar bill today in the Senate.

The bill would set up a 3-year program of teacher training, demonstration projects to develop, disseminate and evaluate health education curriculums, and, in the final year of the bill, provide direct grants to State and local schools to start programs. The full range of health programs is included—dental health, disease control, environmental health, family life and human development, nutrition, safety and accident prevention, smoking and health, substance abuse, consumer health, and venereal disease.

I have worked closely with national PTA representatives, health education specialists, and others in drafting this bill. In fact, the PTA has pledged itself to active support in passing meaningful health education legislation this session.

The President's Committee on Health Education, in their 1971 report, found glaring lacks in spending on prevention and health education. Of the $75 billion Americans spend on health care, 93 percent goes for treatment of illness, 5 percent for research, 2 percent for prevention, and one-half of one percent for health education—in short a crisis-oriented health program.

The committee concluded that coherent health education in schools largely does not exist in this country. Each State has a mishmash of requirements varying widely in time, topic, and relevance to current problems. In many cases, health education seems to consist largely of a little first aid training, a few antismoking lectures, dire warnings about loose living, and some nutritional advice from food company propaganda. I am sure there are some splendid programs available in isolated instances, but, overall, school health education is tragically irrelevant to the problems of what I call "cultural" disease—disease caused or aggravated by our way of life and controllable by informed living habits and attitudes.

What I call "cultural" disease includes things like nutritional excess, drug abuse, sedentary living in polluted urban environments—problems that cannot be cured by vaccination, by refrigerating food, or by purifying the town water supply. But they are preventable and they are controllable by informed living habits and attitudes.

For example, the President's committee found that 37 percent of middle-income families were poorly nourished, too fat or too thin. They heard testimony in Los Angeles that 1 of 5 high school students will contract VD before receiving a high school diploma. But in some schools teachers are not even allowed to mention venereal disease in class. Statistics on drug and alcohol abuse among the young and not so young are staggering.

Education for personal health and health citizenship among today's young people should have a high priority. Instead, we find that the quality of health education in our schools is largely inadequate, virtually nonexistent in the crucial first 10 years of life. It is not an isolated problem. It is found in school districts all across the Nation. It is a problem of national impact and national concern. My bill seeks to focus that concern and find solutions to the problem.

CONGRESS SHOULD ENACT LEGISLATION TO DETER SKYJACKING AND ACTS OF TERRORISM

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

Mr. HUDNUT. Mr. Speaker, last Friday morning, February 22, I was in Friendship Airport at Baltimore preparing to return to my district when the abortive skyjacking attempt occurred. I was horrified at the instant barbarism that surfaced, and like everyone else, was frightened by the awful sequence of events that quickly unfolded, which ended in the deaths of a security guard,

the copilot, and the deranged skyjacker himself, and the critical wounding of the pilot. But, also, I was very impressed by the dispatch with which the law enforcement authorities and the emergency medical service personnel handled the matter—within an hour or so, they had returned the airport operations to "business as usual." The unfortunate incident reminded me of the fact that many of us, including myself, had introduced antiskyjacking legislation a year or so ago, and that this legislation had not yet been reported to the floor of the 93d Congress. So I resolved, upon my return to Washington from Indianapolis, to take up this matter with the Interstate and Foreign Commerce Committee, of which I am a member, and to make a strong appeal to Congress to act on this important subject.

In broad outline, the different bills that have been introduced would implement the Hague Convention so far as expanding jurisdiction over skyjacking is concerned. Furthermore, they provide for penalties ranging from 20 years up to death as a penalty for skyjacking; give the President power to suspend air service to and from any country that provides sanctuary for skyjackers or assists any terrorist organizations engaged in skyjacking; and authorize the Secretary of Transportation to suspend the operating authority of foreign air carriers that fail to meet minimum security standards. We cannot say what the Interstate and Foreign Commerce Committee will come up with specifically, but we can say that some such legislation seems very much in order.

Not that passage of this or any other law will guarantee the American public complete safety and immunity against the aberrant human behavior of demented persons who resort to kidnap, piracy, murder, assassination, and so forth, to achieve their goals; but we are a government of laws and not of men, and we must protect American citizens against those in our society who illegally take the law into their hands and threaten the well-being of their fellow men. The legislation before the committee will do as much as is humanly possible in Federal law to enact stringent antiskyjack measures that will effectively deter people from undertaking irrational acts of violence that lead to tragedies such as the one that occurred last Friday.

Mr. Speaker, this is not the place to argue philosophically about the advantages and disadvantages of the death penalty, but it is the place to say that the Congress has a responsibility to protect society against crimes of violence such as skyjacking, and that tough laws, effectively enforced, cannot fail to help. We are living in a time of rising terrorism. A young heiress is kidnapped in California to extort free food for the hungry, a newspaper editor is abducted in Georgia because some revolutionaries object to the liberal bias of the press, a would-be skyjacker in Baltimore runs amuck in an effort to commandeer a plane he reportedly wants to crash into the White House, the IRA in the heart of Great Britain carries out a program of systematic ruthless destruction, Arab commandoes kidnap and murder Israeli athletes at the 1972 Munich Oympics, a leading periodical—Newsweek, February 25, 1974—carries an article on "The 'Mortality' of Terrorism" which tells us that over the last 6 years, American intelligence experts have chronicled a total of 432 major acts of international terrorism, including 235 bombings, 94 skyjackings, and at least 57 kidnappings, in which at least 196 people died, some 300 others were injured, and property damage and ransom payments ran to uncounted millions.

The ultimate answer in society's warfare against terrorism lies in changing the hearts of men so that respect for the law and love of one's fellowman can supersede resorts to violence. This is a job of the homes, schools, churches, and synagogues of America, together with other institutions that are concerned about the formation of people's character, beliefs and attitudes. Nonetheless, a partial answer lies in the enactment of legislation that will set the parameters beyond which certain types of behavior are unacceptable. It does not take very much provocation sometimes to scrape away the veneer of civilized behavior that covers the baser instincts in unredeemed human nature. One function of Government is to preserve that veneer and prevent it being ripped off, because there is no grievance that can be considered a fit object for redress by erratic and barbaric behavior in which men take the law into their own hands. Civilization will be preserved, and our society will be held together, at least in part because the rule of law is sustained, and because the laws of the land are swiftly and strictly enforced. No one has a right to do violence to another person, his life or property, anywhere, any time, and it is Government's obligation to protect the citizen from such violence.

I believe that the antiskyjacking legislation currently pending before the Congress, such as is embodied in the bill I am cosponsoring, H.R. 3470, and in other similar measures, will help Government fulfill this essential function—and I urge its speedy passage.

TIME TO INVESTIGATE THE HOARDERS

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

Mr. VANIK. Mr. Speaker, I am today preparing legislation to impose a tax of 50 cents per barrel on all gasoline held in storage by one owner in excess of 30 days. My legislation would also impose a 10 cents per barrel per month tax on all oil and other petroleum products in excess of 300 barrels held by one owner in excess of 30 days. The gasoline and oil held in reserve under Government order and in quantities of less than 300 barrels would be exempt. Gasoline and oil for agricultural use or held in retail service and available for immediate sale will be exempt.

This tax is directed at the sequestering and hoarding of gas at storage centers, rented ships and vessels, railroad tank cars, and closed retail establishments. It is also designed to provide an accurate registration of supplies on hand with penalties for nondisclosure.

While there may be substance to energy czar Simon's statement that individual motorists are maintaining higher quantities in their gas tanks, this is miniscule when compared to tremendous quantities of gasoline and oil held by others. Today there are practically no large storage facilities available for the storage of gasoline and other petroleum products. They are substantially committed to hoarders, speculators and others hedging against higher prices. The costs of storage are negligible when compared to skyrocketing prices of gasoline and oil as a commodity in future markets. Thousands of tank cars are filled with fuel in railroad yards and on sidings. Monthly rental fees for tank cars are small when compared to the soaring cost of gasoline and petroleum products.

Abandoned gas stations are being utilized for speculators for the storage of fuel. Even tanker ships are being rented and moved around the high seas by American speculators. The gasoline station lines, the skyrocketing prices of gasoline, and the squeeze on the American consumer is a problem substantially made in America by Americans.

The only way that we can fight hoarding and speculation and their damaging effect on our entire economy is to provide a tax system which will compel the reporting of speculated and hoarded supplies. It is time that this vital information on supplies becomes mandated by law. The American people are fed up with circumstances which hold them hostage to the statistics of the American Petroleum Institute and the other big brothers who manipulate our supplies of oil and gasoline.

STUDENT LOAN AMENDMENTS OF 1974

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon (Mr. DELLENBACK) is recognized for 15 minutes.

Mr. DELLENBACK. Mr. Speaker, I have introduced today H.R. 13059 which sets forth a series of amendments to the guaranteed student loan program which are being proposed by the administration. A short title of the bill is the "Student Loan Amendments of 1974."

Mr. Speaker, I commend the Department of Health, Education, and Welfare for developing their legislative recommendations for the guaranteed student loan program on rather short notice. In January the House passed H.R. 12253 to extend the so-called "Tydings amendment" which would allow the expenditure of fiscal year 1973 and fiscal year 1974 education appropriations during 1975. This extension had virtually unanimous support and we should get it to the President at the earliest possible date.

In the other body, H.R. 12253 was amend to drop the needs test for certain students to qualify for in-school interest subsidies under the guaranteed

student loan program. This action by the other body prompted our Special Subcommittee on Education to hold a series of hearings on this issue.

Just yesterday, the Special Subcommittee on Education reported out to the full committee a bill which likewise would remove the requirement of a formal needs test for most students so that students from middle income families will find it easier to secure loans for this fall.

Mr. O'HARA, the chairman of the Special Subcommittee on Education, has indicated on several occasions that the legislation which we hope to pass in the next several days is considered by the subcommittee very much an interim solution to the many problems that beset this student loan program. I strongly support the chairman's commitment to begin in-depth studies and hearings quickly to come up with a longer range, comprehensive set of amendments that will enable us to reach the highly desirable goals of increasing the accessibility of student loans, reducing the default rate, and eliminating the requirements that tend to discriminate against certain students because of their parents' income.

Mr. Speaker, the amendments suggested by the administration seek to accomplish these same objectives. They are suggested by the administration as short-range solutions. Other suggestions will be made by the administration in time to be considered by our committee.

A number of my colleagues on the committee join with me in an affirmation of our open-mindedness about and willingness to examine carefully all of the proposals that we hope and expect to receive in the days ahead from lenders, institutions of postsecondary education, State guarantee agencies, students and others.

Mr. Speaker, I feel that the amendments which I am introducing today have substantial merit and are certainly intended to achieve the objectives which many of us have voiced for this program. I hope that my colleagues on the committee and all those involved in this program will study them seriously and give us their views.

Because of the urgency for getting these amendments considered as broadly as possible and as soon as possible, I am inserting as part of my remarks the letter of transmittal from the Department of Health, Education, and Welfare to you, Mr. Speaker, along with a section-by-section analysis of the proposed bill itself:

DEPARTMENT OF HEALTH,
EDUCATION, AND WELFARE,
February 26, 1974.

HON. CARL ALBERT,
Speaker of the House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: Enclosed for the consideration of the Congress is a draft bill "To amend the Higher Education Act of 1965 to provide for increased accessibility to guaranteed student loans, to extend the Emergency Insured Student Loan Act of 1969, and for other purposes."

This draft bill, which has the short title of the "Student Loan Amendments of 1974," would modify the Guaranteed Student Loan program in order to increase the availability of such loans for all students, simplify the administrative operations of the program, and reduce loan defaults. The bill will also amend the Basic Educational Opportunity Grant program to permit interest expenses on guaranteed student loans to be counted in determining the amount of the award.

First, the bill would extend the Emergency Insured Student Loan Act of 1969 for two years and would increase the maximum amount of the special allowance provided thereunder from three to four percent. This change would increase the flexibility of the Secretary, in conjunction with the Secretary of the Treasury, to increase the amount of the special allowance during periods of high interest rates.

Second, the bill would remove the distinction in the student loan program between those loans which are only guaranteed and those for which an interest subsidy is payable as well, by phasing out the interest subsidy program. During the recent period when the total loan volume has been restricted because of a shortage of available funds, many lenders have been using the needs test (which applies only to eligibility for interest subsidies) as a means of rationing the amount of funds they were willing to commit to the program. The result has been that many middle income students have been unable to obtain even a guarantee. The draft bill would remedy this problem by providing that the interest subsidy, now awarded under the loan program, be made through the Basic Educational Opportunity Grant Program in the years of instruction for which a basic grant is available. When the basic grant program is funded for all undergraduate students, the interest subsidy would cease to exist under this proposal, and thus there would no longer be a needs test in the Guaranteed Student Loan Program.

The bill also contains a provision increasing the aggregate loan limitation for graduate students to $25,000. Many graduates students are unable to take full advantage of the Guaranteed Student Loan Program because they have borrowed up to the current limit of $10,000 during their undergraduate and early graduate years. Examples are found in health professions education (medical and dental training), but this could also be true of law schools and other graduate education. Such students should be able to continue to use the Guaranteed Student Loan Program for their professional education.

Other proposals contained in this bill are compounding of interest when the student and the lender agree to defer interest payments on student loans until the beginning of the repayment period; (2) a provision relating to the determination of need for an interest subsidy for students attending institutions outside the United States; and (3) the elimination of the defense of infancy with resppect to student loans insured by the Commissioner.

The Department will be developing for Congressional consideration a more comprehensive set of proposals designed to improve the operation of Federal student aid programs. The enclosed bill contains only those proposals which are necessary to correct problems which are having an immediate impact and for which corrective action needs to be taken without delay. Those more comprehensive proposals will be submitted to the Congress in sufficient time to be considered in connection with the extension of the Higher Education Act.

I am also enclosing for your convenience a section by section analysis of the bill.

I urge prompt and favorable consideration of this proposal.

The Office of Management and Budget advises that enactment of this proposed legislation would be in accord with the program of the President.

Sincerely,

FRANK C. CARLUCCI,
Acting Secretary.

STUDENT LOAN AMENDMENTS OF 1974, SECTION BY SECTION ANALYSIS

Section 2. *Increase in special allowance and extension of the Emergency Insured Student Loan Act of 1969.* Extends for two years the authorization for a special interest allowance under the Emergency Insured Student Loan Act of 1969 and increases the maximum amount of such allowance from 3 to 4 percent.

Section 3. *Federal payments toward interest costs on insured student loans.* (a) Amends the 7% subsidy provision to cover only students who are undergraduates and who were in college prior to April 1, 1973. Thus, the availability of subsidized loans would correspond to those years of instruction for which basic grants are not available (juniors and seniors in school year 1974–75).

(b) Amends the guaranty provision for State and private nonprofit student insurance programs to cover any insured student loan rather than just those for which an interest subsidy is payable or would be payable except for lack of need. (Conforming amendment.) Also expands the Federal guaranty for such programs to cover not only principal, but also interest accruing up to the beginning of the repayment period. (The Federal program already covers both principal and interest.)

(c) Provides for an increase in the amount of payments under the basic grant program to cover 100 percent of the cost of interest charges payable by the student on loans insured under title IV–B of the Higher Education Act. Such interest charges would be included in determining whether the amount of the basic grant determined for any student meets the minimum $200 requirement in the Act (or the $50 minimum grant which applies when the schedule of reductions is in effect).

Section 4. *Permitting the compounding of interest on student loans.* Would permit lenders in both the State agency and Federal programs to compound the interest in those cases where the note provided for the deferral of interest payments.

Section 5. *Increase in loan limitation.* Increases the maximum amount of loans a graduate student may receive in any year from $2,500 to $5,000 in both the Federal and State agency loan programs. Also increases the aggregate amount of insured loans by a graduate student from $10,000 to $25,000 in both programs. The repayment period for all borrowers would be extended to a maximum of 15 years and the total maximum period of the insured loan would be increased from 15 to 20 years from the initial date of borrowing.

Section 6. *Determination of need outside the United States.* Provides that where a student eligible to receive an interest subsidy attends an institution located outside the United States, any determination of need may be made by the Commissioner, the State, or the private nonprofit agency (whichever is appropriate) rather than by the institution.

Section 7. *Elimination of the defense of infancy with respect to Federally insured student loans.* Provides that a student shall not be under a disability to enter into a student loan contract because of his minority, and that such a contract may not be disavowed because of such minority.

Section 8. *Effective Date.* Provides that, except for those amendments which are effective immediately, the amendments made by this Act shall be effective 90 days after enactment.

GUARANTEED STUDENT LOANS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota (Mr. QUIE) is recognized for 15 minutes.

Mr. QUIE. Mr. Speaker, I am happy to

join the gentleman from Oregon (Mr. DELLENBACK) the ranking member of the Special Subcommittee on Education, in cosponsoring a bill recommended by the administration to amend the guaranteed student loan program.

Our committee has been investigating the problems associated with this program for some time. Most of us feel that educational institutions and lenders have applied far too rigidly the needs test which was required by the Education Amendments of 1972. Although we have tried to encourage institutions and lenders to consider the figures of such formal needs tests as good guidance rather than final judgment, the result has been a denial of even a guaranteed nonsubsidized loan for many students from middle-income families.

The bill which I am joining in sponsoring today is not the comprehensive proposal which I am sure our committee will be making within the next year or so. It, like other interim measures being considered in the Education and Labor Committee, should be viewed as changes for 1 year. I intend to work with Representatives DELLENBACK, O'HARA, BRADEMAS, and others during the coming months to investigate many major proposals that are being suggested. And I expect that the administration will have further recommendations in the coming months as well.

Mr. Speaker, I like the major proposal of the administration's recommendations—to phase out the so-called subsidized loan and move toward one type of easily accessible loan. Such a loan would not discriminate against some students who happen to have parents that make over $15,000 adjusted family incomes. It would recognize the fact that 18-year-old are adults, that it is they who will repay the loan, and that at least 43 States now give 18-year-olds the right to sign legal contracts on their own behalf.

Further, one type of guaranteed loan, at 7-percent interest to students, would not tempt families and students to take out the largest possible loan—which I believe no-interest loans do many times—but only that amount the student legitimately needs to meet reasonable educational costs. I believe this move, along with other necessary amendments, would reduce the alarming increase in loan defaults.

I fail to see how we are doing any person a favor by tempting him—or even allowing him—to take out one of the present subsidized loans in an amount greater than necessary. That is why I am opposed to the amended version of H.R. 12523 which our Special Subcommittee on Education reported out yesterday.

I favor dropping the formal needs test for students from families below an adjusted $15,000 income. But I feel the lender should be provided information about what the student and his family will actually contribute. I believe lenders want and deserve this information before they make a subsidized loan. I also see there are good reasons for limiting the amount of subsidized loans that can be received without a needs test to $1,500.

GOVERNMENT OVER-REGULATION OF OUR ECONOMY IS ABOUT TO DO IT AGAIN—CREATE MORE SHORTAGES: BREAD AND SUGAR SHORTAGES ARE BEING PREDICTED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. KEMP) is recognized for 10 minutes.

Mr. KEMP. Mr. Speaker, there was a time—not too many years ago—when we prided ourselves, as a Nation, on not being subject to the shortages and scarcities which plagued other countries.

We could look with pride at our American production capabilities—our factories and our farms. Our granaries and warehouses were full. Goods got to market, and services were performed. This is no idealized image of what our economy and our abundant life which rested upon it were like. It was a reality.

Sure, we had economic problems from time to time; the economy was not always stable. But while we had some unemployment and families suffering the hardships of low income, we tried and did do something about those problems. Why? Because we always were borne forward by a conviction that the spirit and vitality of a free people could rise to meet any economic challenge—and that spirit was well grounded, for it was rooted in the history of our national experience.

Along this prosperous road something happened, slowly at first, then a virtual, headlong rush. Some thought government could do a better job. "All we need," it was argued by proponents of big government," is a little tampering here, a little adjustment there." "It may take a little agency with several hundred employees to do it, and we may even have to pass a law or two, but"—they argued—"the government legislators can aright the imbalances in our economy; they can smooth things over."

Thus, over the past 40 years, Government ceded unto itself more and more power and authority. A few laws became many. A few regulations became thousands. The size of the Federal payroll grew into the millions of employees. The budget mushroomed until it stands as nearly a third of the entire gross national product. And, with this growth there came a repression of the spirit of the people—that spirit to try to do the job for themselves. As Government took more power, people began to acquiesce in it, saying, "Leave it to Uncle Sam."

