HOUSE OF REPRESENTATIVES—*Wednesday March 6, 1974*

The House met at 12 o'clock noon.

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

Beloved, follow not that which is evil, but that which is good. He that doeth good is of God.—III John 11.

Almighty God, our Father,

" 'Mid all the traffic of the ways—
Turmoils without, within—
Make in my heart a quiet place,
And come and dwell therein."

Waiting upon Thee in spirit and in truth may we receive wisdom to make wise decisions, courage to carry our responsibilities with honor and love to motivate us in all our endeavors.

Bless our Nation with Thy loving favor and our leaders with Thy gracious spirit, together may we be channels for justice and peace and good will in our world.

With the spirit of Christ we pray. Amen.

THE JOURNAL

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

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

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

H.R. 2. An act to provide for pension reform.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 2) entitled "An act to provide for pension reform," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. LONG, Mr. WILLIAMS, Mr. RANDOLPH, Mr. NELSON, Mr. BENTSEN, Mr. JAVITS, Mr. SCHWEIKER, Mr. BENNETT, and Mr. CURTIS to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 7824) entitled "An act to establish a Legal Services Corporation, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. NELSON, Mr. KENNEDY, Mr. MONDALE, Mr. CRANSTON, Mr. HUGHES, Mr. RANDOLPH, Mr. HATHAWAY, Mr. TAFT, Mr. JAVITS, Mr. SCHWEIKER, Mr. DOMINICK, and Mr. BEALL to be the conferees on the part of the Senate.

WEALTHY AMERICANS PAY NO FEDERAL INCOME TAX

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

Mr. VANIK. Mr. Speaker, in this morning's mail, I received from the Internal Revenue Service a copy of their latest publication, "Statistics of Income, 1971, Individual Income Tax Returns."

According to the figures on page 6, there were 883 Americans in 1971 filing returns of $1 million and over. Three of those individuals, with total adjusted gross income of $6,495,000, paid no Federal income taxes.

Twelve individuals, who had adjusted gross incomes of between half a million and a million dollars in tax year 1971, had returns which were not taxable. These 12 people had a total adjusted gross income of $8,582,000. If this kind of income can go untaxed—who should be paying taxes?

The extent of tax abuse through the use of tax loopholes extends through the broad spectrum of the high income tax brackets.

I also want to point out, Mr. Speaker, that there are thousands and thousands of wealthy taxpayers who have income which is not included in adjusted gross income—such as interest from tax-free State and local bonds. These individuals can be millionaires, pay absolutely no Federal tax, and yet this fact will not show up in the IRS statistics.

Mr. Speaker, tax reform and tax justice must be one of the top priorities of this Congress.

DEMOCRATIC VICTORY IN OHIO

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

Mr. HAYS. Mr. Speaker, yesterday the citizens of Cincinnati and Hamilton County rejected a Republican congressional candidate and a Republican administration and elected a Democrat, TOM LUKEN, in the First Congressional District of Ohio by a vote of 55,171 to 51,057—52 percent to 48 percent.

The First Congressional District of Ohio is Republican territory. In this century, there have been three single-term Democratic Members from the First; their Representatives for the other 68 years have been Republicans. In 1966, the people sent ROBERT TAFT, JR., to Washington and returned him in 1968 with 67 percent of the vote. In 1970, William Keating became their Congressman with 68 percent of the vote and was returned in 1972 with 70 percent of the vote.

Presidential elections demonstrate the solidity of Cincinnati's Republicanism. Cincinnati was the only major city in the country never to vote for Franklin Delano Roosevelt in any one of his four campaigns for the White House. However, in each of Richard Nixon's national campaigns the citizens of the First Congressional District have supported him. In 1960, his vote was 54.5 percent; 48 percent in a three-way race in 1968, and in 1972, 63 percent.

The voters' performance at the polls yesterday is a clear indication of the regard for the Nixon administration held by its longest and most loyal supporters.

TOM LUKEN's campaign proved that the economic issue is the difference between Democrats and Republicans. TOM LUKEN called for an "economy that puts needs of life before claims of profit or power." He stated that the Nixon administration "is making a mockery" of congressional efforts to deal with the energy crisis.

TOM LUKEN asked the voters of Cincinnati if they were "tired of spending 85 cents for a half gallon of milk" and "alarmed about sending their kids to school in the dark," to turn things around and send a Democrat to Washington.

Mr. Speaker, I think this is a clear message to our friends on the other side that we need a veto-proof Congress. Maybe they will help.

NEW PROGRAMS FOR DEFENSE

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

Mr. BINGHAM. Mr. Speaker, some of us in this body have urged in the past that the Defense Department should abandon the idea of constructing huge and very vulnerable nuclear aircraft carriers and concentrate, instead, on more numerous and less expensive ships in order to protect the sea lanes.

According to press reports, the Secretary of Defense has now expressed very much that idea, at least so far as future construction is concerned. This is most reassuring.

It would be wonderful if the Secretary of Defense would be equally realistic in recognizing that land-based intercontinental missiles are doomed to become obsolete in a few years, whether it be 5 or 10 or 15 years. This is so because improvements in offensive missile technology will make the land-based ICBM's increasingly vulnerable to attack.

In contrast to his practical approach to the carrier problem, Dr. Schlesinger seems to be preoccupied, not with decreasing our reliance on land-based missiles, but on improving their offensive accuracy. This approach is bound to arouse dangerous anxiety in the Soviet Union that the United States is attempting to build a first-strike capability. And it will do so at great expense which in a few years will be entirely wasted.

MAJORITY WHIP JOHN J. McFALL SAYS OHIO ELECTION EXPRESSES NATION'S LACK OF CONFIDENCE IN NIXON ADMINISTRATION

(Mr. McFALL asked and was given permission to address the House for 1

minute and to revise and extend his remarks.)

Mr. McFALL. Mr. Speaker, the trail of special elections across the country has become a referendum through which the people are expressing their lack of confidence in the Nixon administration.

The triumph yesterday of THOMAS LUKEN in the heart of Taft country, the area that the gentleman from Ohio (Mr. HAYS) just spoke about, makes three out of four victories for Democratic candidates in Republican strongholds. It is only the third time this century that the Cincinnati seat has been held by a Democrat.

Voters in Pennsylvania, Michigan, and now Ohio congressional districts have made clear the deep-running disaffection of the American people with the Nixon administration. The trickle has become a trend pointing toward a Democratic flood in the 1974 general elections.

More is involved here than the question of honesty in government and the abuse of public trust. The people are also expressing their displeasure with the administration's inability and outright unwillingness to act in response to the legitimate needs of the people.

There could be no better example of that attitude than this morning's veto of the legislation which would have given the President emergency powers to deal with the energy crisis. After rationalizing away the legislation in a lengthy and somewhat strident veto message, the administration indicated again that it plans to do nothing about a situation that threatens massive job loss and the disruption of our entire economy.

CONTROL OF INFLATION

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

Mr. BURGENER. Mr. Speaker, there are now 55 days left until the expiration of the wage and price control authority this Congress granted to the Executive under the Economic Stabilization Act.

A review of the history of this Government's attempts to control inflation by law is the history of failure—not just during the period of the current controls but during the controls imposed for World War I, World War II, and the Korean conflict.

It should be clear to the Members of this House that this Government cannot control inflation by simply outlawing it. We must work to cure the cause of inflation.

The record of the current controls shows how impossible is the task of controlling through artificial restrictions the prices and wages of an economy as complex and interrelated as the modern economy. Under phase I we experienced a 2-percent annual rate of inflation. Under phase II the rate was an annual 3.6 percent. With the provision of phase III we saw an annual rate of 7.4 percent. Now, under the current phase IV we have had an annual inflation rate of 11.1 percent.

Clearly, the attempt to control inflation by flat has resulted in a simple delay in the increases which would have occurred. Inflationary pressures have not been eliminated by these regulations. Their effect has only been postponed. And the longer they are postponed, the worse they are going to be.

We Americans must restore our confidence in the free marketplace. The marketplace will deal with the high costs. The marketplace will deal with shortages. High prices, which naturally come with goods in short supply will always result in one of two things or both. These high prices will stimulate production of the goods in shortage and secondly, through innovation and new technology, they will create substitute goods to fill the public demand.

The Economic Stabilization Act should be repealed now, or at the least, allowed to expire on April 30, 1974.

PRESIDENTIAL COOPERATION ON IMPEACHMENT INQUIRY

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

Mr. DEVINE. Mr. Speaker, I was interested in the remarks of the gentleman from California, the candidate for Governor out there, about what happened in court this morning. You know, the impeachment committee has not yet defined an impeachable offense. It has not yet filed any charges specifically on what they are going to try to impeach the President for.

The President through his counsel this morning agreed first to answer interrogatories from the impeachment commitee; and, second, to turn over everything that has been turned over to the Jaworski committee, including 17 or 19 tapes and over 700 documents; and, third, agreed to meet with select members of the Committee on the Judiciary and answer any questions they wanted to ask. The President has agreed to do everything, in other words, but turn over the keys to the White House, and I do not think he is expected to do that.

OUTCOME OF SPECIAL ELECTIONS

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

Mr. MICHEL. Mr. Speaker, I do regret our having lost the seat in Cincinnati yesterday, but I am very happy about our winning in the California 13th District. State Senator BOB LAGOMARSINO waged a very aggressive campaign against seven opponents in a district where Democratic registration exceeds Republican registration by 7,000. BOB in that particular campaign took the initiative; he held it and kept the campaign on track, on the issues important to the 13th District of California.

So far as the Cincinnati race is concerned, we have no apologies to make for the efforts of our congressional or national campaign committees.

I again emphasize the special election nature of this race and the ones in Michigan and Pennsylvania, for that matter. In the fall these races may very well be reruns, but in any event they will all be considered as new ball games so far as we are concerned. We are not about to throw in the towel yet, and I believe with a few more solid base hits and better pitching this fall we can retake these three seats.

I will make one further observation and direct it particularly to the Democratic side of the aisle.

You have now increased your working majority from 51 to 58 seats and I wonder if that will help you get better organized to get this Congress moving on the big, important issues facing the country today.

With every committee chairmanship and a clear majority on every committee, you certainly have the votes to do anything you please.

ONE REPUBLICAN DEFEATS SEVEN DEMOCRATS

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

Mr. KETCHUM. Mr. Speaker, I was most interested in the remarks of my distinguished colleague, the gentleman from Ohio, and also the remarks of my distinguished colleague, the gentleman from California, regarding yesterday's elections. I think the whole world knows that in the past four elections three Republicans were defeated by three Democrats. I would simply like the world to recognize the fact that yesterday one Republican defeated seven Democrats in one race.

PROPOSED CONGRESSIONAL PAY RAISE SHOULD BE VOTED DOWN

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

Mr. O'BRIEN. Mr. Speaker, as a freshman Member of this House I may be stepping into an area where angels fear to tread.

But I feel compelled to ask:

Why do we not have enough guts to vote on the question of raising our own pay?

Why should we let the other body beat us to the punch in voting down this ill-timed, extravagant pay hike?

As we all know, the President has recommended a 22.5-percent raise over a 3-year period for Members of Congress, Federal judges, Cabinet members, and other high Government officials.

Under the Federal Salary Act of 1967, the first step of this increase—7.5 percent—will automatically go into effect Saturday midnight, March 9, unless disapproved by either the House or Senate.

Almost a week ago the House Post Of-

fice and Civil Service Committee, by a vote of 19 to 2, reported out a resolution of disapproval.

Why has this resolution not been brought to the floor for a vote? What are we waiting for?

I understand that the gentleman from Nebraska (Mr. MARTIN), the ranking minority member of the Committee on Rules, has asked his committee to clear the resolution for a floor vote, and that the committee is meeting at this hour on his request.

I hope and trust that the Rules Committee will act promptly so that the House will have an opportunity to work its will on the disapproval resolution.

Several weeks ago Pollster Louis Harris reported that the public's rating of Congress had fallen to a record low. According to his survey, only 21 percent of those interviewed gave us a positive job rating; 69 percent said we were doing a poor or only fair job.

When I see the stalling around on an issue like this, I have to ask myself: Is it any wonder that people feel like they do about Congress?

If we want to change that unflattering image, I think one of the first things we should do is get that disapproval resolution to the floor and vote it up or down.

PRESIDENT'S PROPOSAL TO PRESENT EVIDENCE ON WATERGATE

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

Mr. KUYKENDALL. Mr. Speaker, I somewhat hesitate to make this statement, but I think it has been forced upon me by statements made earlier today by the gentleman from California.

In the U.S. News & World Report of the week before last there was a statement made for impeachment, and a statement made against impeachment by two Members of the House. It is a known fact that the minority members of the Committee on the Judiciary refused to take a positive stand on impeachment because they are supposedly part of the jury. Because of their refusal I was asked to make the case against impeachment.

I want to say that I think it is paradoxical and totally ridiculous that one member of the Judiciary Committee who publicly, in a national publication, came out for impeachment, stands on this floor this morning and criticizes the President's sincere efforts to present evidence.

CALL OF THE HOUSE

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

The SPEAKER. Evidently a quorum is not present.

Mr. McFALL. 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. 63]

Abdnor	Fraser	Patman
Abzug	Gettys	Powell, Ohio
Annunzio	Gray	Randall
Blatnik	Hawkins	Rangel
Brasco	Hébert	Reid
Burke, Calif.	Ichord	Rhodes
Burton	Jones, Okla.	Rooney, N.Y.
Carey, N.Y.	Karth	Rostenkowski
Chisholm	Mills	Stratton
Clark	Minshall, Ohio	Thompson, N.J.
Collins, Ill.	Montgomery	Treen
Conyers	Murphy, Ill.	Whitehurst
Dellums	Murphy, N.Y.	Widnall
Dennis	Nix	Zwach
Eckhardt	O'Hara	
Ford	O'Neill	

The SPEAKER. On this rollcall 384 Members have recorded their presence by electronic device, a quorum.

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

FEDERAL ENERGY ADMINISTRATION ACT

Mr. HOLIFIELD. 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. 11793) to reorganize and consolidate certain functions of the Federal Government in a new Federal Energy Administration in order to promote more efficient management of such functions.

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

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H.R. 11793, with Mr. FLYNT in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday, section 5 of the committee amendment in the nature of a substitute, ending on page 20, line 2, had been considered as read and open to amendment at any point.

Are there further amendments to section 5?

AMENDMENT OFFERED BY MR. MOSS

Mr. MOSS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Moss: Page 18, line 11, insert "(a)" after "SEC. 5.".

Page 20, after line 2 and after the Alexander amendment, insert the following:

(14) In administering any pricing authority, provide for equitable prices with respect to all sales of crude oil, residual fuel oil, and refined petroleum products in accordance with subsection (b) of this section.

(b) (1) Pricing authority of the Administrator shall be exercised so as to specify (or prescribe a manner for determining) prices for all sales of domestic crude oil, residual fuel oil, and refined petroleum products in accordance with this subsection.

(2) Except as otherwise provided in paragraphs (3) and (4), the provisions of any regulation under pricing authority of the Administrator which specified (or prescribed a manner for determining) the price of domestic crude oil, residual fuel oil, and refined petroleum products, and which were in effect on the date of enactment of this subsection shall remain in effect until modified pursuant to paragraph (5) of this subsection.

(3) Commencing 30 days after the date of enactment of this subsection, and until any other ceiling price becomes effective pursuant to the terms of paragraph (5) hereof, the ceiling price for the first sale or exchange of a particular grade of domestic crude oil in a particular field shall be the sum of—

(A) the highest posted price at 6:00 a.m., local time, May 15, 1973, for that grade of crude oil at that field, or if there are no posted prices in that field, the related price for that grade of crude oil for which prices are posted; and

(B) a maximum of $1.35 per barrel.

(4) Any regulation under pricing authority of the Administrator shall be amended so as to provide that any reduction in the price of crude oil (or any classification thereof), of residual fuel oil, or of a refined petroleum product (including propane) resulting from the provisions of this subsection is passed through on a dollar-for-dollar basis to any subsequent purchaser, reseller, or final consumer in the United States. Such pass-through of price reductions shall, to the extent practicable and consistent with the objectives of the pricing authority of the Administrator, be allocated among products refined from such crude oil on a proportional basis, taking into consideration historical price relations among such products.

(5) (A) The Administrator may, in accordance with the procedures and standards provided in this paragraph, amend any regulation under pricing authority of the Administrator under subsection (a) of this section to specify a different price for domestic crude oil, residual fuel oil, or refined petroleum products, or a different manner for determining the price, other than that provided in paragraph (2) or (3) of this subsection, if he finds that such different price or such different manner for determining such price is necessary to permit the attainment of the objectives of such pricing authority.

(B) Every price proposed to be specified pursuant to this subsection which specifies a different price or manner for determining the price for domestic crude oil provided for in paragraph (3) of this subsection, and every price specified for (or every prescribed manner for determining the ceiling price of) residual fuel oil and refined petroleum products, shall be transmitted to the Congress and shall be accompanied by a detailed analysis setting forth—

(i) the additional quantities of crude oil, residual fuel oil, refined petroleum products, if any, that can reasonably be expected to be produced;

(ii) the effect, if any, upon the demand for crude oil, residual fuel oil, refined petroleum products, or

(iii) the impact upon the economy as a whole, including the impact upon consumers and the profitability of and employment in industry and business;

(iv) any significant problems of enforcement or administration; and

(v) the impact on the preservation of existing competition within the petroleum industry.

resulting from the proposed change in the price of crude oil or manner for determining the price of residual fuel oil or refined petroleum products. Any change in a price of domestic crude oil (or any classification thereof) which is transmitted to Congress within 30 days after enactment of this subsection, which prescribes a different price or a different manner for determining such price

provided in paragraph (3) of this subsection shall not take effect until 15 days after the detailed analysis required by this paragraph has been transmitted to the Congress.

(C) No price for domestic crude oil, or any classification thereof, specified pursuant to this subsection shall exceed the ceiling price provided in paragraph (3) of this subsection by more than 35 percent.

(D) Ceiling prices or a manner for determining prices established by or pursuant to this subsection are maximum permissible prices, and any seller may sell domestic crude oil, or residual fuel oil, or any refined petroleum product produced therefrom at any lesser price. In the case of any exchange of domestic crude oil, residual fuel oil, or refined petroleum products, the ceiling price shall apply to the total value of the goods and services asked, given or received in exchange for such crude oil, residual fuel oil, or refined petroleum product.

(6)(A) Any interested person who has reason to believe that any price or manner for determining prices in any regulation under any primary authority of the Administrator does not prevent inequitable prices may petition the Administrator for a determination under subparagraph (B) of this paragraph.

(B) Upon petition of any interested person, the Administrator shall by rule determine whether the price of crude oil, residual fuel oil, or any refined petroleum products does not prevent inequitable prices. The Administrator may either affirm such price, or method for determining such price, or establish a different price, or method of determining such price, upon a finding (accompanied by a detailed analysis of such finding as is required under paragraph (5)(B)) that such prices as affirmed or reestablished prevents inequitable prices.

(7)(A) The Administrator may provide, in his discretion under regulations prescribed by him, for such consolidation of petitions as may be necessary or appropriate to carry out the purposes of this subsection.

(B) The Administrator may make such rules, regulations, and orders as he deems necessary or appropriate to carry out his functions under this subsection.

(8) No petition under paragraph (6) of this subsection to determine prices may be filed later than one year after the expiration of this Act or any extension thereof.

(9) The Administrator may at any time act to establish ceiling prices lower than those provided in paragraphs (2) and (5) if he determines that lower ceiling prices will permit the attainment of the objectives of the pricing authority of the Administrator.

(10) The provisions of this subsection shall apply to all crude oil notwithstanding any other provisions of law.

(11)(A) A proceeding to amend any regulation under the pricing authority of the Administrator with respect to prices as authorized and limited under the terms of paragraph (5) of this subsection and a rulemaking proceeding under paragraph (6) of this subsection shall be governed by section 553 of title 5, United States Code, except that the Administrator shall afford interested persons an opportunity of at least 10 days to present oral and written views, data, and arguments.

The 10-day period for presentation of views, data, and arguments respecting such action may be postponed until after such action takes effect where the Administrator specifically finds that strict compliance would be likely to cause serious impairment to the operation of the program and such finding and the reasons therefor are set out in detail in the Federal Register at the time of publication.

(B) Judicial review of an amendment under paragraph (5) of this subsection, and a rule promulgated under paragraph (6) of this subsection shall be reviewable pursuant to the provisions of section 211 of the Economic Stabilization Act of 1970, as amended, except that any such amendment and rule may not be enjoined or set aside, in whole or in part, unless the court makes a final determination that such amendment or rule is in excess of the Administrator's authority, is arbitrary or capricious, is otherwise unlawful under the criteria set forth in section 706(2) of title 5, United States Code, or is based on findings required by this subsection which are not supported by substantial evidence.

(12) For the purposes of this subsection—

(A) The term "inequitable price" means a price in excess of a price which is reasonable, taking into consideration the price necessary to obtain sufficient supplies of crude oil, residual fuel oil and refined petroleum products, to permit the attainment of the objectives of this Act;

(B) the term "domestic crude oil" means crude oil produced in the United States or from the Outer Continental Shelf as defined in section 2 of the Outer Continental Shelf Lands Act (43 U.S.C. 1331);

(C) the term "interested person" includes the United States, any State, the District of Columbia, Puerto Rico, and the territories and possessions of the United States.

(D) The term "pricing authority of the Administrator" means any authority to issue any regulation or order with respect to prices of crude oil, residual fuel oil, or refined petroleum products, pursuant to any function transferred to, vested in, or delegated to the Administrator;

(E) the term "refined petroleum product" means gasoline, kerosene, distillates (including Number 2 fuel oil), LPG, refined lubricating oils, or diesel fuel; and

(F) the term "LPG" means propane and butane, but not ethane.

POINT OF ORDER

Mr. HORTON. Mr. Chairman, I rise to make a point of order against the amendment offered by the gentleman from California (Mr. Moss).

The CHAIRMAN. The gentleman will state his point of order.

Mr. HORTON. Mr. Chairman, the amendment offered by the gentleman from California (Mr. Moss) is nongermane to this reorganization bill, and section 5, under rule XVI, clause 7.

The committee yesterday amended section 5 of the bill before us so that the functions listed would clearly not confer any new authority on the FEA Administrator. The authority available to the FEA Administrator must come from other sections of this act, or provisions of other laws which are now in existence.

As the Chair pointed out yesterday, amendments must be germane to the bill as modified by the Committee of the Whole at the time they are offered, and not as originally referred to the committee. Therefore, amendments attempting to add policy or program powers to section 5 are nongermane to that section.

The subject matter of this amendment was not considered in the committee, and is not dealt with in any other provisions in this bill; it is a subject matter completely different from the matter under consideration.

In the interest of orderly legislation, as pointed out yesterday by the Chair, the amendment should be ruled out of order. It is inappropriate to section 5, because section 5 does not add any new policy or program. It amends existing law, Mr. Chairman, in ways that are not affected by the bill which is now before the committee. For example, the Economic Stabilization Act, there are sections there that are in this amendment that are not involved in this bill.

It deals with a subject matter which is not in the bill, and if any part of the amendment is nongermane, then the whole amendment should be considered nongermane.

Mr. Chairman, I want to make a very strong argument here against overruling this objection, because if it is overruled, then it is going to open the door to this Committee on Government Operations for a bill being subjected to every amendment that should legitimately go before another committee of this Congress. I think it is very important to preserve orderly legislation that matters of this type go before the committees of original jurisdiction. This committee, the Committee on Government Operations, has had no hearings, has had no expertise in this matter that is the subject of this amendment by the gentleman from California.

We are not prepared at this time to take this amendment up. It is not involved. It should be ruled nongermane, Mr. Chairman, and I hope that it is.

The CHAIRMAN. Does the gentleman from California desire to be heard on the point of order?

Mr. MOSS. I do, indeed, Mr. Chairman, because I have heard some most novel bases put forward as a predicate for finding an amendment not in order. The fact that the committee did not consider it seems to me to be irrelevant to the question of germaneness.

Section 5 of the bill before us requires the Administrator to:

> Promote stability in energy prices to the consumer, promote free and open competition in all aspects of the energy field, prevent unreasonable profits within the various segments of the energy industry, and promote free enterprise;

The amendment I have offered is a limitation upon the Administrator. It says he cannot go back before the prices set in May of 1973 in the exercise of his authority, excepting that he may add a total of $1.35, bringing to $5.25 a barrel the effective price of crude oil. It does provide that there can, upon certain findings by the Administrator, be an increase to $7.09.

While the Committee on Government Operations, according to the gentleman from New York, may not feel that it is capable of legislating in this area, I have the utmost respect for it, having served on that committee for a much longer period than has the gentleman from New York who has made the point of order. It is completely competent to legislate in this field, as is this committee, as is the House to whom this committee must report its final actions, because substantively this same material was included

in the Emergency Fuel Act that passed and was just recently vetoed by the President—the rollback provisions.

I understand that the very distinguished gentleman from New York (Mr. ROSENTHAL) on yesterday offered precisely the language, and a point of order was made, and properly sustained, against it because it undertook to amend an act which was not before this committee. But that is not the case in this instance. We are limiting the discretion. We are limiting the authority which we are by this act itself, the proposed legislation in the Committee on Government Operations, granting to the Administrator. Clearly that is germane; clearly that is within the province of this committee and of this House to limit the scope of authority conferred or being conferred upon a new office.

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

Mr. MOSS. I yield to the gentleman from Michigan.

Mr. DINGELL. I thank the gentleman for yielding.

Mr. Chairman, I should like to address myself to the point of order and rise in opposition to the point of order.

Mr. Chairman, the point of order is bottomed on the thesis that the amendment offered by the gentleman from California is new and different matter to that which appears in the bill and as such is not germane.

I would call the attention of the Chair to page 19, line 3, of the bill. I would point out that in the bill as presented to the House by the Committee on Government Operations there are clear directions to the agency to be created under the word "Functions" which appears at page 18, line 10.

One of these functions, and I quote page 19, line 3, is to:

Promote stability in energy prices to the consumer, promote free and open competition in all aspects of the energy field, . . .

Now, I quote the language that I believe is most urgent and I commend it to the reading of my good friend from New York:

Prevent unreasonable profits within the various segments of the energy industry, and promote free enterprise;

Obviously, the language of the amendment offered to the committee amendment now before us by my friend from California (Mr. Moss) deals with a limitation upon the actions and the authority of the Administrator. This action is quite different than that which fell before a point of order when offered by the gentleman from New York (Mr. ROSENTHAL) yesterday.

I would point out again that not only is it a limitation of authority, but it is a limitation of a specific grant of authority and a specific function which would be vested in the Administrator by the bill now before us, as amended by the committee.

Now, it is the thesis of the gentleman from New York (Mr. HORTON) that the amendment adopted earlier by the House so changes the quality and the character of the legislation before us as to rule out any substantive amendments at all.

This, I must point out to the Chair, is a most extraordinary thesis, because while the amendment offered yesterday by the chairman of the committee, the gentleman from California (Mr. HOLIFIELD) relating to a limitation on the purposes of the bill might have been adopted, we are in no fashion precluded thereby from offering subsequent amendments or from treating matters which would otherwise have been germane to the bill now before us.

For these reasons, Mr. Chairman, I would submit to the Chair most respectfully that the functions of the amendment before us are clearly germane to the provisions of the bill, relate to provisions in the particular section. The amendment is germane to the particular section and to the bill and to the functions which would be assigned by the Administrator.

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

Mr. MOSS. Mr. Chairman, I yield to the gentleman from Washington.

Mr. ADAMS. Mr. Chairman, I want to associate myself with the remarks of the gentleman from Michigan and oppose the point of order.

I would simply make this additional point, going to the same section the gentleman referred to, page 19, lines 3 through 7. The language there needs to be defined in greater detail and we have in this amendment a specific limitation on that language defining what this Administrator should do under the words:

Promote stability in energy prices to the consumer, promote free and open competition in all aspects of the energy field, prevent unreasonable profits.

Therefore, this is germane to the bill and very important to the bill.

I thank the gentleman for yielding.

Mr. HOLIFIELD. Mr. Chairman, I support the point of order made by the gentleman from New York (Mr. HORTON).

I point out that an amendment to section 5 on page 18 inserted certain language which was limitation language upon the actions of the Administrator. The language that was put in was the following:

To be authorized by other sections of this Act or any other provision of law.

And on down further:

In relation to energy matters for which the Administrator has responsibility.

The Administrator has responsibility for the implementation of the entities that were transferred over into this act with the limitation of the amendment which I proposed and which was accepted by the House.

I, therefore, believe that this amendment, the purpose of it is to limit the Administrator to the other sections of this act or other provisions of law that might be in existence at this time or might be passed in the future. This amendment, which is nine pages in length, which my colleague from California (Mr. Moss) has offered, covers a multitude of matters which are not found in existing law, nor are they authorized in this act except in general terms.

Mr. Chairman, I, therefore, support the point of order and ask that the Chair rule that this amendment is out of order.

Mr. ROSENTHAL. Mr. Chairman, I rise in opposition to the point of order.

Mr. Chairman, my distinguished colleague from California suggested that the amendment he offered and which was passed yesterday is a limitation in some way—the implication of his remarks—a limitation in some way on subdivision 5 of section 5. That, Mr. Chairman, is not the case. The amendment that the Committee adopted on yesterday to line 12, page 18, would read as follows now:

SEC. 5. To meet the energy needs of the nation for the foreseeable future, the administrator to the extent expressly authorized by other sections of this act or any other provision of law—

Then, it goes on to continue the 12 specific areas.

The amendment of the gentleman from California distinctly differs from the amendment I offered yesterday, although it has essentially similar thrust and desire and motivation. It does not seek to amend a pre-existing statute. I think the Chair ruled quite appropriately yesterday that the amendment that I offered was inappropriate and a point of order laid against it because it attempted to amend another statute.

The amendment offered by the gentleman from California, in effect, does not attempt to amend any other law, but is a limitation and a further direction to the Administrator of the mandate that the Committee on Government Operations laid down in subdivision 5 of section 5. The committee, I assure the chairman, spent a great deal of time in analyzing and reviewing and discussing all of these functions. Section 5 is truly one of the most important, if not the most important, section.

Mr. Chairman, I do not want to belabor the point, but the requirement to promote stability in energy prices, the requirement to prevent unreasonable profits, the requirement to promote free and open competition, all of these are elaborated on in greater detail; all of these are limited in a further expression of the will and intent of this Committee in the amendment of the gentleman from California (Mr. Moss).

Mr. Chairman, I would most respectfully urge the Chair to overrule the point of order.

Mr. ECKHARDT. Mr. Chairman, I rise to speak in opposition to the point of order.

Mr. Chairman, the present speaker recognizes, of course, the ruling of yesterday and recognizes the basis on which it was ruled, and does not speak against that ruling of yesterday. But, as the gentleman from New York has pointed out, that ruling was distinguishable from the butane amendment only upon the grounds that the Rosenthal amendment did expressly amend another statute.

Mr. Chairman, the present speaker also does not disagree with the Chair on the proposition that an amendment to section 5 was had which in some respects limited section 5, but this is the point upon it.

Mr. Chairman, the amendment to section 5 did not nullify section 5, item (5), with respect to actions to promote stability in energy prices derived from transfers. It only limited that section in that respect: That it provided, referring to page 19, line 3, the provisions contained in item (5), that the Administrator should "promote stability in energy prices," et cetera. It only provided that this should not be free standing authority additionally granted.

Still, though, it permits the Administrator to "promote stability in energy prices to the consumer, promote free and open competition in all aspects of the energy field, prevent unreasonable profits within the various segments of the energy industry," et cetera, under the transfer authority granted in section 6.

For instance, it is provided in section 6, item (b), on line 16, as follows:

> There are hereby transferred to and vested in the Administrator all functions of the Chairman of the Cost of Living Council, the Executive Director of the Cost of Living Council, and the Cost of Living Council, and officers, et cetera.

Now, that authority is transferred to the Administrator, and under that authority he may promote stability in energy prices and thereby limit those prices. He may roll them back if he is acting under express standing legislative authority now granted. And he can do that by virtue of the transfer section.

Mr. Chairman, the amendment would limit that right. It would limit the extent of the exercise of the transfer power. It would limit it with respect to the provisions of the bill that say that the price shall not be rolled back past $7.09.

So this bill transfers authority from one agency to this one, then expressly provides broad authority with respect to stabilizing prices, and the amendment would then restrict the broad authority. So it is clearly germane to the bill here before us.

The CHAIRMAN (Mr. FLYNT). The Chair is prepared to rule.

The gentleman from California (Mr. Moss) has offered a substantive amendment to section 5 of this bill. The amendment has been read in its entirety and will appear in the RECORD of the proceedings of today.

Against this amendment the gentleman from New York (Mr. HORTON) has made a point of order as follows:

> That the amendment offered by the gentleman from California (Mr. Moss) is not germane to the bill or to the section of the bill to which it is presently offered.

The Chair had, of course, anticipated that further questions regarding the germaneness of amendments to section 5 might arise today, and for that reason the Chair has reviewed the actions taken by the Committee of the Whole on yesterday.

The Chair has carefully read and fully attempted to analyze each line of the amendment offered by the gentleman from California (Mr. Moss).

The Chair has diligently endeavored to understand the full import and the total impact of the amendment which the gentleman from California (Mr. Moss) has offered. Section 5 of the bill was amended by the amendment offered yesterday by the gentleman from California (Mr. HOLIFIELD), so that the preface to that section now reads as follows:

> To meet the energy needs of the Nation for the foreseeable future, the Administrator, to the extent expressly authorized by other sections of this Act or any other provisions of law . . .

There follows in section 5 a list of functions which define the broad areas in which the Administrator may act. This list on enumeration of functions, as the Chair stated yesterday, is, of course, subject to germane amendment. Whether additional functions relating to the energy needs of the Nation, if added to this list by way of amendment, would be authorized by other provisions of this bill or by other law, is a legal question and not a parliamentary question.

Whether or not a function given the Administrator under section 5 is authorized by existing law is a matter that goes to the effect of the amendment and not to the question as to whether or not it is germane.

The Chair does not, under the precedents, rule on questions of the consistency of amendments or upon their legal effect. The question upon which the Chair must now rule is, "Is the amendment in its entirety as offered by the gentleman from California germane to section 5 of the bill H.R. 11793?"

The Chair will state that section 5 sets forth the functions of the Administrator, and on yesterday the Chair enumerated some of the functions. The section includes a broad range of functions and duties, and under the rules of germaneness other related functions could be added to the list by way of amendment. Functions or duties could also be limited by way of amendment, but substantive law cannot be changed by an amendment to a section dealing with functions.

Much of what the gentleman from California (Mr. Moss) and others have said is true. Much of the amendment offered deals with functions, and part of the amendment purports to modify the Administrator's functions; but portions of the amendment extend further than defining, restricting, or limiting the functions of the Administrator.

It should be borne in mind that section 5 of this bill relates to the functions of the Administrator of the Federal Energy Administration. Although part of the amendment does define and limit the functions of the Administrator, other portions of the amendment place a mandatory burden on him or, even without action on his part, effectively change existing law and pricing authority.

Therefore, the Chair sustains the point of order made by the gentleman from New York.

Are there any further amendments to section 5?

AMENDMENTS OFFERED BY MR. GUNTER

Mr. GUNTER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendments offered by Mr. GUNTER: Page 19, line 23, add the following new subsection:
> "(11) Issue preliminary summer guidelines for citizen fuel use within 30 days of the enactment of this Act.
> Page 19, line 23, strike out "(11)" and insert in lieu thereof "(12)".
> Page 20, line 1, strike out "(12)" and insert in lieu thereof "(13)".

POINT OF ORDER

Mr. HORTON. Mr. Chairman, I make a point of order against the amendments. Basically they are the same arguments I made before and also this sets up a policy or program which is outside the section and not a subject matter of this bill.

The CHAIRMAN. Does the gentleman from Florida desire to be heard on the point of order?

Mr. GUNTER. I do, Mr. Chairman.

Mr. Chairman, the amendment is rather simple and easy to understand. It requires the Administrator to issue within 30 days, upon enactment of this act, a preliminary summary.

The CHAIRMAN. If the gentleman from Florida would suspend, the Chair would like to request the gentleman to confine his remarks at this time to the point of order rather than to the merits of his amendment.

Mr. GUNTER. I thank the Chairman, and I would add that I was leading up to that.

Mr. Chairman, the amendment as stated would simply require the Administrator, to issue within 30 days upon enactment of this act, preliminary summer guidelines for fuel use which, Mr. Chairman, I think falls within the framework of the section specifying the functions. I do not interpret this particular specification as outside of those programs which are spelled out in the committee report, and in the body of the act.

The CHAIRMAN (Mr. FLYNT). The Chair is prepared to rule.

The gentleman from Florida (Mr. GUNTER) has offered an amendment to section 5 of the bill, to which amendment the gentleman from New York (Mr. HORTON) has raised a point of order.

The Chair has carefully read the language of the amendment, and has carefully listened to the arguments made by the gentleman from New York (Mr. HORTON), in support of his point of order, and the arguments made by the gentleman from Florida (Mr. GUNTER), in opposition to the point of order.

In the opinion of the Chair, the language of the amendment as offered by the gentleman from Florida clearly relates to the functions of the Administrator, which are otherwise enumerated and defined within the section now under consideration.

The Chair finds nothing in the language of the amendment which mandates

the Administrator any more than do the other functions enumerated, nor does the Chair find anything in the amendment which would in any way amend or seek to amend existing law.

The Chair does not rule now or at any other time on the consistency of amendments; the Chair, therefore, after analyzing the amendment and listening to the argument, rules that the amendment is germane and, therefore, overrules the point of order.

The Chair now recognizes the gentleman from Florida in support of his amendment.

Mr. GUNTER. Mr. Chairman, today, I am offering three amendments to H.R. 11793, the Federal Energy Administration Act for this House to consider.

The first amendment requires the Administrator to issue, within 30 days upon enactment of this act, preliminary summer guidelines for citizen fuel use.

This will give people, especially those who expect to make the longer summer trips, the information they will need to plan for their summer vacations. It will also provide like information to businesses dependent on tourism.

I, for one, Mr. Speaker, was not satisfied with the answer that Mr. Simon gave in an interview published in U.S. News & World Report when he said, in response to a question about fuel supplies this summer, that, "Summer is a long way off."

This attitude of Mr. Simon's appears pervasive among those at the Federal Energy Office these past few months. Rather than making adequate plans to avoid acute shortages, the FEO has waited for the crisis to hit before taking action.

In my State alone, in a few months time, we first had the incident of robbing Peter to pay Paul in the case of the hijacked oil diverted by the FEO from Florida to Massachusetts, and replaced only after the most vigorous objections were offered by the Florida congressional delegation. Incidentally, this oil was replaced at a higher price to the consumers of Florida.

Then came the shortage of adequate fuel supplies for agriculture, endangering the shipment of perishable food products from Florida to their destinations.

And now have come the gas lines, which in some parts of Florida are unbelievably long, while in other parts of the State they are comparatively short.

Again, Mr. Chairman, an example of poor planning.

All this amendment seeks to achieve is to serve notice to the Administrator to develop a plan which, by reason, he should already have near at hand.

The time to act is now. The alternative, especially in Florida, and other tourist-oriented States, is ruinous disaster to an industry with significant economic import.

I believe the people of this country should have summer guidelines before summer comes. This is what this amendment seeks to accomplish.

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

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

Mr. STUDDS. I thank the gentleman for yielding.

I wonder if the gentleman would elaborate a little bit on precisely what he means by these guidelines. Is it his intention that people would simply be put on notice as to the amount of fuel they could expect in an area during the summer?

Mr. GUNTER. Obviously, the specific approach which the Federal Energy Office might take in this instance is left up to them by the language in the amendment, but I would hope we would be able to have as a result of this amendment an indication of the availability of fuel to the motoring public.

Mr. STUDDS. To eliminate the uncertainty in people's minds as to whether or not it is safe to go to a tourist area; is that correct?

Mr. GUNTER. That is precisely the purpose of the amendment.

Mr. STUDDS. I represent an area myself, Cape Cod; where this is a matter of critical concern at this point. I thank the gentleman, and I support his amendment.

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

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

Mr. ERLENBORN. I thank the gentleman for yielding.

I should like to raise a similar question as to what the gentleman means by "guidelines." This is not necessarily a work of art. Sometimes we pass laws and empower an agency that has the authority to administer those laws to adopt guidelines which have the force of law. Is that what the gentleman intends here, or are these just suggestions to citizens that have no force of law but only a suggestion to them as to how they might proceed for their own and for the public's best interest?

Mr. GUNTER. I thank the gentleman for raising that question lest there be any misunderstanding. I think this type of legislative history will be helpful. Certainly summer guidelines to indicate the availability of fuel to individual Americans would not be intended to have the force of law. The purpose of the amendment and the purpose of the action on the part of the FEO would be for proper planning so that the American public, particularly those who hopefully will be planning vacation trips, can know what to expect. I realize there would have to be some flexibility, because we do not know at this point whether or not the Arab oil embargo will be lifted, so there must be leverage. But at least the guidelines will provide some indication of fuel availability, and businesses as well as the public will be assisted, particularly as they relate to tourism and the leisure industry.

Mr. ERLENBORN. Would the gentleman yield further?

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

Mr. ERLENBORN. If I understand the gentleman correctly, that he intends this to mean that informational guidelines be made available to the public but they would have no force of law; is that correct?

Mr. GUNTER. That is exactly correct.

Mr. ERLENBORN. I thank the gentleman.

The CHAIRMAN. The time of the gentleman has expired.

(At the request of Mr. HOLIFIELD, and by unanimous consent, Mr. GUNTER was allowed to proceed for 1 additional minute.)

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

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

Mr. HOLIFIELD. I thank the gentleman for yielding.

The gentleman comes from the great State of Florida and I come from the great State of California. We both have a lot of summer tourist business. Of course, we are both interested in keeping those tourists coming. Is it not true that if we get into administrative detail like this, we should also take care of the skiers up in Vermont and up in Sun City, Idaho, Sun Valley, and other places? In other words, should the Administrator not also be given the authority to issue guidelines for spring, summer, fall, and winter?

Mr. GUNTER. Mr. Chairman, the language of this amendment would not preclude such action, and I would hope that beginning with the summer guidelines, this would start the cycle so that the FEO would in fact develop year-round guidelines for tourist travel. The truth is that a large segment of this Congress has requested the FEO to take such action, and they have not chosen to so act thus far.

With the adoption of this amendment, I believe, we will finally see those needed guidelines.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BAUMAN. Mr. Chairman, I rise in support of the amendment and would like to commend the gentleman from Florida for offering this amendment.

When 43 Members of the House sign a joint statement addressed to a Federal official, the least he can do is to be responsive, after he takes more than a month to respond. The letter that each of us received was insulting, because it did not even refer to the topic of the original question we addressed: What can we do to protect the economies of our districts which depend heavily on tourism and vacation travel.

I personally wrote a separate letter to Mr. Simon, representing as I do the "Land of Pleasant Living"—Chesapeake Bay and the ocean resorts in Maryland—and asked the question specifically about allowing Sunday gas sales for tourists—another unresponsive letter was the result.

I hope that what the gentleman from New York (Mr. HORTON) said will happen, and that this bill will be the magic key that will unlock the bureaucracy and allow some answers as to what these tourism States can do this summer. In

the meantime, it is a sad state when we have to resort to an amendment on the floor of the House to get Mr. Simon to respond to our legitimate inquiries on behalf of the people we represent.

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

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

Mr. HORTON. I am glad the gentleman raised this point. I think it can be argued in this bill, this bill is to establish the Federal Energy Administration. At the present time the Administrator of the Federal Energy Office is operating under an Executive order. Personnel have not been transferred over to any organization. The functions have not been transferred over. It is really not a function or operation of the agency. That is why this bill is so important.

I think it is necessary for us to get this bill enacted so that there can be set up a proper Federal agency to handle these energy problems, to transfer personnel, to transfer function, so that there can be appropriate personnel and facilities, so there can be the type of response that the gentleman has brought up.

I have had the same problem that other gentlemen have. I understand the concerns of the gentlemen and I understand the concern of other gentlemen raising these same problems. That is why this bill is so important to establish this agency, so that there will be an agency to function with the necessary tools.

Mr. BAUMAN. I would only say in response to the gentleman, I do not think any amendment or legislation will give Mr. Simon increased ability to answer his mail in a responsive manner.

The gentleman from Florida by his amendment has seen fit to write into the bill a requirement that Mr. Simon does concern himself with this important issue of tourism and vacation fuel needs. For that I commend him.

Mr. BENNETT. Mr. Chairman, I move to strike the last word.

I rise in support of my colleague from Florida and his amendment. I think it is a well-thought-out amendment and accomplishes what should be done. I hope no one will seriously oppose it.

The present energy crunch facing this Nation is one of the most serious events that has occurred in our lifetime. Further, we can expect shortages to occur in other of the essentials of our way of life. There is nothing more important that we can do here in Congress than to bring about needed solutions. The bill before us is one needed tool and what we can pass of what the President today vetoed should be immediately passed again. There is a sense of urgency in the country on this. We should have the same sense of urgency here, and I regretfully say that we have not as an institution been as speedy and effective as I would have liked to have seen. I am not blaming anyone, but I am frankly concerned that we have not been able to act more promptly.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida (Mr. GUNTER).

The question was taken; and the chairman being in doubt, the committee divided, and there were—ayes 30, noes 14.

So the amendment was agreed to.

Mr. ROSENTHAL. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count.

Fifty-four 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. 64]

Annunzio	Hanna	Reid
Bingham	Hansen, Idaho	Rooney, N.Y.
Blackburn	Hansen, Wash.	Rostenkowski
Blatnik	Hawkins	Stanton, James V.
Brasco	Hébert	Stephens
Burton	Ichord	Stokes
Carey, N.Y.	Jones, Okla.	Stratton
Chisholm	Karth	Stuckey
Collier	McKinney	Thompson, N.J.
Collins, Ill.	Mills	Treen
Conyers	Minshall, Ohio	Ware
Dellums	Mitchell, Md.	Whitehurst
Derwinski	Montgomery	Widnall
Diggs	Murphy, Ill.	Wilson, Charles H., Calif.
Edwards, Calif.	Murphy, N.Y.	Wolff
Fraser	O'Neill	
Gettys	Patman	
Gross	Randall	

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. FLYNT, 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. 11793, and finding itself without a quorum, he had directed the Members to record their presence by electronic device, whereupon 379 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. When the point of order of no quorum was made the Chair had started to recognize the gentleman from New York (Mr. PEYSER). The Chair will now recognize the gentleman from New York (Mr. PEYSER).

Mr. ADAMS. Mr. Chairman, will the gentleman yield for a parliamentary inquiry?

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

PARLIAMENTARY INQUIRY

Mr. ADAMS. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. ADAMS. Mr. Chairman, my parliamentary inquiry is this: Is the same section of the bill still open for amendment; are we still working on the function section?

The CHAIRMAN (Mr. FLYNT). The Chair will respond to the parliamentary inquiry of the gentleman from Washington that section 5 is still pending.

Mr. ADAMS. I thank the Chairman, and I thank the gentleman from New York for yielding to me.

Mr. PEYSER. Mr. Chairman, I was going to take the floor and offer this as an amendment, but because of the action of the House yesterday I am not going to do this, I do feel it is of the utmost importance that the House fully recognizes the problem that many people in this country are facing as pertains to the consumer cost of electricity, particularly people in the Northeast, and specifically New York City, Westchester, and Long Island. In New York the Consolidated Edison Co. over the past year has more than trebled its rates on fuel costs. The Members have to understand that we have two things in New York involving costs, we have the fuel adjustment charge and the electrical rate itself, the fuel adjustment costs in many cases are larger than the electrical bill.

Mr. Chairman, we are at a point where homes that were purchased 2 or 3 years ago for $30,000 to $40,000, which were all-electric homes, and which were sold, incidentally, on the basis of economy operation, are now paying electrical bills that in some cases are higher than the mortgage payments on those homes.

A typical bill on an all-electric home in the past 3 months has been ranging from $220 to $250 a month. If one can picture the people who have purchased these homes being faced with these kind of costs then one can get an idea of the magnitude of the problem.

I am calling for a four-point program. A good deal of the program can be done without legislation.

No. 1, I am calling on the Public Service Commission in New York not to grant a rate increase to Consolidated Edison until the fuel adjustment cost has dropped at least 50 percent.

Second, I am calling on Mr. Simon to direct more domestic oil into the Northeastern region, to give them the benefit of lower cost oil because, as the Members are aware, 75 percent of all the oil used by electrical utilities in the Northeast comes from imported sources.

The cost of that imported oil today is running $12 to $14 a barrel.

Third, I am calling for the adjustment of the imported oil costs themselves, so that if the cost exceeds $7.50 a barrel, there will be a Federal subsidy to the electrical utility companies to keep the cost level at that rate. I know of no other way of giving the consumer a chance of surviving what is now an economic catastrophe.

Finally, I am calling for the transfer to coal wherever possible, within the Federal environmental guidelines, by these electrical utilities, because we have the coal, the cost is cheap, and we have to find a way of utilizing it in order to protect the consumer now against the rate that he is being charged.

I should like to point out something of equal importance. Yesterday when we discussed amendments to this Federal energy administration bill, the point was raised that the energy bill that we passed a week ago was the place to put on these amendments. This was the place where we could act.

As the Members know, the energy bill was vetoed by the President this morning. The energy bill is going to come back to this House, and while there are imperfections in it—and there is no question in my mind of that—I think it still

does enough that every effort should be made in this House to override that veto and to have an energy bill. If we do not have an energy bill, all the amendments that were going to be offered, that are now really not in order on this piece of legislation, are going to have to be again introduced in new legislation, which means more time, a delay in our efforts to help the public, and a situation that I think is now intolerable.

We must find a way of addressing this problem, and the only way I see it right now is by the overriding of the Presidential veto.

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

AMENDMENT OFFERED BY MR. BAUMAN

Mr. BAUMAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BAUMAN: Page 20, line 2, strike out the period and insert the following: "; *Provided, however,* That none of the powers or functions granted to the Administrator under the terms of this Act shall permit the promulgation of any rule or rules providing for the establishment of a program for the rationing among classes of users of crude oil, residual fuel oil, or any refined petroleum product, and for the assignment to such users of such products of rights, and evidence of such rights, entitling them to obtain such products in precedence to other classes of users not similarly entitled, without the prior approval of Congress."

POINT OF ORDER

Mr. HORTON. Mr. Chairman, I make a point of order against the amendment.

The CHAIRMAN. The gentleman will state his point of order.

Mr. HORTON. Mr. Chairman, I make a point of order against the amendment for the reasons that I have stated earlier. In addition, in effect it indirectly amends section 4 of the Emergency Petroleum Allocation Act, and it also gives specific negative direction to the administrator in a section which purports to outline the general powers or functions of the administrator. Therefore, I think it is a nongermane amendment, and I ask that the Chair declare it nongermane.

The CHAIRMAN. Does the gentleman from Maryland desire to be heard on the point of order?

Mr. BAUMAN. Mr. Chairman, only briefly, to say that I point out the amendment specifically states that it applies to the limitations of the powers and functions granted to the administrator under the terms of this act. I do not need to refer the Chair to his excellent dissertation yesterday on the amendment offered by the gentleman from Arkansas as to what constitutes a limitation.

For the same reason that this is no more than a limitation on the powers granted in the bill, I think this is perfectly germane.

If the Chair desires, I shall be glad to cite the appropriate precedents that I think are applicable.

The CHAIRMAN (Mr. FLYNT). The Chair is prepared to rule.

The gentleman from Maryland (Mr. BAUMAN) has offered an amendment to section 5 of the bill. The gentleman from New York (Mr. HORTON) has raised a point of order against the amendment on the ground of nongermaneness. The Chair has carefully read the amendment offered by the gentleman from Maryland (Mr. BAUMAN). It is well settled that section 5 includes a broad range of functions and duties of the administrator. It is clear that under the rules of germaneness, other related functions may be added to the list by way of amendment.

Also, the functions or duties therein enumerated may be limited by way of amendment.

The Chair feels that the amendment offered by the gentleman from Maryland is in the nature of a limitation and, therefore, overrules the point of order.

The gentleman from Maryland is recognized.

Mr. BAUMAN. Mr. Chairman, I assume it would be inappropriate for me to notice the presence on the floor of the House of the Vice President of the United States, so I will not do that.

Nevertheless, since the applause is coming out of my time, perhaps I can construe his presence as an endorsement of my amendment.

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

Mr. BAUMAN. I yield to the gentleman from New Jersey.

Mr. HUNT. The gentleman will never use his time any better.

Mr. BAUMAN. I thank the gentleman from New Jersey.

I know that some of my colleagues endorse in principle the general provisions of this bill, but I think it is imperative that we all take a stand today whether or not we as representatives of the people are going to pass on the issue of rationing of fuel.

What my amendment does in essence is to say that none of the powers granted the Administrator or anyone else in this bill shall allow rationing unless Congress approves. The gentleman from Texas (Mr. ECKHARDT) yesterday referred to page 19 of the bill and to the broad scope of powers granted which the Federal Energy Office will have in developing and overseeing the implementation of what they call "equitable and voluntary distribution of fuel."

Now, we all heard the gentleman from New York (Mr. HORTON) refer to the fact that the emergency energy conference report has been vetoed. Thus this bill may be the only chance we have to decide this issue of rationing.

It is very easy for us to pass the political buck to the administration and say we are not going to vote on the rationing issue; but I happen to agree with the gentleman from Ohio (Mr. HAYS), who a few weeks ago said on this floor that if we avoid this responsibility, we will face the political consequences; but more important, I do not want the same wonderful people who brought us fuel allocation to be deciding the system of fuel rationing, unless we in Congress have a chance to decide how that system will work in minute detail.

I represent a district of farmers that need fuel to operate, of watermen and fishermen that cannot go out to catch oysters or fish without fuel, of workers commuting many miles with no mass transit.

I want to know what the system of rationing will contain. This amendment will provide that the Federal Energy Administration must come back to us and submit their plan for final vote.

I hope my colleagues will support this.

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

Mr. BAUMAN. I yield to the gentleman from Virginia.

Mr. PARRIS. I wonder if the gentleman would tell us whether it is the intention under his language again to prohibit a retail seller, a gasoline station operator, from operating his station in accordance with preferential treatment for retail customers or commercial accounts, that sort of thing, or is it intended to go strictly to a rationing program?

Mr. BAUMAN. This amendment should be interpreted to mean that the Federal Energy Office will not be permitted to issue orders, as some have already been issued, causing great consternation among retail dealers, saying they must distribute their supplies in any particular way, if such distribution is part of a rationing system. Mr. Simon already has assumed that power; but I disagree with it. I say that if it is part of a rationing system, Congress must first examine it.

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

Mr. BAUMAN. I yield to the gentleman fom Texas.

Mr. ECKHARDT. The gentleman mentioned in speaking of section 5 these broad powers that I interpreted. I did not say that. I said the interpretation of the gentleman from New York (Mr. ROSENTHAL), of that section would have given such authority. I supported the position of the chairman and the position of the ranking majority member, that that section did not extend any authority beyond what existed in existing law.

Mr. BAUMAN. The gentleman from Maryland must apologize to the gentleman from Texas. The gentleman from Maryland tries to listen carefully, and apparently he misunderstood.

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

Mr. BAUMAN. Mr. Chairman, I yield to the gentleman from Illinois.

Mr. CRANE. Mr. Chairman, there is a question I have in terms of this issue of rationing. Would the gentleman's amendment apply to the question of allocation of petroleum products?

Mr. BAUMAN. Only to the question of rationing and not to allocation.

Mr. HOLIFIELD. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the Chair has rightly ruled, I think in this instance, that the amendment is germane. However, there are many amendments which are germane which will be offered today to this bill that in my opinion will defeat the bill. They are undesirable. We want to establish and give to the administration a vehicle with which to implement such

laws that are now on the books, and such laws as may be put on the books, to help to solve this energy crisis.

The subject of rationing is a very important subject. It is a subject which I may agree should be put into practice and someone else may agree should not be put into practice, but this is an organization bill. This is not a bill to set up programs of allocation or rationing or any other type of program.

I say that we should not prohibit the Administrator from doing what he thinks is necessary, within existing law, to solve the problems that face this Nation.

If we tie the Administrator's hands, if we say, "You can do this, but you cannot do that; you can do one thing, but you cannot do the other," then he has a perfect opportunity to say, "The Congress has given me an unworkable act. They have given me a mandate to do this or to do that, and I have to obey, but it may circumvent the objective of my operation, which is to solve some of these energy problems."

We are going to have a lot of these amendments this afternoon, and the House is going to have to make its decision. Do the Members want to load this bill down with programmatic authorities and prohibitions, with authority to put in certain programs and take out certain programs, or are we going to build here a workable administrative and implementing agency, a normal type of agency to implement and execute the laws and intent of Congress as expressed in those laws?

So, Mr. Chairman, this question is going to come up again. This same type of decision is going to have to be made. We have made those decisions in the Staggers bill, and that bill was vetoed. Now, if we load this bill down with all of these different desires that each of us have, then we are going to get this bill vetoed. Perhaps some Members want it to be vetoed, but I personally do not want the bill vetoed.

I want to be able to say that this Congress worked its will and gave to the Administrator an effective agency to function in the field of policy, programs, and procedures. I want to be able to say that we did that. I do not want the administration to say, "We sought the means of trying to obtain answers to this crisis and the Congress failed to give us the means to do so."

Mr. Chairman, I do not want to go back to my district and explain to my people that the Congress could not act effectively to get the job done. I hope that this amendment and other similar amendments along this line will be defeated.

Mr. MOSS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I look at this amendment and I think it has the effect of repealing the emergency petroleum allocation bill which was reported from the Committee on Interstate and Foreign Commerce, passed by this House and by the other body, and is now the law of the land.

Mr. BROYHILL of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. MOSS. Mr. Chairman, I yield to the gentleman from North Carolina.

Mr. BROYHILL of North Carolina. Mr. Chairman, I would agree with the gentleman from California that any reading of the amendment would have the effect of repealing the allocation bill under which we presently operate.

I think that this is a mistake. It is a mistake to do it in this fashion. I happen to agree with the gentleman, in that I would like to see an end-use rationing program come back to the Congress, but I do not think the gentleman's amendment does that. It goes much further than that. It does a great deal of harm to the allocation program under which we are presently operating.

Mr. Chairman, for that reason I am opposed to the amendment.

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

I wish to stress that no one knows the full reach of what might be done under this provision. Now, there are many communities operating marginally at this moment because they have secured supplemental allocations. The District of Columbia is an area where there seems to be a lessening of pressures because they have secured supplemental allocations.

However, as I read this language, all that would be nullified, and much more. The Administrator would be powerless to deal with any of the problems to which the members of the Committee on Interstate and Foreign Commerce of this House and the members of the Commerce Committee of the Senate and the Members of this House and of the other body addressed themselves.

Mr. BAUMAN. Mr. Chairman, will the distinguished gentleman yield?

Mr. MOSS. I will be happy to yield to the gentleman from Maryland.

Mr. BAUMAN. Mr. Chairman, undoubtedly the confusion that has arisen in the gentleman's mind and in the minds of some of the other Members as to the meaning of the language has been drawn from the fact that this was taken directly from the bill of the Committee on Interstate and Foreign Commerce concerning rationing.

This is the way the committee described it, as "rationing," and all I did was turn it into language appropriate to this section of this bill.

Mr. MOSS. Mr. Chairman, I will yield no further at this time.

Mr. BAUMAN. I would not expect the gentleman to.

Mr. MOSS. Mr. Chairman, from whatever source the gentleman may have gotten his language, the language is not precisely the same, because it goes beyond what the Committee on Interstate and Foreign Commerce did. It does create a most mischievous piece of legislation, and it would have a bad, if not a catastrophic, effect, should it become a part of this bill.

Mr. Chairman, I strongly urge the Members of this House, once they fully understand how far this goes, to use their good judgment and use their caution and vote down the amendment.

Mr. HORTON. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I point out to the Members of the Committee that we are back in the same situation that we were in yesterday afternoon, and I would like to reemphasize that this is a reorganization bill.

The Committee on Government Operations of the House of Representatives is charged with the responsibility of looking at reorganization proposals. Thus, we had this proposal before us to create the Federal Energy Administration. We held hearings on it, and we did everything we could in order to get the bill before the committee as quickly as possible, and now it is out here on the floor.

Unfortunately, for the sake of this bill, the energy emergency bill, which went through the Committee on Interstate and Foreign Commerce of this House, was vetoed today, and most of the amendments that are now being proposed are amendments that more appropriately should be before the Committee on Interstate and Foreign Commerce.

As a matter of fact, in the debate right now, we are finding Members on either side of the question from the Committee on Interstate and Foreign Commerce going over the same ground they have gone over before.

The amendment before us now proposed by the gentleman from Maryland (Mr. BAUMAN) more appropriately should be before the Committee on Interstate and Foreign Commerce.

In view of the fact that there has been a veto of the Emergency Energy Act and assuming it is sustained, I would assume that the Committee on Interstate and Foreign Commerce would have to go back into session and go through the work of preparing another bill to be presented to the House of Representatives.

Mr. HOLIFIELD. Will the gentleman yield to me on that point?

Mr. HORTON. I am glad to yield to the chairman.

Mr. HOLIFIELD. I strongly urge that the Committee on Interstate and Foreign Commerce do go back into session and take up that bill and bring out a bill which can be passed by this House and signed by the President.

I think it is going to be tragic if we, because of pique or resentment or any other emotion, say at this time that we can no longer set up the programs which need to be set up in America.

I agree with the gentleman in hoping that the gentleman from West Virginia (Mr. STAGGERS), and the ranking minority member of that committee will go back into session and bring out something that we can get signed, so that we can get on with the work of trying to meet this energy crisis in our country.

Mr. HORTON. I thank the gentleman for his contribution. I would certainly agree with him in his request that the Committee on Interstate and Foreign Commerce reconsider this matter and take up the subjects that are now being

offered as amendments to this particular bill.

Mr. HOLIFIELD. Will the gentleman yield further?

Mr. HORTON. I yield to the gentleman.

Mr. HOLIFIELD. I might say we respected the jurisdiction of the Committee on Interstate and Foreign Commerce and we fought off amendments of substance which should be in their committee and in the Committee on Banking and Currency, all the way through the hearings and the markup at different points in the bill. I wish the members of that committee today would show the same courtesy to us that we showed to them.

Mr. MOSS. Will the gentleman yield?

Mr. HORTON. Yes. I yield to the gentleman.

Mr. MOSS. As a member of both the Committee on Government Operations and the Committee on Interstate and Foreign Commerce, I respectfully point out the pending amendment is not offered by a member of the Committee on Interstate and Foreign Commerce.

Mr. BAUMAN. Will the gentleman yield?

Mr. HORTON. I yield to the gentleman.

Mr. BAUMAN. I would like to point out that it is offered by a Member of Congress, however.

Mr. HORTON. Mr. Chairman, the point I am trying to make is that we have before us a bill which tries to set up an administration, the Federal Energy Administration. If this Administration is to have additional authority and to have new programs, then the matter should go before the proper legislative committee. That is the way we are organized in this House. The Committee on Interstate and Foreign Commerce has that responsibility.

This amendment regardless of its merits, should be considered by the appropriate committee. The Government Operations Committee is not the proper committee to consider it.

What is happening here now is that we are beginning to have substantive amendments proposed to change the authority which is transferred to the Adminstrator.

So I urge that this amendment and all amendments similar to it be voted down.

(By unanimous consent, Mr. HORTON was allowed to proceed for 2 additional minutes.)

Mr. HORTON. Mr. Chairman, there are two alternatives: Either we have to recognize that this is a reorganization bill and must keep away from or reject the substantive amendments whether we are for or against them, or in the alternative go through this process of considering them. Then we will be here for the rest of today and tomorrow and all next week trying to fight them. Then we probably will not get the Federal Energy Administration established.

This Congress has not enacted any meaningful energy legislation since last November. I think it is very important that we do something affirmative. One thing we can do and I believe we should do is to establish this agency. That is what we are trying to do here today.

So I plead with you, let us stay away from the substantive amendments and just stick to those that have to do with setting up this organization.

(By unanimous consent, Mr. HORTON, at the request of Mr. ADAMS, was allowed to proceed for 2 additional minutes.)

Mr. ADAMS. Will the gentleman yield?

Mr. HORTON. I yield to the gentleman.

Mr. ADAMS. I think the gentleman from New York has made a very fine statement. I understand the desire of the Committee on Government Operations simply to fill in procedurally what the Federal Energy Office will do.

As you will remember, the Committee on Interstate and Foreign Commerce, of which I am a member, did create an administration, but it did not go into the problems of the Committee on Government Operations as to how it should be set up.

But I want to point out to the gentleman from New York that the reason that some of us have some amendments to offer, and I might add that we are trying to keep these amendments very narrow, is that we have created, and there is passed already, the Emergency Allocation Act which provides for an equitable price of fuel and for a passthrough of prices based on crude oil prices. And we have given the power, or this committee now is about to do it under this bill, to this Administrator to run this program. Therefore, what we are going to do with our amendments is to say the statute is there, but we do not want this act that is going through today to be construed to let this man go beyond certain powers. In other words, the powers that are created procedurally to him. We are trying to limit that.

Mr. HORTON. I am glad the gentleman is making that point, and it is exactly the point I am making. The Administrator does not have any more authority under the provisions that we have in our bill than already exist in the present law. The amendments that the gentleman is talking about are amendments that would either restrict or add to that authority. And appropriately that should go to the Committee on Interstate and Foreign Commerce which has jurisdiction over such matters. It does not have to be done in this bill, and it is more appropriate that it be done by that committee, the Committee on Interstate and Foreign Commerce.

Mr. ADAMS. If the gentleman will yield further——

Mr. HORTON. I do not yield further at this time, because I wish to make my point.

What I am trying to say is that this bill should not be burdened with the gentleman's suggestions, but rather they should go to the legislative committee which has jurisdiction. The members of that committee have heard the testimony not only of the witnesses, but they have also had the opportunity to study the subject matter of these substantive problems. We have not done so in the Committee on Government Operations. Therefore, I think it is more important that these amendments go before the Committee on Interstate and Foreign Commerce, which has the legislative jurisdiction.

That is the way that this House has been set up. That is the way the House is organized. If we want to change that organization, then that is something else, but that is the way the House is set up.

So, Mr. Chairman, it is very important, it seems to me, that we stick to setting up an agency and not get involved with these substantive matters.

The CHAIRMAN. The time of the gentleman from New York has again expired.

Mr. ADAMS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would request that the gentleman from New York (Mr. HORTON) remain in the well so that I may finish the colloquy with the gentleman, because I do not believe we are as far apart as the gentleman indicates.

Mr. HORTON. Mr. Chairman, if the gentleman will yield, I do not think that we are far apart, but I would just hope that the gentleman would take his amendment before the Committee on Interstate and Foreign Commerce.

Mr. ADAMS. Mr. Chairman, let me explain what our problem is in this particular debate.

With regard to the substantive price of crude oil, and the passthrough of prices, they are still authorized under the Emergency Allocation Act that has passed the Committee on Interstate and Foreign Commerce, and which was not vetoed by the President. There is a bill which was vetoed which has more extensive proposals, but we will fight that out on another day.

Mr. Chairman, we have been confronted directly with the Federal Energy Administration regulations which have been set out. Yesterday, just as an example, we had an amendment offered on propane gas that was to limit the manner in which that office operated, to limit its regulatory authority.

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

Mr. ADAMS. No; I do not yield to the gentleman at this point.

Mr. Chairman, let me say that the regulatory authority is properly in the field of Government operations. We could say to this Federal Energy Administrator in this bill, "You have to do nothing more than sit over there and discuss energy conservation plans, and do not touch prices or anything else." But that is not what has been done in this bill.

Paragraph 5 of this section 5 has a reference in there that he is to deal with prices, and that he is to deal with free enterprise, and this gives him rulemaking powers, which he has exercised quite extensively in the past, and they are transferred over from the Office of Price Authority now in effect, the Cost

of Living Council, the authorities which they have, and would place them in this agency.

Mr. HORTON. If the gentleman would yield so that I might add something on that.

Mr. ADAMS. I will yield to the gentleman in just one moment.

We give him these new powers now that he has statutorily to issue regulations under those laws.

Our only alternative with this bill that gives him this kind of regulatory authority is to be certain that that regulatory authority is circumscribed sufficiently that he does not do something that this Congress did not intend. I want to assure the gentleman that that is what we are trying to do, and that is to limit what they are going to do with the regulations, not try to create a new statute but because in this gentleman's opinion under the Emergency Oil Allocation Act he already has the power to control prices, and he has the power to alter them by means of the passthrough. We want to be sure that he uses that carefully.

I will yield to the gentleman if he wants to comment.

Mr. HORTON. I understand what the gentleman is saying, but we do not in this bill expand or restrict the authority that the Administrator would have under any of the bills that have already been enacted into law. In other words, the laws that are on the books are transferred, and he would administer those.

What the gentleman is proposing, and what other people are proposing by the way of amendment, is to restrict authority or give additional authority.

I was opposed to the propane gas amendment yesterday, not on its merits, but because I did not think it appropriately should be before this committee. I made a point of order against it on the basis that it was not germane. I was overruled. I made the same point against other amendments. Some of the points of order were upheld and some were not.

But aside from whether or not a point of order as to nongermaneness would be sustained, it is a question as to whether or not the Committee on Government Operations has the authority legislatively to go into the matter. According to the rules of the House, those matters are within the jurisdiction of the Committee on Interstate and Foreign Commerce and not that of the Committee on Government Operations. So it is very important that we make this distinction here in this debate.

What I am saying to the gentleman and to the other members of the committee is that when we get into these substantive matters, then we are jeopardizing the opportunity to establish this agency.

Mr. ADAMS. I understand the gentleman on the merits, but would he agree with this proposition: We could say in this bill, for example, that we will not transfer cost-of-living price controls to this new agency. That is part of this reorganization. We would say we are not going to do it. We may want to say in this debate and by an amendment that we only want to transfer over part of that authority. To me that is properly within the regulatory area, and I am going to support the later amendments that say that this new Administrator just simply cannot go out and issue any regulations that he wants to. But as long as we have the section in this bill on pricing, a number of us who have been very involved with this are trying to be careful that this new Administrator does not have additional powers beyond what he has now.

Mr. HORTON. All I can say to the gentleman is that the chairman of the committee got an amendment through yesterday on a record vote, which indicated that we were not creating any new authority or any new program. What we are trying to do is to stick within the confines of this bill.

The CHAIRMAN. The time of the gentleman has expired.

Mr. CRANE. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I should like to take this opportunity to praise the gentleman from Maryland for his amendment. I have heard some interesting discussion here that has somewhat intimidated me, inasmuch as I am not a member of the Committee on Govement Operations, in addressing myself to this area of expertise presumably denied all the rest of us in the Committee of the Whole House. Be that as it may, on the question of rationing I would argue that I have some expertise and I have devoted some time to studying the issue.

I think that not only on the issue of rationing but perhaps on the broader question addressed by the gentleman from Maryland; namely, the question of whether the Congress exercises its appropriate responsibility or, in characteristic irresponsible fashion once more bucks the decisionmaking power to some Federal agency, some Federal czar, or the White House, the gentleman from Maryland is attempting in his amendment to insist that this Congress assume the responsibility for making the important decision involving the denial of a fundamental right, which is what rationing inevitably involves. I praise him for insisting that this Congress assume responsibility for that act, instead of some Federal czar. In addition to that, I would hope that there would be an extensive debate in this Congress, which might be responsive to the folks back home, before it ever thinks in terms of considering a coupon rationing program.

I have had the privilege of participating in "The Advocates" show on Public Service Broadcasting some weeks ago. The subject was on coupon rationing. We took the negative position on that debate. The returns on the debate showed a 7 to 1 return in opposition to coupon rationing.

I would certainly despair if the Congress gave such power to a Federal czar to put him in a position to impose that on us.

Mr. BAUMAN. Mr. Chairman, would the gentleman yield?

Mr. CRANE. I yield to the gentleman from Maryland.

Mr. BAUMAN. I thank the gentleman for his kind remarks. The late Speaker, Thomas Reed, of Maine, said that the 5-minute rule should be used either to clarify or confuse. I think we have seen that demonstrated amply here today. The question was advanced whether this amendment pertains only to rationing. We were told that we should be concerned by the language that says unless Congress approves, there cannot be the establishment of a program for rationing among classes of users and so on.

Now, if the use of the word "rationing" means allocation, the allocation law we passed last fall gives the power of rationing and in either case I think the bureaucrats should be forced to come back here before they do any more, before they go down a road that has been badly bungled in many respects. I say that the Congress should have the right to vote on the rationing issue and that is what we are voting on in my amendment.

Mr. CRANE. I could not agree with the gentleman more. This Congress abdicated its responsibility on the question of wage-price controls when we gave the President discretionary power. We are giving the same discretionary power now to some unknown energy czar.

Mr. SYMMS. Mr. Chairman, would the gentleman yield?

Mr. CRANE. I yield to the gentleman from Idaho.

Mr. SYMMS. I would like to commend both the gentleman in the well and the gentleman from Maryland for their remarks and point out to Members of this body that the rating of Congress in the eyes of the public is lower than that of the Executive. One of the reasons is that we pass the decisions over to the executive branch and they are not made in the Congress where they should be made.

This is a very important amendment and we should demonstrate to the American people that we stand up and be counted for yes or no on a matter as important as rationing.

Mr. CRANE. The Congress is moving down a garden path that is a one-way road to destruction of our freedoms.

It is like the old quotation:

> Vice is a creature of such frightful mien, that to be hated needs but to be seen; but seen too oft, familiar with her face, we first endure, then pity, then embrace.

Mr. KETCHUM. Mr. Chairman, I rise in support of the amendment; although, I must say that I found myself yesterday in total agreement with my distinguished friend, the dean of the California delegation and the chairman of the committee and the ranking minority member of the committee, when they valiantly sought to offer to this body that this was, indeed, an organization bill and not a policy bill; but the fact remains that yesterday by the action of this body on the Alexander amendment, we gave up that prerogative and we established a precedent. The precedent has now

been established and I believe that we should go forward.

Now, to borrow a statement from the distinguished gentleman from Wyoming (Mr. RONCALIO) I would say this is the only game in town right now to speak on whether or not we wish to exhibit our power on the subject of rationing gasoline.

I am a freshman Member of this body and yet since the 3d day of January 1973, I have heard people on both sides of this aisle condemn the administration, condemn the Executive for either usurping our authority or for us abdicating our authority to the executive branch. Here is an opportunity presented to us to get back some of that power. I can see no earthly reason for an Executive, whoever that individual may be, setting up a rationing program and then having all of us go back to the hustings and refusing to share the blame for rationing.

Because, my friends, the fault will be right here. If we are not willing to take the heat, I would submit that we will vote no on this amendment. If we are willing to take the heat, as we should be as representatives of the people, we will be willing to take the heat and assure the firm approval of this amendment. I hope that it will be affirmed.

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

Mr. KETCHUM. Mr. Chairman, I yield to the gentleman from Texas.

Mr. ECKHARDT. Mr. Chairman, does the gentleman find anything in this amendment that prohibits rationing? I do not. All it says is that nothing in this act will permit rationing. There is nothing in this act that does permit rationing.

It is as if this amendment says that nothing in this act shall permit the invasion of Cambodia.

Mr. KETCHUM. Mr. Chairman, I would say to the gentleman from Texas that there is nothing in this amendment that says that we shall not invade Cambodia. I would submit to him that through the Economic Stabilization Act, which I presume the gentleman voted for, we have a mandatory fuel allocation program that was a complete mess, and so will this be if we do not take the power back.

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

Mr. KETCHUM. Certainly.

Mr. ECKHARDT. Mr. Chairman, the point is, if we want to take away the power to ration, we have to amend the Petroleum Allocation Act.

This says:

> Strike out the period and insert the following: "; *Provided, however,* That none of the powers or functions granted to the Administrator under the terms of this act shall permit the promulgation of any rule or rules providing for the establishment of a program for the rationing among classes of users of crude oil, residual fuel oil, or any refined petroleum product, and for the assignment to such users of such products of rights, and evidence of such rights, entitling them to obtain such products in precedence to other classes of users not similarly entitled, without the prior approval of Congress."

I think that the Administrator has the power to ration now, but not under this act. It is under the Petroleum Allocation Act, so this does nothing.

Mr. KETCHUM. I think perhaps the gentleman suffers from what we all do. I do not think any of us know exactly what the Executive can do right now.

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

Mr. KETCHUM. Mr. Chairman, I yield to the gentleman from New Jersey.

Mr. HUNT. Mr. Chairman, is the gentleman simply saying that what he wants this body to do, this House of Representatives, is to assume some responsibility for its own acts?

Mr. KETCHUM. Precisely and exactly, and about time, I might add.

Mr. HUNT. Mr. Chairman, I am a little bit naive. I just cannot comprehend this body doing this, and that is one of the reasons why this amendment should be put in force. For once in our lives, we are going to have to stand up and be counted. I tell the Members most sincerely that what the gentleman from California and the gentleman from Maryland (Mr. BAUMAN) have said, is absolutely correct. The sooner this Congress stands on its own two feet and recognize its own inability to do this, but to exert its own power now, the better off this country will be. Let us get something in the law that simply says that there will be no rationing of petroleum resources.

Mr. KETCHUM. Mr. Chairman, I completely concur with the gentleman's comments, and I believe the people of the United States do also.

Mr. ECKHARDT. Mr. Chairman, I rise to speak against the amendment.

Mr. BROWN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. ECKHARDT. Mr. Chairman, I yield to the gentleman from Michigan.

Mr. BROWN of Michigan. Mr. Chairman, I would like to thank the gentleman for yielding to me. I completely concur with him. He is absolutely right in saying that this amendment does nothing.

Mr. Chairman, if the gentleman who has offered the amendment wishes to have the Congress stand on its own two feet, he has got to amend his amendment to say that nothing in this, that or the other law shall permit rationing.

Mr. ECKHARDT. And, if he does that, of course, he makes the amendment subject to the germaneness objection that was applied to the amendment offered by the gentleman from New York (Mr. ROSENTHAL).

Mr. BROWN of Michigan. The gentleman is absolutely right.

Mr. ECKHARDT. So, this is an act of futility.

Members, whenever we write language in the law that can have no logical meaning, we do great mischief, because the courts must consider this body as an intelligent body.

The English language is our native tongue, and when we write it in such a way that it means nothing, the courts have to try to invent meanings, because they impute to this body an intent to write language which intends a meaningful change in existing law.

Let me read you the language of the amendment.

It says:

> Provided that none of the powers or functions granted to the administrator under the terms of this act shall permit promulgation of . . . rationing.

Now, we had a colloquy yesterday that took up some 10 minutes among the ranking minority member, the chairman of the committee and myself with respect to section 5, and everybody agreed, even before the Holifield amendment, that section 5 did not extend any rights at all—relative to rationing or anything else.

So that when the gentleman says that we are not granting the Administrator the right of rationing under the authority of this act, it is just like saying that we are not going to let the President order the troops to invade Cambodia under the provisions of the act, or we are not going to let the HEW cut off school funds for busing under the authority of this act, or what have you.

It is another one of these provisions that has absolutely no meaning, because it takes away an authority that was never granted under this act.

The mischief is, though, that a court is going to have to try to find some meaning in language that was added to this act which otherwise has absolutely, in all logic, no meaning.

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

Mr. ECKHARDT. I yield to the gentleman from Idaho.

Mr. SYMMS. Mr. Chairman, my question is this:

If the energy czar, who is set up under this act, does not have the authority to put rationing on the people of this country, who would have that authority? Would it be the Secretary of Agriculture or the Secretary of the Interior, or what other agency would be able to do it?