At some point—no matter who was President, no matter what political party was in power, no matter what party controlled the Congress—it was all bound to start falling apart. Excessive regulation so wore down the capacity of the economy to produce goods and services that scarcities and shortages were not only predictable but also inevitable.

What have we lost—all of us—as a Nation and an economy—because of this?

We have lost our productive edge on other countries. Nations, like the Soviet Union and Japan, are close on our heels. There would be little wrong with that in a freely competitive arena, but this loss of our margin is a result of our own making. That is what is wrong with it.

We have also begun to lose the spirit which buttresses a productive capability of people.

And, we have since 1953 lost a national production level of $1.8 trillion short of reasonably full production; as well as, $451 billion in additional tax revenues with which we could have paid our bills instead of indebting further the taxpayers; and, 48 million man-years of employment. These facts have been recently documented by Dr. Leon H. Keyserling, the former chairman of the Council of Economic Advisers.

We have gone through a beef shortage; we are going through a gasoline shortage. As a matter of fact, according to a recent study released by the National Association of Manufacturers, we are now living through shortages in over 600 commodities—zinc, aluminum, asphalt, steel, nylon, cotton, paper, plastics, coke, iron, silver, and, as I said, about 600 more. Some shortages are more obvious than others; we all eat beef and drive cars, so meat and fuel shortages are more noticeable. Others are when one is personally involved—like in one's business or work.

Against this background, I think one can see why I was so disturbed by this morning's newspaper accounts that we may soon be struck with two additional major shortages: Bread and sugar.

As to bread, the current prediction—and let us hope it does not happen and the Department of Agriculture "assures" us it will not—is that we may be without it on our shelves for a full month late this spring until the new wheat harvests start coming in. The reasons are varied, and their validity and real impact are also varied. Some ascribe the shortages to export-import policies; others to inadequate production: still others to various forms of Government manipulations of the commodity markets. Whatever the reasons, they all have one base: They are all a product of Government regulatory policy—of regulation and control.

The same can be said for the potential sugar shortage.

If we do have a shortage in either or both of these areas, What will happen? First, since the supply will go down, the price will go up. You and I will have to pay more. Unfortunately, Congress may react by trying to control prices, which will decrease production even further; laws will be proposed, some may be passed. New regulations will be promulgated. And, of course, televised hearings will be the feature of mid-morning home viewing.

Are we to have a bread czar too?

Are we to have a sugar czar too?

Where will this end? If we do not stop this excessive regulation and return to the laws of supply and demand—which result in both increased supplies and decreased prices—we are inviting economic chaos. And, the people will—as they should—hold the Members of this body responsible for not having acted intelligently on the matter.

We need a repeal of the control stat-

utes which have accentuated this economic turmoil. Laws intended to alleviate the shortages have merely made them worse. We need a change in attitude in this country, a move toward the realization of economic freedom—the base for all freedom. And, we need these things now.

AVAILABILITY OF THE ARTS TO THE HANDICAPPED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maine (Mr. COHEN) is recognized for 5 minutes.

Mr. COHEN. Mr. Speaker, today I am joining with Senator PERCY in introducing a concurrent resolution in the House and Senate to encourage greater availability of the arts to the handicapped. Congress over the past 9 years has helped contribute to a better quality of life through our support of legislation for the arts. As President John F. Kennedy once said in words now inscribed on the Kennedy Center for the Performing Arts:

> I look forward to an America which will steadily raise the standards of artistic accomplishment and which will steadily enlarge cultural opportunities for all of our citizens. And I look forward to an America which commands respect throughout the world not only for its strength, but for its civilization as well.

As history points out, we do not measure the success of a society in terms of its gross national product, but in the quality and the character of the men and women it produces.

In my opinion, the challenge expressed in these words is still facing us today. And, its most significant aspect is the need to enlarge these opportunities for the many Americans who are now denied access to the humanizing influence of the arts because of the large number of architectural barriers that are thoughtlessly placed in their way. One out of ten persons has some disability which prevents him from using buildings and facilities designed only for the physically fit. These people include 2 million children with orthopedic handicaps and millions of adults enfeebled by age or suffering from heart disease, arthritis, deafness, blindness, or other chronic disabilities. Over and above the permanently handicapped of our Nation are the millions who are temporarily disabled by accidents.

The barriers these individuals encounter include such basic but formidable impediments as: Doors too narrow for wheelchairs or too heavy to be opened by an individual using crutches; long stairways too steep for the sufferers of respiratory disease; obstructions in the paths of the blind; inadequate turnstiles, and restrooms with toilet stalls not wide enough for the wheelchair-bound.

I believe it is important at this time to emphasize that the goal of a barrier-free environment in the arts is possible. What it takes is a little "Yankee ingenuity" and flexibility. We should commend the Kennedy Center for the Performing Arts for taking an initiative in this area. Here, the handicapped patron is perfectly at ease. He is able to park his car in a space especially reserved for the disabled. He can enter the building by any door, since all entrances are ramped. Inside, elevators with wheelchair-height buttons ascend to balconies and boxes. The orchestra floor has ramped entrances and spaces for wheelchairs. Water fountains and telephones are at wheelchair height. Rest rooms have wide doors and grab-bars. Special features to aid the blind include knurled door knobs to indicate danger areas.

Still, the National Endowment for the Arts needs our assistance in bringing this most serious and least understood problem of architectural barriers to the attention of the public and private artistic endeavors they encourage and support. Despite the large number of citizens affected by these barriers, many people remain unaware that any problem exists. In one nationwide survey, two-thirds of all persons interviewed said they had given the matter little or no thought. However, the same survey indicated that once having been made aware of the handicapped person's situation, two-thirds felt more should be done to overcome these barriers, and 75 percent approved the use of tax money to assist in this task.

Mr. Speaker, I am very pleased that the resolution I am introducing with Senator PERCY today has been endorsed by Nancy Hanks, Chairwoman of the National Endowment for the Arts. With this resolution, I believe we have the opportunity not only to encourage the use of the arts, but to respond to the needs of the Nation's handicapped. If we adhere to the goal embodied in it, we can free these citizens to enter fully in a fellowship which knows no cultural or language barrier, the enjoyment of the arts.

The text of the resolution follows:

H. CON. RES. 440

Concurrent resolution expressing the sense of Congress that the arts should be available to all Americans, including those who suffer physical handicaps

Whereas access to the arts is a right and not a privilege of all Americans;

Whereas the arts are central to what our society is and what it can be;

Whereas no citizen should be deprived of the beauty and the insights into the human experience that only the arts can impart;

Whereas cultural institutions and individual artists can make a significant contribution to the lives of citizens who are physically handicapped; and

Whereas the Act of August 12, 1968 (Public Law 90–480) already requires that public buildings constructed, leased, or financed in whole or in part by the Federal Government be accessible to the handicapped: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that—

(1) the National Endowment for the Arts should take a leadership role in advocating special provisions for the handicapped in cultural facilities and programs;

(2) private interests and governments at the State and local levels should take into account the intent of Congress in passing Public Law 90–480 when building or renovating cultural facilities;

(3) the National Endowment for the Arts and all of the program areas within the Endowment should be mindful of the intent and purposes of Public Law 90–480 and of this resolution as they formulate their own guidelines and as they review proposals from the field; and

(4) all individuals and groups associated with production and presentation of cultural activities should give consideration to all the ways in which they can further promote and implement the goal of making cultural facilities and activities accessible to Amercans who are physically handicapped.

SEC. 2. The Secretary of the Senate shall transmit a copy of this resolution to the Chairman of the National Endowment for the Arts and to the Governor of each State.

THE ENERGY CRISIS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland (Mr. HOGAN) is recognized for 30 minutes.

Mr. HOGAN. Mr. Speaker, the chaos in my district, as a result of the energy crisis, has reached alarming proportions and has caused extreme hardship on all of us.

On February 22, 1974, I, along with other members of the Maryland congressional delegation, met with Energy Administrator William E. Simon and his deputies, seeking an additional gasoline allocation for Maryland. Mr. Simon realized that an emergency situation existed in Maryland and that something had to be done immediately. He responded by allocating the same day an additional 8.8 million gallons of gasoline to Maryland to carry us through February. We are also attempting to convince the FEO that a much larger allocation is needed for March.

There are several problems which have aggravated the gasoline problem in Maryland. The allocation is based on use figures for 1972. Maryland's population has grown significantly since 1972. In addition, the floods from Hurricane Agnes that year caused a lower than normal fuel use for 2 months of 1972. To make things even worse, Maryland is a State located in the heavily traveled Northeast Corridor. Consequently, much of our allocation is used by residents of other States while traveling through Maryland.

We have forcefully brought these factors to the attention of the Federal Energy Office as we argued for an increased allocation for March.

I am told that our problem nationwide is that in 1972 the United States consumed 16.3 million barrels of oil daily; 4.7 million of which was imported. In 1973 it is estimated that the United States consumed 17.3 million barrels daily of which 6.2 million was imported. The Arab nations provide over half of the world's oil exports. When Arab nations embargo oil, the supplies decrease and the price goes up for imported oil.

As a nation we must launch an all-out, crash program comparable to the space program to support our energy resources and to find alternative sources of energy. We must reduce our consumption until oil supplies again equal demand. This might be done voluntarily or through rationing. However, usage by industry is hard to reduce so, as a consequence, we in the commuting public are faced with the greatest curtailment. We wait hours

in line at gas stations. We use public transportation if available. We carpool. Those living in my district have exhibited remarkable voluntary restraint. Yet, they must see that their efforts are working if they are to continue the sacrifices they have been making.

If voluntary reductions are not accomplished, the alternative is rationing. Rationing also is not a perfect solution. Any time Government tries to control supply and demand, problems—such as we are experiencing under the current allocation plan—inevitably result. In addition, the consumer will pay the administrative costs of running a program of rationing. It has been estimated that it will take 17,000 employees to administer the program. Rationing would favor those residents who have access to public transportation. It would handicap those suburban workers who have no public transportation. It would probably not inconvenience the bulk gasoline user.

I have been trying to insure that Maryland gets its fair share of gasoline. The 8.8 million gallons for the end of February came as a result of our congressional delegation meeting with the Federal Energy Office. It was not enough, but it was a help. Although I joined in the lawsuit of the State of Maryland for a greater allocation, I realized that legal action was too slow and ineffective. In fact, Governor Mandel's suit was probably counterproductive because FEO felt after the suit was filed, it should deal with Maryland at "arm's length." The Maryland congressional delegation convinced FEO officials to give us additional gasoline.

I have been working with the oil companies and the service station trade associations trying to provide a better distribution of the inadequate supplies we have. I have sent forms to all gas stations in my district which they can use to request increased allocations. In addition. I am trying to help those individuals who have specific problems related to fuel shortages.

As far as legislation is concerned, I have long supported the Alaska pipeline which was delayed for years. Congress approved its construction last year.

Mr. Speaker, it is clear that a short-term energy crisis is upon us. But it is clear that a long-term energy crisis which is even a greater problem. We must make those decisions now to solve that long-term problem.

Energy consumption cannot continue to increase indefinitely. Research programs directed toward development of new and existing energy sources, rational and efficient utilization of energy, the health and safety of our people, and the protection of of the national environment should have the highest priorities.

I am sponsoring legislation which I hope would provide long-range answers to our present shortages. I have introduced a bill which would create in the Executive Office of the President, a Council on Energy Policy. This council would consist of three members who would develop a long-range, comprehensive plan for energy utlization in the United States and would provide assistance to any executive agency concerned with energy and power. It would constantly review the energy situation, both short and long range, taking into account both international and domestic developments. It would assume the responsibility for making policy recommendations to the President, and would oversee the implementation of the policies which are adopted. The council would answer to Congress and its various committees in developing its specific responsibilities and on budgetary matters.

I have also sponsored legislation which would increase our development of solar and geothermal energy sources. The cutoff of Arab oil due to the present Middle East crisis has awakened us to the immediate urgency of developing alternative sources of energy. Even though solar and geothermal energy are some of the more promising possibilities, we have put forth only token developmental efforts, and they have been scattered among half a dozen Government agencies. If we are to avert a calamitous energy crisis in this country without subjecting ourselves to economic blackmail from oil-producing nations, we must undertake a crash program for the research and development of alternative sources of energy. The Judiciary Committee's Subcommittee on Immigration, Citizenship, and International Law is probing the problems related to offshore oil exploration.

A great many Americans are skeptical about the oil companies' profits and statistics. Several committees are addressing themselves to these problems. We must have better data on which to base our decisions.

Presently, there is insufficient information to measure the extent of the petroleum shortage and to plan public policy to ameliorate and resolve the shortage. Consequently, I saw the need to sponsor legislation to direct the producers of petroleum, natural gas, and refined petroleum products to provide the Federal Energy Administration with the information requested regarding the location of natural gas reserves and the potential rates of production of refineries and oil and gas wells.

The Congress has the responsibility for establishing short- and long-term energy priorities. It must act expeditiously and decisively. Congress must shoulder this responsibility and demonstrate to the American people that it can take concrete initiatives in the energy arena. This must have the highest priority. I urge our colleagues to do whatever we can as quickly as we can to help alleviate our energy crisis and bring relief to the American consumers.

STOPPING BEHAVIOR MODIFCATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Idaho (Mr. SYMMS) is recognized for 10 minutes.

Mr. SYMMS. Mr. Speaker, on February 14, the Law Enforcement Assistance Administration announced it will cease funding projects that involve Skinnerian-type behavior modification, psychosurgery, and chemotherapy.

We applaud that decision.

These federally funded Skinnerian behavior modification programs are dangerous and wrong-headed, for they are based on the assumption that man is nothing more than a biological machine, devoid of free will and moral responsibility. In this light, man is viewed as an object to be manipulated by so-called experts.

The same men who have just been stopped from using prisoners as experimental subjects for brain mutilation and castration have larger plans for the entire American society. Federally funded physician Jose Delgado, who promotes the control of violence through brain mutilation, advocates billion dollar Federal involvement in projects for the "physical control of the mind," including educational programs aimed at children and adults to prepare them for the acceptance of these methods. In his 1969 book, "Physical Control of the Mind—Toward a Psychocivilized Society," Delgado offers us a glimpse of the society he is promoting:

> Is it feasible to induce robot-like performance in animals and man by pushing buttons of a cerebral radio stimulator? Could drives, desires and thoughts be placed under the artificial command of electronics?
>
> The individual may think that the most important fact of reality is his own existence, but this is only a personal point of view which . . . lacks historical perspective, for the brief existence of one person should be considered in terms of the world population, mankind, and the whole universe.

Delgado has already formulated his model for a psychobiologically controlled society. It may stun my fellow Members to learn that the Center for the Study of Violence at UCLA had actually requested funding of a project to examine methods of electrophysically controlling an individual's behavior by remote control computers.

Mr. Speaker, these psychiatric visionaries must be stopped. Let me quote Dr. Peter R. Breggin, director of the Center for the Study of Psychiatry here in Washington, D.C. Dr. Breggin has been a leader in the fight against psychiatric totalitarianism:

> The future of the United States and the world may ultimately be determined by who is victorious in the conflict between those who would control man through physical means and mechanistic psychologies, and those who would liberate him through efforts aimed at maximizing each individual's freedom and opportunity within the environment. Big Brother will be a psychiatrist—or a psychosurgeon.

The Federal Government should not fund experiments aimed at the psychiatrical, psychosurgical, and chemical control of American citizens. We are happy to know LEAA shares our concerns about the rights of prisoners who were being used as experimental animals in these projects, as well as the rights all of our citizens who may later be targets of control as these technologies are developed.

We believe that mind control and behavior manipulation are contrary to the

ideas laid down in the Bill of Rights and the American Constitution. These documents view man as an autonomous being with the power of moral choice, and are bedrock to our system of political liberty.

ENERGY CRISIS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Alabama (Mr. EDWARDS) is recognized for 5 minutes.

Mr. EDWARDS of Alabama. Mr. Speaker, few of us saw the energy crisis coming 5 years ago or 10 years ago. But since late 1972, there has been little doubt that a very serious problem was bearing down on us. Yet the last 12 to 18 months have been marked by inaction and false starts on the part of the Congress rather than decisive legislative steps to find a remedy.

One of the worst problems to arise out of the energy crisis is the confusion and uncertainty which has developed for Americans. The small businessman, the service station operator, and many others find themselves at the mercy of forces they cannot control, unable to plan ahead more than a day at a time. Rather than taking firm steps to clear the air the Congress has further muddied the water by starting and stopping, weaving and bobbing, displaying a fair amount of fancy footwork, but never moving to strike decisively.

I am aware that there are no one-dimensional, one-shot solutions to the energy crisis. But we need to start moving toward remedies. We need to allay the understandable concerns of the public. We need to provide some answers, some clear leadership so that Americans can figure out where they stand with this problem. We need to prime the pumps of the legislative process and move energy measures on to enactment.

The Senate finally passed the National Energy Emergency Act conference report last week. But this measure has been bogged down since before Christmas and I am not sure it was worth the wait. I voted for the conference report today, but it leaves much to be desired. It may create more problems than it solves, and I am concerned that it may retard production and exploration. If this concern proves correct, then we must be prepared to move promptly with remedial legislation.

Mr. Speaker, American taxpayers deserve a better deal on the energy crisis. If we buckle down, I believe we can begin to locate solutions rather than contributing to the problem.

WOUNDED KNEE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from South Dakota (Mr. ABDNOR) is recognized for 10 minutes.

Mr. ABDNOR. Mr. Speaker, 1 year ago today a band of dissident Indians, principally outsiders, invaded and occupied the small community of Wounded Knee on the Pine Ridge Indian Reservation which is located within my district in South Dakota. That occupation captured the imagination of the national news media, and because Federal law enforcement officials prohibited tribal officials from enforcing the law and protecting the rights and property of the residents of the Wounded Knee area, that tragedy continued for 71 days.

On December 20 of last year I spoke here in support of an amendment to the flood insurance legislation which was then being considered. That amendment would have provided Federal compensation to those innocent victims who lost so much during the episode at Wounded Knee. When that amendment was defeated, I promised to return with separate legislation that would provide to the innocent Wounded Knee victims the reimbursement they deserve.

Therefore, today I have introduced a bill which will create a commission with the power to award compensation, to determine who the innocent victims of the Wounded Knee incident truly are, and what the extent of their damages are. My bill further authorizes an appropriation to administer and pay this compensation and subrogates to the Federal Government the right to recover from those most directly responsible for the damages, to the extent of the compensation paid.

On a number of other occasions I have pointed out what I felt were the failings and shortcomings of the Federal Government's action at Wounded Knee. Those who lived in the Wounded Knee incident looked to tribal and Federal law enforcement officials for protection, but were denied that protection. Consequently their homes, businesses, and ranches were vandalized and in some cases destroyed. Had it not been for the restraint imposed upon the tribal government's law enforcement arm by Federal authorities, those in the Wounded Knee area, who could so ill afford to lose so much, may have received the protection every citizen has been taught to expect.

Because of the bizarre manner in which this lethal farce was handled, those who were wronged find that the lawbreakers that were most responsible for their losses are in almost all cases now judgment-proof or impossible to identify. Had the role of the Federal Government been different, this might not now be so. Had Federal officials responded to the calls for help it would not be necessary to introduce this legislation. If this legislation is not passed into law, those innocent people who did nothing more wrong than select Wounded Knee, S. Dak. as their residence, will continue to suffer and be deprived of the possessions they had accumulated up until their town was occupied by lawbreakers and declared to be a soverign state.

Most of these people who have lost so much are the same people that the Federal Government has tried to induce to become economically self-sufficient by spending millions of dollars on. These people had achieved this, and then watched as Federal officials looked on as their possessions were burned and looted. Although these people have looked to the Federal Government for help, they find that no existing programs provide the relief they deserve.

In Wounded Knee, on the rest of the Pine Ridge Reservation in South Dakota, and for that matter, wherever television and the rest of the media carried blow-by-blow accounts of the confrontation at Wounded Knee, that incident represents injustice and lawlessness. If ever respect for law and order is to be restored in this connection, those who suffered most at Wounded Knee must be made whole.

A year has now gone by and this has not occurred. Now is the time for relief to be forthcoming from the Federal Government, whose action or inaction contributed to the losses. This bill today introduced can do this and I urge the Members of Congress to give it the compassionate consideration it, indeed, deserves.

OPIUM POPPY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington (Mr. PRITCHARD) is recognized for 5 minutes.