Mr. ECKHARDT. Mr. Chairman, he has the authority, but his authority stems from the Petroleum Allocation Act. Now, if the gentleman wants to attack that authority, he should say that rationing cannot be permitted under the provisions of this or any other act.

However, when he limits it to this act, the authority does not stem from this act; it stems from the Allocation Act.

I have had an exchange of correspondence with Mr. Simon or his chief counsel on this very point, and I pointed out that the Allocation Act does, in fact, give rationing authority to him, and the counsel for the FEO said in effect—

> Your arguments are perfectly logical and well based on the history of the act, but I still don't want to make up my mind on it unless you tell us again.

Clearly, if there is authority, it does not stem from this act; it stems from the Allocation Act. Since this exception is solely directed as a limitation upon this act, it does not touch top, side, or bot-

tom of the Allocation Act, and it does not change the law one scintilla.

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

Mr. ECKHARDT. I yield to the gentleman from Michigan.

Mr. DINGELL. Mr. Chairman, further reinforcing the comments made by my friend, the gentleman from Texas, the section amended relates to functions that would be transferred to the Administrator. It does not amend the Allocations Act to which we referred.

If the section referred to in the amendment did refer to the Allocations Act or to the amendment portion of the section referred to here, which did in turn treat of an amendment to the Allocations Act, then the amendment offered by the gentleman might have meaning.

However, as the gentleman from Texas points out, it does not amend anything. It simply says that this act does not give such power, which the act does not give in the first place. It is a restatement of the obvious.

Mr. ECKHARDT. Mr. Chairman, the gentleman from Michigan is absolutely right.

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

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

Mr. FRENZEL. Mr. Chairman, I thank the gentleman for his explanation.

I have exactly the same feeling that the gentleman does in this respect: that some judge in the future must exercise his discretion in respect to this language. I consider also that the amendment offered by the gentleman is germane, but it is meaningless.

I appreciate the gentleman's explanation, and I hope the amendment is defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maryland (Mr. BAUMAN).

The question was taken, and on a division (demanded by Mr. BAUMAN) there were—ayes 25, noes 58.

RECORDED VOTE

Mr. BAUMAN. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 160, noes 241, not voting 29, as follows:

[Roll No. 65]

AYES—160

Abdnor	Burke, Fla.	de la Garza
Andrews, N. Dak.	Burleson, Tex.	Dennis
Archer	Camp	Derwinski
Arends	Carter	Devine
Armstrong	Casey, Tex.	Dickinson
Ashbrook	Chamberlain	Dorn
Bafalis	Clancy	Esch
Baker	Clausen, Don H.	Eshleman
Bauman	Clawson, Del	Findley
Beard	Cleveland	Forsythe
Bevill	Cochran	Frey
Blackburn	Collier	Froehlich
Bowen	Collins, Tex.	Gettys
Bray	Conlan	Goldwater
Brinkley	Crane	Gonzalez
Broomfield	Daniel, Dan	Goodling
Brotzman	Daniel, Robert W., Jr.	Gray
Brown, Calif.	Daniels, Dominick V.	Griffiths
Brown, Ohio	Davis, Wis.	Gross
Broyhill, Va.		Grover
Burgener		Gude
Gunter	Mathis, Ga.	Shipley
Guyer	Melcher	Shoup
Haley	Michel	Shriver
Hammer-schmidt	Miller	Shuster
Hanrahan	Mizell	Snyder
Harsha	Moorhead, Calif.	Spence
Hays	Myers	Stanton, J. William
Helstoski	Natcher	Steelman
Hillis	Nelsen	Steiger, Ariz.
Hinshaw	Nichols	Steiger, Wis.
Hogan	O'Brien	Stubblefield
Holt	Parris	Studds
Huber	Poage	Symms
Hudnut	Powell, Ohio	Talcott
Hungate	Price, Tex.	Taylor, Mo.
Hunt	Quie	Teague
Hutchinson	Railsback	Thomson, Wis.
Ichord	Rarick	Thone
Johnson, Pa.	Regula	Tiernan
Kazen	Rinaldo	Towell, Nev.
Kemp	Robinson, Va.	Veysey
Ketchum	Roe	Wampler
King	Roncallo, N.Y.	Whitten
Kluczynski	Rousselot	Williams
Landgrebe	Roy	Wilson, Bob
Latta	Runnels	Winn
Lott	Ruth	Wylie
Lujan	Ryan	Wyman
McCollister	St Germain	Young, Fla.
McEwen	Sandman	Young, S.C.
McSpadden	Scherle	Young, Tex.
Madigan	Schneebeli	Zion
Maraziti	Sebelius	

NOES—241

Abzug	Eilberg	Madden
Adams	Erlenborn	Mahon
Addabbo	Evans, Colo.	Mallary
Alexander	Evins, Tenn.	Mann
Anderson, Calif.	Fascell	Martin, Nebr.
Anderson, Ill.	Fisher	Martin, N.C.
Andrews, N.C.	Flood	Mathias, Calif.
Ashley	Flowers	Matsunaga
Aspin	Flynt	Mayne
Badillo	Foley	Mazzoli
Barrett	Ford	Meeds
Bell	Fountain	Metcalfe
Bennett	Fraser	Mezvinsky
Bergland	Frelinghuysen	Milford
Biaggi	Frenzel	Minish
Biester	Fulton	Mink
Bingham	Fuqua	Mitchell, Md.
Boggs	Gaydos	Mitchell, N.Y.
Boland	Giaimo	Moakley
Bolling	Gibbons	Mollohan
Brademas	Gilman	Moorhead, Pa.
Breaux	Ginn	Morgan
Breckinridge	Grasso	Mosher
Brooks	Green, Oreg.	Moss
Brown, Mich.	Green, Pa.	Murtha
Broyhill, N.C.	Hamilton	Nedzi
Buchanan	Hanley	Nix
Burke, Calif.	Hanna	Obey
Burke, Mass.	Hansen, Idaho	O'Hara
Burlison, Mo.	Hansen, Wash.	Owens
Butler	Harrington	Passman
Byron	Hastings	Patman
Carney, Ohio	Hechler, W. Va.	Patten
Cederberg	Heckler, Mass.	Pepper
Chappell	Heinz	Perkins
Chisholm	Henderson	Pettis
Clark	Hicks	Peyser
Clay	Holifield	Pickle
Cohen	Holtzman	Pike
Conable	Horton	Podell
Conte	Hosmer	Preyer
Conyers	Howard	Price, Ill.
Corman	Jarman	Pritchard
Cotter	Johnson, Calif.	Quillen
Coughlin	Johnson, Colo.	Rangel
Cronin	Jones, N.C.	Rees
Culver	Jones, Tenn.	Reid
Danielson	Jordan	Reuss
Davis, Ga.	Kastenmeier	Rhodes
Davis, S.C.	Koch	Riegle
Delaney	Kuykendall	Robison, N.Y.
Dellenback	Kyros	Rodino
Denholm	Landrum	Rogers
Dent	Lehman	Roncalio, Wyo.
Diggs	Lent	Rooney, Pa.
Dingell	Litton	Rose
Donohue	Long, La.	Rosenthal
Downing	Long, Md.	Roush
Drinan	McClory	Roybal
Dulski	McCloskey	Ruppe
Duncan	McCormack	Sarasin
du Pont	McDade	Sarbanes
Eckhardt	McFall	Satterfield
Edwards, Ala.	McKay	Schroeder
Edwards, Calif.	McKinney	Seiberling
	Macdonald	Sikes
Sisk	Thornton	Wilson, Charles H., Calif.
Skubitz	Udall	Wilson, Charles, Tex.
Slack	Ullman	Wolff
Smith, Iowa	Van Deerlin	Wright
Smith, N.Y.	Vander Jagt	Wyatt
Staggers	Vander Veen	Wydler
Stanton, James V.	Vanik	Yates
Steele	Vigorito	Yatron
Stephens	Waggonner	Young, Alaska
Stokes	Waldie	Young, Ga.
Stuckey	Walsh	Young, Ill.
Sullivan	Ware	Zablocki
Symington	Whalen	Zwach
Taylor, N.C.	White	
Thompson, N.J.	Widnall	
	Wiggins	

NOT VOTING—29

Annunzio	Jones, Ala.	Randall
Blatnik	Jones, Okla.	Roberts
Brasco	Karth	Rooney, N.Y.
Burton	Leggett	Rostenkowski
Carey, N.Y.	Mills	Stark
Collins, Ill.	Minshall, Ohio	Steed
Dellums	Montgomery	Stratton
Gubser	Murphy, Ill.	Treen
Hawkins	Murphy, N.Y.	Whitehurst
Hébert	O'Neill	

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. DINGELL

Mr. DINGELL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DINGELL: Page 19 at the end of line 7 strike the semicolon and add the following: "The Administrator, in exercising the functions transferred by this Act, may not fix the price for domestic crude oil higher than the price prevailing in the United States on May 15, 1973, plus $1.30 per barrel; or $5.25 per barrel plus 35 per centum thereof, if he finds it consistent with the purposes of this Act."

POINT OF ORDER

Mr. HORTON. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. HORTON. Mr. Chairman, this amendment amends a section of the Economic Stabilization Act that is not involved in this bill. For that reason and the other reasons I have previously stated, I make the point of order that this amendment is nongermane.

The CHAIRMAN. Does the gentleman from Michigan desire to be heard on the point of order?

Mr. DINGELL. I do, Mr. Chairman.

Mr. Chairman, the question before us is, what is the nature of the amendment and to what statute does the amendment apply. The amendment is first of all, Mr. Chairman, a limitation on the powers which may be exercised.

As the Chair will observe, the amendment relates to section 5, which is entitled, "Functions," which appears in line 10 on page 18. The Chair will note that in the sections transferred under section 5 at line 3, page 19, the administrator shall, and then he is directed to do the following:

(5) Promote stability in energy prices to the consumer, promote free and open competition in all aspects of the energy field, prevent unreasonable profits within the various segments of the energy industry, and promote free enterprise;

Mr. Chairman, to recapitulate briefly, this amendment relates to functions which are transferred to the administra-

tor from other agencies in Government. It refers specifically only to the powers which are vested in him by the transfers accomplished under this bill.

Referring to page 19, line 3, the administrator would have the duty transferred to him, and I am now quoting section 5:

Promote stability in energy prices to the consumer, promote free and open competition in all aspects of the energy field, prevent unreasonable profits within the various segments of the energy industry, and promote free enterprise;

Now, the administrator in exercising these functions as listed above would not be able to fix prices for domestic crude oil higher than the price prevailing in the United States on May 15, 1973, plus the additional limitations which he could add if he were to feel that it were to be consistent with the purposes of the act.

Mr. Chairman, the amendment here is a limitation of the functions to be transferred and the powers which would be transferred. Clearly, this would then be a germane amendment because the amendment does not add, but rather subtracts, limits and restricts the functions and powers and prerogatives which would be vested in the administrator. It adds nothing that is not in the bill now, but rather limits significantly the powers which would be vested in the administrator.

For that reason, I submit to the Chair that the amendment is germane.

Mr. HOLIFIELD. Mr. Chairman, I rise in support of the point of order.

Mr. Chairman, in my opinion this amendment, by the use of the word "shall," imposes a mandate upon the Administrator. The authors have tried to draw this in the form of a limiting amendment. However, it actually says, "shall." It says, "Shall fix the price for domestic crude oil," and then it goes on and says no higher than a certain amount and by a certain date and $1.30 per barrel plus 35 percent of $5.25, if he finds it consistent with the act. Therefore, actually, it mandates a duty upon the Administrator and it interferes, in my opinion, with the general mandate that he should stabilize the functions where the bill promotes stability in energy prices to the consumer.

That is the general statement of the objective, but it does not tell the Administrator how to do it. This tells the Administrator how to do it, and also imposes upon him certain limitations as to what he can do.

The CHAIRMAN (Mr. FLYNT). The Chair is prepared to rule.

The gentleman from Michigan (Mr. DINGELL) has offered an amendment to section 5 of the bill.

The gentleman from New York (Mr. HORTON) has made a point of order against the amendment on the ground that it is not germane to the section under consideration. The gentleman from California, speaking in support of the point of order, has stated that the amendment mandates certain action by the Administrator.

The Chair has carefully studied the language of the amendment and does not interpret any portion thereof as a mandate to set a certain price, because the language of the amendment, as read and to be printed in the RECORD at this point, does not say, "shall," but, rather, uses the words, "may not." Nor does the amendment amend existing law—the Economic Stabilization Act—as has been suggested.

Section 5 is a section that includes a broad range of functions and duties. It is clear that functions or duties enumerated therein could be limited by way of amendment.

The language of this amendment appears to limit the functions stated in section 5 of the bill, and the Chair, therefore, overrules the point of order.

The gentleman from Michigan (Mr. DINGELL) is recognized for 5 minutes in support of his amendment.

Mr. DINGELL. Mr. Chairman, my colleagues will recall that just recently we had on the floor of the House a vote involving the question of a rollback of crude oil prices. This is an attempt to fix the crude prices at approximately the same levels at which those prices would have been fixed by the vote taken recently on the Energy Emergency Act conference report.

The Members will remember that by a very significant vote, the House endorsed the rollback of prices. Under this amendment the prices would be fixed at a little more than $7 per barrel.

I believe that crude oil prices have risen in this country to a scandalous level. They are causing excessive fuel prices to consumers, and they are causing grotesque and outrageous profits for the petroleum industry.

Recently this Congress tried to put a cap on the gross and excessive profits to the oil industry. Today these are approaching a 100-percent increase over the levels of 1972, a year in which Federal Trade Commission studies found those prices to be high.

Mr. Chairman, if the Members want to see to it that the consumers are fairly treated, if the Members want to see to it that prices are fair, and if the Members want to see to it that profits are rolled back slightly so as no longer to be so gross and excessive, then they should support the amendment.

We must remember that it has been pointed out by the President, by his officials, in the Federal Energy Office, Mr. Simon and Mr. Sawhill, and also by the Arab sheiks that it is to be anticipated that the ultimate prices of crude oil per barrel will run around $7. This would allow the prices of crude oil to rise to a level slightly higher than that.

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

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

Mr. DENNIS. Mr. Chairman, I want to thank the gentleman for his clarification of the amendment which he has offered, because if I understand the gentleman, he is doing what I rather thought he was doing: He is essentially writing into this bill the rollback provision which we passed here the other day.

Mr. DINGELL. Mr. Chairman, the gentleman is correct. That is precisely what I am trying to do, roll back these outrageous prices.

I hope the gentleman from Indiana will support me.

Mr. DENNIS. Mr. Chairman, if the gentleman will yield further, as the gentleman knows, that, of course, was and is a very controversial matter, and it has led, as I understand it, to a statement by the President that the bill will be vetoed.

We have a bill here which as I had thought, was essentially merely to create a new bureau to manage whatever we did pass here in the way of energy legislation. I am wondering whether it is really a good idea to try to turn it into a price control bill and maybe have it vetoed also for the same reason.

Mr. DINGELL. I thank the gentleman for his very helpful comments. I point out that the President just vetoed the action of the Congress, overwhelmingly taken, rolling back the price of crude oil. We have a chance, by reason of this amendment, to accomplish that same goal here, in this legislation. Shortly I hope, we will have a chance to do something similar when we bring up that most unwise veto to be overridden. However, we have a chance to address ourselves to that problem here, and it is my hope we will adopt this amendment.

Mr. HAYS. Will the gentleman yield?

Mr. DINGELL. I yield to the gentleman.

Mr. HAYS. I agree with everything the gentleman from Michigan (Mr. DINGELL) has said.

The gentleman from Indiana makes a point that this legislation might be vetoed. Well, if it does not have anything in it for the benefit of the consumer, it had better be vetoed.

I do not know whether the gentleman from Indiana or anybody else read the morning paper, but there was a story in there which said that 58 of the top officials down in Mr. Simon's office are from the oil companies.

We had an election in Ohio yesterday and we took a district, that had been Republican 68 out of the last 72 years, mainly because the Congress and the President are not doing anything about protecting the consumers from the rapacity of the oil companies.

Let me just say that the people are getting this message. They know the reason why they are not being protected is because the minority in the House has stood beside the President on his vetoes of legislation that would be for the benefit of the people. They are getting the message, I would say to the gentleman from Indiana.

Mr. DINGELL. I thank the gentleman from Ohio.

Mr. HOLIFIELD. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I ask unanimous consent that the amendment may be rereported.

Mr. HORTON. If the gentleman will yield, there is confusion about this amendment, and perhaps it would be well if it is read again.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk reread the amendment.

Mr. HOLIFIELD. Mr. Chairman, I learned a long time ago that after the ruling it is of little avail on that particular issue to criticize it in any way, but I want to present this thought to the Chairman and to the Members:

When an amendment is written in this form, where it is no longer permissive, then it is mandatory in that it removes from the administrator the power of discretion.

On the propane amendment offered by the gentleman from Arkansas (Mr. ALEXANDER) it was permissive because it said that the Administrator may do certain things. This amendment says that he may not. There is a great difference between the "may" and the "may not." "May" is permissive, but "may not" is a limitation on the discretion of the Administrator.

Therefore for future rulings I would respectfully request that this be looked at in the nature of a limitation on discretion, not a granting of discretion, as was true in the amendment offered by the gentleman from Arkansas (Mr. ALEXANDER).

Mr. Chairman, getting to the merits of this question, there is no doubt in my mind that this amendment prescribes a limitation on prices as of a certain date, May 15; that it allows an additional cost of $1.30 a barrel; or alternatively $5.25 per barrel plus 35 percent thereof. Under the ruling of the Chair, the language of the amendment becomes a mandate.

How many Members in this House can arise and say that $5.25 per barrel is the correct price?

How many Members can rise and say that $1.30 a barrel is the correct increment? How many Members can rise and say that $5.25 per barrel plus 35 percent thereof is the correct price? Are you willing in your own judgment to put this restriction on the administrator? Maybe it is right. Maybe it should be more, maybe it should be less, but when he does publish a price he publishes reasons therefor. So it becomes necessary for the administrator to have latitude or discretion to set a price he considers is current, and which is adjusted to the reality of the times. How many of the Members want to take it upon themselves to make this particular judgment?

I do not have the knowledge to say that it should be $5.25 per barrel plus 35 percent thereof. I do not have figures at hand, I do not know what the price should be.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield for the purpose of making a parliamentary inquiry?

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

PARLIAMENTARY INQUIRY

Mr. BROWN of Ohio. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. BROWN of Ohio. Mr. Chairman, when a copy of this amendment was presented to the minority desk the amendment in fact said, "may." Now I understand as it was read, it says "may not."

Mr. HOLIFIELD. If I may interrupt the gentleman from Ohio, the copy I have originally said "shall fix the price," and the "shall" was stricken in the amendment that went to the Clerk's desk, and "may not" was put in, and the word "no" was also stricken.

So the amendment as it was sent to the majority and the minority desks apparently was not the amendment read by the Clerk. I say that is not the way we should legislate. How can we base this legislation on an improper copy of an amendment?

Mr. BROWN of Ohio. Mr. Chairman, may I inquire of the Chair when the Chair made its ruling what the Chair ruled on? Because I am confused as to whether the Chair ruled on the copy as we received it, or as it was read by the Clerk.

The CHAIRMAN (Mr. FLYNT). The Chair will state in answer to the parliamentary inquiry of the gentleman from Ohio (Mr. BROWN) that the Chair had before it at the time the Chair ruled the amendment as it was presented at the Clerk's desk, and as it was read by the Clerk. The Chair had no access to the copies that were sent to the ranking minority member or to the chairman.

Mr. BROWN of Ohio. So that the Chair ruled that the language "may not" is permissive. Is that correct?

The CHAIRMAN. The Chair will state in response to the inquiry of the gentleman from Ohio (Mr. BROWN) that the Chair ruled that the language of the amendment was a limitation above which the Administrator could not go in exercising certain functions transferred to it under the provisions of this act.

Mr. BROWN of Ohio. I thank the Chair, and I subscribe to the views as expressed by the chairman of the committee, the gentleman from California (Mr. HOLIFIELD).

Mr. HOLIFIELD. Mr. Chairman, I would like to make the point that I do not think there was a deliberate deception on the part of my good friend, the gentleman from Michigan (Mr. DINGELL) but I do say that we were furnished one copy of the amendment that was different from the amendment sent to the Chairman, and upon which the Chairman made his ruling.

Then, Mr. Chairman, I get to the merits, and let me ask the Members again, do you want to take these prices and these percentages, and say that is what they should be?

The CHAIRMAN. The time of the gentleman has expired.

Mr. MOSS. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, my good friend and chairman, the gentleman from California (Mr. HOLIFIELD), said, "Who can say that $5.25 is a fair price?"

Let me tell the Members who has said it. This House by an overwhelming vote and the other body by an overwhelming vote said that $5.25 is a fair price.

On national television on January 6 Administrator Simon said:

I think $5.25 at this point for a barrel of crude is sufficient to give the incentive for additional exploration and production.

As a matter of fact, he said that they would review it in the spring and they would look for a rollback rather than an advance.

Then the National Petroleum Council in reporting in December of 1972 the National Petroleum Congress 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 a barrel in 1970 to $3.65 a barrel in 1975.

The Administrator took it to $4.25. This amendment allows $5.25 with a permissive additional increment of 35 percent or a figure of $7.09.

As to the legislative procedures that are being followed here, if they were not totally consistent with the rules of this House governing its conduct in the Committee of the Whole, they would be subject to a point of order. I am quite certain that on both sides of the aisle, knowing the diligence of the ranking minority member and the chairman of the Committee on Government Operations, that the point of order would have been made, and knowing the impartial manner in which the gentleman in the chair conducts himself, if in fact a point of order were in order, he would sustain the point of order. So we are legislating here in keeping with both traditions and with the rules of the House of Representatives.

The amendment was reported. The Members were listening to the Clerk of the House as they should have been listening. Upon the reporting of the amendment, they heard the language, and if there had been disparity between what was reported and what was ruled upon, a further point of order would have been made.

So, to recapitulate, who says that $5.25 is fair? The U.S. Congress, after weeks of deliberation in the committees of the House and of the other body, after weeks in conference between the other body's representatives and managers on the part of this House, and upon an affirmation by the House and the other body in adoption of the conference report. They said $5.25 is a fair and a reasonable price, and if we need flexibility, we will get it in this 35 percent that can be added above that to $7.09.

So the Administrator said it, remember, on January 6, and the Petroleum Council said it.

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

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

Mr. HOLIFIELD. I thank the gentleman.

The gentleman by his own argument makes a very convincing argument. It is up to $5.25. This amendment allows them to go $1.94 higher, so what the gentleman has quoted the Administrator as saying, $5.25, does not contain the $1.94 which the 35 percent adds to it, which brings it up to $7.09.

Mr. MOSS. The gentleman again was not listening. If he had, he would have

heard me state $5.25 plus the flexibility which is permitted by an additional incremental increase of 35 percent, or $7.09.

Now, I tried to be extremely careful here not to make any misstatement to the members of this Committee.

The CHAIRMAN. The time of the gentleman from California has expired.

(By unanimous consent, Mr. Moss was allowed to proceed for an additional 1 minute.)

Mr. MOSS. Believe me when I say the groups I have cited, the Administrator and the National Petroleum Council have in the documents cited, concurred in the statements I have made to this Committee.

Mr. ROSENTHAL. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I do not want to repeat the very effective arguments made by my distinguished colleague from California (Mr. Moss) but I do really simply want to restate my view of where we are and where we ought to be.

This is a very, very important amendment. It is absolutely urgent that this Committee adopt this amendment this afternoon. We have all heard what is happening throughout the country and there is no question, I do not think anyone debates the issue that oil company profits have been outrageous, that American consumers have been taken for a sleigh ride. They have been up and down the roller coaster so badly that they cannot even tolerate the situation any more. The single biggest thing that some of us have not even appreciated is that the billions of dollars added on to the American consumer directly by the additional cost of gasoline and fuel oil and propane has a rippling effect throughout the entire economy; that what we have seen in the last 3 or 4 months has probably added somewhere between $5 billion and $8 billion on to the cost of the consumer economy.

Mr. MOSS. Mr. Chairman, would the gentleman yield?

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

Mr. MOSS. I want to say that just 4 days ago in California I waited for 3½ hours in a line for gasoline for the privilege of paying 69 cents a gallon.

Mr. ROSENTHAL. The cost to the American consumer has been something that they simply have not been able to bear. We should not be misled. There are oil company profits and other profits intervening that have permitted this to happen. We are not naive. We know the original cost of exploration increases and it is not unusual to pass it on; but that something that has been passed on is something unconscionable, unbearable, and that should not happen.

To report this bill from this committee today without including this very significant amendment would be a serious mistake.

Let me once again address myself to the comments of my distinguished chairman from California. This is an organizational bill; but organization without substance is meaningless. Congress has the power, it has the responsibility, it has the duty, it has the obligation to act in a fashion that this amendment indicates. If we do not do that, if we do not adopt this amendment, then many of us will have to think seriously about voting for this bill, because we would be reporting to the American people that we are giving them an organization of shambles without any substance. That would be the most inadequate job we have done so far this year.

Mr. PRICE of Texas. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I have seen this body since before Christmas try to legislate oil and gas out of the ground. There are many people here who profess to be experts, who have never been around an oilfield, who have never drilled an oil well, who have never invested in the oil business.

I do not question the motives of any Member, but I say to the gentlemen and the ladies of this body that we are not going to legislate oil out of the ground by rolling prices back from $9 to $5.25.

We can legislate from now till kingdom come, but that is not going to bring one drop of oil and gas out of the ground. When we get through with this monkey business and then go home and tell the American public, "Look at what we have done. We have rolled oil and gas prices back for you," are you also going to admit that all we have done is make the lines at gas stations longer and put an unbearable burden upon the administration to try to administer something like this?

Do the Members realize that something like 80 percent of the oil and gas is drilled by the independent oil and gas producers and not by the major companies? Do the Members realize that the people in this country who own stock in the oil and gas industries are paying taxes on the dividends which they earn? And yet some Members try to make this body believe that some big giant conglomerate is out here robbing and gouging everyone including taxpayers, consumers, and the Government.

Name a few major companies that are owned by an individual, someone that has taken advantage; name a few. These companies are owned by the American people who put down $35 and $50 and $100 bills to buy stock into these companies. These fellow Americans—your and my neighbors—pay their taxes on this money that they earn.

We are not going to get oil out of the ground at $5.25.

Drillers and producers are going to stack their rigs, and the gas station lines are going to get longer.

Some here are going to try to fool the American people, and they are not going to be fooled. Sure, go home and tell them, "We took care of you; we beat the big oil businesses and conglomerates." But by "taking care" of the people, the only thing we are going to give them is longer gas lines.

How many Members know what it costs to drill a well? How many know what it costs per foot? The break-even point of drilling today is around $5 per barrel, and we want to roll prices back to $5.25. No way. No way are we going to get oil out of the ground by punishing producers.

Only after this body quits this monkey-business of trying to legislate oil out of the ground, then and then only are we going to stimulate the private industries in this country, especially the small producers who drill 80 percent of the oil wells in this country, to go out and invest $40,000 to $150,000 to drill an oil and gas well.

If the Members will check the facts, they will find that this is the truth. As far as the President is concerned, we just gave him a bill. He vetoed it and we will consider it, probably tomorrow. The bill authorizes him to raise the price to $7 plus a barrel, and then we can point at him and say, "Look what he did, he sold out to the big majors of this country," and heap some more criticism upon him. But that is not going to get us any more gas or any more oil.

I say to the Members of the House: My friends, the producers will just stack their rigs. How many rigs does the Government have? None. How much expertise does the Government have in drilling oil and gas wells? None to speak of. The private enterprise people of this country, the investors, the American people, are the ones who have drilled and made it possible for us to be 85 percent self-sufficient. Government is not going to produce one drop of oil and it is not going to drill for it because it does not have the expertise nor the rigs.

Let us quit trying to fool the people. Let us give the producers the incentive they need to drill these wells and build these rigs.

The CHAIRMAN. The time of the gentleman from Texas has expired.

(By unanimous consent, Mr. PRICE of Texas was allowed to proceed for 1 additional minute.)

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

Mr. PRICE of Texas. Mr. Chairman, I yield to the gentleman from Texas.

Mr. MILFORD. Mr. Chairman, I would like to congratulate my colleague from Texas. He has laid it on the line just as it is.

Perhaps he can inform some of our other colleagues concerning tertiary recovery from old oil wells that were going to be shut down.

Mr. PRICE of Texas. Mr. Chairman, I estimate that at least 11,000 wells are going to be shut down if there is a rollback, the so-called stripper wells that produce 10 barrels a day or less.

Do the Members want to know why propane is not available? It is because one-third of a barrel of oil usually goes into propane, and this is not being produced because the producers are selling it to the manufacturers of synthetics, for use in carpets and pantyhose and the like.

Those Members from the North and South are going to lose their synthetics industries if these industries do not start getting some gas and oil so that they can make these products. Do the Members know where these firms are going to go? They are going to come to my State and district where they can get the uncommitted gas to build these industries and to make carpets and pantyhose and the like and we welcome them.

The Members from the South had better start thinking about some of these things if they do not wish to lose their industries.

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. ECKHARDT TO THE AMENDMENT OFFERED BY MR. DINGELL

Mr. ECKHARDT. Mr. Chairman, I offer an amendment in the nature of a substitute to the amendment.

The Clerk read as follows:

Amendment in the nature of a substitute offered by Mr. ECKHARDT to the amendment offered by Mr. DINGELL: On page 20, after line 2, add the following: "In exercising the functions provided in item (5), above, the Administration shall take the following action:

"(A) Immediately upon the enactment of this Act, the Administrator shall issue an order to establish a ceiling on prices of crude oil and petroleum products at levels not greater than the highest levels pertaining to a substantial volume of actual transactions by each business enterprise or other person during the fourteen-day period ending January 19, 1974, for like or similar commodities, or if no transactions occurred during such period, then the highest applicable level in the nearest preceding fourteen-day period.

"(B) The ceiling on prices required under subsection (a) shall be applicable to all retail prices and to wholesale prices for unfinished, or processed goods.

"(C) As soon as practicable, but not later than thirty days after the date of enactment of this section, the Administrator shall by written order stating in full the considerations for his actions, roll back prices for crude oil and petroleum products to levels no higher than those prevailing in the seven-day period ending November 1, 1973, in order to reduce inflation. Price increases announced after November 1, 1973, and made retroactive to dates prior to November 1, 1973, shall not be considered as having been in effect prior to such date for purposes of this subsection. The Administrator may make specific exceptions from the rollback by written order to compensate for increased costs for crude oil and petroleum products produced and refined outside the United States, but in no event shall such exceptions allow more than a passthrough for increases in the costs of such commodities. Such orders shall state procedure and adequate public notice of any price exceptions and shall disallow any profit margins on any crude petroleum or petroleum products in excess of the margin applicable in the seven-day period ending November 1, 1973.

"(D) The Administrator shall by written order, issue rules to insure that all corporations or other entities engaging in sales of crude petroleum at the refinery level or petroleum products at the wholesale level reflect, in sales to any purchaser, the average costs of its foreign and domestic crude oil and petroleum products.

"(E) Notwithstanding the provisions of this section, any producer of new crude petroleum who, together with all persons who control, or are controlled by or under common control with such producer, produces net to his working interests not more than 30,000 barrels of crude oil per day, may sell that new crude petroleum without respect to the ceiling price. However, if the amount of crude petroleum produced and sold in any month subsequent to the effective date of this section is less than the base production control level for that property for that month, any new crude petroleum produced from that property during any subsequent month may not be sold pursuant to this paragraph until an amount of the new crude petroleum equal to the difference between the amount of crude petroleum actually produced from that property during the earlier month and the base production control level for that property for the earlier month has been sold at or below its ceiling price.

"(2) For the purpose of this subsection,

"(A) the term 'base production control level' for a particular month for a particular property means:

"(i) if crude petroleum was produced and sold from that property in every month of 1972, the total number of barrels of domestic crude petroleum produced and sold from that property in the same month of 1972;

"(ii) if crude petroleum was not produced and sold from that property in every month of 1972, the total number of barrels of domestic crude petroleum produced and sold from that property in 1972 divided by 12.

"(B) the term 'property' means the right which arises from a lease or from a fee interest to produce domestic crude petroleum.

"(C) the term 'new crude petroleum' means the total number of barrels of domestic crude petroleum produced and sold from a property in a specific month less the base production control level for that property."

Mr. ECKHARDT (during the reading). Mr. Chairman, I ask unanimous consent that the amendment in the nature of a substitute be considered as read and printed in the RECORD.

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

Mr. HAYS. Mr. Chairman, I object.

Mr. CHAIRMAN. Objection is heard.

Mr. ECKHARDT (during the reading). Mr. Chairman, I ask unanimous consent that the amendment in the nature of a substitute be considered as read and printed in the RECORD.

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

Mr. RONCALIO of Wyoming. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. ECKHARDT (during the reading). Mr. Chairman, I ask unanimous consent that further reading of the amendment be dispensed with and that it be printed at this point in the RECORD.

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

Mr. HORTON. Mr. Chairman, reserving the right to object, I want to make a point of order against the amendment and I do not want to lose my right to make that point of order, so I do not think the amendment ought to be considered as read.

The CHAIRMAN. Dispensing with further reading of the amendment to the amendment would not in any way infringe on the rights of the gentleman with regard to his point of order, and the Chair assures the gentleman that he will protect him in that right.

Is there objection to the request of the gentleman from Texas?

There was no objection.

POINT OF ORDER

Mr. HORTON. Mr. Chairman, I make a point of order against the amendment.

The CHAIRMAN. The gentleman will state his point of order.

Mr. HORTON. Mr. Chairman, I make a point of order against the amendment and offer that the amendment is nongermane to this bill under rule XVI, clause 7.

The amendment deals with subjects not included in this bill and also affecting policy which is not the subject of section 5 but, rather, other matters like petroleum products.

Mr. Chairman, without reiterating the same arguments I made in the past, I would again set forth those arguments here and ask that the Chair rule this amendment to the Dingell amendment is nongermane.

The CHAIRMAN. Does the gentleman from Texas desire to be heard on the point of order?

Mr. ECKHARDT. I do, Mr. Chairman.

Realizing, of course, that germaneness, like beauty, is in the eyes of the beholder, nevertheless, it seems to me to be clear that, when an amendment is before this body which amendment would have the effect of rolling back the price of crude oil, all of it, without any attention as to whether or not that oil is new oil produced at high prices or older oil produced at relatively low prices, it simply must be germane to the original amendment to put in a limitation with respect to that amendment to provide that there be reason respecting the rollback and that the rollback should not be applicable in such a way as to prohibit the production of new discoveries.

I am not arguing the merits of my amendment, but the choice must be available to this body.

If the amendment is germane, if the amendment itself is germane, it has opened up the whole question as to what is equitable and what is effective and what is likely to bring about a good result with respect to holding back prices and at the same time to bring a good result with respect to encouraging new production by producers of under 30,000 barrels per day. Under 30,000 barrels per day is where the discovery group is located. Those producing under 30,000 barrels per day are those who go out and spend a great deal of money to produce oil.

I will not get into the details of the amendment, but I think it is absolutely essential with respect to the point of order to point out that, once this question is opened up simply to permit something to be considered by this body merely because it is framed in terms of "the administrator may not" but which, as the chairman actually points out, really tells the administrator, "Mr. Administrator, you must cut back prices to not more than $7.09 per barrel"—if that is before this body and if it is before this body properly and if it is germane, then if there is any reason left within the rules, there must be the opportunity to say by a substitute to that amendment that it is a roll forward with respect to old oil and it should be taken in that respect; that it is not a rollback with

respect to production of new oil which, therefore, would discourage further production.

We may balance these oils, and we may say we are cutting back on old oil to the date of November 1, 1973, but with respect to new oil produced by those speculative factors in the business, those who produce under 30,000 barrels a day, this cutback will not apply.

Of course, I realize that once you open the question, once you open the question of a rollback there is no way to treat that question intelligently unless you have an opportunity to distinguish between the factors in the industry. If our rules prohibit a substitute, clearly germane to the amendment itself, clearly germane to the amendment which is presently offered, so as to give only the choice of an unqualified amendment which would do grave harm, then there is something wrong. Clearly it seems to me if the matter may be opened it must be opened for this in order to have justice and equity.

That is the ground upon which I submit this substitute. And I quickly state that I think that the question of whether or not the substitute is now germane, is a reasonably germane approach as a substitute for the amendment, is not precisely the same question as to whether or not the substitute had been introduced initially as an initial amendment whether it would have been germane or not. Clearly it is germane to the amendment, and clearly it is a choice the parties should be permitted to make.

The CHAIRMAN (Mr. FLYNT). The Chair is prepared to rule.

The gentleman from Texas (Mr. ECKHARDT) has offered a substitute for the amendment offered by the gentleman from Michigan (Mr. DINGELL). The opening lines of the substitute for the amendment read as follows:

In exercising the functions so provided in item 5 above, the Administrator shall take the following action: (a) immediately upon the enactment of this act the Administrator shall issue an order to establish a ceiling on prices of crude oil and petroleum products at levels not greater than the highest levels pertaining to substantial volume of actual transactions.

The gentleman from New York (Mr. HORTON) has made a point of order against the substitute amendment on the ground that it is not germane to the amendment offered by the gentleman from Michigan (Mr. DINGELL).

The Chair rules that in order to qualify as a substitute for an amendment such substitute must treat in equal manner the same subject matter carried by the amendment for which proposed. The pending amendment offered by the gentleman from Michigan (Mr. DINGELL), and the Chair reads from the language of that amendment, pertains only to the price for domestic crude oil. The substitute for the amendment goes beyond the scope of the amendment offered by the gentleman from Michigan (Mr. DINGELL) and goes beyond the subject matter contained in the amendment.

For the reasons given by the gentleman from New York (Mr. HORTON) in support of his point of order and for the reasons stated, the Chair sustains the point of order to the substitute for the amendment.

AMENDMENT OFFERED BY MR. ECKHARDT TO THE AMENDMENT OFFERED BY MR. DINGELL

Mr. ECKHARDT. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. ECKHARDT to the amendment offered by Mr. DINGELL: Amend the amendment by adding at the end thereof the following: "; *provided, however,* That no limitation on mandate contained herein shall apply to or affect any producer of new crude petroleum who, together with all persons who control, or are controlled by or under common control with such producer, produces net to his working interests not more than 30,000 barrels of crude oil per day, so as to prevent such producer from selling that new crude petroleum without respect to the ceiling price. However, if the amount of crude petroleum produced and sold in any month subsequent to the effective date of this section is less than the base production control level for that property for that month, any new crude petroleum produced from that property during any subsequent month may not be sold pursuant to this paragraph until an amount of the new crude petroleum equal to the difference between the amount of crude petroleum actually produced from that property during the earlier month and the base production control level for that property for the earlier month has been sold at or below its ceiling price.

"(2) For the purposes of this subsection, (A) the term 'base production control level' for a particular month for a particular property means:

"(i) if crude petroleum was produced and sold from that property in every month of 1972, the total number of barrels of domestic crude petroleum produced and sold from that property in the same month of 1972;

"(ii) if crude petroleum was not produced and sold from that property in every month of 1972, the total number of barrels of domestic crude petroleum produced and sold from that property in 1972 divided by 12.

"(B) the term 'property' means the right which arises from a lease or from a fee interest to produce domestic crude petroleum.

"(C) the term 'new crude petroleum' means the total number of barrels of domestic crude petroleum produced and sold from a property in a specific month less the base production control level for that property."

Mr. ECKHARDT (during the reading). Mr. Chairman, I ask unanimous consent that further reading of the amendment be dispensed with and that it be printed in the RECORD at this point.

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

Mr. DINGELL. Mr. Chairman, reserving the right to object, I reserve a point of order.

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

There was no objection.

POINT OF ORDER

Mr. HORTON. Mr. Chairman, I make a point of order against the amendment.

The CHAIRMAN. The gentleman will state his point of order.