Mr. PRITCHARD. Mr. Speaker, my first reaction to the news that the Government of Turkey will again permit the legal cultivation of the opium poppy is one of dismay. If this action was taken without first consulting with our State Department, then I think it shows a lack of good faith. In 1971 the United States negotiated an agreement with Turkey in which the cultivation of opium poppy would be banned in exchange for $35.7 million from the United States to assist the Turkish farmers in shifting from poppy to other crops. The 1971 restriction was beginning, I believe, to have positive affects on the importation of illicit opium into the United States. Testimony before the Special Studies Subcommittee of the Committee on Government Operations, chaired by my distinguished colleague from the State of Washington, FLOYD HICKS, indicated that while this might be termed a negative approach to controlling illegal drugs, it was legitimate recognition of the external variables involved with our internal drug abuse problem. I trust our State Department will apprise the Congress of exactly what happened and what its effect will be in our efforts to halt the flow of illicit drugs.

SUGAR LOBBYISTS RECEIVE FAT, SWEET FEES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. FINDLEY) is recognized for 5 minutes.

Mr. FINDLEY. Mr. Speaker, sugar lobbyists for foreign countries are probably the Nation's most overpaid lawyers. If not, they rate high for the sweet deals which bring them a lot of money every year for what appears to be very little effort. They are now parading before the Committee on Agriculture, where extension of the Sugar Act is under consideration.

Best paid is A. S. Nemir Associates, a

Washington firm which receives $198,000 a year for representing Brazil.

Unfortunately these lobbyists—almost all of them are lawyers—have cultivated in foreign capitals the erroneous notion that their representation on Capitol Hill is vital to getting Congress to approve sugar quotas for their client countries. This may have been true in the past. Years ago it probably was. But not in recent years and not today, at least not in the Committee on Agriculture of the House of Representatives.

To his credit, Chairman W. R. POAGE refuses to grant personal interviews with these lobbyists himself and tries to keep their behavior around committee rooms in proper bounds. Most of the other committee members also refuse to meet privately with these lobbyists.

This means that about all these lobbyists do to win fat fees is draft a largely useless statement every 3 or 4 years and present it during committee hearings when extension of the act is under consideration.

The countries wanting quotas would be better off sending the information to the committee through the traditional diplomatic channels and saving the cost of this over-priced talent. In fact, Congress and the sugar industry would be better off too. The existence of this lobby tends to put the Congress and the Sugar Act in a bad light. The lobby perpetuates the illusion that quotas are still passed out as the result of high-powered, behind-the-scenes wheeling and dealing.

Here is current information on the lawyers who represent sugar-quota countries and the size of their fees. It is taken from files of the Registration Unit, Internal Security Section, Criminal Division of the Justice Department:

Brazil, Brazilian Sugar and Alcohol Institute. Registered lobbyist: A. S. Nemir Associates, 1230 Pennsylvania Building, Washington, D.C. 20004. Fee: $198,000 per year. Received $148,500 during twelve-month period ending October 9, 1973.

Barbados, West Indies Sugar Association, Inc.; Ecuador, Compania Azucarera Valdez, Sociedad Agricola Industrial, Azucarera Tropical Americana, S.A. and Tababuela Industrial Azicarera, C.A.; British Honduras, Belize Sugar Industries; Panama, Compania Azucarera La Estrella, S.A., Azucarera Nacional, S.A., Government of Panama; Great Britain, Tate and Lyle, London, England. Registered lobbyist: Arthur L. Quinn and Arthur Lee Quinn, 723 Washington Building, Washintgon, D.C. 20005. Fees: $18,250 from Panama; $15,000 from British Honduras; $25,000 from Great Britain; $35,000 from Barbados; and $25,000 from Ecuador. Received $118,044.03 during twelve-month period ending August, 1973.

South Africa, South African Sugar Association. Registered lobbyist: Casey, Lane and Mittendorf, 26 Broadway, New York, New York 10004. Fee based on time spent on case. Received $63,009.95 during twelve-month period ending January 2, 1974.

Nicaragua, Nicaragua Sugar Estates, Ltd.; Guatemala, Association de Azucareros de Guatemala; Honduras, Azcarera Hondurena, S.A.; El Salvador, Associacion de Azucareros de El Salvador. Registered lobbyist: Central American Sugar Council, 1200 17th Street N.W., Washington, D.C. 20036. Registration contains statement: "The sole activity of the Registrant is to engage the firm Patton, Boggs and Blow to represent its interests in the U.S." Member countries share costs on basis determined by by-laws. Received $61,079.48 during calendar year 1973.

India, Indian Sugar Industry Export Corporation, Ltd. Registered lobbyist Daniels and Houlihan, 1819 H Street N.W., Washington, D.C. 20006. Fee: $50,000 plus $10,000 expense budget. No income listed for twelve-month period ending June 30, 1973. File shows that activities with foreign principal were terminated March 28, 1973.

Central American Sugar Council, Registered lobbyist: Patton, Boggs and Blow, 1200 17th Street N.W., Washington, D.C. 20036. Fee: $36,000 to $50,000 plus $3,000 expense account. Received $61,079.48 during calendar year 1973.

Philippines, Philippine Sugar Institute. Registered lobbyist: John A. O'Donnell, 1001 Connecticut Avenue N.W., Washington, D.C. 20036. Fee: $3,750 per month. Received $52,500 for twelve-month period ending January 29, 1974.

Venezuela, Distribuidora Venzolana de Azucares, S.R.L. Registered lobbyist: Edward L. Merrigan, c/o Smathers, Merrigan and Herlong, 888 17th Street N.W., Washington, D.C. 20006. Fee: $50,000 per year. Received $50,000 for twelve-month period ending November 24, 1973.

Mauritus, Mauritus Chamber of Agriculture and Mauritus Sugar Syndicate. Registered lobbyist: Sharon, Pierson, Seemes, Croliun and Finley, 1054 13th Street N.W., Washington, D.C. 20007. Fee: $25,000 per year. Received $43,896 for twelve-month period ending August 21, 1973.

Swaziland, Swaziland Sugar Association. Registered lobbyist: Justice N. Chambers, 2300 Calvert Street N.W., Washington, D.C. 20008. Fee: $30,000 per year plus expenses to $5,000. Received $36,190.32 during twelve-month period ending August 28, 1973.

Fiji, CSR, Ltd. Registered lobbyist: Graham Purcell, 1819 H Street N.W., Washington, D.C. 20006. Fee: $2,500 per month. New registration, no previous income shown.

Peru, Central de Cooperativas Agrarias de Produccion Azucarera del Peru. Registered lobbyist: Prather, Levenberg, Seeger, Doolittle, Farmer and Ewing, 1101 16th Street N.W., Washington, D.C. 20036. Fee based on time spent on case. Received $27,500 for twelve-month period ending November 13, 1973.

Bolivia, Embassy of Brazil, Registered lobbyist: Tadco Enterprises, Inc., 1625 Eye Street N.W., Washington, D.C. 20006. Fee: $25,000 per year. New registration, no previous income shown.

Ethiopia, Ministry of Commerce, Industry and Tourism of the Imperial Ethiopian Government. Registered lobbyist: Donald S. Dawson and James W. Riddell, 723 Washington Building, Washington, D.C. 20005. Fee: $25,000 plus expenses in excess of $2,000. Contract also contains statement: "Expenses not exceeding $2,000 annually in connection with such representation shall likewise be paid in connection with services rendered each year in which a quota is allocated, not to exceed a total of $4,000." New registration, no income shown.

Fiji, South Pacific Sugar Mills, Ltd. (a subsidiary manufacturing company of CSR, Ltd.) Registered lobbyist: Charles H. Brown, Suite 400, 1250 Connecticut Avenue, Washington, D.C. 20036. Fee: $2,000 per month plus expenses. Received $26,690.18 during twelve-month period ending August 3, 1973.

Australia, CSR, Ltd. Registered lobbyist: Cleary, Gottlieb, Steen and Hamilton, 1250 Connecticut Avenue N.W., Washington, D.C. 20036. Fee based on services rendered. Received $23,922.44 during calendar year 1973.

Mexico, Union Nacional de Productores de Azucar, S.A. de C.V. (known as "UNPASA"). Registered lobbyist: Rouss and O'Rourke, 1629 K Street N.W., Washington, D.C. 20006. Fee: $1,000 per month plus $80 per month for office and telephone plus "$75 per hour for services beyond the reporting contemplated by retainer." Received $23,514.03 for twelve-month period ending December 26, 1973 (includes $9,885.13 "refund of Mexican income taxes erroneously withheld from fees of predecessor firm Sutton and O'Rourke.").

Gaudeloupe and Martinique, Associated Sugar Producers of Guadeloupe and Martinique; Madagascar, Syndicate des Distillateurs et Producteurs de Sucre de Madagascar et des Comores. Registered lobbyist: Albert M. Prosterman and Associates, Inc., 818 18th Street N.W., Suite 230, Washington, D.C. 20006. Fees: $12,400 per year from Madagascar and $5,000 per year from Gaudaloupe and Martinique. Received $12,400 during twelve-month period ending August 7, 1973.

Thailand, Government of Thailand, Ministry of Commerce. Registered lobbyist: Scott Whitney, 1801 K Street, Suite 220, Washington, D.C. 20006. Fee: $15,000 per year plus expenses. New registration, no previous income listed.

Costa Rica, Camara de Azucareros. Costa Rican Board of Trade, 108 East 66th Street, New York, New York 10021. Fee: $100 per month shared with Taxtile Association of Costa Rica. Received $12,000 during twelve-month period ending August 22, 1973.

Malawi, Government of Malawi. Registered lobbyist: Kerry Collier Trippe, 1801 K Street N.W., Suite 220, Washington, D.C. 20006. Fee: $10,000 per year. Received $13,857.63 during twelve-month period ending August 18, 1973.

Taiwan, Chinese Government Procurement and Services Mission Division for Taiwan Sugar Corporation. Registered lobbyist: George C. Pendleton, One Farragut Square South, Suite 800, Washington, D.C. 20006. Fee: $650 per month plus expenses. New registration, no previous income listed.

Paraguay, Centri Azucarero Paraguayo. Registered lobbyist: Sheldon Kaplan, 1700 Pennsylvania Avenue, Washington, D.C. 20006. Fee: $500 per month plus not more than $50 expenses per month. Received $6,300.42 during twelve-month period ending September 10, 1973.

Dominican Republic, Consejo Estatal del Azucar and the Government of the Dominican Republic. Registered lobbyist: James N. Juliana Associates, Inc., Suite 301, 1812 K Street N.W., Washington, D.C. 20006. Fee: no fee from the Dominican Republic government, $3,000 per month from Consejo Estatal del Azucar. Received $32,430.46 during twelve-month period ending September 25, 1973.

Central America, Federacion Centroamercana de Productores de Azucar. Registered lobbyist: Dr. Arnoldo Ramirez-Eva, 6604 Millwood Road, Bethesda, Maryland 20034. Fee: no fee, no income listed.

Haiti, National Bank of Haiti. Registered lobbyist: Philip F. King, 2312 South Nash Street, Arlington, Virginia 22202. Fee: "No fee involved. Out-of-pocket expenses, if any, will be reimbursed."

HEARINGS ON OUTER CONTINENTAL SHELF

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. EILBERG) is recognized for 10 minutes.

Mr. EILBERG. Mr. Speaker, I wish to announce that my Subcommittee on Immigration, Citizenship, and International Law will continue its hearings to review the operation of the Outer Continental Shelf Lands Act of 1953.

These additional hearings are scheduled for March 6 and 7 to be held in room 2237 Rayburn House Office Building and will commence at 10 a.m.

Representatives from the Environmental Protection Agency have been invited to appear before the subcommittee on March 6 as well as representatives from several environmental groups.

In fulfilling our oversight responsibilities, it will also be necessary to review the position of the United States on the Law of the Sea negotiations. We have, therefore, requested Prof. John Norton Moore, chairman of the NSC Interagency Task Force on the Law of the Sea as well as other appropriate representatives of the task force to testify on March 7.

LABOR—FAIR WEATHER FRIEND—II

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 5 minutes.

Mr. GONZALEZ. Mr. Speaker, occasionally there is an exceptionally bitter dispute between management and labor. In a generally antiunion State like Texas these disputes can be extremely bitter and protracted, and this was true in the Farah strike and boycott. In this case management was determined to keep its plant outside the ranks of organized labor, and evidently used every tactic available, legal and illegal alike, to discourage the efforts of the Amalgamated Clothing Workers to organize their plants. In the tense situation that developed from the struggle, both sides resorted to desperate tactics. As always, in such a struggle innocent parties were victimized.

The management of Farah decided to contest any election that was held and according to the National Labor Relations Board undertook to make any election meaningless, through various unfair practices. Faced with this, the union adopted the strategy of forcing Farah to recognize them by a campaign of economic coercion.

Without going into all the details of this extraordinary struggle, I will simply say that the union boycott succeeded, together with Farah's own management mistakes, in placing the company in a precarious financial condition. Farah began last fall and winter to close down plants.

The day after Farah closed its plant in San Antonio, laying off 900 workers—just before Christmas—I happened to be in the city speaking at a ceremony. Across the street a number of Farah employees were demonstrating, expressing their bitterness at the boycott that had cost them their jobs. I do not know whether they would have voted for the union or not if there had been an election. In any case these people recognized me as I left the event I was attending and yelled at me to hear their grievances. I am charged to represent all my constituents, so I did the thing I am required to do; namely, listen to the grievances of the people who were calling me. I told the people how sorry I was that they had lost their jobs, that I hoped that the plant could reopen, and that Farah would reconsider its position.

Now I have certain dedicated enemies in labor, who chose to interpret this incident as meaning I was against organizing the Farah plant. In fact, all I wanted was for these people to have decent jobs, and if they wanted it, a union.

A few days after this incident, something called the Labor Council for Latin American Advancement supposedly sent me a telegram berating me for a "union-busting" attitude. To this day I have never received such a telegram. The only way I learned about it, or a press release issued through the AFL–CIO's good offices that same day, was from a puzzled letter I received from a person in the AFL–CIO.

I replied to this letter, and asked to be given a copy of the telegram and press release, which this particular writer provided me. Otherwise, I would not to this day have ever had any copy of the message that I was supposed to have been sent.

Well, I was puzzled. After all, here I was, a friend of labor for lo these many years, being treated like a mortal enemy of the workingman. I was not asked what had happened, given the benefit of any doubt, or even accorded the courtesy of being sent the message that the AFL–CIO says was sent. I think that this falls somewhere in the region of dirty pool—but be that as it may, I felt that some kind of mistake might have been made.

I knew that one of the authors of this attack was Don Slaiman, the director of the AFL–CIO Civil Rights Division. I wrote him a letter on December 20, asking for an explanation and requesting that the record be corrected. I never received a reply. I wrote again on January 10, and again, never received a reply, not even an acknowledgment. I've never received such cavalier treatment since the days when I used to ask John Mitchell what he was doing about crooks in the Justice Department. He would not answer, but now I know why—he was one of the crooks.

Now I have been told by people who should know that Mr. Slaiman is one of the more arrogant people on the planet, this side of the Teutonic terrors of Haldeman and Erhlichman. If this is so, then I can understand why Slaiman would not reply to me.

But then he did reply to others who wrote about this cowardly and false attack—by telephone, assuring that all would be well.

Of course, all is not well.

This attack on me was made by the Labor Council for Latin American Advancement, which is probably Slaiman's dream child. I am sure that he is embarrassed that its first action was to attack a friend. And he is probably more embarrassed that the action was taken before the council had ever been formally organized, that it was masterminded by two or three members of its board acting independently and without the knowledge of the rest of the board, for reasons best known only to themselves.

Over the years, I have been helpful to a great many of these fellows; I have fought hard and lonely fights, cast hard and lonely votes, and been there when it counted. So when it came time for me to ask that labor observe a little common decency and courtesy toward me, or at least be honest with me, I really thought that people like Slaiman would remember and maybe lift a finger. All I have gotten from him so far is cold and empty silence, as mean as old John Mitchell, and arrogant as Haldeman and Erhlichman. I know where they are. But where, oh where art thou, Don Slaiman?

THE ROYAL CRUSADERS "AMBASSADORS FOR FRIENDSHIP"

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. MORGAN) is recognized for 5 minutes.

Mr. MORGAN. Mr. Speaker, many of my colleagues, as well as Americans across the land, enjoy Drum and Bugle Corps performances. Thus, it is my pleasure to salute the Royal Crusaders Junior Drum and Bugle Corps, which has received an invitation to perform in Romania and along the Black Sea for three weeks this summer. The corps is headquartered in Finleyville, Pa., in my congressional district.

Although the Royal Crusaders are in only their fourth year of existence as a competitive unit, these talented young people have an extensive record of achievement.

They are the 1973 "Pennsylvania State Champions" and are representing the Commonwealth of Pennsylvania as "Musical Ambassadors" during 1974.

The group traveled over 5,000 miles through 13 States in 1973.

They have received acclamation as one of the most professional marching units in the country.

Mr. Speaker, the selection of the Royal Crusaders as "Ambassadors for Friendship" is a distinct honor, and these young people—averaging only 16 years of age—can make a lasting contribution to international friendship and cooperation by sharing their talent and enthusiasm with people everywhere.

The following letter from the Honorable Corneliu Bogdan, Ambassador from Romania, indicates the eagerness of the Romanian people to host the group:

EMBASSY OF THE
SOCIALIST REPUBLIC OF ROMANIA,
Washington, D.C., January 21, 1974.

Mr. GARY INKS,
Royal Crusaders Drum & Bugle Corp., Finleyville, Pa.

DEAR MR. INKS: It is with sincere pleasure that I inform you that Mr. Harry Morgan has recommended your group as "Friendship Ambassadors" to our country.

May I take this occasion to congratulate each one of you, and to tell you how very pleased we are that the Romanian public will have opportunities to hear and see you in concert performances in our country.

You will find Romania to be a hospitable country of warm friendly people who are eager to know you, and through you to understand America better. We are confident you will discover an eagerness on our part to make this unique visit a memorable one.

Sincerely,

CORNELIU BOGDAN, *Ambassador.*

Mr. Speaker, under the energetic sponsorship of the Parent Booster Club, the Finleyville Volunteer Fire Department, and American Legion Post No. 613 of Finleyville, the Crusaders have

organized, practiced long hours, and developed into a truly outstanding organization.

There are no Federal grants available to finance their trip to Romania, so the members of the corps are soliciting funds from foundations, businesses, and private citizens. As chairman of the Committee on Foreign Affairs, I am especially interested in this type of cultural contact with other nations, and I hope that the corps' efforts are successful.

The following article from the September 2, 1973 Pittsburgh Press roto magazine gives further details of the Royal Crusaders' activities. I commend it to your attention:

FINLEYVILLE'S FINEST ON PARADE

(By William Allan)

Most people still love a parade—where the flag still is The Grand Old Flag.

Teen-agers qualify, too. Last month at Marion, Ohio, 110 drum and bugle corps, from every section of the United States and Canada, took part in the International Championships.

It was more like 5,000 bugles and 10,000 drums. Representing this area were the Royal Crusaders, of Finleyville, 115 teenagers who worked literally day and night to be there. They placed ninth, in the open class.

They practice three days a week—sometimes from 9 a.m. until 9 p.m., with an hour off for lunch and another off for supper.

When they're not practicing, they sell hoagies, hold spaghetti dinners, wash cars, sell Easter candy and otherwise raise money for the Crusaders. Taking the hoagies as an example, the kids buy the ingredients, make the hoagies, sell and deliver them—some 2,000 once a month.

"Our budget runs about $40,000 a year, and they raise all the money themselves," reports director Gary Inks. "Of course, we win about $10,000 a year in prize money."

There's honor among drum and bugle corps.

When the Royal Crusaders won first prize at its own contest in June, the $800 was turned over to the second-place corps on the grounds "it wouldn't be right for us to win our own competition."

And $800 is a lot of hoagies.

No adult directly connected with the Royal Crusaders is paid, according to Inks, including himself.

However, musical expertise is. Mike Humer, percussionist with the Pittsburgh Symphony Orchestra and a professor of music at Duquesne University, is the percussionist in residence with the Crusaders. Dave Hill, equally well known here, is the brass expert.

Amazingly, additional talent is brought in for special teaching. One weekend saw experts from New York and New Jersey for counseling—and that's one of the times the practices went from 9 a.m. to 9 p.m., Saturday and Sunday.

"Some of the children have some training when they join, but most often we start from scratch," Inks explains.

There are 75 musicians, boy drummers and boy and girl buglers (viva women's lib), plus about 40 girls (boo men's lib) in the color guard. Ages run from 13 to 20 years.

What about the antimilitary feeling among young people?