Mr. HORTON. Mr. Chairman, I make a point of order against the amendment for the same reasons that I stated before. The amendment offered by the gentleman from Texas (Mr. ECKHARDT) is nongermane to the bill under rule XVI, clause 7. It deals with subject matter which is not in the bill and with policy also which is not the purpose of this section.

The CHAIRMAN. Does the gentleman from Michigan desire to make a point of order?

Mr. DINGELL. Mr. Chairman, I would reserve my point of order until the conclusion of the gentleman's explanation, but I will address myself to it now if the Chair so desires.

The CHAIRMAN. The Chair is going to rule that a point of order having been made, the gentleman cannot further reserve his point of order but must make it at this time.

Mr. DINGELL. Mr. Chairman, I make a point of order that the amendment does precisely the same thing as the amendment just briefly offered. It seeks to accomplish the same thing. I would go further and state that it goes far beyond the sweep of the amendment. It issues new categories and classes of producers. It imposes whole new judgments upon the administrator far beyond those which are included in the limitations previously imposed, and it imposes these additional judgments and responsibilities on him in terms of dividing the different kinds of producers into classes and categories.

Essentially it requires acts going beyond action of the original sweep of the amendment and also beyond the legislation before us. For that reason it is no longer a limitation on the authority proposed but rather, on the contrary, is making whole new law.

The CHAIRMAN. Does the gentleman from Texas desire to be heard on the point of order?

Mr. ECKHARDT. Mr. Chairman, this amendment is quite different from the original amendment. As a matter of fact, the original amendment would, I think, have been greatly preferable, but in deference to the Chair's ruling, this amendment does nothing whatsoever to the Dingell limitation on the authority of the administrator, which limitation prohibits the administrator from cutting back the price of oil any less, I think, than $7.09, which sounds like a strange, negative limitation. But at least that is what it does.

This further limits the administrator in such action not to affect those producing 30,000 barrels or less.

The Dingell amendment has the effect of telling the administrator: You have got to, or you cannot do anything else but, provide a limitation on price that will not exceed the total of $7.09.

What this says is that when we do so, we may not put any limitation on new oil produced by producers of 30,000 barrels or less; so this is an additional limitation in addition to what has been called the Dingell limitation.

I submit that this is entirely in accord with the ruling or holding of the Dingell amendment valid as an amendment on this bill.

I might add, too, that this does not deal with other oil than domestic crude.

The CHAIRMAN. The Chair is prepared to rule. The gentleman from Texas (Mr. ECKHARDT) has offered an amendment to the amendment previously offered by the gentleman from Michigan (Mr. DINGELL).

The gentleman from New York makes a point of order against the amendment to the amendment on the grounds that the amendment to the amendment is not germane to the bill or to the amendment to which it is offered.

The Chair has carefully examined the language of the amendment to the amendment and the Chair rules that since the amendment to the amendment is simply for the purpose of exempting certain specified producers from the limitation of authority established by the amendment offered by the gentleman from Michigan, it is within the scope of and covers the same subject matter as the amendment offered by the gentleman from Michigan. The amendment offered by the gentleman from Texas is, therefore, germane as an amendment to the amendment and the Chair overrules the point of order.

The gentleman from Texas (Mr. ECKHARDT) is recognized for 5 minutes.

Mr. ECKHARDT. I thank the chairman. It has been a long struggle.

I would like to bring these matters to the attention of my colleagues, both those who come from areas where oil is produced and those who come from areas where oil is not produced, those who are concerned with the welfare of producers and those who are concerned with the welfare of the consumer who purchases the oil from the producers; these interests are not always antagonistic.

I should much have preferred to be here arguing in favor of my original amendment, because that amendment would have rolled the price of old oil all the way back to $4.25; but it would have permitted new oil produced by independents to go to whatever the market will pay for that oil. Of course, such would be, in turn, limited, however, by competition with old oil and by production of new oil by large oil companies.

I could not do that, so what is done here because my substitute was knocked out by the point of order is simply to accept the proposition, as the Dingell amendment provides—which is essentially the same proposition that existed in the energy bill—that all oil will be rolled back to approximately $5.25 per barrel and that then there will be permission for a percentage increase under conditions justifying that increase, so that oil whether it is old or new oil could go up conceivably to $7.09 a barrel.

I think that is something of a windfall for old oil. I think it is something of a windfall for big producers. I think it is a windfall for the very big oil companies that got us in this mess in the first place. But I accept that because my substitute could not be offered.

This is what is done under the Dingell amendment but I would amend it to take out one of the harms that was contained in the energy bill. The energy bill also rolled back the price of new oil from somewhere around say $10 per barrel to $7.09.

Now, if we roll back the price of new oil in that manner, we remove the encouragement for production of that oil which is hard to get.

My amendment would affect only a relatively small portion of the total amount of oil used and ultimately put into gasoline and fuel oil and so forth. Between 70 to 75 percent of the total oil, that is, that which would be controlled by the amendment offered by the gentleman from Michigan, Mr. DINGELL, would still be subject to the rollback by virtue of the fact that it is old oil.

If my amendment to his amendment goes on, new oil produced by independent producers, or those producing 30,000 or less barrels per day, would be exempted. We would be opening this area—or keeping it open—for earnings to generate additional capital in order to explore for new oil to those producers who do most of the exploration and run most of the risk—independents.

The exemption does not apply to old oil, but only applies to that oil costing a lot of money to bring up; where, for instance, they have to go out offshore to get it or drill deep wells. It only applies to those who produce 30,000 barrels per day or less. This cuts out all of the majors. They are in a good enough position anyway. About 75 percent of their total production is old oil, and they are making a killing on that according to the statistics we have. Their increases in profits are in many cases as much as 100 percent from the year 1972 to the year 1973.

Their explorations can be well financed when they are earning up to $5.25, or even $7.09 under the Dingell amendment, for oil. That is enough for them. They can explore and they have got enough money to explore.

On the other hand, the independents are not in that position. Most of what they are producing is much more expensive to produce. So, all this amendment does is to open the price up on new oil products by independents to encourage and accumulate the necessary capital for exploration for new oil.

The CHAIRMAN. The time of the gentleman from Texas has expired.

(At the request of Mr. RONCALIO of Wyoming, and by unanimous consent, Mr. ECKHARDT was allowed to proceed for an additional 2 minutes.)

Mr. RONCALIO of Wyoming. Mr. Chairman, will the gentleman yield?

Mr. ECKHARDT. Mr. Chairman, I yield to the gentleman from Wyoming.

Mr. RONCALIO of Wyoming. Mr. Chairman, would the exceptions the gentleman mentions cover the marginal or independent operator who seeks to expand old, existing fields with stripper wells?

Mr. ECKHARDT. Yes, it becomes new oil if he is producing more from a well, of course.

Mr. RONCALIO of Wyoming. Would it cover the man restoring or improving secondary recovery techniques in fields?

Mr. ECKHARDT. That is what is intended. I must say to the gentleman in all candor that I would feel safer if the total substitute amendment were before the body, but at least what has been offered here takes care of the major problem. If there be problems of the nature he is raising, I would be the first to urge that they be ironed out in conference.

Mr. RONCALIO of Wyoming. And this price would be whatever the market may bring above $7.09?

Mr. ECKHARDT. That is correct.

Mr. RONCALIO of Wyoming. Mr. Chairman, I thank the gentleman from Texas.

Mr. HORTON. Mr. Chairman, I rise in opposition to the substitute amendment.

Mr. Chairman, I will not take the full 5 minutes, but I do want to point out that this is a very complicated amendment. It is an amendment which is not within the purview of the Committee on Government Operations. This substitute amendment and the amendment offered by the gentleman from Michigan (Mr. DINGELL) both ought to be before the Committee on Interstate and Foreign Commerce.

This particular amendment offered by the gentleman from Texas is a very complicated amendment. I have just talked briefly with the staff, who have been very familiar with the Emergency Energy Act, and there is some question as to what the ramifications of this amendment are. It was indicated that hearings should be held on this, and it would be important to have people testify who have specific knowledge with regard to this type of amendment.

Mr. Chairman, I would hope that the House is not going to act upon this on the basis of just the brief comments that have been made by Members on the floor at this time. So, I would urge that this amendment be defeated.

Mr. WRIGHT. Mr. Chairman, I rise in support of the substitute amendment offered by the gentleman from Texas (Mr. ECKHARDT) to the amendment offered by the gentleman from Michigan (Mr. DINGELL).

Mr. Chairman, it seems to me that the amendment offered by the gentleman from Texas (Mr. ECKHARDT) offers us something that all of us could in good conscience embrace and support.

Probably this bill is not the proper vehicle for legislating prices. I tend to agree with Chairman HOLIFIELD in that regard. But if we are to legislate prices, let us be very careful that in the process we avoid discouraging exploration.

What the gentleman from Michigan (Mr. DINGELL) seeks to do is to say to the American public and to the petroleum industry that we are sick and tired of the great big international companies increasing their prices and showing exorbitant increases in profits over and above the returns they had been making before the energy shortage.

I think that needs to be said.

At the same time, Mr. Chairman, we run a very grave risk when we apply our

restrictions indiscriminately so as to include all domestic crude oil production without any differentiation between the big producer and the small producer and without any differentiation between old oil produced at relatively lower prices and new oil that is going to cost an enormous amount of money to find and recover.

Here is the risk that we run: That we may discourage exploration for oil. I think many of the Members are aware that there are in the oil industry two very different segments. One is what we might call the exploiting segment, consisting of the big integrated companies which buy a lot of their oil, incidentally, from the independents and which sell that oil at whatever the tariff will bear.

I have no particular brief for them, and neither does the gentleman from Texas (Mr. ECKHARDT).

The other end of the industry is the one upon which all of us are depending for a solution to this energy crisis. That is the small independent producer.

Let us distinguish if we can between the disease and the symptom. The disease is a shortage of oil. We are going to run out of known oil reserves in this country, and that includes the Alaska fields, in 12 or 14 years at our present rate of consumption, if we do not find more oil. So our only solution is to encourage exploration.

Seventy-five percent of exploration has been conducted by the independents, principally small companies and individuals operating on borrowed capital, people who are in a very high-risk business. And that is why the majors in large part have let them have that end of the business, to go out and look for the oil, because eight out of every nine exploratory wells have been dry holes, and it is often very hard to get that venture money.

Apparently most of the remaining oil that is to be found lies not in shallow fields, but in deep strata. It is harder than ever to get the risk capital to go out and find it. And it is going to cost increasingly more to produce it.

Let us therefore make this differentiation: Let us say that the big integrated oil company that is buying its oil abroad or producing its oil abroad or investing its money abroad is not going to be saved from its responsibility to the public under this legislation. Let us make them come to terms at reasonable prices. But let us not in the process, because we are angry at the goose for not laying more eggs, kill all the goslings. That would only make sure that there will be even fewer eggs in the future.

Our impelling need today is to encourage, not to discourage, exploration for new oil. The only way to do that is to encourage the little guy, who is willing to take a risk with borrowed capital, a rabbit's foot in his pocket and a smattering of geology in his mind, to go out and look for the oil. And if he finds some oil, let us make sure he can get a price for it that will make it possible for him to produce it. If we do not do this, we are going to dry up the well.

I know a great many Members are very anxious to go on record with some kind of a price rollback. I would go on record now for a reasonable limit on excess profits. Or I would support a requirement that any profit over and above the profit made last year by a big company would have to be plowed back into exploration. I would vote, even as I have suggested on this House floor, for a severance tax on this irreplaceable national wealth, and plow the proceeds of that tax back into exploration.

But for goodness sakes, let us not go out in the dark of night thinking we are slaying a dragon and wake up the next morning and find out we have shot the family cow. That is what we easily could do if we do not accept the Eckhardt substitute.

Mr. ROY. Mr. Chairman, I rise in support of the substitute amendment offered by the gentleman from Texas (Mr. ECKHARDT).

Mr. Chairman, I wish to congratulate the gentleman from Texas (Mr. ECKHARDT) for bringing this amendment before us, and I wish to associate myself with his remarks and with the remarks of the gentleman from Texas (Mr. WRIGHT).

I faced a very difficult vote on section 110 of the energy bill, which provided a rollback on prices, because I felt this was indeed a rather gross way of saying to the President and to the American people that we must have some control on prices charged by the big oil companies. But I felt there was certainly a potential for a detrimental effect, especially on the independent oil operator who must struggle to retrieve oil from marginal fields and upon whom we rely for discovering new sources of oil and gas.

The Eckhardt amendment accomplished the same goal as my amendment to the Energy Emergency Act to exempt the small independent oil operator from the restriction on windfall profits. This amendment failed by a narrow 5 votes just before Christmas.

I think it is absolutely necessary that we produce more oil. It has been stated very accurately that it is the small independent operator who holds out to us the hope of producing more oil. In my own State of Kansas the majors are not drilling now and have not been drilling for a number of years. We have to depend on the independent operator to bring that oil out of the ground.

The Eckhardt amendment, by exempting the small operator from the rollback in prices and a restriction on the prices for new oil, will indeed accomplish this objective of more oil for the American people.

At the same time, as has been said by several people in several ways today, we cannot tolerate pricing the oil of already pumping wells, other than stripper wells, so high that we have to spend an excessive amount for the petroleum products with the result being great windfall profits to the major oil companies.

For that reason I support the amendment and urge that we adopt the Eckhardt substitute to the Dingell amendment.

Mr. BROYHILL of North Carolina. Mr. Chairman, I rise in opposition to the Dingell amendment.

Mr. Chairman, I am opposed to the Dingell amendment on the basis that it does not belong in this bill.

The purpose of this bill is to give some statutory life to the Federal Energy Office. As we all know, this Office is presently operating under an Executive order. We very badly need to create by law a Federal Energy Office.

As I understand it, there is no new pricing authority granted to this Federal Energy Office in this bill. Yes, there may be some oil pricing authorities that are transferred to this office from other acts, but there is not any new pricing authority granted to it under the terms of this bill. This amendment actually goes to an authority under this act, so probably the amendment offered by the gentleman from Michigan is not effective, because this act does not contain any prior authority.

However, if it does have any force and effect, then the bill may be vetoed.

I hold in my hand the message from the President of the United States in returning the energy emergency bill passed last week, and, as the Members know, I supported that legislation on this floor. All of the work that went into the preparation of that bill was for naught. This is no way to legislate, to do it all over again, in other words, to create a bill which is going to be vetoed again.

We have all expressed ourselves on that legislation and on this particular issue. I happen to believe a ceiling should be set, but I do not think this is the place to do it. The place to do that is in legislation that comes from the proper legislative committee.

Mr. Chairman, as far as the amendment offered by the gentleman from Texas is concerned, I do not know what it really means. I do not know what the amendment would do and what the force and effect of that amendment is. I would hope that further explanation of his amendment and its relationship to the Dingell amendment could be made. It may perfect the Dingell amendment in such a way that would not mean a veto. If not, then we would have to start all over again in the legislative committee and in a much calmer atmosphere in the committee to work out the proper pricing section and not do it in this bill and in this short amount of time.

Mr. JOHNSON of Colorado. Will the gentleman yield?

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

Mr. JOHNSON of Colorado. I have heard it said in the last couple of days that this administrator does not have the authority to invoke prices or rationing. Will the gentleman explain to me the meaning of this language in section 5(5) that says "The administrator shall prevent unreasonable profits within the various segments of the energy industry"?

How can he do that unless he has the authority given him to actually exercise this power some way, or unless we give him some authority?

Mr. BROYHILL of North Carolina. Mr.

Chairman, I will yield to the gentleman from New York (Mr. HORTON) to explain the meaning of that language, and particularly in comparison with the language of the amendment that was adopted yesterday in committee.

Will the gentleman from New York respond to that inquiry?

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

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

Mr. HORTON. Yesterday we adopted an amendment which was offered by the chairman of the committee, the gentleman from California (Mr. HOLIFIELD) that indicated, or in which that amendment said that the Administrator would have no new authority. The only authority he would have would be the authority which he now has under the existing acts, or under the existing programs that are in existence.

Mr. BROYHILL of North Carolina. I might add that the authorities that are transferred to him include the Emergency Petroleum Allocation Act, and under that act those petroleum products that are allocated he has the authority to price.

Mr. HORTON. The gentleman is correct.

Mr. BROYHILL of North Carolina. But that is not included in this act.

Mr. HORTON. That is right. This act does not give him any new authorities other than those already in existence in existing laws.

Ms. ABZUG. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the original amendment that we are considering, and as amended by the gentleman from Texas (Mr. ECKHARDT), is a rollback based on a price of roughly $7.02. In the minds of many of us that is not a sufficient rollback.

I was very shocked to hear the discussion on this floor suggesting that if we should pass such a rollback, insufficient as it is to the average consumer in this country, that the oil companies would go out of business, that we would have no oil, and that conditions would grow worse.

So I thought that it was important that I indicate to my colleagues that there is a very interesting report issued by the National City Bank of Minneapolis, written by Walter W. Heller and George L. Perry, which indicates the facts to be just the contrary to what was suggested here on the floor that not only will the oil wells stop pumping but that some of us would not have any pantyhose to look forward to.

The fact is that if we have a rollback at the figure of $7.02, it is estimated that the jump in petroleum profits will be breathtaking. The arithmetic is quite illuminating. At the rollback price of $7.02 per barrel, the annual increase in cash flow to the petroleum industry will amount to between $13 and $16 billion—$13 billion if we enact a windfall excise tax and $16 billion without such a tax. The projected increase in cash flow for 1974 is approximately triple the industry's present domestic earnings.

Now I would like to know how that, in any way, makes it impossible for oil companies to function in this country. If they cannot afford to produce what is needed in this country at three times the highest profit they have ever made then we may have to consider another method of production of oil for the people of this country.

Mr. Chairman, I am in opposition to the amendment offered by the gentleman from Texas (Mr. ECKHARDT) to the amendment offered by the gentleman from Michigan (Mr. DINGELL). The reason I oppose the Eckhardt amendment is that it is being played as though these were small, unimportant, struggling oil companies he is seeking to exempt. Actually, these men produce 30,000 barrels a day, which is a minimum of $210,000 a day, and a minimum of $75 million a year. I find it very difficult to deal with some of the understandable special interests that people have on this floor. But we must address ourselves to the total problems of the total country, and the total consumers—the persons whom we were elected to represent.

So I oppose the Eckhardt amendment, and I support the amendment offered by the gentleman from Michigan (Mr. DINGELL) although I think it does not effect enough of a rollback. I think there will be more than ample profit for the petroleum industry to continue to roll out the oil and to roll out their profits. I believe that the rollback proposed in the Dingell amendment is the very least that this House should do. I oppose the Eckhardt amendment; I support the Dingell amendment with reservations, as we say, but I do support it.

Mr. MOSS. Mr. Chairman, will the gentlewoman yield?

Ms. ABZUG. I yield to the gentleman from California.

Mr. MOSS. I thank the gentlewoman for yielding. I asked that she yield because I do not think she would want to do an injustice to a colleague. I have worked for a number of years with the gentleman from Texas, and I can assure the gentlewoman that I have never seen any evidence of his playing the role of spokesman for special interests, even though there is normally that connotation attached to some members of oil-producing State delegations. The gentleman from Texas has been, in my judgment, one of the most objective and fairest members of the Committee on Interstate and Foreign Commerce.

Ms. ABZUG. I would agree.

Mr. MOSS. I have been in disagreement with him on occasions, but I have never seen evidence to raise a question of his representing or speaking for special interests.

Ms. ABZUG. I would agree with the gentleman from California, and I said understandable special interests. It may be that they are understandable to some people, but I do not think they are in terms of the total interests of the country. I agree with the gentleman from California with respect to his comments about the gentleman from Texas (Mr. ECKHARDT). I value his work and energies and commitment as a colleague. I disagree with him in this instance; that is all.

Mr. FRENZEL. Mr. Chairman, will the gentlewoman yield?

Ms. ABZUG. I yield to the gentleman from Minnesota.

Mr. FRENZEL. I thank the gentlewoman for yielding.

What is the date of the Heller-Perry report, please?

Ms. ABZUG. January 1974.

Mr. FRENZEL. Does not that report presuppose a world price of $7.50 per barrel?

Ms. ABZUG. No, it does not.

Mr. FRENZEL. I will introduce the report later.

Ms. ABZUG. I have it right here, and it presupposes a $7 price.

The CHAIRMAN. The time of the gentleman has expired.

Mr. RONCALIO of Wyoming. Mr. Chairman, I rise in support of the Eckhardt amendment. I should like to state that I support the position taken by the gentleman from Texas. I should like to express my admiration for his acute judicial discernment and ability as a legislative general in drafting amendments to bring about the inducement we need to do in this very difficult field between the mass producer, the major, and the many thousands who are in the marginal economics area of producing oil.

In the last week or so I have learned a good deal about marginal production in Casper, Wyo., and I feel complete sympathy for the man who has committed hundreds of thousands of dollars into old fields where he may be able to produce as high as 30,000 or 40,000 barrels from an oil field before it is exhausted. To cut him back to $7.09 would be a loss to him, to the people, to the production of the oil, and everything we are trying to serve well. Therefore, I think the Eckhardt amendment would do justice across the board.

I commend the gentleman from Texas for it, and particularly for his colleagues' expressions which have been brought out.

Its attachment to the Dingell amendment at least makes the entire matter palatable. But in view of the fact of several conferees expressing deep concern that we will have any bill at all now that last weeks Staggers bill has been vetoed, and the veto sustained by the Senate, it may be that a vote against both the Dingell and Eckhardt positions leaves us with the best chance for a bill this administration will accept.

Mr. MILFORD. Mr. Chairman, I rise in support of the Eckhardt amendment.

Mr. Chairman, I do not believe we have quite gotten across one very important point to everyone here. I know the Members are as concerned with their constituents as we are concerned about ours. First, you want to obtain adequate fuel; and, second, you want a fair price. Texans do not want to pay high prices for gasoline any more than folks in New Jersey and New York. I had commissioned a study, which is not yet completed, made of some Texas oil production situations that deal particularly with stripper wells and old oil fields these

involve fields wherein producers are trying to reclaim additional production by secondary and tertiary recovery methods. I can say this: In the preliminary findings of this study, there are at least 300,000 barrels of oil per day going out of Texas to your States that are coming from these expensive secondary and tertiary recovery methods and from stripper wells. The cost for getting this additional oil out of the ground exceeds $9 per barrel.

Mr. Chairman, if the ceiling price specified in these amendments is placed on this oil, then 300,000 barrels per day will stop going to the Members' districts. We are simply trying to tell the Members, please, if they place ceilings, use care where and how they place those ceilings. Otherwise, they are going to do away with the very thing that we are trying to accomplish.

Mr. ECKHARDT'S amendment at least is partially protective of this situation. I plead with the Members to be careful how they levy price ceilings on crude oil, because the cost of getting oil out of the ground varies with every individual well.

If we place the ceiling at a lower price than it takes to get that oil out of the ground, we have simply stopped production.

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

Mr. MILFORD. I yield to the gentleman from Michigan.

Mr. DINGELL. I think that the figures set by my colleague from Texas should be a little bit more; but I must confess it probably helps me in a major problem with the amendment. I think the amendment offered by the gentleman from Texas (Mr. ECKHARDT) and which my friend and colleague is supporting at this time, is a valuable one. It helps the amendment and it should be adopted.

Mr. MILFORD. Even Mr. ECKHARDT'S amendment is inadequate, because he was prevented from getting a proper one introduced due to points of order. I hope his amendment somewhere down the line will have some more work done on it. Otherwise it will damage all of us.

Please remember this all-important fact: The cost of getting a barrel of oil out of the ground is different at every well. Records are kept, by all producers, on each well. At any point in time that the cost of production exceeds the market price, the well is capped.

My colleagues, I would think it over. If you vote for this price ceiling, you will immediately stop production at several thousand wells. This will mean that several hundred thousands of barrels of oil will no longer flow into your districts.

Mr. HOLIFIELD. Mr. Chairman, I take just 1 minute to say that I feel constrained to oppose both the Eckhardt amendment and the Moss amendment and will vote accordingly.

Mr. HAYS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am going to support the Eckhardt amendment because I think it gives some flexibility, but I would like to answer one argument that my friend from California (Mr. HOLIFIELD) made in his speech which was a long time ago earlier in the afternoon, in which he said, "Who knows what the right price is?"

Well, I will tell the Members something. I do not know exactly what the right price is, but I would rather have the Congress say within limitations what it is than I would have Mr. Simon and 58 oil company executives say what it is.

I think the Congress would be more likely to hit it on a more fair approach for everybody concerned, including the producer and the consumer, than I think Mr. Simon and his 58 oil company executives are going to hit it, because he goes on television about every day and the sum and substance of what he says is that, "I think the price of gasoline ought to go up."

Every time he says that, it goes up, and every time it goes up the profits of the big seven go up along with it—59 percent, 69 percent, 100 percent, 159 percent in the case of one over last year.

As I said earlier, the people back home are getting the message. All I can say, I have a high regard for the chairman. I have served with him here many, many years, and he has been right about 99 percent of the time; but I think in this one instance when he says, "Who knows best?" I will take the Congress over Mr. Simon.

I might say in conclusion that one of the big arguments we hear around here is that the Congress is giving away its authority. Well, when we create an agency like this and give men like Mr. Simon the total authority to say what is what, that is an abdication of the Congress. If the polls are right and the people are holding the Congress in low repute, it is because we do abdicate our authority to people like Mr. Simon and do not keep it for ourselves and bite the bullet and face up to the problem.

I support the amendment of Mr. ECKHARDT and I hope it prevails.

Mr. STAGGERS. Mr. Chairman, I move to strike the last word. I rise in support of the amendment.

I rise in view of the fact that I do respect, such as every Member of the House does, the chairman of this great committee.

I think this, that the Dingell amendment must be in the bill so that the House will have some input of what is going on in the oil industry.

We might say, well, we have passed a bill and it is back here now. The President has vetoed it. This is true; the Members of the Senate doubt very much that they will prevail in overriding the President's veto. I do not know what will happen here.

I believe we should have some input, some limitation to say to those in charge of administering the program as to what the intentions of the Members of this Congress are.

I have heard many statements made today by men who say we should listen to these arguments, that we are not experts. We have been listening to the arguments of experts for a long time.

As the gentleman from California said, they have confused us thoroughly, but we have listened to them. There are so many Members whom I have heard talking who say, "This is true, that is true," but I have not seen them in the meetings. We have certainly tried to do what we thought was best for America.

We come down to the fact that just 9 months ago oil was selling—all oil in America of all kinds—for $3.86 a barrel. Now, they are getting $9 and $10 per barrel. Where are we going to stop, because the demand is far greater than the supply? Will we stop at $40 a barrel? $100 a barrel, or where?

Mr. Chairman, I think it is our duty to set some kind of limitation. If we do get a chance to vote on the veto, I would say fine, but I think it is so important. Since the gentleman from Michigan (Mr. DINGELL) indicated that he would be for the substitute amendment offered by Mr. ECKHARDT, I would be constrained to go along, but I have said this: We are getting into the big producers when we get to 30,000 barrels per day, and it is those which we considered when we brought the first bill to the House. Those who produce 10 barrels or less per day produce 30 percent of the oil produced in America.

Mr. Chairman, I am just trying to talk a little bit about the justice of it. From the time it was $3.86, the Cost of Living Council said, "Let this go up a dollar, and then to $5.25," the committee said that this is enough, and it was enough, and there was testimony that it was enough.

Now, we say, "Let us not put any restrictions on them whatsoever," and that is the reason why I am hopeful that this amendment does go into the bill. They talk about it, that for years and years this Congress has given a depletion allowance for an incentive. Now they want something else beyond that. We are willing to do that, but we do not want to say that all the people's money in the world belongs to them.

Mr. Chairman, I think we were sent here strictly to represent the broad spectrum of America, to protect those who cannot afford protection, those who do not have big lawyers and the money. That is what I think I was sent here for, but not to be unfair to those who have the money and the lawyers; try to be fair, but I think we were sent here to represent those who have no money, who do not have lawyers or have someone before the courts who can speak with authority.

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

Mr. STAGGERS. Mr. Chairman, I yield to the gentleman from California.

Mr. HOLIFIELD. Mr. Chairman, I want to thank the chairman for the kind things he has said about me. I do not have to call it to his attention, but I want to remind the Members on the floor of the House that I supported the gentleman's bill.

Mr. STAGGERS. Mr. Chairman, the gentleman sure did.

Mr. HOLIFIELD. Because I thought it was a fair bill, a well thought out bill. Now, we are faced in this House with these two amendments which take the price far and above the gentleman's price.

Mr. STAGGERS. No, let me explain that. The Cost of Living Council has set the price of old oil at $5.25 a barrel, and that has been upheld by Mr. Simon and the administration.

Mr. HOLIFIELD. I understand. How about the 35-percent raise?

Mr. STAGGERS. That is allowed only where they can make a case that it is needed, and we did that for the stripper wells.

Mr. HOLIFIELD. Was that in the gentleman's bill?

Mr. STAGGERS. That is right.

Mr. HOLIFIELD. And the 35 percentum?

Mr. STAGGERS. Yes.

Mr. HOLIFIELD. Was the elimination of the companies going up to 30,000 barrels in the bill?

Mr. STAGGERS. No, we did not because I think we are getting up into big production.

Mr. GROSS. Mr. Chairman, I move to strike the necessary number of words.

Mr. Chairman, I take this time simply to ask the gentleman from West Virginia (Mr. STAGGERS), if the price of coal has not doubled or more than doubled, and whether coal is in this bill.

Mr. STAGGERS. Mr. Chairman, if the gentleman would yield, let me say to the gentleman from Iowa that while I do not imagine he knows, we do know that the oil companies of this land control about 90 to 96 percent of the coal in America.

Mr. GROSS. Mr. Chairman, would the gentleman care to answer the question? Is coal in this bill?

Mr. STAGGERS. It is not, but I did not offer any amendment. It was offered by a gentleman from the gentleman's side to eliminate it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas (Mr. ECKHARDT) to the amendment offered by the gentleman from Michigan (Mr. DINGELL).

The question was taken; and on a division (demanded by Mr. HORTON) there were ayes 55, noes 16.

Mr. HORTON. Mr. Chairman, I demand a recorded vote.

A recorded vote was refused.

So the amendment to the amendment was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan (Mr. DINGELL) as amended.

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. MOSS. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 218, noes 175, answered "present" 3, not voting 34, as follows:

[Roll No. 66]

AYES—218

Abdnor	Anderson, Calif.	Ashley
Abzug	Andrews, N.C.	Aspin
Adams	Andrews, N. Dak.	Badillo
Addabbo	Annunzio	Bafalis
Alexander	Ashbrook	Bennett
Bergland	Guyer	Price, Ill.
Bevill	Hanley	Price, Tex.
Biaggi	Hanrahan	Rangel
Biester	Hansen, Wash.	Rees
Bingham	Harrington	Regula
Boland	Harsha	Reid
Bowen	Hays	Reuss
Brademas	Hechler, W. Va.	Riegle
Breckinridge	Heckler, Mass.	Rinaldo
Brinkley	Heinz	Rodino
Broomfield	Helstoski	Roe
Brown, Calif.	Henderson	Rogers
Broyhill, N.C.	Hicks	Roncallo, N.Y.
Burke, Calif.	Holtzman	Rooney, Pa.
Burke, Fla.	Howard	Rose
Burke, Mass.	Hungate	Rosenthal
Burlison, Mo.	Hunt	Roush
Carney, Ohio	Ichord	Roy
Carter	Johnson, Calif.	Roybal
Chisholm	Jones, Ala.	St Germain
Clancy	Jones, N.C.	Sandman
Clark	Jones, Tenn.	Sarasin
Clay	Jordan	Sarbanes
Cleveland	Kastenmeier	Scherle
Cohen	King	Schroeder
Conte	Kluczynski	Seiberling
Conyers	Koch	Shuster
Cotter	Kyros	Sikes
Coughlin	Latta	Slack
Cronin	Leggett	Smith, N.Y.
Culver	Lehman	Snyder
Daniels, Dominick V.	Lent	Staggers
Danielson	Litton	Stanton, J. William
Davis, Ga.	Long, La.	Stanton, James V.
Delaney	Lujan	Stark
Denholm	McCormack	Steele
Dent	McDade	Stokes
Diggs	McFall	Stubblefield
Dingell	Macdonald	Stuckey
Donohue	Madden	Studds
Downing	Madigan	Sullivan
Drinan	Maraziti	Symington
Dulski	Mathis, Ga.	Taylor, N.C.
du Pont	Matsunaga	Thompson, N.J.
Eckhardt	Mazzoli	Thomson, Wis.
Edwards, Calif.	Meeds	Thone
Eilberg	Metcalfe	Tiernan
Eshleman	Mezvinsky	Udall
Evins, Tenn.	Miller	Vander Veen
Fish	Minish	Vanik
Flood	Mink	Vigorito
Flowers	Mitchell, Md.	Waldie
Foley	Mitchell, N.Y.	Walsh
Ford	Moakley	Wampler
Forsythe	Mollohan	Whalen
Fountain	Morgan	Whitten
Fraser	Mosher	Williams
Frey	Moss	Wilson, Charles H., Calif.
Froehlich	Murtha	Wolff
Fulton	Natcher	Wydler
Gaydos	Nedzi	Wylie
Giaimo	Nichols	Yates
Gilman	Nix	Yatron
Ginn	Obey	Young, Ga.
Grasso	O'Hara	Zablocki
Green, Pa.	Owens	Zwach
Grover	Patten	
Gude	Peyser	
Gunter	Pike	
	Preyer	

NOES—175

Anderson, Ill.	Cochran	Gibbons
Archer	Collier	Gonzalez
Arends	Collins, Tex.	Goodling
Armstrong	Conlan	Green, Oreg.
Ashbrook	Corman	Griffiths
Baker	Crane	Gross
Bauman	Daniel, Dan	Gubser
Beard	Daniel, Robert W., Jr.	Haley
Blackburn	Davis, S.C.	Hamilton
Boggs	Davis, Wis.	Hammer-schmidt
Bolling	de la Garza	Hanna
Bray	Dellenback	Hansen, Idaho
Breaux	Dennis	Hastings
Brooks	Derwinski	Hillis
Brotzman	Devine	Hinshaw
Brown, Mich.	Dickinson	Hogan
Brown, Ohio	Dorn	Holifield
Broyhill, Va.	Duncan	Holt
Buchanan	Edwards, Ala.	Horton
Burgener	Erlenborn	Hosmer
Burleson, Tex.	Esch	Huber
Butler	Evans, Colo.	Hudnut
Byron	Fascell	Hutchinson
Camp	Findley	Jarman
Casey, Tex.	Fisher	Johnson, Colo.
Cederberg	Flynt	Johnson, Pa.
Chamberlain	Frelinghuysen	Kazen
Chappell	Frenzel	Kemp
Clausen, Don H.	Fuqua	Ketchum
Clawson, Del	Gettys	Kuykendall
Landgrebe	Perkins	Steiger, Wis.
Landrum	Pettis	Stephens
Long, Md.	Pickle	Symms
Lott	Poage	Talcott
McClory	Pritchard	Taylor, Mo.
McCloskey	Quie	Teague
McCollister	Quillen	Thornton
McEwen	Railsback	Towell, Nev.
McSpadden	Rarick	Ullman
Mahon	Rhodes	Vander Jagt
Mallary	Robinson, Va.	Veysey
Mann	Robison, N.Y.	Waggonner
Martin, Nebr.	Roncalio, Wyo.	Ware
Martin, N.C.	Rousselot	White
Mathias, Calif.	Runnels	Widnall
Mayne	Ruppe	Wiggins
Melcher	Ruth	Wilson, Bob
Michel	Satterfield	Wilson, Charles, Tex.
Milford	Schneebeli	Winn
Mizell	Sebelius	Wright
Moorhead, Calif.	Shipley	Wyatt
Moorhead, Pa.	Shoup	Wyman
Myers	Shriver	Young, Alaska
O'Brien	Sisk	Young, Fla.
Parris	Smith, Iowa	Young, Ill.
Passman	Spence	Young, S.C.
Patman	Steed	Young, Tex.
Pepper	Steelman	Zion
	Steiger, Ariz.	

ANSWERED "PRESENT"—3

Bell	Ryan	Van Deerlin

NOT VOTING—34

Annunzio	Hébert	Podell
Barrett	Jones, Okla.	Powell, Ohio
Blatnik	Karth	Randall
Brasco	McKay	Roberts
Burton	McKinney	Rooney, N.Y.
Carey, N.Y.	Mills	Rostenkowski
Collins, Ill.	Minshall, Ohio	Skubitz
Conable	Montgomery	Stratton
Dellums	Murphy, Ill.	Treen
Goldwater	Murphy, N.Y.	Whitehurst
Gray	Nelsen	
Hawkins	O'Neill	

So the amendment, as amended, was agreed to.

[Mr. VANIK addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

AMENDMENT OFFERED BY MR. GUNTER

Mr. GUNTER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GUNTER: Page 20, after line 2, add the following new subsection:

"(13) develop a program for the use of waste oil from all motor vehicle fleets of any government agency.

Mr. GUNTER. Mr. Chairman, my second amendment asks that the Administrator of the Federal Energy Administration develop a program for the use of waste oil from all motor vehicle fleets of any Government agency, 1 calendar year from the date of enactment of this act

The purpose is obvious. Facts and data developed through the diligence of our colleague, Mr. VANIK of Ohio, a member of the Ways and Means Committee, has established a shocking volume of oil that is now simply wasted, which could be recycled and reused if the effort were made.

Because the Government ought to take the lead itself in setting an example for the rest of the country in conserving energy, I urge the adoption of this amendment to mandate development of a plan for sharply reducing this wastage by increasing use of recycled oil.

The House Ways and Means Committee is considering legislation to encourage expansion of the oil recycling industry. This amendment anticipates such action. It is a second example of the need

to plan, rather than to react, to the energy problems we face.

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

Mr. GUNTER. Mr. Chairman, I yield to the gentleman from Ohio.

Mr. VANIK. Mr. Chairman, I want to commend the gentleman from Florida for his proposal. I think it is a very fine proposal.

Mr. Chairman, I rise in support of the amendment of the gentleman from Florida (Mr. GUNTER) to begin to establish within the Federal Government a comprehensive waste oil recovery program. For the past 3 years, I have sponsored legislation to initiate a national program to recycle our waste oil. Each year over 1 billion gallons of this potentially valuable resource are carelessly disposed. As a result, we not only lose this potential resource, we also seriously degrade our environment.

On November 14, 1973, I wrote to Mr. Arthur Sampson, Administrator of the General Services Administration, to inquire into the status of the Federal Government's program for recycling the waste oil generated by the Federal fleet of automobiles and trucks. I was shocked by the GSA's response. Although the GSA collects extensive data on the Federal fleet, the agency was not able to give me rudimentary information on the amount of waste oil generated by the Federal Government or any clear indication of the fate of that oil. Assistant Administrator Allen G. Kaupinen wrote to me:

The General Services Administration does not maintain the type of data on the Federal fleet which would be required to provide precise answers to all the questions you pose.

To its credit, I understand that the GSA is now taking steps to remedy this situation. On January 17, 1974 the GSA published in the Federal Register a bulletin recommending the establishment in each agency of a program for the proper disposal of waste oil. It is my hope that the Federal Energy Administrator will provide added impetus to these efforts to insure that further positive steps are taken by the Federal Government to exercise leadership in the reclamation of waste oil.

Today we are dumping into the streams and waterways of America about a billion gallons of used oil which can be recycled. The Ways and Means Committee today tentatively approved legislation which would reduce the tax on recycled oil, take a 6-cent tax off the oil to help facilitate the business of recycling.

The proposal which the gentleman has made provides for a Government policy with respect to the used oil which is developed by the Government itself. I think it would be a good example and not only create a supplementary source of oil, but it would help protect the environment by preventing the outflow of waste oil into our sewage systems and streams of America.

Mr. Chairman, I think it is a very fine amendment and I certainly hope the committee would accept it.

Mr. GUNTER. Mr. Chairman, I thank the gentleman from Ohio for his favorable comment.

Mr. HOLIFIELD. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I regret that I have to oppose this amendment. We can agree with the purpose of any kind of program of conservation, but there is no point in trying to convert this bill with all sorts of ideas, interesting or otherwise, for recovering waste fuel. Why not a legislative mandate to weatherstrip windows and doors and for many other protective and conservation measures?

Mr. Chairman, we must assume that the administrator will use good sense and good judgment and be alert to using usable ideas for energy conservation. Undoubtedly, he will read the legislative record we are making today and take notice of the proposals involved in the amendment.

It is neither necessary nor wise to nail it down in the law and make it mandatory. We cannot tell in advance whether the program is even cost effective.

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

Mr. HOLIFIELD. Mr. Chairman, I yield to the gentleman from Florida.

Mr. GUNTER. Mr. Chairman, is the gentleman from California indicating by his comments that this type of conservation measure should be considered in a program developed for the future?

Mr. HOLIFIELD. Mr. Chairman, I certainly think it is within the realm of possibility to be used, and I think it should be used if it is proven to be a conservation measure. I am not opposing the amendment as a possibility. I am opposing the fact that we are trying to nail down one factor in this field as to what the Administrator can do. He can do many things to conserve oil and the use of energy.

Mr. GUNTER. Mr. Chairman, may we state that this colloquy between the gentleman from California and myself and the comments of the distinguished gentleman from Ohio (Mr. VANIK) would serve as encouragement for that action?

Mr. HOLIFIELD. On the condition that it is cost effective, I would advise the Administrator to pursue this matter to its conclusion.

Mr. GUNTER. Mr. Chairman, may we then conclude from your remarks for the purpose of stating legislative intent that the Administrator of the Federal Energy Administration be directed to consider as a conservation measure a program for the recycling of waste oil from motor vehicle fleets of the U.S. Government.

Mr. HOLIFIELD. It surely is.

Mr. GUNTER. Mr. Chairman, on that basis I would ask unanimous consent to withdraw my amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 6. (a) There are hereby transferred to and vested in the Administrator all functions of the Secretary of the Interior, the Department of the Interior, and officers and components of that Department—

(1) as relate to or are utilized by the Office of Petroleum Allocation;

(2) as relate to or are utilized by the Office of Energy Conservation;

(3) as relate to or are utilized by the Office of Energy Data and Analysis; and

(4) as relate to or are utilized by the Office of Oil and Gas.

(b) There are hereby transferred to and vested in the Administrator all functions of the Chairman of the Cost of Living Council, the Executive Director of the Cost of Living Council, and the Cost of Living Council, and officers and components thereof as relate to or are utilized by the Energy Division of the Cost of Living Council.

(c) For a period of three months from the effective date of this Act, the President shall have the authority to transfer to the Administrator, by complying with the procedures established by sections 901 through 913 of title 5, United States Code, if he determines that such transfer would further the accomplishment of the intent and purposes of this Act, any functions of the Department of the Treasury, the Department of the Interior, the Department of Agriculture, or the Department of Commerce, or of any officer or organizational entity thereof, which relate primarily to energy functions as provided in this Act.

Mr. HOLIFIELD (during the reading). Mr. Chairman, I ask unanimous consent that section 6 be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

AMENDMENT OFFERED BY MR. HECHLER OF WEST VIRGINIA

Mr. HECHLER of West Virginia. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HECHLER of West Virginia: Page 20, strike line 22 and all that follows through line 7, page 21.

Mr. HECHLER of West Virginia. Mr. Chairman, section 6(c) of the bill, at the bottom of page 20 and the top of page 21, grants authority to the President to transfer to the Administrator any energy-related functions in four major departments: Treasury, Interior, Agriculture, and Commerce. This is sweeping, unprecedented grant of power to the President, which I believe would be subject to abuse if unchecked.

Let us examine the text of the provision which is now in the bill in order to appreciate the magnitude and scope of the tremendous grant of authority. Section 6(c) now reads:

For a period of three months from the effective date of this Act, the President shall have the authority to transfer to the Administrator, by complying with the procedures established by sections 901 through 913 of title 5, United States Code, if he determines that such transfer would further the accomplishment of the intent and purposes of this Act, any functions of the Department of the Treasury, the Department of the Interior, the Department of Agriculture, or the Department of Commerce, or of any officer or organizational entity thereof, which relate primarily to energy functions as provided in this Act.

We need coal for energy. At the same time, we desperately need manpower to open up new mines and expand existing mines. There is tremendous pressure at the present time to weaken the Federal Coal Mine Health and Safety Act of 1969 in the name of increased production. If you weaken mine safety at a time when we need thousands of new miners, I dare say you will neither get the new miners nor even be able to mine at the existing rate because the coal miners of this Nation will not stand still for another weakening of mine safety standards.

Under the provisions of section 6(c) as now included in the pending bill, the President could transfer the functions of the Mining Enforcement and Safety Administration to FEA and thereby weaken the enforcement of the vital Federal Coal Mine Health and Safety Act of 1969 in the name of expanding coal production. I for one do not intend to allow this to happen, despite the many pressures on the part of the coal industry—and its owners, the oil industry—to relax those safety standards which they contend are burdensome or which slow down production. Of course, safety is expensive; of course, safety is burdensome; but this is no time to play politics with human lives, and if these coal companies would analyze the production process they would come to the sound conclusion that high safety standards result in higher production as well as making it easier to get and keep the necessary manpower to operate the mines.

Under the authority of section 6(c) as now written, the President could transfer the Rural Electrification Administration to the FEA. The Forest Service could be stripped of its authority over the minerals in our national forests. The President could also transfer the oil, gas, and coal functions of the U.S. Geological Survey and the Bureau of Land Management to become tools of energy in the FEA. This could give FEA the authority to speed up leasing of oil shale and coal deposits on Federal lands. It could also give FEA authority over leasing of the Santa Barbara Channel and the Continental Shelf for oil exploration and development. In addition, the various energy functions of the Bonneville Power Administration, the Southwestern Power Administration, the Bureau of Mines and the Bureau of Reclamation could be transferred.

But above all, these unprecedented grants of power and transfer would be in effect the abdication of Congress of its authority and control over functions which have been well-defined and developed down through the years. I hope that my amendment which deletes this entire section 6(c) of the bill will be adopted.

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

Mr. HECHLER of West Virginia. I will gladly yield to my friend, the gentleman from New York.

Mr. HORTON. Mr. Chairman, I have discussed this amendment with my colleagues on this side, and we are willing to accept the amendment.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman from West Virginia yield?

Mr. HECHLER of West Virginia. I yield to the chairman of the committee, the able gentleman from California?

Mr. HOLIFIELD. Mr. Chairman, we have looked at the amendment carefully, and we think it is a good amendment. We accept the amendment on this side.

Mr. HECHLER of West Virginia. I commend the gentleman from California and the gentleman from New York for their courtesy and consideration in accepting my amendment. Mr. Chairman, may I ask one further question of the chairman of the committee?

Referring to page 23, lines 18 to 20, I propose to introduce a further amendment which deletes section 7(j) which now reads:

The Administrator shall perform such other activities as may be necessary for the effective fulfillment of his duties and functions.

The CHAIRMAN. The Chair will state to the gentleman that we have not reached that point.

Mr. HECHLER of West Virginia. Mr. Chairman, I am merely making an inquiry of the gentleman from California on my time. I am not submitting the amendment at this time. I am simply attempting, while I hold the floor, to solicit some support for the amendment which I hope to offer when we reach section 7 on page 23. I hope the gentleman from California will be equally generous in accepting my amendment to delete section 7(j) when we reach that point in the bill.

Mr. HOLIFIELD. Mr. Chairman, if the gentleman from West Virginia will yield, I will state to the gentleman that I believe that is an effective amendment, and when we get to that page, the gentleman may offer it.

Mr. HECHLER of West Virginia. Mr. Chairman, I thank the gentleman from California who has made a double display of his wisdom in accepting my two amendments. It seems to me that these two sections of the present bill confer far too much unrestricted power on the Administrator of the FEA, with a comparable abandonment of congressional responsibility. I am very pleased that the chairman of the committee has voiced his agreement with my views by accepting these two amendments.

The CHAIRMAN. The question is on the amendment offered by the gentleman from West Virginia (Mr. HECHLER).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. HORTON

Mr. HORTON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HORTON: Page 20, insert after line 21 the following:

(c) If S. 2589, 93d Congress (popularly known as the Emergency Energy Act) is enacted, then effective on the later of the effective date of this Act or the date of enactment of the Energy Emergency Act, all functions of the Administrator of the Federal Energy Emergency Administration (created by the Energy Emergency Act) are transferred to and vested in the Administrator of the Federal Energy Administration (created by this Act).

Mr. HORTON. Mr. Chairman, this is a conforming amendment to merge the Federal Energy Emergency Administration established by the Jackson-Staggers bill, S. 2589, into the Federal Energy Administration established by the present bill. In this respect, it carries out the intent of the Jackson-Staggers bill and the conferees that the FEEA provided by that bill was to be a first step toward a single agency to deal with the energy emergency.

Section 103(d) of the Jackson-Staggers bill makes clear that the FEEA was to be established "until May 15, 1975, unless superseded by law." The conference report said:

The conferees wish to emphasize that the creation of a temporary Federal Energy Emergency Administration under this Act does not remove the necessity of the Congress acting upon the legislation reported by the House and Senate Government Operations Committees. The need for statutory creation of an administrative office within the Executive Branch which consolidates energy policy related functions of government remains real and immediate. This Act provides the basic authority to initiate the establishment of such an administrative office.

The proposed amendment makes the necessary technical change to merge the two agencies as contemplated. I urge its adoption.

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

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

Mr. HOLIFIELD. Mr. Chairman, I have not had a chance to confer with my colleagues. As I understand it, that bill has been vetoed at the present time.

Is the gentleman aware of what action has been taken?

Mr. HORTON. Mr. Chairman, I have no information with regard to what action has been taken, but I believe it appropriate that we take this action at this time on the bill.

Mr. HOLIFIELD. Mr. Chairman, I see no harm in the amendment. If something happens which I cannot predict, if something happens in the House with regard to that bill, we can remove it in conference.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. HORTON).

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

ADMINISTRATIVE PROVISIONS

SEC. 7. (a) The Administrator may appoint, employ, and fix the compensation of such officers and employees, including attorneys, as are necessary to perform the functions vested in him and prescribe their authority and duties.

(b) The Administrator may employ experts, expert witnesses, and consultants in accordance with section 3109 of title 5 of the United States Code, and compensate such persons at rates not in excess of the maximum daily rate prescribed for GS-18 under section 5332 of title 5 of the United States Code for persons in Government service employed intermittently.

(c) The Administrator is authorized to establish advisory boards, in accordance with the provisions of the Federal Advisory Committee Act (Public Law 92-463), to advise with and make recommendations to the Administrator on legislation, policies, administration, research and other matters,

and compensate members thereof other than those employed by the Federal Government at rates not in excess of the maximum daily rate prescribed for GS–18 under section 5332 of title 5 of the United States Code for each day they are engaged in the actual performance of their duties (including traveltime) as members of a committee and pay such persons travel expenses and per diem in lieu of subsistence at rates authorized by section 5703 of title 5 of the United States Code for persons in Government service employed intermittently. The Administrator, pursuant to this subsection, shall establish and consult with an advisory board of State public utility commissioners, selected in consultation with the national organization of State commissions, regarding proposed policies and programs directly affecting their regulatory jurisdiction.

(d) The Administrator may promulgate such rules, regulations, and procedures as may be necessary to carry out the functions vested in him.

(e) The Administrator may utilize, with their consent, the services, personnel, equipment, and facilities of Federal, State, regional, local, and private agencies and instrumentalities, with or without reimbursement therefor, as determined by the Administrator, and transfer funds made available pursuant to this Act to Federal, State, regional, local, and private agencies and instrumentalities as reimbursement for utilization of such services, personnel, equipment, and facilities.

(f) The Administrator may accept voluntary and uncompensated services, except where such services involve administrative proceedings, investigations, or enforcement powers notwithstanding the provisions of section 3679 of the Revised Statutes of the United States (31 U.S.C. 665).

(g) The Administrator shall cause a seal of office to be made for the Administration of such design as he shall approve, and judicial notice shall be taken of such seal.

(h) The Administrator may accept unconditional gifts or donations of money or property, real, personal, or mixed, tangible or intangible.

(i) The Administrator may enter into and perform contracts, leases, or cooperative agreements with any public agency or instrumentality or with any person, firm, association, corporation, or institution.

(j) The Administrator shall perform such other activities as may be necessary for the effective fulfillment of his duties and functions.

(k) The Administrator shall study and report to the Congress within two months from the effective date of this Act on fair and equitable administrative procedures needed to assure that all persons and business concerns will receive equitable treatment under actions of the Administration: *Provided, however,* That, pending the adoption of such procedures, the administrative procedures established in sections 207 and 211 of the Economic Stabilization Act of 1970 (12 U.S.C. 1904 note) shall be applicable to all actions and activities of the Administration.

Mr. HORTON (during the reading). Mr. Chairman, I ask unanimous consent that section 7 be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

AMENDMENT OFFERED BY MR. HORTON

Mr. HORTON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HORTON: On page 23, line 25, strike the colon and insert a period in lieu thereof.

On page 24, strike lines 1 through 5.

Mr. HORTON. Mr. Chairman, this is also a conforming amendment. The House and Senate, of course, have passed S. 2589 to enact the Energy Emergency Act. That bill includes a number of significant changes in the administrative procedures governing fuel pricing and allocation and other programs provided by that bill.

The amendment I have proposed recognizes and conforms to those changes by deleting a conflicting provision in the bill now before us. That provision would continue without change the current administrative procedures applicable to the fuel allocation and pricing programs and therefore would conflict with the changes provided in the Jackson-Staggers bill.

By adopting the amendment I propose, the present bill will be compatible regardless of what happens to S. 2589. If that bill is signed, the present bill will automatically conform to the administrative procedures in that bill. If it is vetoed, the present bill will automatically conform to the administrative procedures provided by existing law.

In any case, under the remaining provisions of the present bill, the administration will be required to make a report within 2 months with recommendations for changes in administrative procedures to assure fairness and equity. At that time, those recommendations will be considered by the appropriate committees of jurisdiction and Congress can make any changes in administrative procedures.

Mr. HECHLER of West Virginia. Mr. Chairman, will the gentleman yield?

Mr. HORTON. I yield to the gentleman.

Mr. HECHLER of West Virginia. Do I understand the gentleman's amendment also deletes lines 18 to 20 on page 23?

Mr. HORTON. No. That is not in the amendment.

Mr. HECHLER of West Virginia. I thank the gentleman.

AMENDMENT OFFERED BY MR. BROYHILL OF NORTH CAROLINA AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. HORTON

Mr. BROYHILL of North Carolina. Mr. Chairman, I offer an amendment as a substitute for the amendment offered by the gentleman from New York (Mr. HORTON).

The Clerk read as follows:

Amendment offered by Mr. BROYHILL of North Carolina as a substitute for the amendment offered by Mr. HORTON: On page 23, lines 21–25, and page 24, lines 1–5, delete the text beginning with "The Administrator" and ending with "Administration" and substitute therefor the following:

"(i)(A) Subject to paragraphs (B), (C), and (D) of this subsection, the provisions of subchapter II of chapter 5 of title 5, United States Code, shall apply to any rule, regulation or order (including any rule, regulation or order of a state or local government or officer thereof) issued pursuant to Sections 5 and 7 of this title or pursuant to any function, action or activity thereunder.

(B) Notice of any proposed rule, regulation or order described in paragraph (A) shall be given by publication of such proposed rule, regulation or order in the Federal Register. In each case, a minimum of ten days following such publication shall be provided for opportunity to comment; except that the requirements of this paragraph as to time of notice and opportunity to comment may be waived where strict compliance is found to cause serious harm or injury to the public health, safety or welfare, and such findings are set out in detail in such rule, regulation or order. In addition, public notice of all rules, regulations or orders promulgated by officers of a State or local government pursuant to this Act shall to the maximum extent practicable be achieved by publication of such rules, regulations or orders in a sufficient number of newspapers of statewide circulation calculated to receive widest possible notice.

(C) In addition to the requirements of paragraph (B), if any rule, regulation or order described in paragraph (A) is likely to have a substantial impact on the Nation's economy or large numbers of individuals or businesses, an opportunity for oral presentation of views, data, and arguments shall be afforded. To the maximum extent practicable, such opportunity shall be afforded prior to the issuance of such rule, regulation or order, but in all cases such opportunity shall be afforded no later than 45 days after the issuance of any such rule, regulation or order. A transcript shall be kept of any oral presentation.

(D) Any officer or agency authorized to issue rules, regulations or orders described in paragraph (A) shall provide for the making of such adjustments, consistent with the other purposes of this Act, as may be necessary to prevent special hardships, inequity, or an unfair distribution of burdens and shall in rules prescribed by it establish procedures which are available to any person for the purpose of seeking an interpretation, modification, or rescission of, or an exception to or exemption from, such rules, regulations and orders. If such person is aggrieved or adversely affected by the denial of a request for such action under the preceding sentence, he may request a review of such denial by the officer or agency and may obtain judicial review in accordance with subsection (ii) when such denial becomes final. The officer or agency shall, in rules prescribed by it, establish appropriate procedures, including a hearing where deemed advisable, for considering such requests for action under this paragraph.

(E) In addition to the requirements of section 552 of title 5, United States Code, any agency authorized by this Act to issue rules, regulations or orders shall make available to the public all internal rules and guidelines which may form the basis, in whole or in part, for any rule, regulation or order with such modifications as are necessary to insure confidentiality protected under such section 552. Such agency shall, upon written request of a petitioner filed after any grant or denial of a request for exception or exemption from rules or orders, furnish the petitioner with a written opinion setting forth applicable facts and the legal basis in support of such grant or denial. Such opinions shall be made available to the petitioner and the public within thirty days of such request and with such modifications as are necessary to insure confidentiality of information protected under such section 552.

(ii)(A) Judicial review of administrative rulemaking of general and national applicability done under this Act may be obtained only by filing a petition for review in the United States Court of Appeals for the District of Columbia within thirty days from the date of promulgation of any such rule or regulation, and judicial review of administrative rulemaking of general, but less than

national, applicability done under this Act may be obtained only by filing a petition for review in the United States Court of Appeals for the appropriate circuit within thirty days from the date of promulgation of any such rule or regulation, the appropriate circuit being defined as the circuit which contains the area or the greater part of the area within which the rule or regulation is to have affect.

(B) Notwithstanding the amount in controversy, the district courts of the United States shall have exclusive original jurisdiction of all other cases or controversies arising under this Act, or under regulations or orders issued thereunder, except any actions taken to implement or enforce any rule or order by any officer of a State or local government under section 5(3) of this Act except that nothing in this section affects the power of any court of competent jurisdiction to consider, hear, and determine in any proceeding before it any issue raised by way of defense (other than a defense based on the constitutionality of this title or the validity of action taken by any agency under this Act). If in any such proceeding an issue by way of defense is raised based on the constitutionality of this Act or the validity of action under this Act, the case shall be subject to removal by either party to a district court of the United States in accordance with the applicable provisions of chapter 89 of title 28, United States Code. Cases or controversies arising under any rule, regulation or order of any officer of a State or local government may be heard in either (1) any appropriate State court, and (2) without regard to the amount in controversy, the district courts of the United States.

(iii) The Administrator may by rule prescribe procedures for State or local governments which carry out functions under this Act. Such procedures shall apply to such governments in lieu of subsection (i), and shall require that prior to taking any action, such governments shall take steps reasonably calculated to provide notice to persons who may be affected by the action, and shall afford an opportunity for presentation of views (including oral presentation of views where practicable) at least 10 days before taking the action.

EXPLANATION OF AMENDMENT TO H.R. 11793

The primary purpose of the proposed amendment is to establish administrative procedures comparable to those adopted without controversy by both the Senate and the House in the pending emergency energy legislation (S. 2589 and H.R. 11450) for the Administrator to follow in carrying out the functions vested in him by Sections 5 and 7 of the bill. A secondary purpose is to resolve a direct conflict that currently exists in the bill between sections 7(k) and 9(g) and that will create vast confusion unless clarified.

As currently drafted H.R. 11793 does contain an administrative procedures provision, but it is inadequate and ignores concurrent developments in connection with other pending energy legislation. Section 7(k) provides that the Administrator shall study and report to Congress on the appropriate procedures that should be applicable to the exercise of the Administrator's functions under the Act. This section also provides that in the interim pending adoption of the recommended procedures, the procedures of the Economic Stabilization Act shall apply.

Such a provision—including the reguirement for a study—would be appropriate in the absence of the work done by both Houses on administrative procedures for the energy crisis in connection with S. 2589. The Economic Stabilization Act procedures have not been formally reviewed by Congress since enactment in 1970, and they have in fact proved to be highly unsatisfactory because they provide wholly inadequate rights to hearing and judicial review. In short, they do require study. But Congress has given plenary consideration to, and adopted without controversy, specific administrative procedures in S. 2589 that are designed specially to deal with the energy crisis and the needs of the Administrator to respond thereto. There is, in other words, no need for further study; the necessary consideration has already been given to the issues. If these procedures ultimately do prove unworkable, there will be ample time to prescribe new ones. H.R. 11793 is only a temporary measure anyway, and the procedures can be reconsidered when and if H.R. 11793 is revisited in two years.

The second reason for the amendment is to eliminate a direct conflict between Section 7(k) and 9(g). Section 9(g) provides that functions transferred to the Administrator pursuant to Section 6 of the bill should be exercised pursuant to the administrative procedures currently applicable to those functions. This is appropriate to prevent disruption of on-going proceedings. The different procedures contained in the proviso to Section 7(k), however, are expressly made applicable to "*all* actions and activities of the Administration" (emphasis added.) The amendment makes it clear that the procedures provided therein apply to functions under Section 5 and 7 of the Act, not transferred functions under Section 6. The amendment proposes the procedures of S. 2589 rather than the Economic Stabilization Act procedures because, as noted above, the former procedures have been fully considered recently by both Houses in acting upon S. 2589, while the Economic Stabilization Act procedures, which have proved highly unsatisfactory because they provide wholly inadequate rights to hearing and judicial review, have not been formally reviewed by Congress since enactment.

Mr. BROYHILL of North Carolina (during the reading). Mr. Chairman, I ask unanimous consent that the amendment offered as a substitute for the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. HOLIFIELD. Mr. Chairman, if the gentleman will yield, I would ask the gentleman from North Carolina in what way his amendment expands or deletes the procedures from the Standard Administrative Procedures Act.

Mr. BROYHILL of North Carolina. Mr. Chairman, let me explain to the gentleman from California that, as reported from committee, H.R. 11793 creates an important and powerful regulatory agency. The bill as reported gives to its Administrator a wide range of functions in sections 5 and 7(j) and an extremely broad grant of rulemaking authority in section 7(d). In addition, functions of other agencies are transferred to this agency under the provisions of section 6 while their procedures appear to be transferred in section 9(g). Under these powers the Administrator can "prevent unreasonable profits," "promote stability in energy prices," "develop and oversee—mandatory energy programs," in addition to the transfers under section 6. In regard to the promulgation of rules, regulations, and orders by the Administrator, the bill seems to provide several different procedures. There are, however, three basic possible alternatives as to what procedures will govern:

First. The bill as reported contains provision for a 2-month study period and report to Congress on fair and equitable "administrative procedures." In the interim the provisions of sections 207 and 211 of the Economic Stabilization Act would apply. This is a totally unsatisfactory approach. The many problems caused by actions taken under the Economic Stabilization Act without suitable administrative procedures are the strongest arguments to oppose the applicability of those provisions in the crucial initial 2 months of Federal Energy Administration existence.

Second. It is possible that the procedures of whatever agency transfers authority to FEA would apply. This would lead to an inconsistency in rulemaking proceedings of FEA. Some proceedings of transferor agencies are not geared to actions taken in an emergency atmosphere. One individual might partake in three proceedings before FEA, all being conducted under different rules of procedure. This can only result in confusion and ineffectiveness.

Third. The amendment before the House which parallels the provisions contained in the Emergency Energy Act is a carefully thought out procedure geared to be utilized in the context of the emergency nature of actions required.

It allows the Administrator to act immediately where such action is required but at the same time affords an opportunity for prior to implementation input and after implementation review.

Section 19 of the act provides for an expiration date 2 years from the effective date. We are all aware that this legislation may be around for a considerably longer time. The powers of the FEA may grow tremendously, either from amendment or transfer of authority. It is essential, therefore, that the bill contain from the beginning the best possible procedural safeguards.

The probability of Presidential veto of the Emergency Energy Act, S. 2589, raises even further the possibility that the Administrator will be able to exercise independently the functions and rulemaking authority contained in H.R. 11793.

Section 5 containing the functions of the Administrator and section 7 with its rulemaking authority are not to be lightly regarded. The former enumerates 12 distinct areas in which the Administrator is authorized to act. The latter provides for a rulemaking authority similar to that in which other agencies have issued broad substantive rules.

If S. 2589 is vetoed, a successor bill may be passed without satisfactory procedural safeguards, making it all the more essential to amend section 7(k) in H.R. 11793.

THE NEED FOR ADMINISTRATIVE DUE PROCESS

Legislation which in the past has attempted to meet emergency or crisis situations has failed to provide for suitable Administrative Procedural provisions. The goal of procedures in this type of legislation should be to provide orderly process for affected individuals and corporations while at the same time providing the greatest degree of safeguards to

those individuals and corporations affected by the actions of the agency consistent with the necessity for prompt agency actions.

Actions taken by the Administrator in carrying out the functions under this bill will have a deep and far-reaching effect. The amendment provides that a publication in the Federal Register will give at least 10 days notice of a proposed rule, regulation or order and shall provide an opportunity for comment. In the past agencies such as the Cost of Living Council have acted without having the benefit of those who will be most affected by an action. Often the prior views of those knowledgeable in the field being regulated could have prevented an ill-conceived plan or rule from going into effect—a plan or rule which often had to be subsequently altered. The functions of the agency can best be carried out by an Administrator who issues rules, regulations, or orders which emanate from the greatest possible data base. The provision in this amendment allowing a period of comment prior to implementation goes a long way toward achieving that goal.

Instances may occur where to achieve the purposes of the act immediate action is required on the part of the Administrator. The amendment provides that the provisions for notice and opportunity to comment may be waived where strict compliance is found to cause serious impairment to the operation of the program. In order to insure that this provision for waiver is not abused by the Administrator, his findings requiring the necessity of the waiver must be set out in the rule, regulation, or order.

The Administrator will likely promulgate rules, regulations, or orders which will have a substantial impact on the Nation's economy or on large numbers of individuals or business. Under the procedures of the Economic Stabilization Act such important actions have been taken with little or no opportunity for presentation of views. Promulgations of such monumental import should at the least be accomplished after affected parties are afforded the basic right to orally present their views. This will result in better actions by the agency and allow individuals and corporations an opportunity for a face-to-face hearing and to suggest modifications where they have reason to believe that a proposal will unduly burden them. Such modification may bring about an equally effective result without causing a severe hardship to any one party or group. Where possible the amendment provides for oral comment prior to implementation but in no event later than 45 days after implementation.

In many instances actions taken by an agency have had results on individuals, corporations, or segments of the economy which have proved disastrous. This amendment establishes a standard of review whereby adjustment can be made to prevent special hardships, inequity or unfair distribution of burdens.

The procedures contained in the amendment are entirely consistent with the emergency nature of the legislation. They provide basic safeguards, while at the same time allowing the Administrator to act immediately where circumstances require that he do so.

The primary purpose of the proposed amendment is to establish administrative procedures comparable to those adopted without controversy by both the Senate and the House in the pending emergency energy legislation (S. 2589 and H.R. 11450) for the Administrator to follow in carrying out the functions vested in him by sections 5 and 7 of the bill. A secondary purpose is to resolve a direct conflict that currently exists in the bill between sections 7(k) and 9(g) and that will create vast confusion unless clarified.

As currently drafted H.R. 11793 does contain and administrative procedures provision, but it is inadequate and ignores concurrent developments in connection with other pending energy legislation. Section 7(k) provides that the Administrator shall study and report to Congress on the appropriate procedures that should be applicable to the exercise of the Administrator's functions under the act. This section also provides that in the interim pending adoption of the recommended procedures, the procedures of the Economic Stabilization Act shall apply.

Such a provision—including the requirement for a study—would be appropriate in the absence of the work done by both Houses on administrative procedures for the energy crisis in connection with S. 2589. The Economic Stabilization Act procedures have not been formally reviewed by Congress since enactment in 1970, and they have in fact proved to be highly unsatisfactory because they provide wholly inadequate rights to hearing and judicial review.

In short, they do require study. But Congress has given consideration to, and adopted without controversy, specific administrative procedures in S. 2589 that are designed specially to deal with the energy crisis and the needs of the Administrator to respond thereto. There is, in other words, no need for further study; the necessary consideration has already been given to the issues. If these procedures ultimately do prove unworkable, there will be ample time to prescribe new ones. H.R. 11793 is only a temporary measure anyway, and the procedures can be reconsidered when and if H.R. 11793 is revisited in 2 years.

The second reason for the amendment is to eliminate a direct conflict between section 7(k) and 9(g). Section 9(g) provides that functions transferred to the Administrator pursuant to section 6 of the bill should be exercised pursuant to the administrative procedures currently applicable to those functions. This is appropriate to prevent disruption of ongoing proceedings. The different procedures contained in the proviso to section 7(k), however, are expressly made applicable to "all actions and activities of the Administration." The amendment makes it clear that the procedures provided therein apply to functions under section 5 and 7 of the act, not transferred functions under section 6. The amendment proposes the procedures of S. 2589 rather than the Economic Stabilization Act procedures because, as noted above, the former procedures have been fully considered recently by both Houses in acting upon S. 2589, while the Economic Stabilization Act procedures, which have proved highly unsatisfactory because they provide wholly inadequate rights to hearing and judicial review, have not been formally reviewed by Congress since enactment.

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

Mr. BROYHILL of North Carolina. I would be delighted to yield to the Chairman, the gentleman from California.

Mr. HOLIFIELD. I thank the gentleman for yielding.

I will say to the gentleman that this is a long amendment. There are a number of pages. Neither Mr. HORTON nor I have had a chance to study it. I, therefore, feel that we had better put this thing on ice. When the gentleman leaves the well, therefore, I am going to move that the Committee do now rise so that we can study this over night and know what we are doing.

Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. FLYNT, 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. 11793) to reorganize and consolidate certain functions of the Federal Government in a new Federal Energy Administration in order to promote more efficient management of such functions, had come to no resolution thereon.

PROPOSED IMPROVEMENT IN THE POSTAL REORGANIZATION ACT

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

Mr. HANLEY. Mr. Speaker, the across-the-board increases in postal rates which went into effect last Saturday dramatize an issue which needs to be thoroughly aired during the coming months: That the move toward a break-even concept of postal operations presages continued increases in postal rates and possibly continued reductions in the quality of service which the American people expect and deserve.

During the past year, the Subcommittee on Postal Service, which I have the honor to chair, has conducted an extensive series of investigations and hearings into many aspects of the operations of the Postal Service. We are now in the final stages of a report on these studies, so I will not go into detail here.

The work of the subcommittee, however, has led me to the conclusion that we must substantially subsidize the Postal Service if we are to maintain quality service at reasonable rates.

The Postal Reorganization Act of 1970 established the principle that ultimately the Postal Service should break even; that in most cases the users should pay

the full cost. While we still appropriate a fairly substantial sum of money to the Postal Service, this figure is scheduled to drop yearly until it reaches a point of virtual insignificance in 1984.

It would be far too simple to assert that the Postal Reorganization Act turned its back on history by asserting that the Postal Service should at least break even.

The debate as to the nature of Postal Service has seesawed back and forth throughout our history between those who felt that the users should pay the total costs of the service provided them and those who felt that the unique nation-building aspect of the mail was of sufficient general value to warrant at least some payments from the general revenue.

But while the argument has raged, historical practice has fairly consistently come down on the side of some nature of subsidy.

The old Washington, D.C., Post Office bears an inscription which, in flowery language, sums up America's early image of our nationwide mail system. Thus, the Post Office was the:

Message of Sympathy and Love
Servant of Parted Friends
Consoler of the Lonely
Band of the Scattered Family
Enlarger of the Common Life
Carrier of News and Knowledge
Instrument of Trade and Industry
Promoter of Mutual Acquaintance
Of Peace and Good Will Among Men and Nations.

Throughout the 19th century, this image was taken most seriously. In many ways the mail was the glue which held together a vast and often querulous nation. The mail brought commerce, industry, goods, news, entertainment, and personal messages to people in all walks of life in all areas of a rapidly expanding nation.

While other modes of communication have partially replaced the social and economic function of the mail, the tremendous Postal Service network is still the most important communications system in the country. Our commerce and industry, our intellectual life, and much of our social life would be radically altered for the worse without the mail.

It is within this context that we should develop and review postal policy. When we talk of first-class letter mail, we should not view it merely as personal letters, bills, financial documents, etc., but as the bond which holds much of our social and economic life together. When we talk of advertising mail, we should not narrowly define it as mail which is expected to profit the sender or the recipient. It is also an essential vehicle by which a significant portion of our commerce is conducted, information on issues is disseminated, and funds for the charitable institutions are raised. When we look at magazines and newspapers, we should not think only of the publishing giants but also of the thousands of nonprofit publications, opinion journals, hometown newspapers, cultural magazines, rural weeklies, religious publications, academic periodicals, professional journals, and other printed material which, as a group, are the guardians of our cultural heritage and a principal means by which knowledge is transmitted and expanded. We could make similar statements about every class and type of mail.

The simple truth is that the mail taken as a whole is more important than the sum total of its constituent parts. An individual letter, newspaper, circular, or package going from Peoria is, in a sense, more significant than the information it transmits from the sender to the recipient. It is an act of communication. And when the billions of such communications yearly are put together, they represent a priceless national asset which benefits directly or indirectly every man, woman, and child in the country.

Thus, it is far too simple to say emphatically that the users of the Postal Service should pay the full cost of operating the mail system, as the Postmaster General has often asserted. The current fetish on the part of many postal officials that every effort should be made to break even will ultimately work great mischief on the service which people expect to get from their post office. But even more important, it could have deleterious effects on the economy as a whole.

We need a business-like operation of the Postal Service. We also need, however, the understanding that the Postal Service is far more than a business, and we must recognize that the Federal Treasury should, therefore, subsidize many aspects of the Postal Service.

If we continue to follow a hard break even concept, postage rates will continue to skyrocket and "noneconomic" but important services could become a thing of the past.

I know that no one in the Postal Service wants any of this to happen; nor do they feel that their obsession will have these consequences. But that does not make them right. We cannot afford to wait until events have proven them wrong.

In the very near future, I plan to offer a bill which will contain a series of amendments to the Postal Reorganization Act. The most significant feature of the bill will be a provision authorizing substantially increased appropriations to the Postal Service to provide for an adequate level of public service and to help keep postal rates down to a manageable level.

I have also expressed my willingness to the Postmaster General to begin a public dialog on the need for continued appropriations. I hope that this bill will serve the purpose. So far, the response from the Postal Service has not been overwhelming. But the sooner the Postal Service, Congress, and the public recognize this basic fact, the sooner we can all join together and get down to making mail service what it should be.

TRIBUTE TO PERLE MESTA, THE "HOSTESS WITH THE MOSTEST"

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

Mr. JARMAN. Mr. Speaker, I rise at this time to pay tribute to Perle Mesta and to welcome her back to Oklahoma City. It is a real pleasure to honor a fellow Oklahoman who has contributed so much to the image of our State.

Perle Mesta is famous for her parties, her political and charitable activities, and her appointment as Minister to Luxembourg. She is know as the "Hostess with the Mostest."

Perle was born in Sturgis, Mich., lived in Texas as a child and moved to Oklahoma City in 1907. A daughter of William Skirvin, oilman and founder of two of the State's finest hotels, she was educated at finishing schools and the Sherwood School of Music in Chicago. She was a dramatic soprano and once described herself as "more dramatic than soprano." On her 11th birthday, she gave her first party. She organized it herself and invited the neighborhood children. The party was a great success and she then and there decided that giving parties was even more fun than going to them.

While studying piano and voice in Chicago, she auditioned to sing with the John Phillip Sousa band and they offered her a contract. Her father refused to let her accept, but did allow her to go to New York to continue her musical studies. It was in New York during the spring of 1916 that she was introduced to George Mesta, a young millionaire from Pittsburgh, owner of the Mesta Machine Co. They were married in 1917.

During World War I, George Mesta was a dollar-a-year man in Washington, where Mrs. Mesta received her introduction to the Capital's society and directed the Washington Stage Door Canteen. After the war and until his sudden death in 1929, Mesta took his wife abroad with him on more than 20 occasions, most of them business trips, and made her a member of the board of directors of the Mesta Machine Co. Although she was not active in the management of the company, which manufactured steel rolling mills, she did a great deal to help better the working conditions of the employees. Perle persuaded her husband to put in a hospital and cafeteria for his employees and to give the apprentices time off with pay. She also helped the workers' wives organize a nursery, and would herself work in the nursery when time permitted.

The Mestas were very close during their married life and were never apart. His sudden death came as a terrible shock to Perle and the period following was a difficult and unsettled period for her.

Active participation in politics began in the mid-1930's. It was then that she first became a member of the National Women's Party, in which she served for a time as chairman of the public relations committee and then as a council member. Her rise to the position of Washington's most important unofficial hostess began in 1941 after she had changed her allegiance from the Republicans to the Democrats. She saw Senator Harry Truman of Missouri as a man destined for a greater future and, when he was scheduled to give a speech in Oklahoma City, she arranged a party in

his honor at the Hotel Skirvin which is said to have been one of the most elaborate ever held there. She worked for the Democrats in the 1944 campaign and, when Truman became Vice President, Perle was the first to entertain him. In 1948–49, she was cochairman of the Jefferson-Jackson Day Dinners and proved to be a valuable fundraiser.

She was cochairman of President Harry S. Truman's Inaugural Ball in 1949. In that year, she was one of the 15 members of the Assay Commission appointed by the President to see that the coins produced by the mint in Philadelphia met with the prescribed standards.

Perle was appointed Minister to Luxembourg by President Truman and remained in that post for 4 years. As Minister to that storybook country, she had no set policy other than to ask herself "What can I do today that will help my country and will help Luxembourg?" She had continual disagreements with a few State Department officials in Washington and with some of the foreign service officers on the Legation staff as she did not always follow their advice and they seemed to resent the fact that she was a political appointee and had not come up through the diplomatic ranks. They had figured her to be a social butterfly, who would spend most of her time chasing around Europe, but were sadly mistaken. Madam Minister took her assignment seriously and did honor to her post.

During her tenure in Luxembourg, she gave parties at her own expense for American GI's every Saturday of every month, entertaining some 25,000 men and women in our Armed Forces. While in Luxembourg she initiated a program of personally sponsoring the education in American colleges of worthy students from that country and around the world. The only strings she ever attached to her assistance was that the students must return to their own country to put to work the benefits from their education.

On her last day as Madam Minister, she was given a touching farewell. Two hundred orphan children dressed in their best clothes, with faces scrubbed, came to the Legation to present a gift—two farewell poems they had written themselves—to their American "Auntie." She then dried her eyes and drove off toward London for the coronation of Queen Elizabeth II.

In spite of some pretty sharp gibes, she enjoyed the musical comedy "Call Me Madam", a satire on how a certain Washington hostess had earned her way to a high diplomatic post by throwing parties for President Truman and many other Democrats. Perle commented that she couldn't take offense, because in too many cases the shoe fit—she said that although she was once a hopeful dramatic soprano, she could not sing like Ethel Merman, she did not fall in love with the foreign minister like the fictional lady ambassador in the musical, but she did earn her diplomatic post through service to the Democratic Party. She admitted that she did bypass channels and go directly to the President when she wanted to get things done and that she loved to give parties—lots of them.