"They do not look upon the Royal Crusaders as the military," Inks replies. (Some of the music is religiously oriented.) "They look upon this as an opportunity to work together toward a common goal. They're disciplined—in the music and in the marching—and although they don't say so, I think they like the discipline.

"And they have pride in the Crusaders," the director emphasizes. "I think that 'pride' is the key word—personally and as a group."

While bugles and drums connote the military, the Crusaders' performances have a religious theme, with good battling evil.

Members act out the parts, to the accompaniment of the music, and it is through these pageants that much of the Finleyville group's success has come.

Pageants, however, call for more concentration and practice, along with more musical expertise.

Normally, the Crusaders work out one main routine and stick to it through various competitions. There have been cases where they perform more than once in a given day, in different towns.

There are, of course, some nice trips.

The Royal Crusaders have traveled as far as Wisconsin and Minnesota, and this year drummed and bugled for nine days in Ohio, Illinois and Wisconsin, winning several competitions.

They travel by leased school bus, sleeping in churches along the way. Each member brings a sleeping bag and one suitcase. Boys and girls sleep in different sections of the church and "we've never had any trouble," reports director Inks.

"They're too busy to get into trouble," says one parent, Don Hilenbrant, whose daughter, Laurel, 15, is a Crusader. "It's an excellent way to keep young people occupied constructively."

So young people also answer to a different drummer, and in Finleyville, the stars and stripes fly high over the Royal Crusaders.

THE CASE AGAINST PUBLIC FINANCING OF POLITICAL CAMPAIGNS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. JAMES V. STANTON) is recognized for 60 minutes.

Mr. JAMES V. STANTON. Mr. Speaker, the Watergate crisis is generating a great deal of energy for reform of the electioneering process. Obviously, this is a good thing, but we would be making a serious mistake, Mr. Speaker, if we were to assume that any reform—just so long as it produces change—is better than no reform at all. If our responsibility as politicians, as holders of public office and as lawmakers were limited only to offering proof to the public that we care—from which it would follow that we deserve to be reelected next November—then we would be committing no crime if we were to succumb to the "do something, do anything" impulse. In fact, we could saddle some "idea whose time has come" and ride this wave of the future to still another term in public office. But, of course, our responsibility goes beyond that.

It is our duty to think, as well as to act. It is our duty to be sensible; to write into the law only those reforms that we know are going to be meaningful and that will not lead to further disillusionment; to take care that we do not casually transform and thereby undermine that larger framework of democratic government that served us well for nearly 200 years, and which, having been the target of the Watergate criminals, should not, knowingly or unknowingly, become our target as well. It's our duty, Mr. Speaker, to remember that we are politicians as well as reformers, experienced in the ways of government and elections, and possessed of that inside knowledge that comes only from being a part of these processes. It's our duty to use that knowledge to harness and correctly channel the energy for political reform.

Resent developments in the Senate suggest that we might soon be confronted in this body with one of those "ideas whose time has come." This is the proposal for public financing of campaigns for Federal office—that is, Presidential and congressional electioneering. Besides being a proposal, it has taken on the dimensions of a moral crusade. Mr. Speaker, while I do not question the sincerity of those who advocate public financing, I do challenge their wisdom. I submit rsepectfully that their proposal—I am addressing myself, of course, to the basic concept rather than to any particular legislative formulation of it—is at best a placebo and at worst—I am using this word with forethought—a poison. It's a placebo because it will not succeed in assuring us of "unbought" politicians. It is a poison because it might very well destroy the innards of the American system of government. One organ it would attack is the first amendment, which assures to every citizen and group of citizens not only a voice to influence their political leaders but also the absolute right to chart their own lawful strategy for maximizing that voice. Another organ that would be threatened is our traditional infrastructure of major and minor political parties. The parties might be brought to a state of atrophy by public financing, or—this is another possibility—they might become afflicted with elephantiasis. Even worse, perhaps, is the possibility that they might achieve immortality. A host of new parties might be born, never to die. In what follows, I will elaborate a great deal and become more specific about these substantive objections to public financing.

I. INEFFECTIVENESS OF PUBLIC FINANCING

A. FAILURE OF THE CORRUPT PRACTICES ACT

At this time, however, Mr. Speaker, I would like to pursue for a moment the argument that public financing would prove ineffectual. This intended reform is based on the premise that good money in politics would drive out the bad. Good money would be that money contributed generously and indiscriminately by all the taxpayers to parties and candidates who hold all sorts of views. Bad money would be that contributed selectively to certain parties or candidates by self-seeking special interests. Never mind for the moment that not all the bad money, so defined, is really bad—that much of it in fact is undoubtedly good, if we broadly construe the term "special interest," and if we believe, as we say we do, in a pluralistic body politic where every political entity has a right not only to exist but to compete—where the public is served by the clash of these so-called special interests and the synthesizing, as often occurs, of their separate points of view. Never mind, either, for the moment the consideration that evil cannot inhere in money itself. It grows only out of the spirit in which it might be given, or from the understanding with which it is received, if the spirit and the understanding are corrupt.

The point for us to consider, if we accept the premise that the presumptively bad money is bad per se, is whether it will indeed be purged from the political process by the good money that is poured in. Our historical experience, not to mention our political savvy, gives us the answer. In 1925 we gave the country the Corrupt Practices Act, and in subsequent years we enacted a number of amendments. This law said, in effect, that campaign contributions from business corporations—or, it was added later, labor unions—are bad, period. Therefore, such contributions were outlawed. But to what effect? Corporations and labor unions are still in the very center of the political arena. In the end, despite the 1925 enactment and its amendments, we got Watergate. And during the intervening years through the present time, we got this—as Marc Yacker, of the Library of Congress, wrote in a paper prepared for me:

> Many corporations find ways to circumvent the law. Two of the most common methods are the placement of salaried workers, still on the company payroll, on the campaign staff of a candidate, and the "lumping technique," that is, a corporation arranging to pay a regularly used attorney, public relations firm, etc. for debts incurred by the candidate. Other firms contribute, also in violation of the law, by awarding bonuses to their executives with the understanding that the money will be contributed to a candidate or party. Still others allow their corporate officials to be reimbursed for obviously inflated business expenses, supposedly paid for out of pocket. In reality this provides the excutive with excess money, again to be contributed to a political campaign. . . .

As we know, Mr. Speaker, public cynicism is highly injurious in a democracy; it causes people to lose interest in governing themselves, and to lose confidence in their ability to do it. Two of the prime causes of such cynicism are laws that promise more than they can achieve and laws that are supposedly tough but really are not enforced evenly, if at all. The Corrupt Practices Act was such a law; a statute providing public funds for electioneering, but introducing no further reforms, would be another such law.

Some of the public financing proposals would give us a hybrid system in which candidates could legally receive contributions both from the U.S. Treasury and from private sources. Since this kind of law would permit presumptively bad money to maintain access to the political system and to keep circulating within it, it's difficult to discern what the statute would accomplish, assuming again, as such a law would, in effect, say, that the bad money is truly bad.

Perhaps its principal achievement would be to induce some people into thinking, until they awoke later in disillusionment, that another blow had been struck for reform. Another version of the public financing plan, more forthright and obviously more consistent with its own premises, would outlaw private contributions altogether. This was the strategy of the Corrupt Practices Act, whose weak and hypocritical prohibitions against campaign contributions by corporations and labor unions survive today in our latest piece of reform legislation, the Federal Election Campaign Act of 1971, Public Law 92-225. In other words, preemptive public financing unaccompanied by additional reforms would come to public attention as a dramatic change trumpeting reform but leaving us, in terms of enforcement, exactly where we are today. When the people discover that, they will be that much poorer because their tax moneys will have been used to no effect.

B. ENFORCEMENT: THE MOST NEEDED REFORM

This brings us then, Mr. Speaker, to a third and, in my opinion, the crucial reason for opposing public financing today. In addition to being a placebo and a poison—I shall presently, as I have said, say a great deal more about the poison—public financing would be a diversion. The crusade for it diverts us from giving attention to the reform we really need. What we in Congress, and earnest citizens outside of Congress, should be concentrating on is not the financing problem but the enforcement problem. We should be directing our energies toward establishing in the Government an effective institutional mechanism for enforcement of all the laws we now have, and for whatever additional laws we might yet enact, to regulate the financing of political campaigns. For even if we adopt legislation based on the premise that I challenge; namely, that campaign contributions from anyone except Uncle Sam are inherently bad, what good would such a law do if it were not enforced—if it could not keep the so-called bad money from entering campaigns in some secretive way?

Since the Corrupt Practices Act would be the spiritual progenitor of a public financing law, we ought to examine the reasons why the 1925 legislation failed. Of course, its rationale may have been faulty to begin with, in the sense that perhaps it is unrealistic to suppose that we can really prevent corporations, labor unions, and other special interest groups from somehow finding a way to use their financial muscle when their vital interests are at stake. If this is true, we are not likely to have much more success with a preemptive public financing law. However, if indeed it is an attainable goal to drive the presumptively bad money out of the political arena, then obviously a strong, continuing enforcement effort would be required. The Corrupt Practices Act did not lay the foundation for such an effort—and, in fact, the law appears to have been contrived to render such an effort unlikely, if not impossible. Enforcement was strengthened somewhat, but not very much, in the 1971 law. This is where we are today, and it is on this weak reed that the advocates of public financing ask us to superimpose an elaborate new system of restraints against special interest groups.

The first policing inadequacy of the Corrupt Practices Act was that it dispersed responsibility for enforcement rather than concentrating it. It enthroned the Clerk of the House and the Secretary of the Senate as satraps who were to receive from the candidates public reports disclosing their campaign contributions and expenditures. The Clerk and the Secretary in turn were supposed to advise the Attorney General of failures to file, and it was to be his job to take it from there.

The second inadequacy of the act should already be apparent; the designated enforcement officers had authority which they could not safely exercise. The Clerk and the Secretary owed their tenure to the incumbents they were policing. And the Attorney General, of course, was an appointee of the President, whose day-to-day work enmeshed him in all sorts of entangling alliances with Members of the House and Senate. Predictably, in the decades that followed, there were no prosecutions under the Corrupt Practices Act. In the 1971 updating of the law, it was broadened in scope and new enforcement obligations were spelled out. In addition, a third satrapy was created. The Comptroller General, more independent than the Clerk and the Secretary but still an agent of Congress, was given supervisory authority over the reports filed by Presidential candidates. But the two basic defects of the 1925 legislation were not corrected. We are still stuck today with a policeman on every corner, as it were, operating under no centralized command structure and each of them answerable in subtle ways to the persons they are policing.

What we obviously need, Mr. Speaker, is more self-starting, self-propelled, free-wheeling enforcement machinery operating under a grant of authority that bridges the executive and legislative branches. The machinery ought to be centralized in a new agency of Government that would need no one's permission to exercise its police powers with respect to electioneering by candidates for all the Federal elective offices. The agency would have built-in authority to compel reporting by the candidates, to require timely reporting, to verify the completeness and accuracy of the reports to subpena persons and documents, to hold hearings, to publicize its findings and, when necessary, to initiate and prosecute its own cases in court. Such an agency is proposed in a number of bills pending before us, among them S. 372, which passed the Senate last year, and my own H.R. 10218. But the crusade for public financing appears to be monopolizing public attention, diverting us from the more meaningful and effective legislation that would result from a careful examination of the plans for assuring enforcement.

Mr. Speaker, I think most of us would agree that, of all the officials charged with enforcement of the present law, the Comptroller General is the most impartial. As I have indicated, he is one of three so-called supervisory officers, the two others being the Clerk of the House and the Secretary of the Senate. For some time now, he and his agents have been appearing before committees of this Congress to suggest improvements in the law. The thrust of his thinking is highlighted by these excerpts from his testimony last April 12 before the Senate Subcommittee on Privileges and Elections:

One year's experience with the Federal Election Campaign Act of 1971 has convinced us of the need for more effective enforcement procedures . . . The Supervisory Officer or his equivalent should be given the power: (1) to require written reports and answers to questions; (2) to administer oaths; (3) to compel testimony and documents by subpoena; and (4) to initiate court actions in his own name through his own attorneys . . . In addition, the Supervisory Officer or his equivalent should be authorized to impose civil fines on candidates and political committees or others who violate the Act in ways not appropriate for criminal prosecution, such as late filing of reports, failure to include relevant information, errors in reports, etc. In his discretion, the administrator should be able to impose a fine within statutory limits on the violator and to enforce it through distraint or through a court proceeding.

This is the real business before us, Mr. Speaker. We should get on with it. We would be misleading the people if we were to allow ourselves to become distracted by sideshows produced by outside groups that lack our firsthand knowledge of all that is involved in campaign financing. Because in this instance we are making laws to govern ourselves, no one knows better than we do which restraints on us would really prove effective.

C. DISCLOSURE AS AN ALTERNATIVE REFORM

If we conclude, Mr. Speaker, that even the strictest enforcement would fail to completely insulate campaigns from presumptively bad money, then we ought to consider also proposals to improve the disclosure mechanism in the current law our rationale being that the power of bad money diminishes as it attains visibility. Disclosure, as well as certain outright prohibitions, was a strategy adopted in the 1925 Corrupt Practices Act. Although there was more obfuscation than disclosure in the years that followed, some important strides forward were made in this area in the 1971 legislation. With some of my colleagues, I beileve we ought to proceed still further on this road. For instance, H.R. 10218 contains a proposal for a Federal Elections Campaign Bank. The justice Department endorsed this concept in testimony last September 21 before the Senate Subcommittee on Privileges and Elections. I explained my bill in detail in a presentation to the House last September 25. It was published in the CONGRESSIONAL RECORD that day, starting on page 31382.

I for one am convinced that a combination of full disclosure and energetic, impartial enforcement is the prescription we need for effective reform of campaign financing. The Watergate investigations have served as, among other things, an engine for disclosure. No one will deny that these disclosures have had impact and that they are bringing results. I submit that we ought to live for a time in this atmosphere of disclosure and enforcement, and that we see what it can produce, before we veer off on the tangent of public financing—a possibly irrelevant reform that threatens, as I have said, to destroy certain vital functions of our democratic system.

II. POSITIVE ASPECTS OF PRIVATE FINANCING

Mr. Speaker, I would like to pause once more before turning to my substantive objections against public financing. The reason I leave these objections to the last is that I prefer to address you and our colleagues in positive terms, emphasizing what we ought to be doing rather than what we ought to be avoiding. This is not a polemic in favor of the status quo. But neither is this analysis one that sees no redeeming value at all in certain aspects of the status quo. A conspicuous factor in things as they are is, of course, the system of campaign contributions from nonpublic sources. As I have said, I do not accept the argument that this money is inherently bad. As a matter of fact, I assert the opposite—that such contributions play a constructive and essential role in the unfolding of the democratic process. I think we can see this more clearly if we describe these contributions not as private, not as nonpublic, but rather as quasi-public in nature. They are quasi-public in the sense that they are publicly disclosed and are contributed for the purpose of achieving results that affect the public—for better or for worse—by bringing influence to bear on officials who are elected by the public. This may be said even of the small sums that many citizens contribute directly on their own initiative, without consulting anyone else, to candidates and parties and politically active groups. It is true even more of the much larger sums that the pressure groups themselves contribute to campaigns. I doubt that anyone would dispute the proposition that these groups are quasi-public in nature, a fact that is implicit, for instance, in laws that in effect grant licenses to their lobbyists. Therefore, it is not valid to assume, as many advocates of public financing do, that some unholy dichotomy exists between public money and what they call private money.

In his study "Campaign Financing and Political Freedom," Ralph K. Winter Jr. writes:

Contributing to a candidate permits individuals to pool their resources and voice their message far more effectively than if each spoke singly. This is critically important because it permits citizens to join a potent organization and propagate their views beyond their voting districts. Persons who feel strongly about appointments to the Supreme Court, for example, can demonstrate their convictions by contributing to the campaigns of sympathetic congressmen. Those who give money to Mr. John Gardner's Common Cause and conceive of that act as a form of free association and expression should not automatically deny the same status to those who give to political campaigns. . . . That a senator receives large union contributions might be perceived as the reason he often supports union causes. Is not the reverse far more commonly the case: the candidate receives contributions because he holds these convictions? . . . Common Cause, we are told, is presently engaged in an empirical study designed to show "a real correlation" between contributions and legislative decisions. . . . Some such correlation can probably be easily established, since contributions are rarely given either at random or to one's political enemies.

Winter cites more reasons why the presumptively bad money really is good:

The need for campaign money weeds out candidates who lack substantial public support. An attractive candidate with an attractive issue will draw money as well as votes.

And:

The right to give or not to give to a candidate is an aspect of political freedom. Campaign money . . . serves as a barometer of intensity of feeling over potent political issues . . .

By following this train of thought we can see that the private contribution fosters political action. It promotes a clash of ideas. When one pressure group builds a war chest and starts using it, this action makes it virtually certain that opposing interests, too, will solicit their constituencies for financial support. All this, then, helps to finance public discussion and to draw public attention to the controversies that are the sine qua non of democratic government.

OBJECTIONS TO PUBLIC FINANCING

I realize, Mr. Speaker, that nothing I have said so far necessarily rules out public financing on its own merits as at least an addition to the arsenal of reform. It could be argued, in fact, that a program for reform ought to start with the priorities I have outlined here, culminating finally in a system of public financing. This would complete the process, it might be said, of delivering to the public a package that would preclude any future Watergates. But I hope we stop short of putting together that package. Public financing, in my opinion, is not an antidote to Watergate. Instead, being carried forward mindlessly on the emotions engendered by Watergate, it could cause permanent damage to our elective processes. I submit that public financing ought to be assessed, first, in terms of its impact on our traditional political party structure; second, its impact on candidates and incumbent elective officials; and, third, its impact on public participation in elections. Then I will conclude with certain other considerations that we ought to keep in mind.

A. IMPACT ON POLITICAL PARTY STRUCTURE

The specific ways in which public financing could alter or ensconce the traditional political party structure would depend, of course, on the particular plan that is adopted. Some plans would strengthen the parties in undesirable ways; others would have the opposite—but an equally undesirable—effect. Since we do not know which plan might emerge in a viable legislative form, to be debated on the floors of the House and Senate, our safest course at this point is to consider all the contingencies, even though some of them will be seen as mutually exclusive. In other words, if we do not come to one bad result, it will be another.

1. THE MAJOR PARTIES

We ought to start with the two major parties, examining the consequences in terms of their institutional roles. As we know, Mr. Speaker, the Democratic and Republican parties do not represent a bequest made to us by the Constitution. There is no mention of parties in that document, or in any of its amendments. Although they lack constitutional status, it is true that the parties have evolved as part of our political system, and at the present time they appear to be per-

manent fixtures within it. Even if we assume that continuing evolution will not some day dictate a phasing out of the parties—that is, that the parties are here to stay, and should stay—where is it written that we must have the Democratic and Republican parties that we know today? Other major parties have come and gone for sound historical reasons. But if we agree to underwrite the existence of today's parties with public funds, we will never be rid of them. They will survive as institutions long after they outlive their vitality, long after their constituents abandon them. But is it right for them to live on? Is it constitutional to grant them immortality? As Justice Black has written:

> There is, of course, no reason why two parties should retain a permanent monopoly on the right to have people vote for or against them. Competition in ideas and governmental policies is at the core of our electoral process and of the first amendment freedoms.

Obviously, when we give public money to the parties, we are subsidizing the ideologies that they espouse. If we subscribe to the wisdom of Jefferson, who called for separation between church and State, we ought to carry this policy to its logical conclusion and prohibit also any conjoining of ideology and the State. I submit that we should be especially sensitive to this danger in today's world, when ideologies are proclaimed and promoted with religious fervor. To the extent that we subsidize majoritarian ideology, I question whether this is wise or constitutional. Does not this perforce discriminate against individuals and groups that hold minority viewpoints? Does not this make it more difficult ior new ideologies, better attuned to a rapidly changing world, to gain a foothold? We ought to beware, Mr. Speaker, of so entrenching the party that we belong to, as well as the opposite party to which our colleagues across the aisle adhere. We should keep in mind that it is under fascism and communism that the state and ideology are entwined.

Further, when we grant to a party a continuing subsidy, we strengthen not only the party but also the leaders in control of the party at the time the subsidies start. We can imagine circumstances under which the leadership, having control of the money, could arrange things so that it would be difficult to oust them from power even after they had lost an important election, or in the face of a movement by younger leaders or reform elements to take over. In 1972, in line with this analysis, the Democratic Party could have remained under the thumb of GEORGE MCGOVERN and Jean Westwood, who had less than universal appeal among Democrats, and the Republican Party in 1964 could have become the possession of BARRY GOLDWATER and Dean Burch and the small party faction that they represented.