Perle Mesta is a woman of affable charm, gracious and knowledgeable in the ways of pleasant living. Her parties are legendary and her guests included the mighty and the famous from around the world. Most of her parties had a purpose. She knew that socializing brings people together and that getting people together promotes better understanding of common problems. She mixed government officials, diplomats, businessmen and professional people. She liked to have guests who were in the thick of things, and large or small the parties of Washington's No. 1 hostess were never dull or boring.

Unfortunately, Mrs. Mesta broke her hip in 1972 and is temporarily confined to the Wendemere Retirement Hotel in Oklahoma City, but will soon make her home with her brother, William Skirvin. It is our great pleasure and pride to again have as a resident of our State "Madam Minister" who is truly the "Hostess with the Mostest."

NO VA DISABILITY BENEFITS FOR INJURIES SUSTAINED IN ARMED ROBBERIES

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

Mr. TALCOTT. Mr. Speaker, recently, the Administrator of the Veterans' Administration, and the VA itself, drew considerable unwarranted criticism from some so-called Vietnam veterans in Los Angeles who contended their claims for service-connected disability and medical care benefits were wrongly denied by the VA.

To achieve their objective, they "satin" and "fasted" in Senator CRANSTON'S Los Angeles office and for days obtained reels and reams of sympathetic coverage from the media.

Undoubtedly, the Administrator and the VA have not handled this confrontation perfectly, but some of the goading, misrepresentations and frustrations have not been reported, and it should be known that the claim of one of their "leaders" is outrageous and should not be honored.

By an unusual coincidence, I happened to remember that a leader of the "sit-inners" was a Michael Dennis Inglett. He may have served in Vietnam and he may have sustained minor injuries; but I recall that he was once stationed at Fort Ord, in my district near my home; and while a.w.o.l., he tried to hold up a liquor store in Moss Landing; he was caught in the act with a gun and stolen money, by the owner or a clerk, and in the melee was shot in the neck, which caused the principal disability for which he is seeking VA disability benefits now.

Store robbing is not yet "service-connected."

The VA serves over 1,200,000 inpatients, and 14,974,000 outpatients each year—mostly with competence, compassion and promptness.

Of course in any agency this large, serving so many persons in trouble, there will be numerous complaints, and some justified.

Legitimate complaints of deserving veterans should be quickly rectified. But for injuries sustained while robbing a liquor store, there should be no VA disability benefits.

We can all sympathize with Mr. Inglett's paraplegic condition. We can be sincerely sorry for him. We can understand the compassion the press can generate for him and the anger that can be engendered against the VA.

But the law does not, and should not, allow the VA to pay disability benefits to even bona fide Vietnam veterans whose disability was incurred in an armed hold-up while a.w.o.l.

My files are replete with unsolicited letters, even testimonials, from grateful veterans, and their families, for the superior benefits, the exceptional programs, the compassionate service and the extraordinary efforts made by the VA, from the Administrator through the newest employee in a regional facility, to provide the best service to veterans ever provided for any veteran in any country at any time.

There is a joy, as well as grief, in the tumult—if anyone wants to listen.

AMENDMENTS TO BE OFFERED TO H.R. 11035, METRIC CONVERSION ACT, BY CONGRESSMAN SPARK M. MATSUNAGA

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

Mr. MATSUNAGA. Mr. Speaker, when H.R. 11035, the metric conversion bill, is considered by the House tomorrow or sometime thereafter, I propose to offer the following amendments:

1. Change Conversion Period to 15, rather than 10 years.

On page 4, line 9, and on page 6, line 15, strike out "ten" and insert "fifteen". Also on page 1, amend the title of the bill accordingly.

2. Conversion assistance to workers.

On page 4, line 14, strike out the semicolon and insert in lieu thereof the following: ", except as provided in this Act; and"

On page 10, at the end of sec. 10(j), add the following new subsections:

"(k) formulate as part of the comprehensive plan required under section 11 of this Act a program of grants to individuals to defray non-reimbursable expenses which must be incurred by them for the purpose of acquiring tools or instruments which are customarily used in their respective occupations, which they are in fact using therein, and which are required as a result of the grant shall not exceed 90 per cent of the first five hundred dollars ($500) of the actual costs of acquiring such tools or instruments, and shall not exceed eighty per cent of such costs in excess of five hundred dollars ($500).

"(l) formulate as part of the comprehensive plan required under section 11 of this Act a program to encourage and facilitate the acquisition by workers of metric skills required as a direct result of the comprehensive plan. Such a program shall deal with at least the following:

(1) costs borne by the worker for instructional materials;

(2) value of workers' time, if metric instruction is scheduled during non-work hours; and

(3) actual travel expenses incurred by workers in order to attend metric instruction classes.

"(m) (1) formulate as part of the comprehensive plan required under section 11 of this Act a program of assistance to individuals or groups of individuals who—

(A) have become totally or partially separated;

(B) are threatened to become totally or partially separated; or

(C) are employed by firms or appropriate subdivisions of firms whose sales or production have decreased as a direct result of conversion to metric according to the comprehensive plan required under section 11 of this Act, either by the firm or subdivision employing such individual or group, or its competitors.

(2) Such a program shall include at least weekly payments to the affected individuals in lieu of wages for an appropriate period of time not to exceed 52 weeks, employment services provided under any other Federal law, manpower training, and job search and relocation allowances."

3. Conversion assistance to small business.

On page 16, at the end of section 19, add the following new section and amend the title of the bill accordingly:

"CONVERSION ASSISTANCE TO SMALL BUSINESS

"SEC. 20. Section 7(b) of the Small Business Act is amended by adding after paragraph (7) a new paragraph as follows:

"(8) to make such loans (either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis) as the Administration, in consultation with the Secretary of Commerce, determines to be necessary or appropriate to assist any business concern to make changes in its equipment, facilities, or methods of operation to conform to the national plan of metric conversion submitted under the Metric Conversion Act of 1973, if the Administration determines that such concern is likely to suffer substantial economic injury without assistance under this paragraph."

Amend the title of the bill accordingly.

The first amendment is intended to give small business and workers who must provide their own tools and equipment five additional years in which to convert to the metric system. This amendment has the endorsement of the Department of Commerce and would obviously be acceptable to both small business and workers alike.

The second amendment is intended to render assistance to individual workers and groups of workers, who must provide their own tools and equipment, to purchase new tools and equipment in converting to the metric system. Where it becomes necessary for any worker to be retrained because of conversion, he would be provided assistance in obtaining the necessary training, and where conversion forces him into partial or total unemployment, Federal assistance would be provided under this amendment.

The third amendment will assist any small business concern to make changes in its equipment, facilities, or methods of operation to conform to the national plan of metric conversion, by authorizing loans under the Small Business Act to such concern, where it would likely suffer substantial economic injury without such assistance.

All three amendments are designed to make the act more workable, without causing anyone undue economic hardship, and I urge the support of my colleagues.

THE NEED FOR ELK HILLS NAVAL PETROLEUM RESERVE

The SPEAKER pro tempore (Mr. DANIELSON). Under a previous order of the House, the gentleman from California (Mr. BELL) is recognized for 60 minutes.

Mr. BELL. Mr. Speaker, we are announcing an effort to discharge from the House Armed Services Committee House Joint Resolution 846 which authorizes increased production of petroleum from the Elks Hills Naval Petroleum Reserve in Kern County, Calif.

For the record I want to begin by saying that I am a former president and chairman of the board of Bell Petroleum Co. of California, and while I am not at the present time directly involved in the management of the company, I continue to own substantial stock in the corporation.

There is absolutely no business or personal advantage to me or to Bell Petroleum in a revision of Government production policy at the Elks Hills Reserve.

Standard Oil, which could benefit, has been a long-time business competitor.

Bell Petroleum Co. which does no business with them is, of course, a small independent.

And anyone who is familiar with the oil business in the United States knows the intense rivalry which exists between the major and the independent segments of the industry.

My views about production at Elk Hills transcends personal or business associations and deal solely with the public interest at a time when oil shortages are causing critical problems in this Nation.

My special concerns with Elk Hills are especially acute because I know well the area and its potential.

Bell Petroleum has had production in Kern County for almost 25 years.

Just last Friday I flew over and inspected the 46,000-acre Naval Reserve.

Including oil available from secondary production, there is probably 3 billion barrels in reserve at Elk Hills, about double the amount that is most commonly mentioned in press reports.

It is an oil field which might provide major production from 15 to 25 years.

The President recommended last year that production at Elk Hills be significantly increased.

The Senate has passed such legislation.

We are now waiting on the House Armed Services Committee and, unless special action is taken by House Members, I fear that we will wait forever.

It is my belief that the basic argument for a strategic military oil reserve in a nation like the United States is wrong because in a military emergency all oil produced here would be available to the military.

But even presuming the need for such a reserve, I believe we are being misled by the existence of Elk Hills in its present form.

It is true that Elk Hills production could very quickly be stepped up to 160,000 or more barrels a day.

But the facilities for storage and for large-scale transportation are not presently adequate to handle this production and, in my judgment, would take more than a year to build.

The Navy also has estimated oil reserves of 15 billion barrels in the North Slope of Alaska and another 16 billion barrels in reserve in oil shale.

Both of these sources could be producing within the lifetime of the Elk Hills field even under fullest production.

Stepped-up production at Elk Hills could contribute to the present 700,000 barrels of oil which the U.S. military withdraws from inventories each day.

War time military requirements are about 1,100,000 barrels a day. Total production in the United States is about 11 million barrels a day.

As you can see, military requirements can be more than adequately met by current civilian production. This historically has been the source of most of their petroleum supplies in war time as well as peace time.

As a matter of practical fact the Navy has no refinery and, therefore, must sell its production to commercial refineries. I assume that they then buy fuel oil, gasoline, and other petroleum products from private oil companies to supply their own needs.

As far as our Nation's petroleum energy needs, we produce 11 million barrels a day in this country and we require 17 million barrels a day. We currently import about 4 million barrels a day, which leaves us a short fall of about 2 million barrels a day.

I am suggesting that for 1 year we make the Elk Hills increased production available for military use so that they will no longer have to call on equivalent barrels of civilian production which can then be used to meet some of our energy needs.

We recognize that the Navy cannot reach the 160,000 barrels a day requested by House Joint Resolution 846 immediately, but with the improvement of some production facilities and the construction of additional pipelines we hope this production figure can be reached within a year's time.

And even if the Middle East market opens up to us tomorrow, consideration involving balance of payments would seem to me to be sufficient to justify full production at Elk Hills.

For these reasons, I am signing the discharge petition which will allow consideration of this subject by the full House.

And I am urging my colleagues of both parties to join with me.

Mr. COUGHLIN. Mr. Speaker, I rise in strong support of House Joint Resolution 846, which would authorize increased production of petroleum from the Elk Hills Naval Petroleum Reserve. The necessity for this measure has been heard, the funds have been appropriated, and yet this legislation still is being held up in the Armed Services Committee.

As many of my colleagues will recall, 2 weeks ago I proposed a six-point program requiring both legislative and ex-

ecutive action to help alleviate the immediate effects of the energy shortage. Included among my six proposals was the recommendation to authorize increased production from Elk Hills.

I acknowledge the need to maintain a substantial amount of fuel to protect our country should an emergency arise. Indeed, I would be foolhardy and irresponsible to support a motion which would serve to drain our Nation's vital military resources.

However, I feel that we can still maintain ample petroleum for our national defense while at the same time affording relief to millions of Americans who have been forced to endure the aggravation of long service station lines. The public, as all my colleagues are well aware, is angry and disgusted with the lack of positive action by both the legislative and executive branches in handling the energy crisis. Americans have a right to be irate—answers to their questions have been slow in coming and measures to ease their hardships have been even slower.

Here is an opportunity to demonstrate to the people that the Congress is aware of the problem and is trying to do something to help each and every individual. The Congress must be responsive—and I urge all of you to act responsibly by pushing for immediate action on this important legislation.

Mr. DRINAN. Mr. Speaker, I urge all Members of the House to sign the discharge petition presently at the Speaker's table to increase production at the Elk Hills Naval Petroleum Reserve to help alleviate our energy shortages.

Energy shortages in this country have been acute. The causes of present energy shortages have been difficult to assess. Yet, there is no excuse for a resource such as that at Elk Hills to be producing 3,000 to 5,000 barrels per day when it has a potential production capability of 160,000 to 260,000 barrels per day. Full production from the Elk Hills facility can reduce our Nation's fuel shortages by as much as 5 or 10 percent.

The Armed Services Committee, apparently operating on a belief that the Elk Hills Naval Petroleum Reserve should be retained for a possible military emergency, has tried to block the passage of this resolution. I, along with others of my colleagues who have signed the discharge petition at the Speaker's table, believe in the vital necessity of opening Elk Hills to alleviate petroleum shortages. The Elk Hills Naval Petroleum Reserve has an estimated 1.2 billion barrels of oil.

I sponsored a resolution to open the Elk Hills Naval Petroleum Reserve on December 6, 1973. The resolution will open Elk Hills for 1 year to alleviate to some degree our present energy crisis. The Navy must look after the fuel needs of our fleet. Opening the Elk Hills Naval Petroleum Reserve will provide within 60 to 90 days approximately 180,000 barrels a day for the fleet. This will reduce the Navy's demand on domestic supplies by a like amount, which will then become available for necessary domestic uses.

Mr. Speaker, the Senate has already passed legislation similar to that before us. They have acted to use a portion of the more than 1.2 billion barrels and known recoverable oil. We must do the same.

We all owe a debt of gratitude to the gentleman from California (Mr. KETCHUM) within whose congressional district the Elk Hills Reserve lies. His leadership in this matter has been commendable. I commend also my distinguished colleague from Massachusetts (Mr. CONTE) for his leadership in this matter. In this day of petroleum shortages, the Elk Hills Reserve represents one of our best sources of domestic petroleum, and should not be permitted to go unused.

In order for production at the Elk Hills Reserve to be increased, the Secretary of the Navy must find that such production is in the national defense, the President must concur with his finding, and a joint resolution must be passed by both Houses of Congress. The first two steps of this process have been completed, and the Senate has passed a joint resolution. It is imperative that the Congress move immediately to complete the authorization. Every day that the Elk Hills Reserve remains closed means that the American people are denied 7½ million gallons of gasoline fuel. The resolution which I have sponsored provides for a 1-year opening of Elk Hills, and further provides that funds received from the sale of Elk Hills crude oil be used to develop and explore the huge Naval Petroleum Reserve No. 4 in Alaska. I urge the Congress to take a leadership role in the development of this vitally needed source of petroleum.

WAGE AND PRICE CONTROLS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. ROUSSELOT) is recognized for 60 minutes.

Mr. ROUSSELOT. Mr. Speaker, wage and price controls have been an economic disaster. Inflation is running rampant and shortages of vital commodities are emerging in all sectors of our domestic economy. There is no way that controls can deal with the real causes of inflation, and there is no way that controls can provide the incentive for growth and investment that is needed to stimulate production.

Inflation is generated by the Federal Government, and the new budget for fiscal year 1975 offers no relief. It is estimated that the budget will operate at a deficit of $18.1 billion in Federal funds for fiscal year 1974, and at a deficit of $17.9 billion in fiscal year 1975. In addition, total projected outlays for fiscal year 1975 have swollen to $304.4 billion in 1975, which is an increase of approximately $29.7 billion over fiscal year 1974. This continued tendency of the Federal Government to increase spending for goods and services financed through heavy deficits, coupled with the Federal Reserve Board's creation of new money, is the cause of the inflation we are currently experiencing. It is obvious that controls can do nothing to remedy this situation, but we in Congress can. We can approve legislation to bring the budget under control, we can approve legislation calling for a balanced budget, we can reduce Federal spending, and we can exercise our constitutional prerogative to control the Fed's creation of new money. The responsibility is clearly ours.

In a discussion of the controls, an editorial in the Wall Street Journal on February 14, 1974, states:

> They [the controls] have distorted market forces in a fantastically complex economy, inhibited expansion, masked overstimulation of demand, created shortages, worsened inflationary pressures and created disatisfactions over wages among working people.

Controls do not encourage production—this can only be done by the free market.

Price controls ignore the innate ability of the supply and demand cycle to allocate products and encourage production. Free of intervention, price operates as the barometer of the economy. When the price of a product rises, production is encouraged, but this same high price discourages consumption. When a product drops in price, production is discouraged and consumption encouraged. Free market forces bring demand in balance with supply through the operation of the price mechanism. When price controls are introduced, the controls hold prices at levels that have no relationship to the current supply and demand levels. The shortages we are now experiencing are an example of just one of the results of controls.

American industry and American workers are crying out for relief and urging Congress not to extend the Economic Stabilization Act.

The National Association of Manufacturers in an industry survey on wage and price controls advises:

> Our conclusion, then, is a very simply one: Controls have caused tremendous disruptions and dislocations; controls have not only failed to contain inflation, they have helped to fuel its fires.
>
> Our recommendation is equally simple: Eliminate all wage and price controls immediately and let this experience have taught us a valuable lesson so that we may never again go down this reckless road.

In a statement by the AFL–CIO Executive Council, February 21, 1974, on "the so-called stabilization program," the council takes the position:

> The Administration's control program has created economic imbalance, confusion and chaos. This unfair and unjust program should be ended now. The present legislation, which gave the President power to control the economy, expires on April 30, 1974. It must not be renewed in any guise.

The National-American Wholesale Grocers' Association, whose membership services retail food stores which account for more than one-third of the Nation's food sales, states in a January 31, 1974, letter:

> Sub-group measurements in the Consumer Price Index reveal concentration of high rates of increase in those areas where controls have influenced decisions to breed, plant or process. Prominent are red meats, grain, poultry and fruits and vegetables. We

are concerned that the impact of controls on these commodities and the impact of these commodities on the total index is not generally acknowledged. We are concerned that influences outside the control mechanism will continue to affect prices more than controls themselves, negating the potential for controls.

We believe that controls have been given an adequate opportunity. We shared that hope that these current controls might be the first in history to be labeled successful. We believe that opportunity has passed.

A front page article which appeared in the Wall Street Journal, March 4, 1974, written by Ralph E. Winter, describes the changing attitude of corporate executives toward controls, and that "interviews now turn up an almost universal disillusionment among businessmen that any type of controls can work." The article goes on to point out:

In addition, business leaders say controls really do all the horrible things that conservative economists said they would—everything from discouraging investment and drying up supplies to creating black markets and generally disrupting orderly business.

Mr. Winter also discusses the costs to industry and the Federal Government generated by the paperwork and enforcement burden of the control program.

"Just the paperwork and other direct expense of complying with controls have cost industry between $721 million and $2 billion, according to studies cited by John T. Dunlop, who heads the controls program. The Government has spent nearly $200 million enforcing controls," he says.

Americans must bear the burden of these reporting costs as consumers through higher prices, and as the taxpayers who finance the Federal Government's spending.

If some of you still believe that selective or standby controls are necessary, I ask you to review the testimony of Dr. C. Jackson Grayson, Jr., Chairman of the Price Commission during phase II, before the Senate Banking Committee's Subcommittee on Production and Stabilization on January 31, 1974. Dr. Grayson makes the point that, among other reasons selective decontrol is dangerous because it distorts the interrelationship among industries which provide related services and products. The following is an edited version of Dr. Grayson's statement which has been published by Wyly Corp. and University Computing Co.:

END WAGE AND PRICE CONTROLS NOW

Some people believe that wage/price controls are necessary and here to stay. They would extend the controls and even create a permanent stabilization agency.

It is my conviction that controls have limited short-term benefits, have now passed their usefulness, have become counter-productive in our economic system, and, before it is too late, should be discontinued in order to return to the competitive market system.

Moreover, I recommend against establishment of the proposed stand-by wage/price monitoring agency.

CONTROLS DISTORT FREE MARKETS AND COLLECTIVE BARGAINING

Examine the flaws in these proposals:

All controls, if kept on for very long, tend to distort free markets and collective bargaining. The longer they are in, the greater the distortions, and the greater the danger the economic system will shift from one that is market-driven to one that is centrally directed.

The longer controls exist, the more the dependency on controls to "save us" from inflation rather than on tackling underlying causes.

There will always be some reason for keeping controls on "a little longer." It is better to get out as soon as their short-range usefulness has been exhausted.

CONTROLS BECOME MORE DANGEROUS . . . THE LONGER THEY LAST

I held these views in late 1972, as Chairman of the Price Commission, and I hold them even more vigorously today. Controls become more dangerous for the future of our economic system the longer they last.

When controls are removed, I agree there will be some wage and price increases—some large and some very fast—as the market moves to the adjustment levels necessary to attract capital and labor and to ration scarce resources.

But who will be sending these prices up?

The market. Industrial and consumer purchasers will be signalling "more" or "less" of a particular good or service, and the market will be sending resources to the most efficient users.

LONG-RANGE CONTROLS HURT THE POOR

There are contentions that price increases following de-control will hurt the poor much more than the rich. By definition this is true. Price increases do hurt the poor. But, if society wishes to aid those with lower incomes, it should do so by means other than wage and price controls. Long term controls directly hurt the poor by driving low markup items from the shelves, by affording those with higher incomes opportunities to beat the system, and by increased unemployment for marginal workers.

Wage and price controls are a dangerous method to work on the income distribution problem.

CONTROLS CAN'T SOLVE SHORTAGES

Shortages (fuel, paper, steel, oils, fiber, etc.) are being used as reasons for continued controls. But the perpetuation of controls is not going to solve these problems. If anything, they will prolong the shortages because of the lack of incentives to invest and expand.

I believe that energy prices, too, should be de-controlled. Yes, prices will increase. (They are going to increase anyway, *with* controls.) Yes, price increases will be more rapid without controls. But I also believe the *solution* to energy shortages will also come faster as incentives are increased for supply of energy, and as price serves its function of rationing.

SELECTIVE DECONTROL? NO. NO INDUSTRY IS AN ISLAND UNTO ITSELF

Selective de-control is also a dangerous alternative. This technique not only increases distortions among industries and services of different sizes, but increases the distortion of the flow of capital and labor due to the effects of substitution, inter-dependencies and administrative lags among controlled and non-controlled sectors.

No industry is an island unto itself. Through wage/price controls and selective de-control, the government is affecting the allocation process with blunt tools as opposed to letting the market decide where the most efficient utilization lies.

THE CASE AGAINST A "STAND-BY" WAGE/PRICE AGENCY

Consider the creation of a stand-by wage/price agency. If such an agency were created, it would certainly be subject to continual political pressure to reimpose controls over this or that industry or union. The "responsibility" for inflation control would be thought to be in the hands of this agency instead of at the more fundamental levels of fiscal and monetary policy, increased productivity, structural form to increase competition and individual responsibility.

Secondly, the temptation of such an agency to "fine-tune" the wage/price mechanism would well nigh be irresistible. When government interventions are necessary in the economic marketplace, then these should be subject to Congressional debate and specific laws, not administrative determination.

Finally, the mere existence of such an agency would encourage price increases and discourage decreases. One unfortunate lesson learned by business and labor during the various Phases is that you had better get wage and price increases when you can, rather than exercise restraint. The "good guys" were hurt by not getting increases as fast as possible. Many businessmen have told me that they will not reduce prices for fear that a new freeze will catch them with their prices down.

ON THE ROAD TO A CENTRALLY MANAGED ECONOMY

There is no question that, under the aegis of controlled wage and price behavior, the government would find itself deciding what products and services companies, industries and regions can produce, and at what level. It would assure that the nation is squarely on the road to a centrally managed economic system.

I believe that wage/price controls can help attack inflation in the short run if controls are exercised vigorously, fairly and broadly. But any favorable impact is always short-lived (as Europe and we have shown). And when their usefulness has ended, controls should be abandoned.

It is easy to get in, but so hard to get out, as we are witnessing now.

Let's get out now.

Mr. Speaker, when the House considered the most recent extension of ESA last April, I offered the motion to recommit this legislation back to the House Banking and Currency Committee. Unfortunately, my motion was defeated. As one who has opposed the use of controls ever since this discretionary authority was first given to President Nixon in 1970, I sincerely believe that if Congress had recognized the fallacy of using controls as a means to curtail inflation, American consumers would not now be faced with continually rising costs for just about all commodities that are necessary to our very existence. My colleagues, Congressman BEN BLACKBURN, Congressman CLAIR BURGENER, Congressman PHILIP CRANE, and Congressman JOHN CONLAN, joined with me in filing supplemental views that were included in the House report—House Report 93-114—on the legislation enacted last session extending the Economic Stabilization Act of 1970 through April 30, 1974. In these views we warned that widespread shortages would continue to emerge if controls were extended.

The House Banking and Currency Committee started hearings this morning on legislation extending the control authority for another year. The Congress must take the lead to restore economic stability, and the first step is to allow the controls to expire completely—with no authorization for selective or standby controls.

I am today reintroducing House Resolution 881, a resolution which makes it the sense of the House that the Economic Stabilization Act should not be extended

beyond its current expiration date of April 30, 1974.

Mr. MATHIAS of California. Mr. Speaker, today, I have joined with a number of my colleagues in introducing a resolution which, upon passage, will declare that it is the sense of Congress to dissolve the Cost of Living Council and put it out of business. Our Nation achieved its economic greatness under the free enterprise system. National growth was the result of competition in a free marketplace, unshackled by governmental control. Labor contracts were negotiated without limits of government as to the maximum a worker could earn after collective bargaining. Supply and demand controlled the price of a commodity.

It takes but a few examples in my congressional district in central California to show that the economists failed to understand the practicalities of the marketplace.

At the present time, the Cost of Living Council is interferring with a naval orange marketing order which was created under the law and has been operative, without complaint, for many years. In the past 2 weeks, the price the producer gets for a carton of oranges has dropped 35 cents, which means that they now receive less than it costs to produce that same carton of fruit. The reason for the drop in price is that the CLC ordered shipments from California of an excessive number of railroad cars of oranges and flooded the market. The consumer, on the other hand is not receiving an appreciable benefit. Last year, the CLC cost the lemon industry $1.5 million while saving the east coast consumer 1 cent per dozen lemons.

The CLC frankly admits that it is opposed to all marketing orders even though historically, marketing orders have assured the consumers good quality products at reasonable prices while the farmer was able to make a reasonable profit. Agricultural strength is essential to assure that we are able to feed ourselves as a nation and have sufficient excess which we can trade overseas to pay for the imports we need such as oil. Summarily opposing all marketing orders can only lead to reduced production and a lower quality of production. Thus, the Cost of Living Council's policy is contrary to the stated purpose of the Economic Stabilization Act.

In California, there is a critical shortage of baling wire. Without wire, producers of alfalfa cannot market the hay to provide feed for the dairy industry. Thus, due to short supply, the cost of milk and milk products will skyrocket. The cause of this problem is controls on the steel industry. By limiting the prices for manufactured steel products, the steel mills only produced high profit items. Wire is not a high profit product and thus was not manufactured. Although the limit was recently lifted, this will not help California where one producer of wire went out of business because of losses. The price of the available wire now is more than triple that of a year ago.

Last year's meat shortage and high prices, this year's fertilizer shortage, problems in recruiting skilled and well trained medical providers and many other economic ills are the direct result of unrealistic economic manipulations by the Cost of Living Council.

Mr. Speaker, the experiment with economic controls has infected the free enterprise system. Elimination of the Cost of Living Council is phase I of the necessary treatment.

Mr. STEELMAN. Mr. Speaker, the time for debate on the merits of wage and price controls has now long since passed. The failure of the Economic Stabilization Act is apparent to manufacturers, wholesalers, retailers, and above all, working people.

Treasury Secretary George Shultz, Cost of Living Council Director John T. Dunlop, and C. Jackson Grayson, Jr., who served for 15 months as head of the Price Commission in phase II of the economic stabilization program, have all advocated the partial or complete removal of controls.

Given the administration's change of heart, constituent dissatisfaction, and dislocations within the economy, debate seems academic.

Wage and price controls must go by April 30, or the competitive, private enterprise system will continue to diminish.

The workingman to date has been largely forgotten when the scrapping of controls is considered. Yet, he is the hardest hit, bearing the brunt of the burden. He cannot be expected to pay any more.

Here is an article by Peter Milius that appeared in the Washington Post which shows how rising prices are outdistancing pay checks:

PRICES ROSE FASTER THAN PAY, UNITED STATES SAYS

(By Peter Milius)

The government said yesterday that rising labor costs began putting added upward pressure on prices in the last quarter of last year—but that compensation per hour still did not keep up with rising prices.

The Labor Department said that output per man-hour declined in the last quarter of the year at an annual rate of 1.3 per cent.

But the department said compensation per man-hour continued to increase, at an annual rate of 8.0 per cent for the quarter.

That combination produced an even greater increase in so-called unit labor costs, the labor costs per unit of production, which are an important index of inflationary pressures in the economy.

These unit labor costs rose at an annual rate of 9.3 per cent for the quarter, as against only 6.9 per cent in the quarter before.

At the same time, however, real compensation per man-hour—pay and benefits after allowing for inflation—declined at an annual rate of 1.7 per cent over the three months.

The statistics suggest that wage increases were not much of a factor in inflation last year; they did not keep up with prices. A number of experts have predicted that they could become a factor this year, though, as labor tries to make up the lost ground.

The decline in output per man-hour in the fourth quarter had been generally experienced. Such a decline usually comes at the end of a boom, when factories are straining to increase production but are already running close to capacity.

The Commerce Department yesterday suggested, moreover, that no great further increase in production is in sight for now.

The department said its index of leading economic indicators, a supposed harbinger of the economic future, rose only 0.1 per cent in December.

Of the eight leading indicators available for the month, the department said, five pointed downward, one was unchanged from the month before, and only two pointed upward.

Those two, moreover, were both reflections of inflation as much as growth in output—industrial-materials prices and the price-labor cost ratio.

The five indicators that pointed downward were initial claims for unemployment insurance, new orders for durable goods, contracts and orders for new plant and equipment, stock prices and building permits. The average work week was unchanged.

The Labor Department said that output per man-hour—or productivity, as it is also called—has now failed to rise appreciably for three quarters in a row. It went up at an annual rate of 5.8 per cent in the first quarter of last year, but fell by 1.2 per cent in the second and rose at a rate of only 0.4 per cent in the third.

For the year as a whole, it rose 2.9 per cent, about average for the U.S. economy.

The department said that, for the year, compensation per man-hour rose 7.8 per cent, and real compensation per hour rose 1.4 per cent. That includes fringe benefits as well as wages.

Unit labor costs rose 4.7 per cent for the year, the department said. What are known as "union non-labor payments," the part of the pie that includes profits, rose 6.4 per cent.

Mr. HUBER. Mr. Speaker, we are all aware of the disastrous consequences of economic controls. Since the Economic Stabilization Act came into effect, the rate of inflation has reached an all-time high. I do not see how, in any way, we could possibly want our economy stabilized at these unprecedented levels. And yet, based on present evidence, if we continue the Economic Stabilization Act, we will insure the American public further inflation. This will be due, in large part, to more and more shortages.

We all know that if a company cannot make a legitimate profit, it will fold. Obviously, with rampant inflation, it is essential that companies be allowed to raise their prices. Unfortunately, with controls, they cannot and, if past years are any indication, more and more companies are going to go out of business. The result will be even higher unemployment levels. It is no wonder that groups as diverse as the AFL–CIO and the U.S. Chamber of Commerce are opposed to controls.

Last January 31, 1974, the former Chairman of the Price Commission, Mr. C. Jackson Grayson, Jr., testified before the Subcommittee on Productivity and Stabilization of the Senate Banking, Housing and Urban Development Committee on the issue of controls. Mr. Grayson's comments are worthy of attention, and I would now like to insert a brief, edited version of his remarks before the Senate subcommittee:

END WAGE AND PRICE CONTROLS NOW

Some people believe that wage/price controls are necessary and here to stay. They would extend the controls and even create a permanent stabilization agency.

It is my conviction that controls have limited short-term benefits, have now passed their usefulness, have become counter-productive in our economic system, and before it is too late, should be discontinued in order to return to the competitive market system.

Moreover, I recommend against establishment of the proposed stand-by wage/price monitoring agency.

Controls distort free markets and collective bargaining.

Examine the flaws in these proposals:

All controls, if kept on for very long, tend to distort free markets and collective bargaining. The longer they are in, the greater the distortions, and the greater the danger the economic system will shift from one that is market-driven to one that is centrally directed.

The longer controls exist, the more the dependency on controls to "save us" from inflation rather than on tackling underlying causes.

There will always be some reason for keeping controls on "a little longer." It is better to get out as soon as their short-range usefulness has been exhausted.

Controls become more dangerous . . . the longer they last.

I held these views in late 1972, as Chairman of the Price Commission, and I hold them even more vigorously today. Controls become more dangerous for the future of our economic system the longer they last.

When controls are removed, I agree there will be some wage and price increases—some large and some very fast—as the market moves to the adjustment levels necessary to attract capital and labor and to ration scarce resources.

But who will be sending these prices up?

The market. Industrial and consumer purchasers will be signalling "more" or "less" of a particular good or service, and the market will be sending resources to the most efficient users.

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There are contentions that price increases following de-control will hurt the poor much more than the rich. By definition this is true. Price increases do hurt the poor. But, if society wishes to aid those with lower incomes, it should do so by means other than wage and price controls. Long term controls directly hurt the poor by driving low markup items from the shelves, by affording those with higher incomes opportunities to beat the system, and by increased unemployment for marginal workers.

Wage and price controls are a dangerous method to work on the income distribution problem.

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I believe that energy prices, too, should be de-controlled. Yes, prices will increase. (They are going to increase anyway, *with* controls.) Yes, price increases will be more rapid without controls. But I also believe the *solution* to energy shortages will also come faster as incentives are increased for supply of energy, and as price serves its function of rationing.

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Consider the creation of a stand-by wage/price agency. If such agency were created, it would certainly be subject to continual political pressure to reimpose controls over this or that industry or union. The "responsibility" for inflation control would be thought to be in the hands of this agency instead of at the more fundamental levels of fiscal and monetary policy, increased productivity, structural form to increase competition and individual responsibility.

Secondly, the temptation of such an agency to "fine-tune" the wage/price mechanism would well nigh be irresistible. When government interventions are necessary in the economic marketplace, then these should be subject to Congressional debate and specific laws, not administrative determination.

Finally, the mere existence of such an agency would encourage price increases and discourage decreases. One unfortunate lesson learned by business and labor during the various Phases is that you had better get wage and price increases when you can, rather than exercise restraint. The "good guys" were hurt by not getting increases as fast as possible. Many businessmen have told me that they will not reduce prices for fear that a new freeze will catch them with their prices down.

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There is no question that, under the aegis of controlled wage and price behavior, the government would find itself deciding what products and services companies, industries and regions can produce, and at what level. It would assure that the nation is squarely on the road to a centrally managed economic system.

I believe that wage/price controls can help attack inflation in the short run if controls are exercised vigorously, fairly and broadly. But any favorable impact is always short-lived (as Europe and we have shown). And when their usefulness has ended, controls should be abandoned.

It is easy to get in, but so hard to get out, as we are witnessing now.

Let's get out now.

Mrs. HOLT. Mr. Speaker, for 2½ years, our economic system has been saddled with a variety of wage-price controls. After four phases and several freezes, the time has come to consider the future of these policies and assess what we have learned from this national experiment.

Historically, the rapid economic growth of the United States has been accomplished by reliance on the forces of supply and demand not by bureaucratic decisionmaking to determine the proper levels of wages and prices. Our national experience with economic regulations during World War II, the Korean war, and the post Vietnam era, have indicated that while controls may be effective during the short run, the bureaucracy cannot manage a complex economic system efficiently for long periods of time.

At some point, controls begin to do a disservice to consumers, business and Government. There is abundant evidence that continued Government intervention in the economy has resulted in an intensification of problems rather than a reduction. The cost of living in 1973 went up 8.8 percent. Many basic commodities such as gasoline, lumber, and beef have been in short supply and high demand. All of this has occurred while our economy has been subjected to the economic stabilization program.

Long run stabilization of the economy will be best served by a return to a free market economy. After more than 2 years of controls, public support and confidence have been severely eroded by frequent and confusing changes in guidelines and regulations, recurring shortages and continued rise in prices. The time has come to eliminate controls completely and dissolve the Cost of Living Council.

Mr. STEIGER of Arizona. Mr. Speaker, it is because of my concern for the economy of this Nation that I join with the gentleman from California in urging my colleagues in the House to allow the ill-conceived Economic Stabilization Act of 1970 to expire.

For some time now, I have called for the repeal of this act. In April of last year, I voted against extending the act. It is my firm belief, Mr. Chairman, that this piece of legislation has not helped to solve our economic problems; in fact, it has added to our economic woes.

The original purpose of the act was to protect the consumer from the rising cost of living through temporary tight Federal controls over our traditional free enterprise system in determining wages and prices. The act has failed miserably. Wage and price controls have not halted inflation; instead, they are contributing to it.

I believe that the American economy will fare much better under the free enterprise system and the law of supply and demand. Only a free functioning economy will bring us out of the serious economic dilemma we are faced with today. I again urge my colleagues to allow the Economic Stabilization Act to be phased out as quickly as possible.

Mr. BURKE of Florida. Mr. Speaker, I thank my colleague from California for yielding to me.

Mr. Speaker, in August of 1971, President Nixon, in an abortive effort to halt the inflationary spiral that really commenced just prior to President Kennedy's assassination and then really ignited as a "skyrocket" under the Johnson "guns and butter" philosophy, instituted wage and price controls. We did this because of the continual demand of many in the Congress for this action.

I personally reject the interference by the Government in our Nation's marketplaces, unless such regulation is essential to prevent a fair and equal distribution of essential goods to the people. Price controls, or Government interference of a free market has not proved successful in the past. Instead Government control and regulation has caused black market operations and shortages of what otherwise might have been an adequate supply of the regulated goods to our Nation's consumers.

Whatever happened to the economic thinking of the past, where the principles of supply and demand were the regulatory forces that governed our free markets? Sensible free enterprise approaches have given away to our great liberal planners, whose aim is toward more socialism by cradle to the grave legislation. Under this philosophy a handful of elite bureaucratic planners will ultimately substitute their ideas for those which we enjoy today as free people.

The truth of the matter is that these planners are able to convince many, by promising more while actually giving less. Let us take some of our so-called cost-of-living increases. The truth is that these raises always lag behind the cost of living, and create higher tax brackets for those who earn more money. In other words, the American worker and taxpayer is being duped, not helped, by the phoney mumblings of today's socialist planners and the bureaucratic hodgepodge that has been created.

The real tragedy is that unfortunately the people fail to see that our Government is becoming more socialistic because of the spread of liberal control in the Congress. It is our socialist planners, with their continual trial and error schemes and deficit spending approaches, that is responsible for today's deficits and for the continual erosion of our freedoms.

Those that say socialism is good for us, either don't know what socialism is or they do not want to know. Everytime someone promises that the Government is giving you something you should remember that you are the Government—you the people.

On February 21 of this year the President proposed legislation which purports to provide for an orderly transition from mandatory controls and for monitoring the economy until the end of 1975.

If passed by Congress the aforementioned Economic Stabilization Act Amendments of 1974 would authorize the President to:

First, monitor compliance with commitments made by firms in connection with sector-by-sector decontrol actions;

Second, review the programs and activities of Federal departments and agencies and the private sector which may have adverse effects on supply and cause increases in prices and make recommendations for changes to increase supply and restrain prices;

Third, review industrial capacity, demand, and supply in various sectors of the economy, working with the industrial groups concerned and appropriate governmental agencies to encourage price restraint;

Fourth, work with labor and management in the various sectors of the economy having special economic problems, as well as with appropriate government agencies, to improve the structure of collective bargaining and the performance of those sectors in restraining prices;

Fifth, improve wage and price data bases for the various sectors of the economy to improve collective bargaining and encourage price restraint;

Sixth, conduct public hearings where appropriate to provide for public scrutiny of inflationary problems in various sectors of the economy;

Seventh, focus attention on the need to increase productivity in both the public and private sectors of the economy; and,

Eighth, monitor the economy as a whole by requiring, as appropriate, reports on wages, costs, productivity, prices, sales, profits, imports, and exports.

Mr. Speaker, although I am happy that the President too, recognizes the failure of the previous controls and the need to remove the mandatory controls from our economy, I do not believe that this can be done in stages, as has been suggested for the reason that I do not believe that all will be treated fairly under the President's proposal, no matter how well intended. The truth of the matter is, that I am convinced that we would all be better off without controls. In fact, I am a cosponsor of H.R. 881, which if enacted, would declare it the sense of Congress that the Economic Stabilization Act of 1970 should not be extended beyond its present termination date as set forth in the law, namely on midnight of April 30, 1974.

Our Nation's economy, and the American people, are troubled enough with inflation, the energy crisis and the continued daily interference of the Federal Government in our daily lives, and it will therefore give me great pleasure to be able to consign the Cost of Living Council to history as the failure it was, and to trust our destinies to the natural economic forces of a free market in accordance with our American tradition.

Mr. ARCHER. Mr. Speaker, we have experienced the effect of price-and-wage controls since August 15, 1971, when these controls were suddenly imposed on our economy. An analysis of the effect of these controls after 2½ years leads to one conclusion: these controls have not worked.

Centuries ago the Roman Emperor Diocletian faced the problem of inflation and rising prices in the Roman Empire. He issued an edict in 301 A.D. to stabilize the economy by fixing prices and wages. A black market soon developed. Taxes greatly increased and became more and more oppressive. Finally, the government had to adopt more and more measures to control the lives and occupations of individual citizens in order to bring some order out of the economic chaos. Dissatisfaction increased and the economy grew more troublesome for Diocletian and his successors.

Throughout history various governments have imposed controls over their respective economies. These controls were designed to solve some specific economic problem, to provide a better distribution of economic resources, or make the economy perform more efficiency. These have been noble goals but economic reform for the nations which have tried them.

The failure of economic controls on a market economy is self-evident. The economy of each nation responds to supply and demand, a process brought about by the decisions of consumers for certain goods. When government bureaucrats attempt to substitute their judgment for the free decisions of the consumers in the marketplace, the result has been economic chaos and confusion. Economic controls fail not only to improve the performance of the economy but lead to a whole series of new problems. The misallocation of resources distorts the operation of the market resulting in severe economic difficulties.

We need to study our recent venture into this field. The price and wage controls have failed to halt inflation and have been unsuccessful in stabilizing our economy.

Inflation is caused by an increase in the money supply which has resulted from the Federal Government spending more money than it has received in revenue. When we consider the cause of inflation, economic controls are actually an abdication of fiscal responsibility, not an exercise in fiscal problem solving. Controls treat symptoms and not causes.

Economic stability has not been achieved. We are experiencing serious dislocations in our economy resulting in shortages. When prices are held at an artificially low level, it causes consumers to buy at bargain prices on these controlled commodities while some sellers may be tempted to hold back supplies until they can receive higher prices. Some sellers find it more advantageous to get a more competitive price by exporting their goods. Eventually, prices below a market level discourage production and low profits discourage capital investment. Shortages will disrupt any economy. In the long run manufacturers, workers, and consumers are all hurt by a controlled economy.

We are presently experiencing shortages in items ranging from steel to paper. The outlook for plastics and synthetic fibers does not look encouraging. We may soon experience severe shortages of cement, aluminum, fertilizer, and synthetic rubber.

I have supported legislation to repeal the Economic Stabilization Act earlier in this Congress. I have joined as a cosponsor of Mr. ROUSSELOT's resolution expressing the sense of the House that these controls should not be extended beyond their present expiration date of April 30, 1974. We must not extend these economic controls. If we do extend them, we are asking for severe problems in our economy. We need to return to a free market economy in order to achieve a sound economy.

Mr. ASHBROOK. Mr. Speaker, I am pleased to join with Congressman JOHN ROUSSELOT in urging that the Economic Stabilization Act of 1970 not be extended when it expires on April 30. Our Nation cannot afford a continuation of wage and price controls.

Phases I through IV have brought chaos to our economy—shortages, business closures and high interest rates. The problem of inflation, however, continues to plague our Nation.

I have fought against wage and price controls every step of the way. I opposed these controls when they were first introduced, I voted against their extension and I am now cosponsoring bills for their repeal.

It is time for Congress to rectify its mistake. Wage and price controls do not work. It is time they were allowed to die.

Mr. CRANE. Mr. Speaker, it is high time that wage and price controls were ended. Such controls are the cause of many of our current economic difficulties, not the cure for them.

President Nixon, in his 1968 campaign, went to great lengths to make it clear

that he would not impose such controls if elected. He declared that:

> The imposition of price and wage controls during peacetime is an abdication of fiscal responsibility. Such controls treat symptoms and not causes. Experience has indicated that they do not work, can never be administered equitably and are not compatible with a free economy.

Despite this insight, such controls have been imposed. By this time it should be clear to all that controls do not stop inflation, for inflation is caused by an increase in the money supply which has proceeded during the past period as the Government has been spending far more money than it has received in revenue and has, in fact, recorded the hugest deficits in our history.

While controls do nothing to stop inflation, they do a great deal to cause serious dislocations in our entire economy. The policy of price controls on natural gas, for example, has increased the demand for petroleum products, just as keeping the price of electricity and other forms of power artificially low has also increased that demand. At the same time that Government kept the price of energy artificially low, it also limited the demand through artificial import quotas. These, not the Arab boycott, are the real components of our current energy crisis.

Now, Americans are becoming aware of the fact that many other shortages are developing in our economy. One of these is in the area of paper products. Shoppers in many parts of the country are finding it harder than ever to buy paper products and magazine publishers are scouring the world for enough stock to get through 1974. Commercial printers of catalogs and telephone books are running out of inventories and Government paper supplies are the lowest in history.

The reason for this situation is that paper manufacturers, operating under restrictive price controls, are dropping less profitable lines and hope to export more of their products overseas.

Price controls have caused low rates of return for paper sold in the United States, particularly for cheaper grades. Low profits in the paper industry for the past several years have discouraged capital investment, just as import quotas on petroleum discouraged the building of new refineries. Now that demand—in both the paper and the energy field—is climbing, we are feeling the lack of capital investment in recent years which has been directly caused by Government controls. In addition, the cost of environmental cleanup programs have hit papermakers very hard and other shortages, also caused by controls, such as chlorine for bleaching, caustic soda for pulp processing and starch to give paper firmness—have caused added difficulties.

Paper industry spokesmen declare that Government controls have resulted in a "two-tiered" pricing system in which exported pulp and paper bring considerably higher prices than that sold in the domestic market.

Discussing the paper shortage, Joseph P. Tonelli, president of the United Paperworkers Union, notes that the paper crisis is caused solely by Government controls which make it possible for pulp to be exported at twice the domestic price. The cure advocated by both the paper companies and the Paperworkers Union is simple. Mr. Tonelli declares that the Cost of Living Council—

> Must decontrol wages and prices—Prices of pulp and paper products should be allowed to rise in a free market. Paper companies need profit levels that will permit them to generate internal cash. A higher rate of return on investment is essential in order to attract new additional capital if present needs are to be met.

The policy of controls is also leading to a number of other scarce items. Steel, for example, is now in very short supply and may become scarcer in the days ahead. Plastics, which are derived basically from natural gas and petroleum, present a dim outlook, as do synthetic fibers. Shortages also loom ahead for aluminum, cement, fertilizer and synthetic rubber.

Unless controls are ended, Americans may become accustomed to the repeated shortages faced by those who live under other managed economies.

It is important to remember that the imposition of wage and price controls is directly responsible for our current fuel problems.

An analysis prepared by the Senate Committee on Government Operations revealed that by September 1970, the shortage had begun to take effect. The National Petroleum Council warned that the country faced a deficit of 250,000 barrels per day of fuel oil during the winters of 1970 and 1971. A House subcommittee investigated the fuel crisis and heard, from Government and industry witnesses, a number of suggested reasons for the short supply: tougher environmental regulations were requiring utilities to burn larger quantities of cleaner fuels; atomic energy was far behind schedule; demand for energy was shooting up; international disruptions were decreasing crude oil imports.

What did we do in response to this situation? The President imposed wage and price controls on the economy. Thus, fuel oil prices were frozen at off-season lows and gasoline prices at seasonal highs. The result was to discourage the refining of fuel oil.

While Government price controls have kept the cost of oil artificially low, thereby increasing demand, the general inflation of the economy has made the cost of finding oil increasingly high. Between 1960 and 1970, the cost of drilling an average well in the United States rose from $55,000 to almost $95,000. Today, drilling the average off-shore well costs more than $500,000, and the average well in Alaska will run to more than $2 million. In addition, the chances of hitting a productive well are only 1 in 8. If Government continues to interfere in the economy, businessmen will have little incentive to make the huge investments necessary.

What began with a total freeze of wages and prices on August 15, 1971, has evolved through a set of numbered phases into a highly complex system of regulations that is keeping thousands of lawyers, bureaucrats, and accountants busy. What it has accomplished, however, is largely negative. With controls during the past several years we have seen consumer prices rise more than 8 percent, retail food prices rise more than 16 percent and wholesale prices rise more than 17 percent.

Inflation cannot be solved by controls, but can only be compounded by them. Economist Hans Senholz notes that:

> Inflation is the creation of new money by monetary authorities. In more traditional terminology, it is the creation of money that visibly raises goods prices and lowers the purchasing power of money. . . . It may take the form of 'simple inflation,' in which case the proceeds of the new money issues accrue to the government for deficit spending. Or it may appear as 'credit expansion,' in which case the authorities channel the newly created money into the loan market. . . . Both forms are inflation in the broader sense and as such are willful and deliberate policies conducted by government.

The fact is that Government alone is strictly accountable for inflation because Government alone determines the money supply. If Congress continues to spend more money than it has, no amount of "controls" on wages and prices within the economy can solve the inflation problem.

The only way to achieve a sound economy, as President Nixon once seemed to understand, is to permit the free market to work. Perhaps our current shortages and high prices will help to educate Americans to the fact that Government manipulation of the economy is the cause of our current dilemma—and that only Government withdrawal from economic controls can point in the direction of a real solution.

Mr. BAKER. Mr. Speaker, all of us here in the House of Representatives are aware of the heavy toll that the current rate of inflation is taking on the American taxpayer. Some people thought that the Economic Stabilization Act would help in controlling this rate of inflation.

This act—enacted over President Nixon's opposition in 1970 and extended by Congress in May 1971—has furnished the statutory authority for the various price control and freeze periods we have undergone for the last 2½ years. Mr. Speaker, I believe it is time for the Members of this body to face the facts. Regulation of prices at a level where it is insufficiently profitable to produce the particular product can only cause artificial shortages. The shortage of beef in 1973 is an excellent example. This is what happens when the Federal Government dabbles with the economy. For a graphic illustration I would like to call the fold-out cover of the current Newsweek to the attention of my colleagues.

In 1973 I voted against the 1-year extension of this act because it can only hurt our economy. When our economy falters, the American consumer pays the price. Mr. Speaker, this year I would again vote against any extension of the act. Setting maximum price ceilings over any product is certainly no way to assure adequate production. I appeal to my colleagues to consider the basic economic law of supply and demand before they vote on any measure which may be tem-

porarily attractive, but which can only stifle the economy. It is certainly time for this country to get back to our basic free enterprise system.

Mr. LANDGREBE. Mr. Speaker, anyone who still believes that price controls can stop inflation is, I am afraid, beyond help. All one has to do is examine the facts. On a 6-month average of the Consumer Price Index during 1970, before the imposition of wage and price controls, the Consumer Price Index moved downward and continued to do so until controls where inflicted upon the economy in August of 1971. In the midst of the tough phase II era, during 1972, the Consumer Price Index shifted to upward heights and continued to rise to higher levels—far ascending those plains reached in the preceding uncontrolled economy.

Solely on the basis of the graph [graph not printed in RECORD] one would have to conclude that the implementation of price controls have failed to extinguish inflation, but conversely have added fuel to inflation. Perhaps this conclusion is oversimplified, because since mid-1972 there have been other inflationary pressures working upon the economy, such as an increasing Federal budget deficit and an expanding money supply of roughly 7.4 percent.

The proponents of wage and price controls have stood in this very Chamber for almost 4 years and have argued that controls are the panacea to stopping the rise in prices. Their medicine has not only been counterproductive in halting inflation, but has created severe shortages throughout the marketplace. Within the last year, my constituents have been flooding my office with letters telling me of the material shortages they have been experiencing in everything from fertilizers to petrochemicals, not to mention other oil products. These shortages have resulted in periodic layoffs and unemployment during a period of an unprecedented rise in the cost of living index.

Whenever tight controls are imposed upon the economy, shortages and dislocations are bound to appear. Controls induce shortages by inflicting artificial price ceilings on products and materials which make these items more economically attractive on the international market, thereby stimulating exports. Consequently, we have witnessed the exporting of many materials to all parts of the world because they bring higher prices, when there is a vital need for these products in this country. Controls also provide no economic incentive to reinvest, research and develop, as has been so clearly illustrated with the oil and natural gas industries. As economy with no economic incentive is an economy with no economic opportunity, which means no new jobs and unemployment for thousands of marginal workers.

It is the Congress that is to be blamed for the present state of our economy, inflation, shortages and the energy crisis. We must begin acting as responsible legislators and start undoing some of the measures and other mischief which have generated these problems. Our attempt to rewrite the basic laws of economics is akin to lowering the freezing point of water by legislation. We must allow the market mechanisms of labor and business to restore the needed equilibrium to the economy, instead of leaving it up to an army of Washington bureaucrats. The only way to do this is to totally end all authority to impose wage and price controls by letting the Economic Stabilization Act expire on April 30, 1974.

A NATIONAL TRANSPORTATION POLICY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington (Mr. ADAMS), is recognized for 30 minutes.

Mr. ADAMS. Mr. Speaker, this week the Transportation Subcommittee of the House Committee on Appropriations is having hearings on our national transportation policy, and what it should be. Chairman MCFALL is to be commended for these worthwhile hearings, which I hope will encourage DOT to come forward, at long last with a national transportation policy, and that the House will unify its approach to transportation.

I suggest the following policy be established: A single national rate and regulation policy.

The Nation's transportation policy should be directed toward creating and maintaining a privately owned and operated intermodal, interstate system regulated by the Federal Government in the public interest. The regulations should be uniform for all modes and the degree of regulation should vary with the degree of monopolization existing at any particular point in the system. Government regulations should thus take into account the importance of both transportation and shipping units in a particular market, with competition allowed to set individual prices above costs where neither shippers nor the industry have power to control rates and quality of service. Otherwise the rates will all be set publicly by governmental regulation. The ICC should be given a period of time to demonstrate whether it can overcome its present regulatory lag; if not then the regulatory system should be restructured so as to produce prompt and fair regulation.

A UNIFIED TRANSPORTATION BUDGET

A unified transportation budget would show, for example, not only what the Coast Guard and the St. Lawrence Seaway Development Corporation are spending as agencies, but what each transportation mode is receiving on a functional basis, what it is recommended to receive under a coordinated systemwide approach, and what steps are being taken to achieve that result. Further, budget planners should look not at theoretical economic models but at how Federal expenditures help or could help coordination of the various transport modes. Transportation is a competitive industry but much of it is regulated by the Federal Government. Such regulation, along with financial assistance, must be even-handed, innovative and with an eye toward coordination.

A Select Committee on Transportation or, in the alternative, a blue-ribbon Commission on Transportation policy. I am aware that most Commission reports end up on remote shelves in public libraries and secondly, that most select committees wind up being permanent committees with large staffs and even larger budgets. But such is not always the case. President Johnson's Crime Commission—the challenge of crime in a free society—performed extremely valuable work and made important contributions. Its efforts paved the way and led directly to the 1968 Safe Streets Act and other anticrime legislation. I hope that the same would be true of the recommendations of a new committee or Commission on Transportation. A select committee, for example could consist of the transportation experts on each of the relevant House committees.

A single trust fund for transportation. At present, we have an airport and airways trust fund and a highway trust fund and direct funding for waterways. The trust funds consist of revenues generated by users of the particular system and this system has led to intensive capital development of parts of our transportation while other parts have languished.

The trouble with single purpose allocations is that they generate such momentum and interest group support that they become self-perpetuating. Further, and more costly to transportation as a whole, they benefit certain segments of the transportation industry at the expense of an integrated, coordinated transport system. The Interstate Highway System, for example, has nearly put the eastern railroads out of business: One year the New Haven Railroad made a lot of money hauling sand, gravel, and cement; shortly thereafter the same sand, gravel, and cement was used to build a superhighway that helped propel the railroad into bankruptcy.

A single transportation trust fund, which would likely have to include new user charges—perhaps on shippers, rail passengers and others—would not end revenue problems in transportation. But it would lead to rational decisions on which mode, which function, which types of transport vehicles and which functions should be assisted financially. It would also lead to decisions on a basis that would result in coordinated movement of people and goods. The piecemeal approach must be ended.

CONCLUSION

Mr. Speaker, I believe these recommendations if carried out would bring an end to the present slightly chaotic regulatory and legislative system we have for dealing with our national transportation network. I hope they will be given serious consideration by all my colleagues interested in the future of American transportation.

NONRECIPROCAL TRADE ACT

The SPEAKER. pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. DENT) is recognized for 60 minutes.

Mr. DENT. Mr. Speaker, ever since the first hearings held in 1960 by the Committee on the Impact of Imports and Exports on American Employ-

ment, I have personally tried to warn the Congress of the United States, and anybody that would listen, about the grave dangers in our international trade posture.

Our trade policies are supposedly delineated first in the original Reciprocal Trade Agreements sponsored by the then Secretary of State, Cordell Hull, and later in the amendments to this act, known as the Kennedy Round of Reciprocal Trade Agreements.

The original trade agreements and the Kennedy Round were described in glowing terms and held out promises of expanding job opportunities for American workers. At the same time these agreements would serve to build a structure for world peace inasmuch as freer trade among nations would eliminate the friction that prevented all men from being brothers.

Well, we have been over that route now for 40 years and the harvest we have reaped does not fulfill its rosy promises. Instead we have seen one major and two minor wars, costly in both lives and money, unrest at home and abroard, a 400 percent increase in the numbers of mouths being fed in whole or in part from the public treasury, and more actual unemployment than at any point in the last 40 years.

The little "fringe benefits" we have received from this idiotic trade policy include the greatest national debt in our history; the lowest dollar value in our history; Government payrolls greater than a majority of the total budgets of the nations making up the United Nations; a dangerous dependency upon foreign nations for hundreds of items in daily use; and an insufficiency of fuels and minerals serious enough to present substantial inconvenience in peacetime and to pose a serious disaster if at war.

All through these many years of my committee's work in this field, we have been laughed at, ridiculed and pictured as Neanderthal thinkers because some of us failed to see how these trade policies would bring fulfillment of the rosy promises.

For the RECORD this day, I want to point out, as well as insert excerpts from the latest thinking on the part of the AFL–CIO Executive Board, individual observations and historical facts, in an effort to again draw to the attention of this Congress and the people, that the real seed of our destruction lies in our foreign trade policy.

I never thought that I would like to see the day when I would read in the Wall Street Journal, as I did today, a lead headline as follows: "Energy Experts Warn of Costs and Dangers in U.S. Independence." Evidently they feel that sitting in line for gasoline, being inconvenienced by shortages—artificial or otherwise—is too much of a price to pay for reasserting American independence.

In less than 2 years we are slated to celebrate the Bicentennial of the Declaration of Independence. Our experts would change all that and celebrate the first anniversary on July 4, 1976 with a "Declaration of Dependence" upon all nations that sell us anything.

Not long ago I spoke on international trade and used as my theme a three-legged stool. Allow me to read excerpts from the text of that speech. I believe it has a message of some importance for all of us."

INTERNATIONAL TRADE

"A THREE-LEGGED STOOL"

After many years of holding hearings, making observations and on-site inspections in many foreign countries and within the United States, I have come to the conclusion that most problems have answers that stem from a very simple solution.

No one in his right mind would attempt to prove that the problems of free trade, protectionism, balance of payments, quotas, restrictions, dollar values and volume of goods, which are part of foreign trade, lend themselves to an easy solution. However, we must start by considering a nation's economy during a period when it was under protective agreements, of one kind or another, and then study that same nation when it was not protected by tariffs or restrictions.

A long time ago a small farmer milked his cow to produce milk to sell in his neighborhood, in order to get the necessary cash to buy the items he needed for his farm and family. In those days, a farmer never milked his cow to sell that milk to another farmer who had cows to milk. But, instead, he sold his milk to the harness maker, wheat miller, and the other people in his community who could use his milk and give him their services or products in exchange.

Farmers used to milk their cows on a clay or mud floor. It was quite a chore because the stool would tip on the uneven floors; and, you could never count on "Ole Bessy" standing still. Then by accident or design one farmer developed a three-legged stool. The three legs gave the stool stability, which is needed. The three-legged stool comes to mind, when I think of stabilizing our economy. It is a perfect example of stabilization, when you have an uneven floor from which to work. Conditions change our economy. Products change so demands change and, therefore, costs and taxes often change. The floor of our economy is never even, so I believe a sound formula must be based on economic stability. The three-legged stool of economy is production, distribution, and consumption.

Production, either in a barn on the farm, or in factories or mining jobs, is the basic seed money that affects the entire economy. Distributors cannot survive without production and consumption cannot be fed without distribution. If we do not consume what we produce, we do not have true production. This is the simple formula.

Now we have put a fourth leg on our three-legged stool. This leg represents the importation of products that displace American-made products, which in turn flow into the channels of distribution and consumption. This importation causes us to lose our stability because we are losing jobs in production, distribution, and consumption. I do not believe that it was ever the goal of International trade to have trading nations ships pass each other, both loaded down with the same product. As the President of a large corporation once said "Everyone is carrying kumquats to Khartoum!"

Orderly trade means dealing with a product or products a nation needs and does not have in sufficient quantity. One nation imports a product line it does not have and needs, and exports a product line it has an over abundance of to a nation that needs that particular item or items. We are not doing that. We import unneeded products which pollute our marketplace for our own products. At this rate we can't and won't last. It's like having a tiger by the tail—you better not let go until you have some kind of a fence between you and the cat.

I know, you know, and everyone else knows that if we were to do what we must (start gradually taking back the American marketplace with American-made products), we would see the love that many nations profess for us disappear over-night.

We started helping the dependent nations to become sound and independent, but now our problem is, how many of their products can we be expected to take and still remain independent, while allowing them to maintain their independence. The common market was created to make these nations independent and strong—both economically and militarily. In the meantime, however, these same nations have practically closed their doors to our products or have put up large trade barriers, while at the same time they ship their products into our marketplace without barriers. We must seek to restore competitive conditions by equalizing the different parities of cost between trading nations.

We need the restoration of the same competitive conditions that fostered the development of the industrial leadership achieved by this country in the past 75 years. The present system of production and distribution in this country represents a sharp departure, not only from our past system, but also from our economic forebearers in Europe.

While the Industrial Revolution, which brought great industrial changes to England, predated our industrial development, our subsequent adoption of mass production in the Twentieth Century as an off-spring of a dynamic technology, soon moved us far afield from our earlier industrial heritage.

Particularly noteworthy among the basic supporting factors in our great departure were (1) a recognition of competition as an incentive to effort by producers to merit consumer favor as a producer reward, (2) perception of the independence of mass production on mass purchased power, and (3) appreciation of the role of employee compensation as the predominant ingredient of buying in the marketplace.

Pursuit of production in this framework, guarded by laws against monopoly, by laws designed to prevent erosion of purchasing power through low-wage competition, such as outlawing of child labor and sweatshop operation, plus minimum wage laws, and laws in support of collective bargaining, led to an amazing proliferation of production of a vast variety of consumer goods far beyond the level of necessities—propelled by the profit motive.

Because of dependence of production on consumption, and the propensity of consumers to respond to the condition or anticipated condition of their pocketbook, trade became a sensitive subject. With this in mind, we recognized that we had to give a wage to the worker that would enable him to buy his own productivity. We were looking inward to sales and consumption—not outwards.

I sincerely believe that we must go back to the simple formula of production, distribution and consumption. If we want free trade, as it is practiced in the world today, we must make a decision as to whether or not the failure to increase foreign wages to anywhere near the United States wage standard will allow us to become competitive in the common marketplace. For free trade to be fair trade all factors must be alike. Wages of all nations should be similar, including fringe benefits. Nations should import what they need and export to other nations who need it, their excesses. In order for a country to maintain its democracy it must be allowed to compete.

I have proposed that we take our country's full employment years and ascertain what and how much our imports were from various countries. That should be our goal! We should measure the number of years, the increase

in any import, and the resulting decline in our economy. Then we should start percentage-wise reducing the import until we are at the level where we had the best economy.

We proved, with wheat, grains and other items, that by selling them at world market prices (where everyone else was selling at reasonably close prices) people bought our wheat.

I believe that if a nation wants a low-waged industry they should not be permitted to exploit our high-priced market and our high-waged workers. For example: we can not hope to compete with the Far East where workers are paid 3¢ an hour and up. Another example is Europe where wages run about $1.35–$1.40 an hour. Even with quotes on imports, they will do us no good unless wages paid to foreign workers approximate those paid to American workers. I would not allow a product to be exploited. I would put the difference in cost between a foreign-made product and a similar American-made product into a separate fund which would be used for paying our producers the differential between these products and their exports. If they want to trade on this basis we will not need walls, tariffs, or customs. All we will need is a lot of men for the factories that will open up.

The achievement of full employment and the maintenance of a growing and diversified product base in the United States is essential to the promotion of foreign policy and domestic tranquality.

Domestic industries must be given forgiveness for certain production costs, not necessarily production-based, made under domestic protection laws on all products which we ship overseas. This will keep us more competitive. Practically all nations do this now, for their exports, in one form or another.

Even in a trade system based on quotas, we should never buy at a price that does not allow a foreign worker to receive the same wages that his counterpart gets producing the same product in another country. This would stop evidenced exploitation of low-waged workers and be honest free trade.

History will record that nation which, by one pretext or another, has exploited workers for the affluence in its society.

When an American worker, earning an average wage, demands the economic right to buy products as a consumer from a foreign worker being paid from 3¢ to less than $2.00 an hour, we're engaging in some kind of economic slavery. That low-paid foreign worker can't buy the American workers products. This is not valid free trade.

Mr. Speaker, the problems involved in international trade have been aggravated by the spread of internationalism among corporations of all kinds. At the urging of this Government, it has caused a massive exportation of American money, technology, business and industrial knowhow, and above all, patriotism. One major American corporate executive proudly pointed out that his company did not view itself as solely American any longer.

These organizations are treated as favorite sons while American based industry and production facilities are inundated by taxes, guidelines and regulations that are normally reserved for stepchildren. Domestic industries—those not multinational in scope—are being treated as the unwanted and hard-pressed Cinderella. No need to go into the many details but certain facts stand out.

At a very recent meeting of the top labor leaders in the country, a high level decision spelled out the facts and fears of these leaders, who have never been known to be protectionists, and who have been strong advocates of freer trade all over the world. They know that there comes a time when the truth must be simply stated for all to understand and comprehend.

It is my opinion that Mr. Meany, the respected head of the AFL–CIO, will lead that movement into a vigorous and direct drive to revive our job potential and to bring back the jobs that have been exported for the sole aggrandizement of the profiteering importers and exporters, many of whom are tied to the production of multinational corporations. Even the United Auto Workers President, Leonard Woodcock, and his group have called for an embargo on all imported cars during this great emergency in which we find ourselves. For the first time, the UAW has admitted that imports do indeed affect jobs. The boldness of the American automobile corporations that spend most of their advertising money publicizing their foreign-made cars is something to behold.

Directly and indirectly, the multinational corporations tied to the free trade movement have caused adverse conditions to come to such a point that practically every person in the United States who has an understanding and regard for the rights of workers and their families must consider the following pertinent observations made by the AFL–CIO Executive Council.

INTERNATIONAL TRADE AND INVESTMENT

The international economic structure has been seriously shaken. Normal trade patterns are being shattered. National currencies are in disarray. Nations with once-comfortable trade balances are desperately seeking larger export markets to earn the price of oil for industrial survival.

Much of the blame can be laid to the staggering price increases levied by the oil-producing nations, which have further fueled a global inflation carrying with it the possibility of worldwide recession and unemployment of crushing proportions.

These events have made the Administration's so-called Trade Reform Act of 1973 totally obsolete. Its provisions bear no relation to the events of the day. Indeed, the bill passed by the House late last year and now pending before the Senate Finance Committee is worse than no bill at all. A total re-examination of U.S. trade and investment needs is in order, utilizing the realities of the Seventies—particularly 1974—and abandoning the dead and unworkable dogmas of the past.

The energy crisis comes on the American economy at a time when it already is in deep distress, much of it traceable to the nation's misguided and misapplied foreign trade and investment policies. The American worker, consumer and businessman are all suffering from a deepening erosion of the U.S. industrial base. A tide of imports has wiped out more than a million jobs as products and whole industries have been engulfed. The export of technology and capital at reckless rates have funneled American production and productivity abroad, costing the U.S. economy not only badly-needed new jobs and job opportunities but the benefits of more efficient production means. Multinational corporations, manipulating U.S. tax laws, have transferred jobs and production overseas at the expense of the American economy, costing the nation badly-needed tax revenue.

The Administration's trade bill fails to address itself to these problems. In addition to granting the President unprecedented and sweeping new powers which he could use to permanently alter the structure of foreign trade and the structure of the U.S. economy, the bill contains these serious deficiencies:

It provides no specific machinery to regulate the suffocating, flow of imports or to curb the export of materials in short supply at home.

It does not deal with the export of U.S. technology and capital to other parts of the world where corporations—mainly American-based multinationals—can maximize profits and minimize costs at the expense of U.S. jobs and production.

It does nothing to close the lucrative tax loopholes for multinationals which make it more profitable for them to locate and produce abroad.

It does nothing to repeal Items 806.30 and 807 of the Tariff Code, which encourage U.S. firms to locate abroad and take advantage of low-wage foreign production and a special low tariff rate on goods exported to the U.S.

It fails to assure action against unfair trade practices of other nations.

It does not assure adequate U.S. responses against new and old barriers to U.S. products raised by other nations, particularly at a time when nations of the world are re-examining these barriers with an eye to greater self protection.

It encourages the entry of goods from low-wage nations of the world at special or zero tariffs.

It ensures the further heavy erosion or stunted growth of badly-hit U.S. industries such as steel, apparel, chemical and allied products, rubber, shoes, stone, clay and glass, autos, aircraft and electronics.

It ignores the fact that America's industrial base and productive strength have been weakened by current foreign trade and investment policies, and makes no provisions for restoring the nation's critically needed industrial health.

For these reasons Congress should reject the bill now before it and write a new trade bill which will contain legislative provisions that are comprehensive, flexible and realistic.

The new legislation should:

1. Regulate U.S. imports and exports as a means of establishing an orderly flow of international trade. Specific flexible legislative machinery is needed to control imports. This flexible mechanism should also be applied as a restraint on the excessive exports of farm goods, crucial raw materials and other products in short supply domestically. Exports, imports and U.S. production should be linked in relation to needs for supplies, production and job opportunities in the U.S.

Shortages of raw materials in the U.S. and new demands by countries which have those raw materials have led to new problems. Many raw material producers are requiring companies to use those raw materials within their borders. This interchange has led to a new threat to the American industrial system. As long as the U.S. has a policy of freedom of investment abroad and other countries have policies to seek their own rapid industralization, the shortages of raw materials here will be used as an excuse to help industry to move abroad and further undermine production facilities within the U.S.

Interwoven into this problem is the recent change in the value of each nation's money. The values of the yen, the franc and other currencies have become lower. Many countries are competing to export as much as possible to improve their balance of trade and balance of payments. Imports from any part of the globe into the U.S. can shoot up very rapidly and the U.S. has no system to prepare for the rapid influx of any product from any part of the world.

2. Modernize trade provisions and other U.S. laws to regulate the operations of multinational corporations. Regulation of mutinational firms, including banks, is necessary because these concerns are the major

exporters and importers of U.S. farm products, crude materials and manufactured products. They use U.S. tax, trade and other laws in combination for their worldwide advantage. They export production facilities, money and jobs and juggle prices and credit to maximize their own worldwide company advantage. They license the newest technology for use abroad and combine in joint ventures with foreign companies and governments regardless of the impact on the U.S. need for jobs, production or supplies.

3. Eliminate U.S. tax subsidies and other advantages for corporations investing abroad. Specifically, the tax laws should eliminate tax deferral of income earned abroad and foreign tax credits. These provisions allow U.S. corporations to pay no income on the profits of their foreign subsidiaries until these profits are brought home—if ever—and the foreign tax credit permits corporations to credit taxes paid foreign governments, dollar for dollar, against their U.S. tax liability. These provisions contribute to the export of jobs, the erosion of the U.S. industrial base, the denial of needed raw materials and components for U.S. production and job needs, and encourage foreign governments to change their rules to the disadvantage of the U.S. The present provision in the tax laws allowing the establishment of Domestic International Sales and Corporations (DISCs) should also be repealed. This provision now gives the largest multinational firms and banks windfall tax breaks on their exports.

The annual cost to the U.S. Treasury of these tax loopholes amounts to at least $3 billion in needed revenue.

4. Repeal flagrant incentives and subsidies to encourage U.S. firms to move or expand abroad. These are Items 806.30 and 807 of the Tariff Code, which encourage the foreign production and foreign assembly of goods for sale in the U.S. These provisions are used to shift production to cheap labor markets for the profits of the multinational corporations. Imports under these provisions have risen from $1 billion in 1967 to $3.4 billion in 1972; in the first ten months of 1973, imports under these provisions were 55 percent higher than in the like period of 1972.

5. Re-examine and limit the operations of the Export-Import Bank which provides loans at interest rates much lower than those paid by American businesses, consumers and home buyers. These loans help U.S.-based multinationals expand foreign branches and assist foreign governments, including the Soviet Union and other Communist countries, in getting America's newest production facilities. Particular emphasis should be given to the impact on U.S. jobs, and potential cost to the U.S. taxpayer.

6. Clear provisions should be written into new legislation to regulate exports of capital and new technology. Other nations are demanding only the newest kind of U.S. technological facilities and U.S. firms are licensing or producing America's newest inventions abroad with the help of U.S. and foreign governments.

7. Multilateral trade agreements with other nations, such as the textile multifiber agreements, should be administered in keeping with the flexible machinery devised to regulate imports and exports. This flexible machinery would be a safeguard against a misunderstanding of America's intent and assure continued U.S. sovereignty over its trade and other domestic laws.

8. Since almost any federal, state or local law can be considered a non-tariff barrier to trade, any legislative provision to authorize negotiation on non-tariff barriers should be limited and should require specific Congressional approval for the removal of any barrier, with full information about the products affected. U.S. tax laws, consumer protection, laws and other social legislation, including occupational health and safety standards, should be barred from such negotiations.

9. New provisions are needed to speed and assure action against foreign dumping of products on the U.S. market—the sale of these goods at a price artificially lower than in home countries—or other subsidized imports into the U.S. These provisions should emphasize U.S. producer and worker needs and rights to participate in proceedings.

10. Clear labeling on imports of products and components to mark the country of origin of the product and the components within it is needed. Advertisers also should be required to designate the country of origin of products they handle. All consumer protection legislation should be strictly enforced on imports.

11. Trade with Communist countries should not be viewed as ordinary commercial exchange. The U.S. should end the extension of low-interest loans and insurance of private loans by U.S. government agencies to Communist countries. Senate legislation must contain the restrictions on Soviet trade written into the House bill over the opposition of the Administration.

12. The need for improved U.S. statistics on imports, exports and production has become urgent. Neither the U.S. government nor interested U.S. producers and workers can obtain adequate statistics in sufficient detail on the impact of imports or exports of industrial commodities. A comprehensive system of reporting on investment abroad, licensing of production and other technology flows is needed. Firms which operate within the U.S. should be required to segment their U.S. and foreign production in reporting to Government agencies.

The energy crisis has demonstrated that over-dependency on foreign sources of any material can be costly and perhaps fatal. It also has demonstrated that nations, when faced with a choice, are quick to act in their own self-interest. And it has graphically demonstrated that multinational corporations hold corporate allegiance above national allegiance. New trade legislation must recognize these factors.

By every test, the House-passed trade bill fails to relate to the realities of the Seventies. The Senate now has an opportunity and an obligation to fully re-examine U.S. trade and investment policies and write legislation that meets America's needs.

Mr. Speaker, for the first time that I can remember, the labor movement joined hands with those Members of the Congress in the fight on the floor to try to defeat this most unusual demand by the President for more power and more freedom to destroy not the American labor movement but the American people.

RURAL HEALTH CARE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. RAILSBACK) is recognized for 5 minutes.

Mr. RAILSBACK. Mr. Speaker, there are still some very real health problems in rural America. In my congressional district in Illinois, one small town has a large sign hung over the main street which proclaims, "Nauvoo Needs a Doctor." In Mercer County, a rather large geographical area encompassing about 20,000 persons, there are only four doctors, two of whom would retire if the demands upon them were not so heavy. My own brother-in-law is a doctor, and he has told me he receives at least 15 calls a day he simply cannot handle. Unfortunately, such stories are typical in most rural areas.

From what I have observed, one of the most serious problems in rural health is that of adequate delivery. The uneven distribution of medical services has resulted in many counties having no physician at all. And, even in counties where there are doctors, these individuals must work strenuously long hours to take care of their patients. One doctor in Adams County tried for years to attract another physician to his clinic, and, by the time an interested person was found, the caseload had increased to such an extent that still another doctor was needed.

While we, in Government, have been increasingly aware of the problems of rural areas, I am convinced we just have not done enough. Certainly, the National Health Service Corps has assisted with its professionals in rural areas, and the emergency medical services system has insured a higher percentage of funds for rural areas. However, such efforts are too often piecemeal.

What is desperately needed is a Federal agency charged with the responsibility for developing, coordinating, and delivering programs to people in rural areas. It is specifically for that reason I joined Congressman CARTER in sponsoring legislation establishing an Office of Rural Health within the Department of Health, Education, and Welfare. The office would be administered and headed by a Director who would be a health professional. Funds would be provided for experimental and developmental rural health care delivery models and/or components, which are required to become financially self-sustaining within 3 years, and which have the promise of being transferable or adaptable to other rural areas. The legislation authorizes $75 million for fiscal year 1974, $100 million for fiscal year 1975, and $125 million for fiscal year 1976 in grants and contracts.

In addition, H.R. 11319 sets up a Rural Health Care Advisory Committee to work with the Director and report on the accomplishments of the legislation in meeting the goal of increasing the availability of health care in rural areas.

Mr. Speaker, as a member of the Health Task Force, I have heard compelling testimony which has lead me to believe that a new approach to rural health is essential. My bill, which provides coordination, direction, and support will be a first step in assuring our rural residents that their needs will be met. I hope action on H.R. 11319 will be forthcoming.

At a time when everyone is concerned about health care and many are proclaiming that every citizen has a right to health care, I want to be absolutely certain the people in rural America are not overlooked.

THE 17TH ANNIVERSARY OF GHANA

The SPEAKER pro tempore. Under a previous order of the House, the gentle-

man from New York (Mr. CONABLE) is recognized for 5 minutes.

Mr. CONABLE. Mr. Speaker, the nation of Ghana today is observing the 17th anniversary of its independence. Ghana was the first black African country to obtain its independence from European control and as such has been a leader among the new African nations for self-determination and progress.

As a new nation, Ghana has been concerned with development of its roads and hospitals and towns and schools and other public services. It has succeeded in making significant agricultural and economic advancement at the same time, however, diversifying and seeking greater self-reliance.

I am pleased that we have maintained friendly economic and cultural relations with Ghana during its period of development. Mutual trade has increased and there are growing exchanges of students and visitors.

As is expected, Ghana has attempted to build effective links with its neighbors through the Organization of African Unity and other regional groups. It has participated actively in the United Nations, as well, however, in support of efforts to raise the living standards of people of all nations and to maintain peace among them. We look forward to continued cooperation and friendship with this youthful and vigorous nation.