In the big cities, to cite another example, the machines could live on long after they had lost true popular support. So not only would public financing bring us permanently entrenched major parties but also leadership superbly equipped to assure the succession to loyalists of their own choosing—in short, a sort of monarchial system of party governance.

There is still a third way in which public funding could lock the parties into positions of power. Giving money to them would strengthen them vis-a-vis candidates carrying the party's banner. If there were a public financing scheme that forced candidates to look to the parties exclusively for financial sustenance, this would diminish the independence of those running for office, and possibly cause them to cut or ignore their ties with other interest groups. Bossism would ride again.

If, on the other hand, we were to give the public subsidy to the candidates, rather than to the parties, then we would weaken the party's traditional role as a principal fundraiser, thereby depriving it of an instrument of discipline. Following inevitably, as well, would be a proliferation, if not an explosion, in the number of candidates. With aspirants for office being guaranteed funding by the Government, they would enter the primaries in herds. In large fields such as these, no candidate could hope to achieve more than a modest plurality. The winner then would enter the general election not really as the candidate of a party but merely of a small faction. The overwhelming majority of voters in the primary will have lost. This is true today, of course, in many elections, but public financing of campaigns channeled to the candidates themselves would increase the incidence of such freakish elections, and perhaps make them commonplace.

If we were to give the public money both to the parties and the candidates, as a means of achieving some balance between the alternatives I have just cited, then we could end up being saddled with undesirable aspects of both systems, with neither being able to cure the other.

2. THE MINOR PARTIES

Public financing of elections would also affect profoundly the traditional role of the minor parties in our system of government. Like the major parties, they are not rooted in the Constitution and thus there is no obligation on the part of the citizenry or the Government to perpetuate them. Nonetheless, all of us are familiar with the positive contribution that some of these parties have made throughout our history. Some of the best of them have died, but only after important parts of their platform had been absorbed by the major parties. Others have produced nothing and passed from the scene with good riddance, because their programs were offensive to citizens in a democratic country or because their proposals were foolish or inappropriate to the times. The comings and goings of the minor parties have had the net effect of providing a two-party system, which in turn accounts for the politics of consensus that has kept our country stable and united. Against this background, any tampering with the two-party system and with the means of absorption of the minor parties, or conversely an upset in the political dynamics of our Nation so as to discourage the birth of third parties, is bound to have deleterious results. Jack H. Haskell of the Library of Congress staff, in a paper last August, summed up all that would be at stake for minor parties under varying schemes of public financing. He wrote:

> It is contended by some that since third parties must garner a certain percentage of the vote before being eligible for public funding, the requirement may unfairly discourage the operation and formulation of third or new parties and so may dry up an important source of new ideas and original solutions which are often eventually adopted by the major parties.
>
> On the other hand it has been suggested that the expectation of public funding if a certain number of votes can be polled may encourage the proliferation of minor and new parties. This is seen by some to be a serious threat to the stability of our two-party system of government since varying factions, instead of being encouraged to work for change within the structure of one of the two major parties, would now be encouraged by the expectation of free funding to form a new "splinter" party. Further objections are raised that public funding may perpetuate minor political parties which would otherwise have only short-run or temporary popularity since funding of third parties may partly be based upon performance of the party in the previous election four years before. Others question the wisdom of the government or the desire of the general public to support or perpetuate radical "fringe" parties or racist-oriented third parties which may have established a modicum of public support.

As to the litters of minor parties that might result from a system of public financing, perhaps the ultimate danger would be the formation of a religious party. Would the constitutional prohibition separating church from state then become operative, depriving such a party of the public funds that other parties are getting? If not, would not most Americans find it obnoxious—if not dangerous—to in effect be subsidizing a religious doctrine? On the other hand, if religious parties are to be barred from receiving the public funds that other parties receive, how is a religious party to be defined? It appears to me, Mr. Speaker, that nothing could save the state under these circumstances from becoming entangled with one or more of the religions.

B. IMPACT ON OFFICEHOLDERS

Apart from its impact on the parties, public financing would have a separate effect on candidates and persons already holding public office. It would come as another boon to the incumbents. Frankly, Mr. Speaker, I should think that we ought to be embarrassed about asking the taxpayers for any more favors, in view of the perquisites of office that we already hold and the fact that they have proved so useful in keeping us here. For example, the franking privilege used in certain ways gives us a leg up on our challengers, and we can see the evidence of this in the election results. So we already have our subsidies, the one in this example being an enormous—and unlimited—allowance to pay for the mailing of letters, illustrated newsletters and all sorts of other materials to our constituents. On top of all this, we would get another handout from the Government through public financing of our campaigns. In a public funding plan that gives an equal amount to each candidate,

we still would maintain the perquisite gap. In a plan that doles out money based on performance in previous elections, we would automatically get more money than the challengers. In a plan of public financing that is less than preemptive, some incumbents might twist the situation to their advantage by using the taxpayers' funds, in effect, as seed money to attract still more private contributions. Allow me to explain, Mr. Speaker. Suppose we have an incumbent who is fairly well entrenched. He is able to build only a small war chest, election after election, because his opposition is light and financial angels among his supporters see no serious threat to him. But then some public money is thrown into the campaign. As a result, attracted by the certain prospect of financial assistance, a strong challenger enters the race—or a number of challengers do. The survival of the incumbent, under these conditions, is not to be taken for granted. So he goes to his supporters and persuades them to open their wallets. This, of course, stimulates parallel activity by the opposition. But in any such fundraising contest, as studies have shown, the incumbent has important advantages that virtually assure him of outsoliciting his challengers. Surplus funds he might raise could then be put in the bank to give him a head-start 2 years later, or 4 years later, in a race for higher office. In the meantime, the challenger has found the public financing kitty to be of only passing advantage. He himself might be no worse off financially than when he started, but the taxpayer is behind and the incumbent might be ahead, because he has picked up some cash that otherwise would have been withheld from him.

Yet it is not only money that taxpayers might lose. They might also be deprived, under a scheme of public financing, of the opportunity to hear a spirited, truly informative discussion of the issues. Winter has written:

> We are told that subsidies will "reduce the pressure on Congressional candidates for dependence on large campaign contributions from private sources . . ." If, however, one reduces the pressure on candidates to look to the views of contributors, to whom will the candidates look instead? The need to raise money compels candidates to address those matters about which large groups feel strongly. Candidates might well, upon receiving campaign money from the government, mute their views and become even more prepackaged. Eliminate the need for money and you eliminate much of the motive to face up to the issues. Candidates might then look more to attention-getting gimmicks than to attention-getting policy statements. A subsidy combined with spending limits might insulate incumbents both from challengers and the strongly held desires of constituents.

We should not overlook either, Mr. Speaker, the fact that appropriations for a campaign financing program would be controlled by persons already holding those offices that would be at stake in the next election. The implications of this are worth reflecting on, in view of what we in Congress describe as the power of the purse. At the very least, it seems to me, we would be plunging the Federal Government, which heretofore has largely been held at arm's length, into the election process. At worst, this would result in incumbent officeholders, or perhaps their agents, meddling in disputes over what did, or did not, constitute a justified use of public supplied campaign funds. I wonder: Would we end up, for instance, with censorship of political advertising messages?

C. IMPACT ON PARTICIPATORY POLITICS

Mr. Speaker, public financing also would have an adverse impact on public participation in the election process. I question how we would enhance liberties if we clamp restraints on the citizens of any class denying them the right to contribute to a candidate who has already shown by his record that he's a champion of that group, or who has persuaded the group that he definitely will take up their cause. As Haskell has put it:

> It is questioned whether it is wise to diminish the influence of groups which represent the opinion of a large segment of the electorate, such as the political arms of labor organizations or commercial groups. The objective of collective action, such as collective bargaining for instance, is to centralize, and so to increase the bargaining power of individuals to meet the legitimate demands of these persons who may not have the influence to receive consideration as individuals. It is feared that through public financing the needs of certain individuals, for example laborers, may not be met since the means through which they may exert their collective influence, through organizations such as COPE, will be substantially limited. Those who disagree with this premise contend that private interest groups may represent their members by exerting their influence through channels other than direct financial support of candidates. This contention, however, at the same time may weaken the original argument that public financing would free a candidate from the influence of special interest groups.

I would venture to say, Mr. Speaker, that the ordinary workingman has a rather keen sense of the power he is able to command through his union, and an equally accurate estimate of his helplessness if he is forced to stand alone. If he were barred by a new law, for reasons obscure to him, from giving his few dollars to the only candidate who seems interested in him, his sense of there being something foul afoot would sharpen his cynicism, and he probably would turn off politically, retreating to apathy. At the same time, affluent persons with more free time than the workingman would remain on the political stage, and might end up hogging a good part of it for themselves. Also remaining front and center would be the activist, highly educated persons who are able to bring to bear in a campaign more than just money—such as a knowledge of the details of many issues; an ability to articulate their points of view; and all the self-confidence that comes from these attributes. It is these same persons who frequently influence, and in some places also control, the news media. While their role in elections is just as constructive as that of the workingman, we ought not to take action that in effect gives them a greater voice than is justified by their numbers in the population. Of course, this is what we do when we brush aside the workingman.

D. OTHER CONSIDERATIONS

There are a number of other considerations, Mr. Speaker, that militate against public financing. I would like to cite just a few:

If a voter disagrees strongly with a candidate, should he be forced to help pay for his message? Winter has stated the problem this way:

> What would happen if a racist ran for office and delivered radical and quasi-violent speeches? One result might be cries for even more regulation—in particular, for regulation of the content of political speech.

To the extent that the largest sums of money are contributed by those who can best afford it, and whose personal financial stake in our system is greater, is this not after all, as it should be? Does this not unofficially parallel, in a sense, the principle of progressive taxation? Somebody has to pay for political campaigns. If we take the money out of the public till, the cost of it will fall disproportionately on the low-middle and lower income groups. This is so because our Federal income tax system is not as progressive as it is supposed to be, or as we like to pretend that it is.

The cost of public financing might become burdensome, and this could take money away from vital public programs. We can assume a steady escalation of costs because, to cite one reason, for the incumbents to increase the amounts of the grants to themselves enhances their sense of power and their actual power. To political animals like us, having more money to dispense would be akin to having more patronage at our command. I doubt that we would spurn larger and larger grants even if the price for this would be to have to share the extra money with our challengers. Is there a politician among us who would deny that some of us are adept at making deals with the opposition? And who would be the beneficiaries of all this largess? Again, I would like to cite but one example, Mr. Speaker. Arlen Large wrote in the Wall Street Journal last year:

> In recent years a whole industry of campaign advertising specialists has mushroomed to advise candidates on how to spend their privately collected money. With an assured supply of financing from public tax funds, the campaign consultant would become just one more parasitic operator who, like a commercial income tax preparer, thrives merely because the government exists.

IV. CONCLUSION

I would like to conclude, Mr. Speaker, with an observation by Alexander Heard, an authority on campaign costs, who noted in his work "Costs of Democracy:"

> It has been repeatedly demonstrated that he who pays the piper does not always call the tune, at least not in politics. Politicians prize votes more than dollars.

Let us not get carried away, then, Mr. Speaker, by getting hung up on the financial aspects of politics. Let us examine carefully the case against public funding of elections, as it has been outlined here and elsewhere. Or better yet, why not lay the question aside for the time being and get on with the reforms we truly need at this time? Thank you, Mr. Speaker.

A BILL TO AMEND SECTION 174 OF INTERNAL REVENUE CODE OF 1954

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. ROSTENKOWSKI) is recognized for 5 minutes.

Mr. ROSTENKOWSKI. Mr. Speaker, I have today, together with my distinguished colleague the gentleman from Illinois (Mr. COLLIER), introduced a bill which would amend section 174 of the Internal Revenue Code of 1954 to insure its uniform application to business products and would make clear that taxpayers engaged in the publishing business have the same option as other taxpayers to deduct research or development expenses incurred in developing or improving their products.

Section 174, as enacted by the Congress in 1954, grants all business taxpayers alike the option to deduct research or experimental expenditures. However, in September 1973 the Internal Revenue Service published a ruling—Revenue ruling 73-395—which purports to interpret section 174 in a fashion that would deny publishers—apparently even for all years beginning prior to publication of the ruling—the option to deduct expenditures incurred for the writing and editing of textbooks and the design and art work of visual teaching aids that occurred prior to the publication of the textbook and the visual aid. This ruling held, for the first time, that such costs do not constitute research or experimental expenditures under section 174 of the Code.

The new IRS ruling marks a departure from the Service's prior administrative practice of permitting current deduction of such expenditures by book publishers who chose to employ that method of tax accounting. The IRS ought not be allowed, through this attempted reversal of its prior administrative practice, to penalize those publishers whose reliance on continuation of that practice led them to commit themselves to make heavy financial outlay for research and experimentation for the development or improvement of their products.

The bill would make it clear that the recent Service ruling does not reflect the intent of Congress when it enacted section 174 in 1954. The reports of the House Ways and Means Committee and of the Senate Finance Committee which accompanied section 174 upon its enactment in 1954 explain that the purpose of section 174 was to "eliminate uncertainty and to encourage taxpayers to carry on research and experimentation." There is no suggestion in these reports that section 174 would not apply to the costs of research and experimentation necessary to develop products of book publishers, such as textbooks, reference books, visual aids, and other teaching aids, merely because the taxpayer's business is publishing or because the teaching aid or other product of a publisher is in the form of a printed book rather than in the form of a mechanical device. Section 174 should not be interpreted to discriminate against book publishers in the business of developing or in improving reference books, teaching aids or other products.

The Treasury regulations—section 1.174-2(a)(1)—provide that the term "research or experimental expenditures" includes "generally all such costs incident to the development of a product and the improvement of already existing property of the type mentioned." There is no sound reason for discriminating against book products of publishers. Although the Treasury regulations—section 1.174-2(a)(1)—also provide that the term "research or experimental expenditures" does not include expenditures "for research in connection with literary, historical or similar projects," this regulatory exclusion should be confined to its proper scope, for example, to preclude the amateur novelist from deducting his essentially personal expenses in the guise of business research expenses. The regulatory exclusion is no longer necessary because the judicial decisions since 1954 make it clear that section 174 applies only to the development or improvement of products related to a trade or business of the taxpayer.

The bill also makes a technical amendment which makes it clear that the method of accounting permitted by section 174(a) for research or experimental expenditures permits a taxpayer to deduct such expenditures from gross receipts by treating them as an element of cost of goods sold. Consequently, a taxpayer who utilizes this method of deducting such expenditures, and who also reports income from sales on the installment method, will apply the deduction against subsequent receipts from sales.

DEBTS OWED TO UNITED STATES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. WOLFF) is recognized for 5 minutes.

Mr. WOLFF. Mr. Speaker, today, on behalf of myself, Mr. DERWINSKI, and 40 House cosponsors, I am introducing a joint resolution that will serve to insure congressional involvement in all settlements, cancellations, recommendations, and reschedulings of debts owed to the United States by foreign nations. This measure requires the Secretary of State to keep Congress fully informed of the ongoing status of any negotiations regarding the cancellation, renegotiation, rescheduling, or settlement of foreign debts to the United States, and further requires that no such agreement will take effect unless Congress has received a detailed explanation of the interests of the United States in converting such agreement.

Mr. Speaker, at a recent hearing before the Foreign Affairs Foreign Economic Policy Subcommittee, we learned that the United States has negotiated an agreement with the Indian Government that will cost the American taxpayer close to $3 billion. The United States has agreed to cancel outright $2.2 billion of the total $3.3 billion outstanding debt owed to us by India. This is an unprecedented executive agreement with a foreign nation which will result in a virtual giveaway of billions of dollars and yet the Congress, which originally appropriated the funds for India as soft currency loans, not outright grants, was never given the opportunity to approve this writeoff.

One further example of this type of executive agreement was the U.S. arrangement with the Soviet Union regarding the Russian lend-lease debt. This lend-lease debt of some $4 billion was settled for approximately $700 million, in addition to which, the Soviets were granted further credit extensions totalling approximately $700,000 in the form of agricultural credits.

We feel that the so-called Indian rupee agreement and the arrangement with the Soviet Union establishes a very unhealthy precedent, and we have thus introduced our resolution in order to prevent future giveaways or this type of arrangement without prior consultation with the Congress. With the current domestic problems we face and the burdens already placed upon the American taxpayer, giveaways like the Indian rupee agreement cannot continue without congressional surveillance.

Mr. Speaker, I am pleased to report that progress is already being made to move this resolution through Congress. Yesterday, I and Congressmen DERWINSKI and BROOMFIELD were successful in having the House Foreign Affairs Committee adopt our amendment to the Foreign Assistance Act of 1961, to insure congressional surveillance over currency settlements that come under this act. The resolution we are introducing today will apply the rules of this amendment to all similar settlements, involving all American aid, including Public Law 480 funds.

Mr. Speaker, when the Congress of the United States agrees to loan taxpayers' money to foreign countries, it is the Congress which must retain the rights to any change in the repayment or writeoff of those moneys. There still remain vast amounts of excess currencies, billions by conservative estimates, owed to us by foreign nations. At a time when our domestic economy is under such tremendous stress, the executive must not be allowed to engage in giant giveaways involving these debts without answering first to the Congress.

For the RECORD, Mr. Speaker, I am including a list of those Members who have joined as cosponsors of our resolution, as well as a text of the measure:

LIST OF COSPONSORS

Messrs. Wolff, Derwinski, Addabbo, Anderson of Illinois, Archer, Bevill, Broomfield, Brown of California, Cohen, Collins of Texas, Conte, Daniel, Robert of Virginia, Devine, Dickinson of Alabama, Drinan, Eilberg, Fuqua, Gettys, Gross, Harrington, Helstoski, Hinshaw, Hosmer, Hungate, Kemp, Ketchum, Long of Maryland, Lott, Mann of South Carolina, McCormack, Montgomery, Sandman, Sarbanes, Taylor of North Carolina, Tiernan, Whitehurst, Winn, Yates, Young of Florida, Heinz, Podell, Pritchard.

H.J. RES. 920

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of State shall keep the appropriate commit-

tees of Congress fully and currently informed of the ongoing status of any negotiations with any foreign government, regarding the cancellation, renegotiation, rescheduling, or settlement of any debt owed to the United States Government by such foreign governments under any program. The Secretary of State shall transmit to the Speaker of the House of Representatives and the chairman of the appropriate Senate committee the text of any international agreement proposing a modification in the terms of such debt no less than thirty days prior to its entry into force, together with a detailed explanation of the interest of the United States Government in converting such agreement.

No debt owed to the United States Government under any program by any foreign government may be cancelled, renegotiated, rescheduled, or settled in any manner inconsistent with the legislative authorization applicable to the original debt as modified by any subsequent amendment, except as provided in this section.

SUBMISSION OF A RESOLUTION RELATING TO THE ALLOCATION OF FUEL FOR THE TOURISM INDUSTRY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Utah (Mr. OWENS) is recognized for 5 minutes.

Mr. OWENS. Mr. Speaker, fuel allocations should not be denied for certain uses which have the false appearance of being nonessential, such as recreational activities and tourism. It is for this reason that I am submitting this resolution to provide adequate fuel supplies for the tourist industry.

My State of Utah shares a common concern with several other States which are largely dependent upon tourism for economic survival. In Utah, the tourist industry accounts for approximately $200 million of the State's income, and it employs approximately 55,000 of the 474,000 work force.

I submit that the adoption of this resolution would help avoid the significant unemployment that would result from a lack of adequate and fair fuel allocation for States dependent on the tourist industry.

The tourist industry depends upon transportation for its economic success. For the continued existence and stabilization of Utah's economy and those of other States it is necessary that the allocation of fuels does not discriminate against any industry. Without reasonable, proper, and wise allocation of fuel resources, the economic failure of tourist-related business areas may follow. The impact on individual States and their economies would be disastrous.

Although it is imperative during this time of emergency to effect conservation measures, such measures when adopted should not create acute economic hardship to any particular industry or to any one State. This means that appropriate steps must be taken to implement the allocation program in such a way that the economy of different areas of the country, including Utah, will be treated equitably, regardless of what industries are prevalent in each particular area.

Mr. Speaker, it must also be realized that tourism and other recreational activities are essential to the maintenance of a strong, healthy, and alert society, especially during this age of growing mechanization. We cannot afford to regard tourism as expendable. The contribution it now makes to our society and the potential it has to improve our quality of life must not be underestimated.