RONCALLO ANSWERS THE MAIL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. GROVER) is recognized for 10 minutes.

Mr. GROVER. Mr. Speaker, lest any public official think he or she can ignore the youth of our country with impunity, I would refer him to John Pascal's "Long Island Diary" column, which appeared in Newsday on March 4.

Briefly, 11th grade students at Berner High School in Massapequa, Long Island, wrote to officeholders at various levels of government on a variety of current issues and then graded the replies, if any. I was privileged to represent Massapequa for many years and commend the students and their teacher, Mr. Albert Midura, Jr., for their initiative.

Massapequa now forms part of New York's Third District and is ably represented in Congress by my dear friend and colleague ANGELO RONCALLO. That the gentleman from New York (Mr. RONCALLO) has a great respect for the young people of his district is evident from the results of the survey. He received a grade of "B" from the students—higher than any other official who had been sent more than a single letter. He did not send form letters. He was not condescending. Instead he extended to students the respect that all constituents deserve: A personal reply on the substance of the request. All Members, and indeed all holders of the public trust, would do well to profit from the fine example set by the gentleman from New York (Mr. RONCALLO).

CONGRESSMAN PEYSER DISCLOSES FINANCIAL STATUS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. PEYSER) is recognized for 5 minutes.

Mr. PEYSER. Mr. Speaker, because of the concern with the financial status of all public officials expressed by the media as well as certain public groups, I am disclosing at this time pertinent segments of my 1972 income tax.

My total income for 1972 was $61,339.20. Of this $42,500 comes from my congressional salary. $16,889 comes from life insurance renewals—renewals represent a commission on life insurance policies that I sold prior to becoming a Member of the U.S. Congress. The earnings on these renewals will decrease every year. I earned $1,950 from honorariums. In Federal, State, and local taxes I paid $18,102.38. I contributed $863.15 to charity. I had congressional expenses not compensated for by the Federal Government of $5,369.37. I had personal expenses directly related to my job as a Congressman—namely the maintenance of an apartment in Washington while my family still lives in our home in New York, food, travel, et cetera—of $5,500 for which I am not compensated. I do receive $3,000 deduction from my total income for my expenses incurred living in Washington. I own no tax-free bonds or other securities. I have filed a full report of my earnings and sources of earnings with the Clerk of the House every year I have been in Congress.

THE CRISIS OF CANCER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. MINISH), is recognized for 10 minutes.

Mr. MINISH. Mr. Speaker, recent crises in Government, energy, pollution and numerous worldwide problems tend to divert our attention from a crisis that has inflicted untold grief upon mankind for centuries—the crisis of cancer.

This year, some 355,000 Americans—men, women and children—will die of the disease, 14,000 of them in my home State of New Jersey. There will be 655,000 new cases in the United States, making cancer our second largest killer. In spite of great advances in research, better diagnosis and treatment, and the general improvement of patient care, the cancer toll increases yearly.

The American Cancer Society is one of the foremost volunteer health agencies fighting cancer today. Its accomplishments and three-fold program of research, education and service have been cited previously in the CONGRESSIONAL RECORD.

At this time, I would like to pay tribute to my own New Jersey Division of the Society and, in particular, to two men who have played a stellar role in its founding and growth during the last quarter century. I refer to George E. Stringfellow, the division's first president and first honorary life member, and to Dr. Joseph I. Echikson, the division's second honorary life member who received this accolade at a recent meeting of the organization's board of trustees. I think it appropriate to quote Mr. Stringfellow's remarks during the award presentation to Dr. Echikson:

It's always a pleasure for me to join my many old friends and associates at meetings of the New Jersey Division. This afternoon, it's a *special* pleasure and, indeed, an *honor* to present this Honorary Life Membership to a very dear friend, a volunteer of many years' service and a truly great man.

I could not possibly list all the training, positions and honors bestowed upon Doctor Joseph I. Echikson—unless, of course, you wish to listen to me for several hours. I shall mention only a few:

A graduate of New York University, Doctor Echikson received his medical degree from the College of Physicians and Surgeons at Columbia University. A noted cardiologist and internist, he has been closely associated with the major hospitals in Essex County and is a member of numerous professional organizations. He has been president of the Essex County Medical Society and the Academy of Medicine of New Jersey. In 1959, he received the Edward J. Ill Award from the Academy. He was also the recipient of the B'nai B'rith "Americanism Award" as outstanding citizen of Maplewood and South Orange. As most of you know, he also received the American Cancer Society's Bronze Medal in 1953, the highest award given to Divisions by the National Society.

Doctor Joe, as we affectionately call him, has served the New Jersey Division since its earliest days and has held numerous offices in the Essex County Unit, the Division and on the National Board of Directors. I won't even attempt to list his many titles and accomplishments. No award or citation is the true measure of a man like Doctor Joe. We love and respect him, not only for his countless good deeds and accomplishments, but for his goodness as a man. Is there one here tonight who has not been touched by his kindness, thoughtfulness and gentle nature? I think not.

And so, Doctor Joe, I present to you this symbol of service which reads:

"American Cancer Society, New Jersey Division, Inc. this is to certify that Joseph I. Echikson, M.D. is elected an Honorary Life Member in recognition of his outstanding contributions to the control of cancer. Done in the township of Union on this thirteenth day of December, nineteen hundred and seventy-three. Signed, Joan K. Beldon, President: Elaine Solomon, Secretary."

I'm sure your many friends here tonight and throughout the entire Society rejoice with me in making this presentation. I'm sure, too, that they join me in wishing you good health and good cheer.

We thank you for your loyalty and devotion to a great organization.

I mention the award presentation to Dr. Echikson, not as a single act of volunteer involvement in a humanitarian cause, but as one example of what thousands of men and women throughout the Nation are doing to help conquer cancer. Each is contributing in his or her own way—as physician, fundraiser, research scientist, volunteer driver, and so forth—toward the eventual end of this devastating disease.

I hope the recent action of the Society's New Jersey division will serve to

remind us that we can and must keep the crisis of cancer a top priority in our legislation to improve the Nation's health. As the American Cancer Society says, "We want to wipe out cancer in your lifetime."

Lastly, Mr. Speaker, I am today introducing legislation to extend the National Cancer Act of 1971 for 3 additional fiscal years. I urge the House to take speedy action on this crucial legislation.

MOST CITIES TO GAIN FROM NEW TITLE I FORMULA

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, the House is scheduled to vote shortly on H.R. 69, a bill to extend and amend the Elementary and Secondary Education Act of 1965.

One of the most important features of the bill is the section which updates the formula for distributing title I funds, the major Federal program of compensatory education. The updated formula, which enjoyed strong bipartisan support in the Education and Labor Committee, is one which, I believe, provides for the most equitable possible nationwide distribution of Federal compensatory education funds and is one which will help all educationally deprived children who live in school districts with concentrations of poor families.

Mr. Speaker, some persons have inaccurately charged that every major city and urban area in the United States would be hurt under the updated formula. But, of course, Mr. Speaker, the title I program was not designed to help or hurt any city or area or State. Rather, the program was intended to help educationally deprived children.

Nonetheless, because Members may, understandably, be interested in the amount of title I money that may flow to the cities they represent, I would note that although a few cities do lose some money, a comparison of projected allocations under the new formula with allocations under the present formula for fiscal 1973 and fiscal 1974 shows that most cities can expect to receive significant increases in title I funds next year.

I must point out, however, that even the few cities that do lose money under the new formula do so only when compared to fiscal 1974 allocations. The reason for this result is that most of these cities experienced significant increases in title I funds between fiscal 1973 and fiscal 1974 as a consequence of the shift from 1960 to 1970 census data. This shift in census data resulted in great distortions in the allocations under the formula because there was a significant decline in the number of census children counted under the $2,000 low-income level while at the same time the number of AFDC children count remained constant. As a result, some school districts whose allocations were based predominantly on AFDC children experienced very significant increases in title I funds in fiscal 1974. A comparison of the projected allocations for these cities with 1973 allocations shows that title I funds for most of these districts will not drop below the fiscal 1973 levels.

Mr. Speaker, H.R. 69 will be the major education bill to be voted on by the 93d Congress. I think it important that all Members be fully informed about this measure, and I would, therefore, like to insert in the RECORD at this point a chart which compares these title I allocations for the 100 largest cities in the country. A study of the table will show that most major cities would gain under the updated title I formula adopted by the committee. The table follows:

TITLE I ALLOCATIONS IN H.R. 69, THE ELEMENTARY AND SECONDARY EDUCATION AMENDMENTS OF 1974—COUNTY LOCAL EDUCATIONAL AGENCIES (LEA) ENTITLEMENTS ONLY

100 larges cities	1973	1974	H.R. 69	Percent increase/decrease of: Fiscal year 1974 over fiscal year 1973	Percent increase/decrease of: H.R. 69 over fiscal year 1974
New York	134,030,268	154,373,065	131,217,035	+15	−15
Bronx	37,044,787	46,234,075	39,298,944	+25	−15
Kings	57,204,807	67,172,700	57,096,768	+17	−15
New York	27,045,188	26,020,783	22,117,648	−4	−15
Queens	10,890,022	12,786,676	10,868,670	+17	−15
Richmond	1,845,465	2,158,831	1,835,005	+17	−15
Chicago (Cook)	43,707,229	51,866,527	52,866,976	+19	+2
Los Angeles	44,943,483	49,867,494	52,746,880	+11	+6
Philadelphia	20,643,019	27,131,272	24,852,704	+31	−8
Detroit (Wayne)	22,136,000	25,933,205	28,942,496	+17	+12
Houston (Harris)	6,281,395	8,019,010	11,024,061	+28	+37
Baltimore City County	10,535,957	12,921,187	11,053,777	+23	+9
Dallas	4,146,734	5,110,172	7,327,188	+23	+43
District of Columbia	10,042,676	11,196,398	10,352,664	+12	−8
Cleveland (Cuyahoga)	9,741,004	12,448,365	10,581,106	+28	−15
Indianapolis (Marion)	3,062,105	3,169,235	4,361,574	+4	+38
Milwaukee	5,012,385	6,349,363	7,724,952	+27	+22
San Francisco	4,765,937	4,312,040	4,887,120	−10	+13
San Diego	5,376,368	6,643,338	8,825,213	+21	+33
San Antonio (Bexer)	5,149,849	5,797,673	9,231,729	+13	+59
Boston (Suffolk)	7,476,341	8,329,899	7,907,340	+11	−5
Memphis (Shelby)	3,789,533	5,489,690	8,399,540	+45	+53
St. Louis	5,047,776	5,678,370	6,824,879	+13	+20
New Orleans (Orleans)	4,284,298	5,960,408	9,416,467	+39	+58
Phoenix (Maricopa)	3,538,338	3,516,739	6,258,400	−1	+78
Columbus (Franklin)	3,588,571	4,099,531	4,342,047	+16	−6
Seattle (King)	3,709,141	4,417,045	4,989,411	+19	+13
Jacksonville (Duval)	2,185,584	2,585,155	5,411,000	+18	+11
Pittsburgh (Alleghany)	8,451,271	8,651,181	10,680,184	+2	+16
Denver	3,239,429	3,435,624	3,811,680	+6	+11
Kansas City, Mo. (Jackson)	2,261,480	2,562,563	3,633,353	+13	+42
Atlanta (Fulton-Dekalb)	4,514,348	5,968,175	6,803,157	+32	+14
Buffalo (Erie)	8,495,066	8,732,161	8,189,803	+3	−6
Cincinnati (Hamilton)	4,170,298	4,060,561	5,376,877	−3	+32
Nashville (Davidson)	1,465,684	1,716,491	2,831,153	+17	+65
San Jose (Santa Clair)	4,283,769	4,973,262	5,324,957	+14	+7
Minneapolis (Hennepin)	4,381,434	5,149,435	4,899,424	+18	−5
Fort Worth (Torrant)	2,214,254	2,433,508	3,435,181	+10	+41
Toledo (Lucas)	2,088,423	2,149,538	2,365,344	+3	+10
Portland (Midtenomoh)	2,543,724	2,640,706	3,542,131	+4	+34
Newark (Essex)	10,938,289	13,220,988	12,588,581	+21	−5
Oklahoma	2,336,745	2,826,913	3,027,421	+21	+7
Oakland (Alameda)	6,159,904	6,120,938	7,415,999	−1	+21
Louisville (Jefferson)	3,180,234	5,031,569	4,276,831	+58	−15
Long Beach					
Omaha (Douglas)	1,946,045	2,244,586	1,959,922	+15	−13
Miami	3,599,793	4,330,621	8,513,516	+20	+97
Tulsa (Tulsa)	1,668,945	1,869,674	2,278,298	+12	+22
Honolulu (Oahu)	2,955,720	3,419,497	4,326,469	+16	+27
El Paso	1,570,140	1,921,119	4,477,087	+22	+133
St. Paul, Minn. (Ramsey)	2,176,450	2,395,789	2,388,145	+10	−0
Norfolk	3,172,933	3,100,406	3,249,185	−2	+5
Birmingham (Jefferson)	3,619,136	4,447,988	6,192,006	+23	+39
Rochester (Monroe)	4,710,346	5,665,322	4,815,521	+20	−15

100 largest cities	1973	1974	H.R. 69	Percent increase/decrease of: Fiscal year 1974 over fiscal year 1973	Percent increase/decrease of: H.R. 69 over fiscal year 1974
Tampa (Hillsborough)	1,854,995	1,710,489	4,125,428	−8	+141
Wichita (Sedgwick)	1,697,699	1,937,900	2,062,449	+14	+6
Akron (Summit)	1,902,593	2,237,573	2,380,511	+18	+6
Tucson (Pima)	1,172,071	1,380,397	2,498,036	+18	+81
Jersey City (Hudson)	4,950,713	6,086,389	6,356,360	+23	+4
Sacramento	3,831,005	4,613,718	5,218,670	+20	+13
Austin (Travis)	1,052,790	952,542	1,844,306	−10	+94
Richmond	2,291,787	2,450,360	2,511,893	+7	+3
Albuquerque (Bernalillo)	1,354,259	1,667,013	2,933,095	+23	+76
Dayton (Montgomery)	2,157,238	2,353,612	2,512,649	+9	+7
Charlotte (Mecklenburg)	1,611,209	2,448,123	2,400,399	+52	−2
St. Petersburg (Pinellas)	1,050,687	1,061,733	2,269,755	+1	+114
Corpus Christi (Nueces)	1,874,737	1,696,219	2,941,918	−10	+73
Yonkers (Westchester)	5,496,127	6,201,274	5,271,080	+13	−15
Des Moines (Polk)	1,214,720	1,560,867	1,326,736	+29	−15
Grand Rapids (Kent)	2,003,231	2,545,322	3,285,607	+27	+29
Syracuse (Onondaga)	3,122,871	2,884,164	3,103,298	−8	+8
Flint (Genesee)	2,665,673	3,325,702	3,920,738	+25	+18
Mobile	1,866,731	3,037,523	4,249,565	+63	+40
Shreveport (Caddo)	1,640,742	1,484,466	3,249,908	−10	+119
Warren (Wayne)—See Detroit.					
Providence	3,545,993	3,595,579	4,622,130	+1	+29
Fort Wayne (Allen)	961,870	977,700	1,112,682	+2	+14
Worcester, Mass.					
Salt Lake City (Salt Lake)	1,657,294	1,975,077	2,352,189	+19	+19
Gary (Lake)	2,904,556	3,566,029	3,361,370	+23	−6
Knoxville (Knox)	1,238,178	1,277,118	2,028,267	+3	+59
Madison (Dane)	751,142	959,055	1,297,255	+28	+35
Virginia Beach	30,524	906,866	1,174,534	+2,871	+30
Spokane	1,180,227	1,380,542	1,838,184	+17	+33
Kansas City (Wyandotte)	1,309,972	1,592,036	1,563,168	+22	−2
Anaheim (Orange)	3,575,289	4,423,958	5,762,646	+24	+30
Fresno	4,197,369	4,061,527	6,266,109	−3	+54
Baton Rouge (East Baton Rouge)	1,082,957	1,264,284	2,599,325	+17	+106
Springfield					
Hartford	3,571,400	4,207,121	4,770,409	+18	+13
Santa Ana (Orange)—See Anaheim.					
Bridgeport					
Tacoma (Pierce)	1,608,467	2,040,594	2,645,912	+27	+30
Columbus (Muscogee)	962,152	1,327,209	1,761,556	+38	+33
Jackson (Hinds)	1,621,749	2,356,830	3,162,984	+45	+34
Lincoln (Lancaster)	416,413	390,269	471,308	−6	+21
Lubbock, Tex	752,231	839,472	2,782,607	+12	+112
Rockford, Ill. (Winnebago)	1,309,127	1,338,899	1,542,849	+2	+15
Paterson, N.J. (Passaic)	3,442,231	4,166,031	3,817,208	+21	−8
Greensboro (Guilford)	1,172,448	1,675,956	1,678,153	+43	0
Riverside, Calif	2,757,415	3,079,943	4,148,912	+12	+35
Youngstown (Mahoning)	1,110,798	1,220,582	1,344,934	+10	+10
Fort Lauderdale (Broward)	1,379,747	1,453,948	3,134,085	+5	+116
Evansville (Vanderboro)	734,392	664,475	835,810	−10	+26
Newport News	777,588	1,016,433	1,236,715	+30	+22

LABOR-FAIR WEATHER FRIEND—V

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, in a great organization one of the most difficult of all problems is to keep headquarters in contact with the field. Big companies go to great lengths to know what is happening with their field operations, because they know that if headquarters does not know what is happening, mistakes that create huge losses can be made, without the headquarters people knowing about it until after disaster has struck. The same is true in labor.

Business and labor alike hold all kinds of meetings and conventions to try to keep the communications lines open; after all they share the common problem of trying to keep the penthouse informed, and the field folks likewise informed.

But this does not always work.

In the case that I have been discussing in the last few days, big labor attacked me without informing itself of just how folks down in the field thought about it, and in fact without trying to ascertain the facts for itself, or even assuring itself that the attack had been authorized by the particular board responsible. It was the kind of mistake that can be made when an organization is too big, or seized in the grip of hubris.

When people in the Texas labor movement heard about this, they asked the logical question: Did not anybody up there in headquarters know that HENRY GONZALEZ was their friend, and had not anybody bothered to check with him, or at least give him a chance to state his case?

One puzzled inquiry was from the San Antonio Building & Construction Trades Council, and it read like this:

SAN ANTONIO BUILDING AND CONSTRUCTION TRADES COUNCIL,
San Antonio, Tex., January 3, 1974.

Mr. RICHARD MURPHY,
C.O.P.E. & Legislative Director, S.E.I.U. Committee on Political Education, Washington, D.C.

DEAR MR. MURPHY: I am writing this letter with regard to correspondence between your office and the office of Congressman Henry B. Gonzales concerning the Farah strike in San Antonio.

Labor in San Antonio has in Henry B. Gonzales one of the best friends possible. I have never had the occasion to ask him for assistance in any form that I was refused, if he felt that it was in the best interest of the working people.

There are organizations in San Antonio that have been out to get Henry ever since he has held a political office. While Henry has been around all of these years these people have been able to be a parasite from one organization to another through Federal grants and any and all type of programs where free money was available.

To fully understand the San Antonio situation one must almost have to live here to be able to see the manipulations that are made in order to put him in a situation whereby he would be an open target for them.

I only wish that your office would have first contacted Henry and at least given him a chance to state his feelings.

Labor in San Antonio hopes the accusations made do not hinder our relations with this man.

Fraternally,

W. F. KELLER,
President, San Antonio Building & Construction Trades Council.

I do not know if this inquiry was ever answered or not; if it was, I never received a copy of the reply.

But the San Antonio council was not the only one that wondered what was going on. The Texas AFL–CIO officers also wanted to know what had happened; they hoped that the Labor Council for Latin American Advancement had not hung me and then decided to hold a trial later. In fact, that is exactly what happened.

Here is what the Texas AFL–CIO officers had to say:

TEXAS AFL–CIO,
Austin, Tex., January 3, 1974.

Mr. RAY MENDOZA,
Chairman, Labor Council for Latin American Advancement, Washington, D.C.

DEAR BROTHER MENDOZA: We just read your press release dated December 19, 1973, vigorously condemning Congressman Henry B. Gonzalez for his union-busting attitude in regards to his supposed stand with Willie Farah and the Farah Pants Manufacturing Company.

As you know, Congressman Gozalez has always been a close friend of Labor with an excellent voting record and a strong supporter of working people, in general. We would like to know if Congressman Gonzalez has been contacted in regards to this matter and what is his explanation.

While we certainly don't condone anyone attacking the Farah strikers, and we support their causes 100%, it is difficult for us to believe that Congressman Gonzalez would do anything detrimental to union members or take exceptions with the leaders of the Catholic Church.

We would think, with the outstanding past of Congressman Gonzalez, a full explanation from him would be in order before this press release was released. Hoping this was the case, any documentary evidence you have to substantiate these charges would be appreciated by us for our own personal understanding.

Fraternally,

HARRY HUBBARD, *President.*
SHERMAN FRICKS, *Secretary-treasurer.*

As far as I know, this letter was never answered, either, or if it was, I never got a copy.

So I was not and am not alone in trying to penetrate the penthouse mentality that resulted in this unfortunate attack on me.

Those in labor who know me best have tried to defend me; not because they have been asked, but because they sensed from the very beginning that something was wrong, and that I had been the victim of an unfair and unwarranted attack. But as far as I know, these friends have not received any more consideration than I have.

Labor's penthouse commands a fine view of the White House. The location was chosen I am sure because it helps symbolize the AFL–CIO's wish to be associated with the power of the White House; to remind tenants of the White House that George Meany is there, and expects to be remembered, and to remind visitors that nobody has offices closer to the Oval Office than he does, not even the captains of industry. It's all very impressive. But I have come to wonder if the arrogance that brought Richard Nixon so low has not also penetrated into the penthouse of labor; whether labor has also become so enamored of power that it cannot recognize the difference between an independent friend and a fanatic who can only bring harm to all he touches. Maybe the penthouse mentality has seized the house of labor too; maybe its moguls do not really know any more who their true friends are. That could explain why in this case the tail wagged the dog. I will remember that; I will remember for a long time who my friends have been, and who they are. I wish that the moguls who seem not to have listened to their own members would have remembered who their friend was.

GHANA'S 17TH INDEPENDENCE ANNIVERSARY

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, it gives me great pleasure to congratulate the people of Ghana on this 17th Anniversary of their independence. I well remember the pride I experienced as a black American when Ghana took its place among the sovereign states of the world. It was an honor for me to have been present on that occasion as part of the official U.S. delegation, under the leadership of then Vice President Richard Nixon. In the years since then, I have visited Ghana several times, most recently in March of 1972. The sincere friendship between the American people and the people of Ghana has been evidenced by the warm reception I have received on all these visits. In fact, America has consistently enjoyed good relations with Ghana.

I am sure that I speak for all Americans in extending warmest greetings to the people of Ghana as they celebrate this anniversary of a momentous event in their history. It is our sincere hope that Ghana will continue to move forward in its efforts to become self-reliant and economically viable, and that America will continue to be a partner in that effort.

I wish to insert, Mr. Speaker, for the information of my colleagues, the statement issued by the Embassy of Ghana on this 17th birthday.

The statement follows:

GHANA IS SEVENTEEN YEARS TODAY—
6TH MARCH, 1974

Since independence seventeen years ago, Ghana has made remarkable progress in all fields of development. She has built roads, hospitals, new townships, developed rural electrification and has supplied her people with pipe borne water, and other social amenities. New schools have been built and the old educational system has been changed to reflect the needs of our society.

The Government of the National Redemption Council, led by Colonel Ignatius Kutu Acheampong, has shown practical understanding of our problems by injecting strict discipline into the economy. Imports have been controlled to appreciable levels and ev-

ery effort has been made to boost exports in textiles, wood products, aluminium alloys, processed cocoa products, etc. This has yielded positive results; the high price of cocoa, timber and gold on the world market has also added more inputs into the economy and, as a result, unemployment, inflation and high prices show a downward trend. The third phase of "Operation Feed Yourself" was launched in Northern Ghana recently with the object of increasing agricultural production of food and industrial crops and diversifying Ghana's economy in order to reduce over dependence on cocoa and timber. Ghanaians are determined to make the nation self-reliant and economically viable.

Ghana's economic and industrial policies provide for viable foreign investment and partnership in certain economic areas. The Capital Investments Board provides incentives and liberal concessions to prospective investors who are willing to co-operate with us on equal terms in prescribed areas of operation.

The expansion of Ghana's trade with the United States and other North and South American countries, including the Caribbean, will be vigorously pursued by the National Redemption Council.

With regard to Foreign Affairs, Ghana has continued to build effective links with her neighbours, worked towards a Common Market in West Africa and supported vigorously the Organization of African Unity, the United Nations and its Specialized Agencies, the Third World, the Non-aligned Group and other regional groups in their efforts to free Africa from colonialism and racialism. Within these organizations, Ghana will continue to join all peace-loving nations in their programmes to raise the living standards of peoples all over the world.

It is our hope and belief that the current achievements of the National Redemption Council will continue to inspire Ghanaians in all walks of life so that Ghana shall be a shining example to all lovers of peace, freedom, justice and human progress.

THE EMBASSY OF GHANA.
WASHINGTON, D.C.

SUPPLEMENTAL SECURITY INCOME—AN ADDED BURDEN OF MEDICAID?

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. ROSTENKOWSKI), is recognized for 5 minutes.

Mr. ROSTENKOWSKI. Mr. Speaker, it has been recently brought to my attention that as a result of certain corrective amendments that the Congress has made to the supplemental security income program, many States are going to experience a significant increase in their share of the costs for medicaid payments.

The legislation, which transferred about 3 million aged, blind, and disabled persons from the State welfare rolls to the Federal system, was originally designed to ease both the financial and administrative burden imposed by these categories on the States. In effect, however, the program, as amended by Public Law 93–66, and Public Law 93–233, will cost most States more than before the Federal Government stepped in.

I think it is important for the Congress to evaluate the SSI program as it is being implemented to insure that it is taking the direction we intended when we incorporated it in H.R. 1 during the last Congress. While I understand that financial relief for the States was certainly not the primary consideration involved in the decision to federalize these categories, it is equally clear that it was not the intention of the Congress to greatly increase the States' costs.

Since the problem of increased States' costs of medicaid is complex in its origin as well as in its potential solution, I would like to insert in the RECORD an analysis of the problem as it was presented to me by the Illinois Department of Public Aid.

While this analysis did suggest some possible solutions to this rapid increase in medicaid expenses, I have excluded these from the RECORD because I feel that it is important that the Committee on Ways and Means first evaluate the problem. If the Committee on Ways and Means determines that this situation was not intended by the legislation as it was enacted, then it would be proper for the committee to evaluate what steps might be necessary to lessen this unexpected financial burden.

I would therefore like to insert the summary of the Illinois medicaid problem in the RECORD for my colleagues' attention. If the Illinois situation appears to be the rule rather than the exception, I urge my colleagues on the committee to take the necessary steps to evaluate the impact of this matter on all the States.

The summary follows:

[Illinois Department of Public Aid]

THE STATE COST EXPLOSION IN MEDICAID FOR THE AGED, BLIND, AND DISABLED: A PROPOSAL FOR RELIEF

The federalized program of basic maintenance aid for the aged, blind, and disabled (Supplementary Security Income program, or SSI), enacted October 30, 1972 and effective January 1, 1974, has generated a series of financial shocks for the States instead of the substantial fiscal relief originally claimed.

In its Report 92–1230, issued September 26, 1972—slightly more than a month prior to enactment of the Bill providing for federalization (H.R. 1 which became Public Law 92–603)—the Senate Finance Committee projected savings for Fiscal 1974 in State maintenance grant outlays totaling $853.1 million. This projection assumed that all the States having a higher level for their assistance programs for this category than the Federal floor of $130 ($195 for a couple) would continue these current levels through supplementation of the Federal program, even though such supplementation under the Bill was entirely optional with the States. The savings projected for Illinois in this Senate Report for Fiscal 1974 was $20 million.

So far as Medicaid for SSI beneficiaries was concerned, the Congress made no specific provision in Public Law 92–603 except for a negative provision to the effect that no State would be required to provide Medicaid to any beneficiary of the federalized program unless such beneficiary would have been eligible under the State's Medicaid program in effect on January 1, 1972, or after incurring medical care expenses had reduced his income and other resources so that they were not in excess of the State's medical assistance standard in effect on that date.

In both the area of maintenance aid and the area of Medicaid, the Congress—and the Federal Department of Health, Education, and Welfare which assisted the Congress in planning the details of the federalized program—miscalculated the extent to which the former State-Federal program for the aged, blind, and disabled provided better protection and coverage for the majority of aged, blind, and disabled individuals than the federalized program which was to take over January 1, 1974 and—in the words of the Senate Finance Committee—"largely replace the payments now being paid to the needy aged, blind, and disabled under State public assistance programs for people in these categories". Actually, in terms of State standards in effect for July 1972 for determining eligibility for financial aid for maintenance needs, the new program "replaced" the old program in less than one half of the States. Even in the remainder, as was discovered later, some individuals receiving State grants for special or emergency needs were better off under the old program than they would be under the new.

The Congress (with the planning assistance of HEW) has now corrected these deficiencies in the federalized program, but not at the expense of the Federal government. Rather, the expense of the corrections is to be borne by the States:

1. The first correction came in the area of supplementation of the Federal floor payment for basic maintenance needs. Through Public Law 93–66 enacted July 9, 1973, the Congress mandated that each State had to supplement each individual on its AABD rolls in December 1973 whose grant plus income under the old program exceeded the SSI payment plus income. Unless this mandated supplement is provided, the penalty to the State is loss of all Federal matching funds for its Medicaid program. In the case of Illinois, this mandated supplement involves some 41,000 receipients and will cost $9.3 million in State dollars for the period January through June 1974 (the last half of Fiscal 1974). Although Illinois has entered into an agreement for Federal administration of the mandatory supplement, there will be no Federal participation in the cost, unless at some future date the State opts for Federal administration of a supplementary program covering *the entire SSI caseload* (with more liberal eligibility conditions), and State costs under this arrangement exceed the State's total outlay in Calendar 1972 (but counting only payments at standards in effect in January 1972). The Federal government will pick up only the costs above this 1972 outlay.

2. The second correction was for the Medicaid oversight. Here, through H.R. 11333 approved January 3, 1974, the Congress has mandated that the State *must* provide Medicaid coverage:

a) to all persons included in the mandated maintenance supplement (for Illinois, the 41,000 referred to in item 1), *and*

b) to all other SSI beneficiaries who would qualify for Illinois Medicaid under Medicaid standards in effect as of January 1972 (for Illinois, HEW estimates this figure at 120,000). At its option, a State may move above this minimum requirement, with Federal matching, if it provides Medicaid for all SSI beneficiaries plus persons who would, except for their income, qualify as SSI beneficiaries (that is, persons receiving a State supplement only because their maintenance needs and special needs, if any, under State standards exceed the Federal eligibility level.)

It is in the area of the mandated Medicaid coverage of SSI recipients that Illinois, as well as most of the other States, faces its greates financial shock.

In the case of Illinois, for the last half of Fiscal 1974 (January through June 1974) Medicaid for SSI recipients will total $183,996,000. At the present Federal matching formula for Illinois, the State must carry 50 percent of this cost, or $91,998,000. Of this total figure of $183,996,000 for the remainder of this fiscal year, the *new* Medicaid obliga-

tion imposed as a result of the federalized program for *new* SSI beneficiaries who will meet State standards for Medicaid is $30,580,000, or a State additional cost of $15,290,000 under present matching arrangements.

For Fiscal Year 1975, the AABD Medicaid tab under H.R. 11333 will total $20,622,000, with the State's share under present arrangements at $210,311,000. Of the total of $420,622,000, the cost for the new SSI beneficiaries will be $110,102,000, with the State's portion of the outlay under present arrangements at $55,051,000.

Considering only the *new* SSI beneficiaries mandated for Medicaid coverage by H.R. 11333, the additional cost to the State of Illinois is as follows: $15.3 million for the remainder of Fiscal 1974; $55.1 million for Fiscal 1975, or a total of $70.4 million *additional cost to Illinois for Medicaid as a result of federalization of the AABD program than F.Y. 1975.*

This $70.4 million additional cost more than wipes out the $20 million "savings" projected by the Senate Finance Committee in September 1972. In fact, considering only the remainder of FY '74, the $15.3 million additional Medicaid cost for the *new* SSI beneficiaries plus the $9.3 million in the maintenance supplement mandated by Public Law 93-66 more than wipes out the projected "savings" for Fiscal 1974.

The additional cost to Illinois and the other States for the mandated Medicaid coverage of *new* SSI cases is obviously the result of the federalized program with its expanded caseload due to more liberal eligibility conditions and the attractiveness of an income maintenance level guaranteed by the Federal government and financed by that government. But without Medicaid, the *new* SSI cases would obviously be less well off than their counterparts covered by the former State-administered program. The answer supplied: compel the States to supply at least 50 percent of the cost of correcting the gap in the original legislation!

The States have every reason to protest this method of rectifying an oversight in the original Federal program at such high cost to the States. Further, the States have also every reason to protest the *forced* continuation of their Medicaid costs for former State AABD cases transferred to the Federal program receiving the mandated supplement for basic maintenance needs. Adoption of the federalized program—under the basic premise of Federal acceptance of responsibility for providing a nationwide floor for basic maintenance of the aged, blind, and disabled—*has as its corrollary Federal responsibility for meeting at least the same proportionate part of Medicaid requirements for these people.*

Proposal for Relief

While a case might well be made that the States should be relieved entirely of the Medicaid responsibility for SSI recipients—since the need for Medicaid for this group arises solely as a result of shortcomings in the established Federal Medicare program—it is doubtful that the Congress, for fiscal and other reasons, could move rapidly enough on this basis to provide the fiscal relief *that the States need immediately* as a result of the mandated Medicaid coverage of SSI recipients contained in H.R. 11333.

FINANCING ELECTIONS: MAKING PUBLIC OFFICIALS AND THOSE WHO SEEK PUBLIC OFFICE MORE RESPONSIVE TO THE PEOPLE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Hawaii (Mr. MATSUNAGA) is recognized for 20 minutes.

Mr. MATSUNAGA. Mr. Speaker, the 1st session of the 93d Congress saw dozens of major bills being considered in both the House and the Senate. The spate of energy legislation passed by the House of Representatives in the past few weeks is indicative of the pace and importance of these efforts.

Nonetheless, it is the legislation proposing structural changes in our political process which have the longest lasting impact. We recently passed and sent to the Senate a bill to reform the congressional budget processes, which may well turn out to be the most important measure passed by the House in 1973.

Perhaps the most important bill the House will pass in 1974 will be legislation to reform campaigns for Federal elective office—specifically, the Presidency and the Congress. The Committee on House Administration has completed hearings on the entire subject of campaign finance reform. I understand that markup will soon begin, and it is hoped to have a bill on the floor of the House sometime in the next few weeks.

In this connection, I am taking three actions which bear on this vital issue:

First, I am signing the statement of basic principles of campaign reform, which outlines in general a number of steps which should be taken to reform present practices.

Second. I am introducing my own bill on the subject, which I believe gathers together some of the more thoughtful ideas on campaign reform.

Third. I am publicly declaring my support for H.R. 7612, the so-called Anderson-Udall bill, to demonstrate my basic agreement with the principles to which that bill is addressed.

A NEW PROPOSAL

For the last several years, I have been pleased to play a major role in moving toward a more rational, more democratic method of electing our Federal officials. I was a member of a bipartisan steering group which developed a consensus resulting, in large part, in the enactment of the 1971 Federal Election Campaign Act. That was good legislation, and has served a useful purpose. One of the clearest indicators of how much of an improvement it was over the old law was the rush of activity by so many people to transact business before the effective date of the 1971 amendments.

But too many loopholes remain. We need to offer even more encouragement to small campaign contributors. We need to establish a clear line of authority for enforcing all campaign laws. We need to prevent outlandishly large contributions by individuals to any candidate, and limit the use of untraceable cash wherever possible. We need make free broadcast time available to Presidential candidates without clogging the airwaves with numerous sideshow candidates. Perhaps most importantly, Mr. Speaker, we need to extend present spending limitations to include all types of expenditures, and provide some system of public financing of campaigns for Federal offices.

My bill comes to grips with each of these needs, in what I believe to be a most reasonable and practical way.

INDEPENDENT ELECTION COMMISSION

As a badly needed first step, I propose the establishment of an independent seven-member Federal Elections Commission, to enforce all of the Federal election laws. Under the present setup, the General Accounting Office is responsible for enforcing the laws as applied to Presidential candidates; in the House, its Clerk is responsible; in the Senate, its Secretary. Many have observed that permitting the enforcement of laws applying to Members of Congress by officials who serve at the pleasure of those Members gives the appearance, at least, of providing the potential for abuse. The General Accounting Office, for its part, has been uncomfortable in the role of Presidential candidate watchdog, a task with ultimate political implications. Moreover, none of these agencies can operate in a truly independent way. All apparent violations of law must be referred to the Justice Department. Asking the Justice Department to seek indictments against offenders from the party in power presents, again, the appearance of a potential for abuse.

So my bill would establish an independent commission, with guaranteed bipartisan membership, to oversee the campaign and election laws, issue subpenas and seek injunctions where appropriate, even initiate criminal action against alleged violators.

This provision is similar to that already passed by the Senate as part of S. 372.

PRESIDENTIAL "EQUAL TIME" REPEAL

Almost everyone agrees that eliminating the "equal time" requirement for Presidential candidates would be a good thing. It would permit the networks to offer free time to major candidates without flooding the air with fringe personalities. My bill would repeal that requirement, but would for the time being retain it for congressional candidates. This is not because I do not favor free broadcast time for major congressional candidates; I do, very strongly. In my State of Hawaii, in fact, I arranged during the 1972 campaign to debate my Republican opponent on Hawaii's public television channel, which graciously provided the air time without charge. But many doubts have been expressed about overburdening TV outlets in some major markets, and about the fairness that might be expected toward minor but legitimate candidates in some areas of the country. These are sincere reservations, in my opinion, and my bill responds to them by requiring a special study by the Federal Communications Commission on the issue of repealing the "equal time" provision for congressional candidates.

Before mandating that the Federal Government buy broadcast time and give it to candidates, as some have suggested, I believe we should permit broadcasters to demonstrate how they will respond to the opportunity to provide this vital public service as part of their legal duty to serve "the public interest and convenience." In this connection I must pay my sincere compliments to television stations KGMB–TV in Honolulu for its pioneering effort to make free time available to opposing candidates for the

higher offices during the 1972 general elections. Mr. Cec Heftel, owner and president of KGMB–TV, has provided an example in public service for others to follow. To a lesser degree stations KHON–TV and KIKU–TV provided the same public service. To all these stations I express gratitude for their demonstrated leadership in serving the public.

ENCOURAGING SMALL CONTRIBUTORS

I believe that the enactment of the income tax deduction and credit for small political contributions was a substantial forward step. The existing law permits a deduction of up to $50 for political contributions—$100 for couples filing jointly. More important for middle-income taxpayers, many of whom do not itemize deductions, they can simply subtract $12.50—$25 for joint returns—from their final tax bill credit to $50 for individuals, and $100 for couples filing jointly. The deduction would remain unchanged, but would be unused. Thus all taxpayers rich and poor, would have the same incentive to contribute.

INDIVIDUAL CONTRIBUTION LIMITS

Big money—that is, really big money, has now become commonplace in American politics, especially at the Presidential level. I speak not only of spending, which I will discuss later, but also of contributions from individuals. One recent compilation reveals that one man and his wife have given more than $7 million to Republican candidates since 1968. I do not condemn them; in fact, I regret that they did not give that money to Democrats instead.

They were attempting, in a perfectly legal way, to bring their ideals to fruition through contributions to the campaigns of those who agree with them philosophically. However, it was the free flow of over-abundant campaign funds from wealthy individuals that led to Watergate and related incidents. Much of the illegal