The following resolution recognizes the aforementioned facts and reestablishes a more suitable and equitable order of fuel allocation priorities during the present energy crisis:

H. RES. 933

To express the sense of the House with respect to the allocation of necessary energy sources to the tourism industry.

Whereas tourism spending in the United States in 1972 totaled approximately $61,000,000,000;

Whereas tourism expenditures are the second ranking retail expenditure in the United States;

Whereas the Report of the National Tourism Resources Review Commission (June 25, 1973) estimated that spending for tourism in the United States is expected to total $850,000,000,000 over the decade 1970 to 1980.

Whereas tourism expenditures in the United States directly and indirectly provide employment for approximately four million Americans;

Whereas the leisure activity provided for Americans by the tourism industry is essential for a sound and healthy society;

Whereas the tourism industry is a major economic and social force in the United States;

Whereas the continued viability of the tourism industry depends upon the ability of our public and private transport system, including sightseeing companies, motor coach operators, cruise lines, hotels, motels, and travel agencies to provide in a safe, economic, and efficient manner those goods, facilities, and services which support the tourism industry; and

Whereas the current energy shortage poses a serious threat to the tourism industry and consequently to the national economy and that of many States, areas, and cities: Now, therefore, be it

Resolved, That it is the sense of the House that in any allocation of energy supplies or other actions by Federal departments and agencies to alleviate the energy shortage, proper consideration should be given, in light of the facts expressed in the preamble of this resolution, to the provision of adequate supplies of energy to all segments of the tourism industry.

MATSUNAGA INTRODUCES BILL TO FULFILL FEDERAL RESPONSIBILITY FOR PUBLIC ASSISTANCE TO ALL ABORIGINAL AMERICANS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Hawaii (Mr. MATSUNAGA) is recognized for 10 minutes.

Mr. MATSUNAGA. Mr. Speaker, I am pleased to announce the introduction yesterday of legislation designed to provide full Federal reimbursement for the costs of all public assistance programs to aboriginal Americans.

The historical position of the Government of the United States is that it has a unique and undeniable responsibility to one segment of our society—aboriginal Americans. Indeed, there is a precedent for this type of reimbursement. In the past Congress has provided for an 80-percent reimbursement to Arizona and New Mexico for funds expended in behalf of the Navajo and Hopi Indians who were receiving old age assistance and aid to the blind. Moreover, the Senate has twice approved—in 1970 and again in 1972—a 100-percent reimbursement for all aboriginal Americans on the mainland.

The measure which I am introducing is consistent with what has become one of the basic principles of welfare reform—that welfare is a national problem which transcends legal State boundaries. To a large extent, it is as a result of Federal policies that native Americans have been forced to live in economically deprived areas which cannot meet welfare and other costs from local taxes. In my own State of Hawaii, there are over 10,000 native Hawaiians receiving public assistance. Last year, over $16.6 million was spent on basic welfare services to the Hawaiian population, fully half, or $8.3 million, from the State. Under my bill, Hawaii would be reimbursed for that sum. Financial responsibility for assistance to aboriginal Americans would then be placed where it belongs—on the Federal Government.

The case for additional Federal financial assistance for welfare payments for the Hawaiians is well documented throughout the Federal statutes, as it is also true of the claims of the native Alaskans and American Indians. The Federal Government holds in trust ancestrial lands of the Hawaiian people in a manner similar to the method in which the land of various Indian tribes is held in trust. The enabling statute setting aside trust land is the Hawaiian Home Commission Act of 1920. The fact that Congress has seen fit to amend this act no fewer than 18 times attests to its inadequacy.

Many American aborigines live in poverty as a result of past injustices. The States in which these first Americans live have had their tax bases diluted by reservations not subject to State and local taxes and by loss of income tax revenues due to a high incidence of low economic status among aboriginal Americans. Federal assumption of these limited welfare costs would serve as a useful means of correcting this fiscal dilemma.

The legislation I have introduced would include native Hawaiians along with American Indians and Native Alaskans as aboriginal Americans who have justifiable claims to national consideration. It is my hope that both Houses of Congress and the President will take early and positive action on this bill.

Mr. Speaker, I include the text of my bill to be printed in the RECORD at this point:

H.R. 13051

A bill to provide for additional Federal financial participation in expenses incurred in providing benefits to Indians, Aleuts, native Hawaiians, and other aboriginal persons, under certain State public assistance programs established pursuant to the Social Security Act

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) part A of title XI of the Social Security Act is amended by adding, immediately after section 1123 thereof, the following new section:

"ADDITIONAL FEDERAL PAYMENTS TO STATES ON ACCOUNT OF CERTAIN EXPENDITURES WITH RESPECT TO INDIANS

"SEC. 1124. (a) The Secretary shall pay to each State which has a plan approved under part A of title IV, or under title XIX, for each calendar quarter which commences after the date of enactment of this section, an amount equal to the excess of—

"(1) the total expenditures made during such quarter under such State plan as aid or assistance with respect to individuals who are Indians (within the meaning of subsection (c)), Aleuts, Eskimos, native Hawaiians (as defined in subsection (d)), and other aboriginal persons (including amounts expended by reason of section 1119, to the extent applicable), but not counting so much of any expenditures as exceeds the limitations prescribed for purposes of determining the Federal share of such aid or assistance under the applicable provisions of such part of title, over

"(2) the amounts otherwise payable to such State under section 403 or 1903 (including amounts determined under sections 1118 and 1119, to the extent applicable) as the Federal share of aid or assistance under such plan with respect to such individuals.

"(b)(1) The Secretary shall pay to each State which has entered into an agreement with the Secretary under section 212(a) of Public Law 93–66, or has in effect a program of supplementary cash payments described in section 1616(a), with respect to each calendar quarter which commences after the date of enactment of this section, an amount equal to the total expenditures made during such quarter in providing, pursuant to such agreement or such program (as the case may be), supplementary benefits with respect to individuals who are Indians (within the meaning of subsection (c)), Aleuts, Eskimos, native Hawaiians (within the meaning of subsection (d)), or other aboriginal persons, but not counting so much of any expenditures as exceeds the applicable level of benefits which may be provided pursuant to such agreement or such program (as the case may be) to individuals who are not Indians (within such meaning), Aleuts, Eskimos, native Hawaiians (as so defined), or other aboriginal persons. Except as provided by paragraph (2), amounts payable to a State under this paragraph shall be made, with respect to any calendar quarter, at such time or times during or immediately after such quarter, as the Secretary may establish.

"(2) In the case of any State which has in effect an agreement entered into under section 1616 or under section 212(b) of Public Law 93–66, amounts payable to such State under paragraph (1) shall be payable to such State at the times established, pursuant to section 1616(d) (in the case of an agreement entered into under section 1616) or pursuant to section 212(b)(3) (in the case of an agreement entered into pursuant to section 212(b) of Public Law 93–66), for the payment by such State of amounts payable by it to the Secretary under such agreement. In making such payments at any such time, an appropriate setoff shall be made, and only the balance due shall be paid by the Secretary or by the State (as the case may be), and any amount so set off shall be deemed to have been paid.

"(c) The term 'Indian' refers to any individual (1) any of whose ancestors were natives of the area which consists of the States of the United States (other than Hawaii) and the District of Columbia prior to the discovery of America by Europeans, (2) who regards himself as an Indian and who holds himself out, in the community in which he resides, as being an Indian, and (3) who is regarded, in the community in which he resides, as being an Indian.

"(d) The term 'native Hawaiian' means any individual (1) any of whose ancestors were natives of the area which consists of the Hawaiian Islands prior to 1778, (2) who regards himself as a Hawaiian and who holds himself out, in the community in which he resides, as being a Hawaiian, and (3) who is regarded, in the community in which he resides, as being a Hawaiian.

"(e) There are hereby authorized to be appropriated, for each fiscal year, such sums as may be necessary to enable the Secretary to make the payments authorized by the preceding provisions of this section."

PANAMA CANAL: BRIDGE-ROAD PROJECT AT ATLANTIC END OF CANAL ZONE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. FLOOD) is recognized for 10 minutes.

Mr. FLOOD. Mr. Speaker, as all who have followed my addresses on Isthmian Canal policy questions over a period of years know, the story of the Panama Canal forms one of the most brilliant chapters in U.S. history. It has entitled the statesmen responsible for acquiring the Canal Zone and the great engineers who designed and supervised the construction of the great interoceanic link to enduring fame.

As recognized by such leaders as President Taft, the territory of the U.S. Canal Zone, "runs through the heart" of the Republic of Panama, separating that country into two parts.

At the time of the 1903 treaty under which the Zone territory was acquired there was relatively little traffic between the two sections of Panama other than that which could be handled by existing roads or small vessels. After completion of the canal the need for crossing facilities became increasingly apparent.

One of the most distinguished former members of this body and of the Committee on Appropriations, because of his service on the Isthmus as Governor of the Canal Zone during peak construction, was keenly aware of the cross-canal transportation difficulties and the necessity for a remedy. In 1929 he introduced and in 1930 secured the enactment of legislation establishing a free ferry system across the Pacific entrance of the Panama Canal at Balboa and the construction of a highway in the Canal Zone connecting the western ferry terminus with the road system of Panama, both officially named by the Congress in his honor. These ferries were operated until 1962 when they were replaced by the impressive Thatcher Ferry Bridge, also named in his honor, by the Congress.

During World War II there was a ferry system operated by the United States across the Atlantic end of the canal from Cristobal to Fort Sherman for the heavy traffic of those years in connection with defense activities. But today there are no adequate canal crossing facilities at the Atlantic end of the canal except a small automobile bridge across the locks at Gatun, which is not satisfactory for general use. The time is now approaching for the construction of suitable bridges across the Atlantic end of the canal and the Lower Chagres River with appropriate roads in the Canal Zone to connect with the road system of Panama for the convenience of residents of both the zone and the Republic of Panama. As for the evidence of this need is the recent action of the Panamanian Assembly of Community Representatives recommending such facilities.

To provide them, I have introduced the following measure:

H.R. 12302

A bill to provide for construction of certain bridges, approaches, and roads in the Panama Canal Zone, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) in order to serve the needs of the Canal Zone and the Republic of Panama, the Governor of the Canal Zone, under the supervision of the Secretary of the Army, is authorized and directed—

(1) to construct, or cause to be constructed, across the Atlantic sea level portion of the Panama Canal, and maintain, a bridge clear of all locks and dams of the canal and with a clearance not less than the clearance of the Thatcher Ferry Bridge in the Canal Zone;

(2) to construct, or cause to be constructed, and maintain, a bridge at a suitable point across the Chagres River in the Canal Zone; and

(3) to construct, or cause to be constructed, and maintain, such approaches to each such bridge, and such additional roads in the Canal Zone, as may be necessary to provide appropriate highway connection of each such bridge with the road system of the Canal Zone and the road system of the Republic of Panama.

(b) Such bridges, approaches, and roads shall be constructed and maintained for the accommodation of the public and shall be made available for use by the public free of tolls.

(c) In carrying out the purposes of this Act, the Governor of the Canal Zone may act and exercise his authority as President of the Panama Canal Company and may utilize the services and facilities of that company.

(d) There are authorized to be appropriated such sums as may be necessary to finance the construction, operation, and maintenance of such bridges, approaches, and roads in accordance with this Act.

WHEAT EXPORTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Rhode Island (Mr. TIERNAN) is recognized for 5 minutes.

Mr. TIERNAN. Mr. Speaker, the wheat situation has reached a critical stage. An impending shortage has caused the price to rise to historic levels, topping $6 per bushel. Now, in order to avoid completely bare storage bins, we may be forced to import expensive foreign grain. Last year the consumer was forced to swallow a 22-percent increase in food prices. It is about time we acted to prevent the ludicrous situation where we will be exporting so much grain that we will end up buying it back from foreign markets at higher prices. Let us relieve the heavy burden placed on the American consumers' budget by rising food prices. The legislation I plan to introduce this week seeks to lower the price of domestically consumed wheat. Let us give the consumer a break. Let us do something constructive and effective instead

of talking about how terrible the situation is.

I began to monitor our wheat exports last July, at the start of the crop year. The level sustained was alarming, pointing to a shortage before the next harvest in June of 1974. In August, I wrote to both President Nixon and the Secretary of Agriculture, Earl Butz, urging the immediate imposition of export controls. It export controls were gradually imposed last August, there would have been little disruption with our international trade. However, nothing was done by the administration at that time. Now, even with a production 2½ times the amount of domestic consumption, we are faced with a shortage.

The reason for the administration's inaction has been the contention that export restrictions would throw us into a serious balance-of-payments deficit. Wheat has become one of our most important exports; but this does not mean, as the administration appears to believe, that no solution exists. In the last 3 years, wheat exports have increased from $1 billion annually to an estimated $4.02 billion this year. Strict restrictions on wheat could cause a $2 billion dollar balance-of-payment deficit. The legislation I have proposed will lower the price of domestically consumed wheat without having an adverse effect on our balance of payments.

This bill contains two major provisions: A wheat exporting marketing stamp system, and the formation of the National Wheat Council.

The wheat export marketing stamp system is designed to lower the price of domestically consumed wheat. Every exporter will be required to purchase export stamps for the wheat he intends to ship abroad. The price of the stamps are pegged on a graduated scale. The exporter's cost for the stamps will be 50 percent of the price he paid for the wheat above $3.50 per bushel.

With this system in effect, the foreign price of our wheat will remain at the present levels but domestic prices will drop by approximately 20 percent. At the present price of $6 per bushel this marketing system will cause a reduction in the domestic price to around $4.75 per bushel. Our total dollar export amount will be unchanged and the farmer will still earn a healthy return for his labor.

The second major provision of this legislation is the formation of a National Wheat Council. With the growing size and importance of our wheat crop, it is time to establish a national organization that will promote research and production of wheat and keep abreast of the supply and demand situation from both the farmer and the consumer's point of view.

This Council will be composed of 12 members; 3 representing wheat producers, 1 from the Agricultural Research Service, 1 from the Economic Reseach Service of the Department of Agriculture, 1 from the Foreign Agricultural Service, 3 from the processors and end product manufacturers of wheat, and 3 representing consumer interests. The Council will use a portion of the funds collected from the sale of export stamps to encourage research to increase the yield per acre, increase the nutritional quality and encourage production of wheat by finding dependable and permanent markets. This Council will also be responsible to keep abreast of accurate statistics of our wheat supply and demand, thus avoiding tight supply situations that cause skyrocketing prices.

This legislation is urgently needed. With our balance of payments so heavily dependent on agricultural goods, fluctuations in growing conditions around the world have caused rapid food inflation for the American consumer. It is time to insulate the American consumer from this foreign-caused inflation and this is precisely what my bill will achieve. I ask my colleagues for their support of this bill as an active step by Congress to control inflation.

EXPLANATION OF VOTE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. DIGGS) is recognized for 5 minutes.

Mr. DIGGS. Mr. Speaker, on January 30, 1974, rollcall No. 11 on the 2d session of the 93d Congress was taken on the adoption of the rule providing for consideration of H.R. 5463, Federal Rules of Evidence. In my haste to record my vote on the floor, I inadvertently pushed "present" rather than "yea" as I had intended.

Mr. Speaker, I ask unanimous consent that the permanent RECORD show, immediately following roll No. 11 on January 30, 1974, that I supported the rule to consider this bill and intended to vote "yea" on the question.

OUT OF THE ENERGY CRUNCH BY 1976—PHILIP H. ABELSON, SCIENCE MAGAZINE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. BRADEMAS) is recognized for 5 minutes.

Mr. BRADEMAS. Mr. Speaker, one of the most respected observers of commentators on scientific developments in the United States is Dr. Philip H. Abelson, editor of Science, the weekly journal of the American Association for the Advancement of Science.

I believe that all Members of the House will read with great interest the text of an editorial by Dr. Abelson in the February 22, 1974, issue of Science entitled, "Out of the Energy Crunch by 1976."

The editorial follows:

OUT OF THE ENERGY CRUNCH BY 1976

At the moment, the chief hope for an amelioration of the energy crisis lies in an easing of the oil embargo, but valves that can be opened can be closed. Solemn agreements with the oil producing and exporting countries, ostensibly valid for decades, have been scrapped in weeks. The public and the economy cannot long tolerate the uncertainties of being a Yo-Yo in the hands of others.

Prior to the embargo, we were importing 35 percent of our consumption. If we were to lower that to 20 percent, consumers would pay less for hydrocarbons, foreign exchange problems would ease, and we would no longer need to obtain oil from the Arabs. Such a major step to energy independence could and should be taken by 1976.

The quickest path toward balancing supply and demand is conservation combined with the replacement of use of hyrocarbons by coal. Thus far, the main burden of conservation has been carried by the public, which consumes directly only a minor fraction of the energy. The major potential for quick savings of hydrocarbons lies with industry. It is the largest consumer of energy; it has substantial technical resources; and, with costs soaring, it has incentives to seek economies. Like the public, industry generally has governed its behavior on the assumption of cheap energy. Thus it has much room for improvement.

All of industry has not been asleep. Two good examples of organizations with foresight and ingenuity are DuPont and Dow. Both companies have emphasized conservation of energy in their plant designs and operation. During the past decade, DuPont increased its volume of products 100 percent, while energy used rose only 50 percent. DuPont has advised other large consumers about conservation through a consultant service. Broad experience has shown that significant conservation at an industrial plant will, on the average, result in a 15 percent reduction in the plant's total energy consumption, and about half the saving can be achieved without new investment.[1]

At Dow Chemical during 1972, the company achieved a 10 percent reduction in energy used while increasing yield. The company had as its goal a like reduction in 1973.[2]

Another way of conserving hydrocarbons is to avoid burning them merely to produce heat. "One of the quickest and most effective ways to reduce short-falls in gas and oil is to substitute coal for them under electric utility and industrial boilers. Approximately 65 percent of the natural gas used goes to the electric and industrial sectors. Some 30 percent of the oil used goes to the same sectors. . . ."[3]

Thus far, the Administration has not been even-handed in its efforts to meet the energy crisis. The consumer has been the target of exhortations, shortages, and higher costs, Industry, and especially the utilities, which usually can pass on higher prices, have been largely protected from shortages.

By concentrating more attention on industry and the utilities, by invoking some of the can-do attitudes of World War II, by setting up a priority system to expedite procurement of scarce items, by unleashing coal as a primary energy source, and by making its use mandatory in some applications, an effective government could get us out of the energy crisis within 2 years. It could free us from any need to use oil from undependable sources, and our example and reduced imports would contribute to loosening the worldwide grip of the oil cartel.

—PHILIP H. ABELSON.

PROFITEERING OIL COMPANIES

(Mr. DOMINICK V. DANIELS asked and was given permission to extend his

[1] D. H. Dawson, *Context* 2, 17 (1973).

[2] J. C. Robertson, *Chem. Eng.* 81, 104 (21 January 1974).

[3] *Report of the Cornell Workshops on the Major Issues of a National Energy Research and Development Program* (College of Engineering, Cornell University, Ithaca, N.Y., rev. ed., 1973), p. 24. The report of the Cornell workshops provides an excellent summary of many aspects of the energy problem. It was prepared for the Atomic Energy Commission. Copies can be obtained from the U.S. Atomic Energy Commission, Technical Information Center, P.O. Box 62, Oak Ridge, Tenn. 37830.

remarks at this point in the RECORD and to include extraneous matter.)

Mr. DOMINICK V. DANIELS. Mr. Speaker, rarely in the history of this country have the American people suffered so greatly from big business profiteers run amuck than during the current energy shortage. While it would have been difficult to prevent the Arab countries from instituting their embargo and raising prices, it would not have been difficult for American corporations, run by American citizens who enjoy all of the benefits of this Nation, to foresee, warn, and provide for preventive measures against the possibilities of such action by the Arab countries. Instead they did nothing. Indeed, they have profited enormously by doing nothing leaving one with the feeling of complicity by the oil executives.

As we learn more and more of the relationship between American oil companies and the Arab sheiks, one cannot help but be impressed with the fact that all the indicia of allegiance by American oil companies has been paid not to the United States but to Arab governments. Ordered by Arab sheiks not to supply necessary fuel to American Armed Forces engaged in emergency activities in the Middle East, for example, American oil executives capitulated without so much as a murmur of an objection.

One can picture them, bowing low, scraping their foreheads on the plush oriental rugs as they left the presence of the Arab sheik-bureaucrats, who issued the order. So much for the concern of Exxon, Amoco, Mobil, and all the rest for American defense and economic security interests.

There is no industry in America which has so sordid a history of profiteering than the oil industry. Since John D. Rockefeller first created Standard Oil, the rule of the industry has been to bleed the American consumer for every possible cent of profit. Over the years I have been warned that if I opposed the oil depletion allowance, oil companies would be unable to underwrite the cost of exploration. Without exploration, oil executives claimed, America would be left to the mercy of foreign governments from whom we would then have to purchase oil. Well, I did not believe them and voted against the depletion allowance. But Congress passed it anyway. In spite of their claims and their allowances, the oil companies seeking to limit supplies in order to maintain prices, neither undertook development of oil resources nor increased refinery capacity. Today, having reaped their depletion allowance and other special tax incentives for a score of years, the oil companies have themselves placed the United States at the mercy of foreign countries from whom we nevertheless import oil. In short, they sold us out.

It seems patently obvious that the oil companies, unregulated by the Federal Government, have pocketed the depletion allowance at the expense and economic jeopardy of the American taxpayer. The fact is, that every time a serious attempt has been made to regulate the oil industry, to bust the oil trusts, to even require that they produce statistical information necessary for the economic well-being and the defense of the country, those attempts have been met with blatant demagoguery, with charges that the Congress was tampering with the free enterprise system. Rarely in history have so many been at the mercy of so few for so long.

I say that Americans have had enough of profiteering and of allegiance to foreign shieks. The time for change is long past. The oil under American soil belongs first and foremost to the American people. It is time they took it back.

I have introduced today legislation that would place under control of a Federal corporation exclusive authority and responsibility for all exploration and development of petroleum and gas resources under U.S. Government jurisdiction. In addition, this corporation would have the exclusive right and authority to import all crude and refined oil and natural gas for sale to domestic suppliers.

I disagree with those who say that America has no energy policy. Our policy has been to permit "private enterprise," controlled by so-called market imperitives, to control the supply, price, and even demand of oil as well as the organization of the oil industry. The sole discretion of how extensively "private enterprise" will explore for and develop petroleum resources lies with those who would gain financially from those decisions in spite of the tremendous effect that discretion has on the lives, welfare, and security of the America people. In addition to permitting such control over an industry critical to the well being of the country, our energy policy has actually permitted the extraordinary subsidy of private efforts through capital gains, through depletion allowances, and through other operating expense tax writeoffs. All of these tax provisions have been defended by the oil companies on the grounds that they are necessary for further exploration of natural gas and petroleum resources.

The fact is, however, that the oil companies have pocketed the moneys to be set aside for exploration and development and have failed to explore for or develop petroleum resources simply because it is more profitable to sell in a scarce market than in a plentiful one. The decision as to what constitutes a necessary inventory of oil and gas has been made by those who have had the most to gain from shortages and high prices. The security interests of the people of the United States have mattered not one whit in the face of exorbitant profits.

It should be plainly obvious by now that the supply of oil is as critical to our economic security as the supply of weapons is to our defense security. Yet we do not allow arms manufacturers to control the flow of intelligence data to the Department of Defense, nor does it control the supply of arms, nor is it in a position to deny the American Armed Forces necessary arms and ammunition. These may be extensive criticism of the arms industry and Federal procurement policies, but to my knowledge, no one has ever seriously alleged that these private companies control the defense of the United States.

I see no difference between defense security and economic security. If an industry is so critical that its actions affect the health, safety, well being and even defense of the American people, then the American people have a right to police and to exercise control over that industry to whatever extent is necessary to assure their health, safety, well-being, and defense.

There will be a great hue and cry among the oil industry and its claque of supporters at the legislation I have introduced today. They will cry that it is confiscatory, that it deprives them of long held and exclusive privileges which in fact they have taken for granted and sorely abused. To those who make this hue and cry, I strongly suggest they appear in Journal Square in Jersey City, which I represent, where I will be pleased to arrange a meeting with residents of Hudson County, N.J. I suggest they confront the American people, not from the safety of media advertising, but in America's towns and cities. Let them come out from behind the barricades of their boardrooms. Let them meet the people of America on their own turf.

The system by which we now provide the fuel for our energy needs does not work. In fact it has never worked to the benefit of those for whom it ought to work—the American consumer and taxpayer. To do less than to take strong and decisive action now in order to correct a long standing and egregious threat to our economic and defense security would be a gross aberration of our responsibility to the American people. This present crisis reaches back through the ages for the counsel of Edmund Burke that "all that is necessary for the triumph of evil, is that good men do nothing."

HON. WILLIAM MORTIMER DROWER TO LEAVE BRITISH EMBASSY

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

Mr. PEPPER. Mr. Speaker, there will be many Members of Congress as well as many in the executive branch of our Government and many of our citizens who will very much regret that the Honorable William Mortimer Drower, political counselor at the British Embassy and his lovely wife, Constance, will terminate their duties at the embassy and be leaving Washington late this week. The departure of this delightful couple and their beautiful daughter, Sarah, age 16, will be a deep personal loss to many of us in Washington who have become so deeply attached to them during their service here since 1965. Mr. Drower, after graduating from Oxford and Heidelberg Universities, served in the British Army through World War II. Thereafter, he served in the Far and Middle East, and Geneva, in connection with the Laos Conference Test Ban Treaty Negotiating and Disarmament Conference. Since 1965 he has held the position of political counselor at the British Embassy here, charged with the study of American

political affairs and institutions and in particular the U.S. Congress. He has been a close observer of the actions of our Congress and has been most helpful to many of us in the Congress in furnishing us information about the British Parliament and British institutions. He has also been a most cordial and helpful contact in bringing about better understanding and closer cooperation between Britain and the United States. His lovely and charming wife and his beautiful daughter have won the hearts of countless friends in Washington who will miss them immeasurably. Mr. Drower now will be going to Harvard for a period of study and teaching. We hope fortunate circumstances will keep the Drowers in our country for a long time.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mrs. SULLIVAN (at the request of Mr. O'NEILL), for February 26 and 27, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. BUTLER) and to revise and extend their remarks and include extraneous matter:)

Mr. MCKINNEY, for 5 minutes, today.

Mr. DELLENBACK, for 15 minutes, today.

Mr. QUIE, for 15 minutes, today.

Mr. KEMP, for 10 minutes, today.

Mr. SNYDER, for 60 minutes, on February 28.

Mr. COHEN, for 5 minutes, today.

Mr. SYMMS, for 10 minutes, today.

Mr. BURKE of Florida, for 5 minutes, today.

Mr. EDWARDS of Alabama, for 5 minutes, today.

Mr. ABDNOR, for 10 minutes, today.

Mr. PRITCHARD, for 5 minutes, today.

Mr. FINDLEY, for 5 minutes, today.

(The following Members (at the request of Mr. GINN) to revise and extend their remarks and include extraneous material:)

Mr. EILBERG, for 10 minutes, today.

Mr. GONZALEZ, for 5 minutes, today.

Mr. MORGAN, for 5 minutes, today.

Mr. JAMES V. STANTON, for 60 minutes, today.

Mr. ROSTENKOWSKI, for 5 minutes, today.

Mr. WOLFF, for 5 minutes, today.

Mr. OWENS, for 5 minutes, today.

Mr. MATSUNAGA, for 10 minutes, today.

Mr. FLOOD, for 10 minutes, today.

Mr. TIERNAN, for 5 minutes, today.

Mr. DIGGS, for 5 minutes, today.

Mr. HARRINGTON, for 5 minutes, today.

Mr. BRADEMAS, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. RHODES to include extraneous matter in the remarks he made today.

Mr. DINGELL, following the remarks of Mr. STAGGERS.

Mr. WRIGHT, to revise and extend his remarks in Committee of the Whole on H.R. 2.

(The following Members (at the request of Mr. BUTLER) and to include extraneous matter:)

Mr. BAKER in two instances.

Mr. DERWINSKI in three instances.

Mr. KEMP in three instances.

Mr. GUBSER.

Mr. ROUSSELOT.

Mr. SARASIN.

Mr. WYMAN in two instances.

Mr. FRENZEL in three instances.

Mr. DUNCAN.

Mr. WALSH.

Mr. GILMAN.

Mr. HILLIS.

Mr. BIESTER in two instances.

Mr. STEIGER of Wisconsin.

Mr. GROVER in two instances.

Mr. QUIE.

Mr. HUBER in two instances.

Mr. ASHBROOK in two instances.

Mr. MCKINNEY in two instances.

Mr. SPENCE.

Mr. NELSEN in two instances.

Mr. REGULA.

Mr. ANDERSON of Illinois in two instances.

Mr. ABDNOR in two instances.

(The following Members (at the request of Mr. GINN) and to include extraneous material:)

Mr. COTTER.

Mr. SLACK in two instances.

Mr. RARICK in three instances.

Mr. GONZALEZ in three instances.

Mr. STOKES in five instances.

Mr. HARRINGTON in two instances.

Mr. REES.

Mr. EVINS of Tennessee in six instances.

Mr. FLOOD.

Mr. DINGELL in two instances

Mr. MEZVINSKY.

Mr. GIAIMO in 10 instances.

Mr. LEGGETT in three instances.

Mrs. COLLINS of Illinois.

Mr. DIGGS in two instances.

Mr. FORD.

Mr. MOAKLEY in 10 instances.

Mr. PICKLE.

Mr. REID.

Mrs. CHISHOLM.

Mr. JONES of Oklahoma.

Mr. GINN.

Mr. ZABLOCKI in three instances.

Mr. LEHMAN.

ADJOURNMENT

Mr. GINN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 34 minutes p.m.), the House adjourned until tomorrow, Thursday, February 28, 1974, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1949. A letter from the Chairman, Joint Committee on Judicial Administration in the District of Columbia, transmitting a report of a deficiency in the appropriation for the U.S. Judiciary upon which Congress placed a limiting proviso on the amount to be expended for attorney fees for the representation of indigent defendants in the District of Columbia Court of Appeals and the Superior Court, pursuant to 31 U.S.C. 665(e)(2); to the Committee on Appropriations.

1950. A letter from the Assistant Secretary of Defense (Installations and Logistics), transmitting a report of Department of Defense procurement from small and other business firms for July 1973 through October 1973, pursuant to section 10(d) of the Small Business Act, as amended; to the Committee on Banking and Currency.

1951. A letter from the Acting Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation to amend the Higher Education Act of 1965 to provide for increased accessibility to guaranteed student loans, to extend the Emergency Insured Student Loan Act of 1969, and for other purposes; to the Committee on Education and Labor.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. WALDIE: Committee on Post Office and Civil Service. H.R. 9440. A bill to provide for access to all duly licensed psychologists and optometrists without prior referral in the Federal employee health benefits program; with amendment (Rept. No. 93-815). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BURLESON of Texas:

H.R. 13058. A bill to provide that an individual, who for December 1973 was entitled to disability benefits under a State program approved under title XIV or XVI of the Social Security Act may be presumed, for purposes of the supplemental security income program, to be disabled during the first 6 months of 1974; to the Committee on Ways and Means.

By Mr. DELLENBACK (for himself and Mr. QUIE):

H.R. 13059. A bill to amend the Higher Education Act of 1965 to provide for increased accessibility to guaranteed student loans, to extend the Emergency Insured Student Loan Act of 1969, and for other purposes; to the Committee on Education and Labor.

By Mr. CAREY of New York:

H.R. 13060. A bill to amend the Social Security Act to provide adequate financing of health care benefits for all Americans; to the Committee on Ways and Means.

H.R. 13061. A bill to establish a new program of health care delivery and comprehensive health care benefits (including catastrophic coverage), to be available to aged persons, and to employed, unemployed, and low-income individuals, at a cost related to their income; to the Committee on Ways and Means.

By Mr. CAREY of New York (for himself, Mr. ASPIN, Mr. BAFALIS, Ms. BOGGS, Ms. GRASSO, Mr. HOWARD, Ms. SCHROEDER, Mr. WALSH, and Mr. CONYERS):

H.R. 13062. A bill to amend title II of the Social Security Act to provide that increases in monthly insurance benefits thereunder

(whether occurring by reason of increases in the cost of living or enacted by law) shall not be considered as annual income for purposes of certain other benefit programs; to the Committee on Ways and Means.

By Mr. CHAMBERLAIN:

H.R. 13063. A bill to amend section 1951, title 18, United States Code, act of July 3, 1946; to the Committee on the Judiciary.

By Mr. COLLIER (for himself and Mr. ROSTENKOWSKI):

H.R. 13064. A bill to amend section 174 of the Internal Revenue Code of 1954 to insure its uniform application to business products; to the Committee on Ways and Means.

By Mr. DOMINICK V. DANIELS:

H.R. 13065. A bill to amend the Natural Gas Act to secure adequate and reliable supplies of natural gas and oil at the lowest reasonable cost to the consumer, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. DEVINE:

H.R. 13066. A bill to amend the Communications Act of 1934 to prohibit television networks from owning, operating, or having a controlling interest in a television station licensed under that act; to the Committee on Interstate and Foreign Commerce.

By Mr. DRINAN:

H.R. 13067. A bill to regulate and control handguns; to the Committee on the Judiciary.

By Mr. EVINS of Tennessee (for himself, Mr. ADDABBO, Mr. BERGLAND, Mr. BROYHILL of North Carolina, Mr. CARNEY of Ohio, Mr. CONTE, Mr. CORMAN, Mr. DINGELL, Mr. HUNGATE, Mr. KEMP, Mr. KLUCZYNSKI, Mr. MCCOLLISTER, Mr. MCDADE, Mr. MITCHELL of Maryland, Mr. QUIE, Mr. STEED, Mr. ST GERMAIN, Mr. SMITH of Iowa, Mr. J. WILLIAM STANTON, and Mr. THOMSON of Wisconsin):

H.R. 13068. A bill to amend the Small Business Act to provide for loans to small business concerns affected by energy shortage; to the Committee on Banking and Currency.

By Mr. FRASER (for himself and Mr. RINALDO):

H.R. 13069. A bill to amend the Small Business Act to provide for loans to small business concerns affected by the energy shortage; to the Committee on Banking and Currency.

By Mr. FREY:

H.R. 13070. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in providing higher education; to the Committee on Ways and Means.

By Mr. GILMAN (for himself and Mr. FISH):

H.R. 13071. A bill to amend title 38, United States Code, to increase the rates of disability compensation for disabled veterans, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. GRAY (by request):

H.R. 13072. A bill to increase the size of the Executive Protective Service; to the Committee on Public Works.

By Mr. HAMMERSCHMIDT (by request):

H.R. 13073. A bill to amend title 38, United States Code, so as to provide mustering-out payments for certain members discharged from the Armed Forces after August 4, 1964; to the Committee on Veterans' Affairs.

H.R. 13074. A bill to amend chapter 11 of title 38, United States Code, to provide full wartime benefits for extra-hazardous duty; to the Committee on Veterans' Affairs.

By Mr. HARRINGTON (for himself, Ms. ABZUG, Mr. BADILLO, Mr. BERGLAND, Mr. BOLAND, Mr. BROWN of California, Mr. BURTON, Ms. CHISHOLM, Mr. CLAY, Mrs. COLLINS of Illinois, Mr. CONYERS, Mr. CORMAN, Mr. DELLUMS, Mr. DE LUGO, Mr. DIGGS, Mr. DRINAN, Mr. EDWARDS of California, Mr. FAUNTROY, Mr. HAWKINS, Mr. HECHLER of West Virginia, Mr. HELSTOSKI, Mr. KYROS, Mr. LEGGETT, Mr. MACDONALD, and Mr. MATSUNAGA):

H.R. 13075. A bill to provide public service employment opportunities for unemployed and underemployed persons, to assist States and local communities in providing needed public services, and for other purposes; to the Committee on Education and Labor.

By Mr. HARRINGTON (for himself, Mr. METCALFE, Mr. MITCHELL of Maryland, Mr. MOAKLEY, Mr. NIX, Mr. OWENS, Mr. PEPPER, Mr. PODELL, Mr. RANGEL, Mr. REES, Mr. RIEGLE, Mr. ROE, Mr. ROSENTHAL, Mr. ROYBAL, Mr. STARK, Mr. STOKES, Mr. THOMPSON of New Jersey, Mr. WALDIE, Mr. WOLFF, Mr. WON PAT, and Mr. YATRON):

H.R. 13076. A bill to provide public service employment opportunities for unemployed and underemployed persons, to assist States and local communities in providing needed public services, and for other purposes; to the Committee on Education and Labor.

By Mr. HEINZ (for himself, Mr. DELLUMS, Mr. BELL, Mr. WALDIE, Mr. STUDDS, Mr. PATTEN, Mr. SYMINGTON, Mrs. BOGGS, Ms. CHISHOLM, Mr. MOAKLEY, Mr. METCALFE, Mr. WALSH, Mr. HOGAN, Mr. COLLINS of Texas, Mr. REGULA, Mr. FREY, Mrs. HOLT, Mr. CULVER, Mr. MEZVINSKY, Mr. EDWARDS of California, Mr. CONTE, Mr. CORMAN, and Mr. HASTINGS):

H.R. 13077. A bill to establish a National Center for the Prevention and Control of Rape and provide financial assistance for a research and demonstration program into the causes, consequences, prevention, treatment, and control of rape; to the Committee on Interstate and Foreign Commerce.

By Mr. KYROS:

H.R. 13078. A bill to amend the Internal Revenue Code of 1954 to provide that the tax on the amounts paid for communication services shall not apply to the amount of the State and local taxes paid for such services; to the Committee on Ways and Means.

By Mr. LITTON:

H.R. 13079. A bill to repeal the Emergency Daylight Saving Time Energy Conservation Act of 1973; to the Committee on Interstate and Foreign Commerce.

By Mr. MATHIS of Georgia (for himself, Mr. FLYNT, Ms. ABZUG, Mr. ADDABBO, Mr. ASPIN, Mr. BAUMAN, Mr. BEVILL, Mr. BOWEN, Mr. BREAUX, Mr. BRINKLEY, Mr. BYRON, Mr. CEDERBERG, Mr. CHAPPELL, Mr. CONTE, Mr. COTTER, Mr. DAN DANIEL, Mr. DOMINICK V. DANIELS, Mr. DANIELSON, Mr. DAVIS of Georgia, Mr. DAVIS of South Carolina, Mr. DELLUMS, Mr. DENHOLM, Mr. DENT, Mr. DERWINSKI, and Mr. DULSKI):

H.R. 13080. A bill to prohibit the exportation of fertilizer from the United States until the Secretary of Agriculture determines that an adequate domestic supply of fertilizer exists; to the Committee on Banking and Currency.

By Mr. MATHIS of Georgia (for himself, Mr. DUNCAN, Mr. FLOWERS, Mr. FOUNTAIN, Mr. FULTON, Mr. FUQUA, Mr. GAYDOS, Mr. GETTYS, Mr. GINN, Mrs. GREEN of Oregon, Mr. HAMMERSCHMIDT, Mr. HANLEY, Mr. HANRAHAN, Mr. HARRINGTON, Mr. HARSHA, Mr. HECHLER of West Virginia, Mr. HENDERSON, Mr. HOGAN, Mrs. HOLT, Mr. HUNT, Mr. HUTCHINSON, Mr. ICHORD, Mr. JOHNSON of California, Mr. JONES of North Carolina, and Miss JORDAN):

H.R. 13081. A bill to prohibit the exportation of fertilizer from the United States until the Secretary of Agriculture determines that an adequate domestic supply of fertilizer exists; to the Committee on Banking and Currency.

By Mr. MATHIS of Georgia (for himself, Mr. KING, Mr. KUYKENDALL, Mr. MCSPADDEN, Mr. MANN, Mr. MELCHER, Mr. METCALFE, Mr. MILLER, Mrs. MINK, Mr. MITCHELL of Maryland, Mr. MIZELL, Mr. MORGAN, Mr. MURTHA, Mr. NICHOLS, Mr. PICKLE, Mr. PODELL, Mr. RARICK, Mr. ROBERTS, Mr. ROE, Mr. ROSE, Mr. RUNNELS, Mr. ST GERMAIN, Mr. SATTERFIELD, Mr. SHIPLEY, and Mr. SHOUP):

H.R. 13082. A bill to prohibit the exportation of fertilizer from the United States until the Secretary of Agriculture determines that an adequate domestic supply of fertilizer exists; to the Committee on Banking and Currency.

By Mr. MATHIS of Georgia (for himself, Mr. SNYDER, Mr. SPENCE, Mr. J. WILLIAM STANTON, Mr. STARK, Mr. STEPHENS, Mr. STOKES, Mr. STUBBLEFIELD, Mr. STUCKEY, Mr. TAYLOR of North Carolina, Mr. THONE, Mr. TIERNAN, Mr. WAGGONNER, Mr. WHITEHURST, Mr. WINN, Mr. YATES, Mr. YATRON, Mr. YOUNG of Georgia, Mr. YOUNG of Florida, and Mr. YOUNG of South Carolina):

H.R. 13083. A bill to prohibit the exportation of fertilizer from the United States until the Secretary of Agriculture determines that an adequate domestic supply of fertilizer exists; to the Committee on Banking and Currency.

By Mr. MEEDS (for himself, Mr. PERKINS, Mr. BADILLO, Mr. MCCLORY, Mr. DELLUMS, Mr. BENITEZ, Mr. HAWKINS, Mr. SARBANES, Mr. PODELL, Mr. LEHMAN, Mrs. BURKE of California, Mr. WON PAT, Mr. THOMPSON of New Jersey, Mr. FRASER, Mr. HARRINGTON, Mr. MOLLOHAN, Mr. EILBERG, Mr. ROSE, Mrs. CHISHOLM, Mr. BROWN of California, Mr. MITCHELL of Maryland, Mr. FORD, Ms. ABZUG, Mr. METCALFE, Mr. FOLEY, and Mr. HELSTOSKI):

H.R. 13084. A bill to authorize the Commissioner of Education to make grants for teacher training, pilot and demonstration projects, and comprehensive school programs, with respect to health education and health problems; to the Committee on Education and Labor.

By Mr. MEEDS (for himself, Mr. CARNEY of Ohio, Mr. MCCORMACK, Mrs. COLLINS of Illinois, Mr. DENT, Mr. HICKS, Mr. ROE, Ms. HOLTZMAN, Mr. GAYDOS, Mr. CLAY, Mr. MOAKLEY, Mr. BERGLAND, and Mr. MORGAN):

H.R. 13085. A bill to authorize the Commissioner of Education to make grants for teacher training, pilot and demonstration projects, and comprehensive school programs, with respect to health education and health problems; to the Committee on Education and Labor.

By Mr. MORGAN:

H.R. 13086. A bill to amend title 38, United States Code, to provide for the payment of pensions to veterans of World War I; to the Committee on Veterans' Affairs.

By Mr. NIX:

H.R. 13087. A bill to amend the Natural Gas Act to secure adequate and reliable supplies of natural gas and oil at the lowest reasonable cost to the consumer, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 13088. A bill to establish a National Energy Information System, to authorize the Department of the Interior to undertake an inventory of U.S. energy resources on public lands and elsewhere, and for other purposes;

to the Committee on Interstate and Foreign Commerce.

H.R. 13089. A bill to amend the Clayton Act to preserve and promote competition among corporations in the production of oil, natural gas, coal, oil shale, tar sands, uranium, geothermal steam, and solar energy; to the Committee on the Judiciary.

By Mr. OWENS (for himself, Mr. BOLAND, Mr. CARNEY of Ohio, Mr. CONYERS, Mr. DE LUGO, Mr. EDWARDS of California, Mr. EILBERG, Mr. HARRINGTON, Mr. HECHLER of West Virginia, Mr. HICKS, Ms. HOLTZMAN, Mr. MITCHELL of Maryland, Mr. MOAKLEY, Mr. SARBANES, Ms. SCHROEDER, and Mr. WON PAT):

H.R. 13090. A bill to encourage State and local governments to reform their real property tax systems so as to decrease the real property tax burden of low and moderate income individuals who have attained age 65; to the Committee on Ways and Means.

By Mr. PARRIS:

H.R. 13091. A bill to impose a tax on windfall profits by producers of crude oil; to the Committee on Ways and Means.

By Mr. PATMAN:

H.R. 13092. A bill to amend the Internal Revenue Code of 1954 to increase to $1,250 the personal income tax exemptions of a taxpayer (including the exemption for a spouse, the exemptions for dependents, and the additional exemptions for old age and blindness); to the Committee on Ways and Means.

By Mr. PEYSER (by request):

H.R. 13093. A bill to amend title 39, United States Code, to eliminate certain restrictions upon the methods of reproduction or duplication of periodical duplication to be entered and mailed second class mail; to the Committee on Post Office and Civil Service.

By Mr. RAILSBACK (for himself, Ms. ABZUG, Mr. ASHLEY, Mr. BOLAND, Mrs. COLLINS of Illinois, Mr. DELLUMS, Mr. FAUNTROY, Mr. FRENZEL, Mr. GUDE, Mr. HANRAHAN, Mr. HANSEN of Idaho, Mr. HEINZ, Mr. HORTON, Mr. KYROS, Mr. LEGGETT, Mr. LEHMAN, Mr. MATHIAS of California, Mr. MOAKLEY, Mr. MOSHER, Mr. REGULA, Mr. ROBISON of New York, Mr. ROUSH, and Mr. YATES):

H.R. 13094. A bill to provide for appropriate access by the Congress to information required in connection with proceedings relating to the impeachment of the President or the Vice President; to the Committee on the Judiciary.

By Mr. RANGEL:

H.R. 13095. A bill to amend title XVI of the Social Security Act to eliminate the present requirement that supplemental security income benefits be paid to individuals who are drug addicts and alcoholics only through third persons (without changing the present provision permitting the payment of such benefits through third persons, to those individuals as well as to others, in special cases when appropriate); to the Committee on Ways and Means.

H.R. 13096. A bill to amend title XVI of the Social Security Act to authorize the prompt issuance of duplicate supplemental security income benefit check to individuals whose original benefit checks are lost or delayed and who are faced with financial hardship as a result; to the Committee on Ways and Means.

By Mr. RONCALIO of Wyoming:

H.R. 13097. A bill to amend the Public Health Service Act to provide assistance for programs for the diagnosis, prevention, and treatment of and research in, Huntington's disease; to the Committee on Interstate and Foreign Commerce.

By Mr. THONE:

H.R. 13098. A bill to amend title II of the Social Security Act to provide that increases in monthly insurance benefits thereunder (whether occurring by reason of increases in the cost of living or enacted by law) shall not be considered as annual income for purposes of certain other benefit programs; to the Committee on Ways and Means.

H.R. 13099. A bill to amend section 6049(b)(2) of the Internal Revenue Code of 1954 in order to exempt from interest for purposes of information returns amounts forfeited to banks and loan associations as penalties for premature withdrawal of funds from time savings accounts or deposits; to the Committee on Ways and Means.

By Mr. ABDNOR:

H.R. 13100. A bill to provide for the compensation of innocent persons killed or injured or whose property was damaged in the course of the occupation of Wounded Knee, S. Dak., and for other purposes; to the Committee on the Judiciary.

By Mr. BAUMAN (for himself, Mr. HOGAN, Mr. GUDE, and Mrs. HOLT):

H.R. 13101. A bill to amend the Rail Passenger Service Act of 1970 to require the National Railroad Passenger Corporation to initiate additional rail passenger service in the Northeast corridor to determine the feasibility of utilizing such service to alleviate transportation problems caused by the energy crisis; to the Committee on Interstate and Foreign Commerce.

By Mr. BROWN of California (for himself, Mr. BADILLO, Mrs. BURKE of California, Mrs. COLLINS of Illinois, Mr. DULSKI, Mr. HARRINGON, Mr. HELSTOSKI, Mr. LEGGETT, Mr. MOAKLEY, Mr. MOSS, Mr. ROSENTHAL, Mrs. SCHROEDER, Mr. SEIBERLING, Mr. STARK, Mr. THOMPSON of New Jersey, Mr. TIERNAN, Mr. WALDIE, Mr. CHARLES H. WILSON of California, and Mr. WON PAT):

H.R. 13102. A bill to reform the present system of escrow accounts used in connection with some real estate mortgages by requiring lenders to offer a plan under which escrow payments are applied to the balance due on the mortgage loan; to the Committee on Banking and Currency.

By Mr. CARTER:

H.R. 13103. A bill to amend title II of the Social Security Act so as to liberalize the conditions governing eligibility of blind persons to receive disability insurance benefits thereunder; to the Committee on Ways and Means.

By Mr. DELLUMS (for himself, Mr. ASPIN, Mr. BADILLO, Mr. CLAY, Mr. CONYERS, Mr. DRINAN, Mr. EDWARDS of California, Mr. FRASER, Mr. HARRINGTON, Mr. HAWKINS, Mr. LEGGETT, Mr. LEHMAN, Mr. MITCHELL of Maryland, Mr. MOAKLEY, Mr. NIX, Mr. PEPPER, Mr. ROSENTHAL, Mr. STARK, Mr. WON PAT, and Mr. YOUNG of Georgia):

H.R. 13104. A bill to amend the Civil Rights Act of 1964 to eliminate employment discrimination on the basis of military discharge status; to the Committee on Education and Labor.

By Mr. FORSYTHE (for himself, Mr. EILBERG, Mr. LENT, Mr. ROE, and Mr. SANDMAN):

H.R. 13105. A bill to prohibit commercial fishing in the waters located in the national seashore recreation areas; to the Committee on Interior and Insular Affairs.

By Mr. HANNA:

H.R. 13106. A bill to amend the National Housing Act to provide a statutory basis for the continuing administration by the Federal Housing Administration of the standard risk programs under such act; to the Committee on Banking and Currency.

By Mr. HANRAHAN:

H.R. 13107. A bill to amend the Economic Stabilization Act of 1970 to insure that advertising expenses are excluded from consideraton as part of the rates and charges of any regulated public utility, and for other purposes; to the Committee on Banking and Currency.

By Mr. HOSMER (for himself, Mr. COLLINS of Texas, Mr. WARE, Mr. FISHER, Mr. TOWELL of Nevada, and Mr. YOUNG of Alaska):

H.R. 13108. A bill to provide for the regulation of surface coal mining operations, to authorize the Secretary of the Interior to make grants to States to encourage the State regulation of surface coal mining, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. LEGGETT:

H.R. 13109. A bill to amend title 38 of the United States Code to remove the existing limitation on the amount of educational assistance which may be received by certain persons who are entitled to both war orphans' educational assistance and veterans' educational assistance; to the Committee on Veterans' Affairs.

By Mr. LEHMAN:

H.R. 13110. A bill to amend title II of the Social Security Act to provide that a beneficiary who dies shall (if he is otherwise qualified) be entitled to a prorated benefit for the month of his death; to the Committee on Ways and Means.

By Mr. MOAKLEY:

H.R. 13111. A bill to amend section 4(a) of the Agriculture and Consumer Protection Act of 1973, and for other purposes; to the Committee on Agriculture.

H.R. 13112. A bill to amend the Internal Revenue Code of 1954 to exclude from gross income certain amounts of retirement benefits from public retirement systems; to the Committee on Ways and Means.

By Mr. POAGE (for himself, Mr. BERGLAND, Mr. DENHOLM, Mr. FINDLEY, Mr. FOLEY, Mr. JOHNSON of Colorado, Mr. LITTON, Mr. MATHIS of Georgia, Mr. MAYNE, Mr. MIZELL, Mr. SEBELIUS, Mr. STUBBLEFIELD, Mr. THONE, Mr. ZWACH, and Mr. SMITH of Iowa):

H.R. 13113. A bill to amend the Commodity Exchange Act to strengthen the regulation of futures trading, to bring all agricultural and other commodities traded on exchanges under regulation, and for other purposes; to the Committee on Agriculture.

By Mr. RANGEL:

H.R. 13114. A bill to authorize assistance to the States and localities to meet increased health care costs resulting from health problems brought on by the energy crisis; to the Committee on Ways and Means.

By Mr. RINALDO:

H.R. 13115. A bill to amend the Export Administration Act of 1969 to provide for the regulation of the export of agricultural commodities; to the Committee on Banking and Currency.

By Mrs. SCHROEDER:

H.R. 13116. A bill to prohibit the use of funds for expanding United States air and naval facilities on the island of Diego Garcia in the Indian Ocean; to the Committee on Armed Services.

By Mr. SHOUP:

H.R. 13117. A bill to amend section 127 of title 23, United States Code, relating to vehicle weight on the Interstate System; to the Committee on Public Works.

By Mr. STEIGER of Wisconsin:

H.R. 13118. A bill to amend the Occupational Safety and Health Act of 1970 by providing for Federal authority to assure safe and healthful working conditions of State and local employees where a pattern or practice of unsafe or unhealthful working conditions or imminent dangers exists; to the Committee on Education and Labor.

By Mr. WALSH:

H.R. 13119. A bill to establish a Bureau of Missing Persons to strengthen interstate re-

porting and interstate services for parents of runaway children and to provide for the development of a comprehensive program for the transient youth population; to the Committee on the Judiciary.

By Mr. WYMAN (for himself, Mr. KING, Mr. CHAMBERLAIN, Mr. SCHNEEBELI, and Mr. BURKE of Massachusetts):

H.R. 13120. A bill to temporarily suspend required emissions controls in automobiles registered in cetrain parts of the United States, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. PATMAN:

H.J. Res. 918. Joint resolution to provide for the designation of February 20 of each year as "Postal Employees Day"; to the Committee on the Judiciary.

By Mr. SIKES (for himself, Mr. BURKE of Florida, and Mr. CEDERBERG):

H.J. Res. 919. Joint resolution asking the President of the United States to declare the fourth Saturday of each September "National Hunting and Fishing Day"; to the Committee on the Judiciary.

By Mr. WOLFF (for himself, Mr. DERWINSKI, Mr. ADDABBO, Mr. ANDERSON of Illinois, Mr. ARCHER, Mr. BEVILL, Mr. BROOMFIELD, Mr. BROWN of California, Mr. COHEN, Mr. COLLINS of Texas, Mr. CONTE, Mr. ROBERT W. DANIEL, JR., Mr. DEVINE, Mr. DICKINSON, Mr. DRINAN, Mr. EILBERG, Mr. FUQUA, Mr. GETTYS, Mr. GROSS, Mr. HARRINGTON, Mr. HELSTOSKI, Mr. HINSHAW, Mr. HOSMER, Mr. HUNGATE, and Mr. KEMP):

H.J. Res. 920. Joint resolution regarding the status of negotiations with foreign governments in relation to debts owed the United States, and for other purposes; to the Committee on Foreign Affairs.

By Mr. WOLFF (for himself, Mr. DERWINSKI, Mr. KETCHUM, Mr. LONG of Maryland, Mr. MANN, Mr. MCCORMACK, Mr. MONTGOMERY, Mr. SANDMAN, Mr. SARBANES, Mr. TAYOR of North Carolina, Mr. TIERNAN, Mr. WHITEHURST, Mr. WINN, Mr. YATES Mr. YOUNG of Florida, Mr. HEINZ, Mr. PRITCHARD, Mr. PODELL, Mr. DELANEY, Mr. BURKE of Massachusetts, and Mr. GILMAN):

H.J. Res. 921. Joint resolution regarding the status of negotiations with foreign governments in relation to debts owed the United States, and for other purposes; to the Committee on Foreign Affairs.

By Mr. COHEN:

H. Con. Res. 440. Concurrent resolution expressing the sense of Congress that the arts should be available to all Americans, including those who suffer physicial handicaps; to the Committee on Education and Labor.

By Mr. ICHORD (for himself, Mr. DENT, Mr. ASPIN, Mr. WAGGONNER, Mr. DORN, Mr. BRINKLEY, Mr. FLOOD, Mr. FREY, Mr. HOGAN, Mr. SHIPLEY, Mr. MCKAY, Mr. PARRIS, Mr. MANN, Mr. PRICE of Illinois, Mr. ROGERS, Mr. GOLDWATER, Ms. HOLTZMAN, Mr. BOB WILSON, Mr. CONTE, Mr. RINALDO, Mr. CLANCY, Mr. TEAGUE, Mr. STUBBLEFIELD, Mr. MIZELL, and Mr. HORTON):

H. Res. 930. Resolution declaring the sense of the House with respect to a prohibition of extension of credit by the Export-Import Bank of the United States; to the Committee on Banking and Currency.

By Mr. LONG of Maryland (for himself, Mr. RANDALL, Mrs. GRASSO, Mr. HENDERSON, Mr. MAZZOLI, Mr. ROSENTHAL, Mr. PATTEN, Mr. COTTER, Mr. BAFALIS, Mr. THONE, Mr. REES, Mr. KOCH, Mr. NIX, Mr. EILBERG, Mr. WON PAT, Mr. MAYNE, Mr. WALSH, Mr. HARRINGTON, Mr. WINN, Mr. METCALFE, Mr. HELSTOSKI, Mr. DENHOLM, Mr. DRINAN, Mr. STUBBLEFIELD, and Mr. TIERNAN):

H. Res. 931. Resolution to authorize the Committee on Interstate and Foreign Commerce to conduct an investigation and study of the importing, inventorying, and disposition of crude oil, residual fuel oil, and refined petroleum products; to the Committee on Rules.

By Mr. MORGAN:

H. Res. 932. Resolution to provide funds for the expenses of the investigation and study authorized by H. Res. 267, 93d Congress; to the Committee on House Administration.

By Mr. OWENS:

H. Res. 933. Resolution to express the sense of the House with respect to the allocation of necessary energy sources to the tourism industry; to the Committee on Interstate and Foreign Commerce.

H. Res. 934. Resolution to amend the Rules of the House of Representatives to provide for the broadcasting of meetings in addition to hearings, of House committees, which are open to the public; to the Committee on Rules.

By Mr. RODINO:

H. Res. 935. Resolution authorization for reprinting additional copies for use of the Committee on the Judiciary of the committee print entitled "Constitutional Grounds for Presidential Impeachment"; to the Committee on House Administration.

By Mr. SCHERLE (for himself and Mr. RUTH):

H. Res. 936. Resolution disapproving the recommendations of the President with respect to the rates of pay of Federal officials transmitted to the Congress in the budget for the fiscal year ending June 30, 1975; to the Committee on Post Office and Civil Service.

By Mr. THOMPSON of New Jersey:

H. Res. 937. Resolution authorizing the expenditure of certain funds for the expenses of the Committee on Internal Security; to the Committee on House Administration.

By Mr. CRANE (for himself, Mr. FLOOD, Mr. BLACKBURN, Mr. WAGGONNER, Mr. BROYHILL of Virginia, Mr. CAMP, Mr. SANDMAN, Mr. STEIGER of Arizona, and Mr. VEYSEY):

H. Res. 938. Resolution in support of continued undiluted U.S. sovereignty and jurisdiction over the U.S.-owned Canal Zone on the Isthmus of Panama; to the Committee on Foreign Affairs.

By Mr. RANGEL (for himself, Mr. MOAKLEY, Mr. MITCHELL of Maryland,, Mr. LEHMAN, and Mr. PEPPER):

H. Res. 939. Resolution creating a select committee to conduct an investigation and study of the effects of the current energy crisis on the poor; to the Committee on Rules.

By Mr. RIEGLE:

H. Res. 940. Resolution providing for the disapproval of the recommendations of the President of the United States with respect to the rates of pay of offices and positions within the purview of the Federal Salary Act of 1967 (81 Stat. 643; Public Law 90-206) transmitted by the President to the Congress in the budget for the fiscal year ending June 30, 1975; to the Committee on Post Office and Civil Service.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. MILFORD:

H.R. 13121. A bill for the relief of Manuel Suarez; to the Committee on the Judiciary.

H.R. 13122. A bill for the relief of Aurora Garcia Suarez, to the Committee on the Judiciary.

By Mr. REID:

H.R. 13123. A bill for the relief of Eupert Anthony Grant; to the Committee on the Judiciary.

By Mr. SANDMAN:

H.R. 13124. A bill for the relief of Brandywine-Main Line Radio, Inc., WXUR and WXUR-FM, Media, Pa.; to the Committee on the Judiciary.

By Mr. ZABLOCKI:

H.R. 13125. A bill for the relief of Alex E. Winslow; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

395. The SPEAKER presented a petition of the city council, Rockledge, Fla., relative to Federal-State revenue sharing; to the Committee on Ways and Means.

SENATE—*Wednesday, February 27, 1974*

The Senate met at 12 o'clock noon and was called to order by Hon. WILLIAM D. HATHAWAY, a Senator from the State of Maine.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Eternal Father, whose love never ceases, grant us contrite hearts that the ashes of this day may remind us of our humanity, our mortality and our sin. May the coming penetential season be a time for the scrutiny of character, the assessment of conscience, and searching of the soul which leads to accepting Thy forgiveness, the renewal of our faith and a surer walk in the pathway of the cross.

In the struggle with temptation may we remember Him who was tempted as we are tempted but overcame sin to set us free. By His truth, in His light and by His redemption may we and the people of this land be cleansed and renewed that our Nation may lead the way to Thy promised kingdom.

We pray in His name who was lifted up upon a cross. 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 assistant legislative clerk read the following letter: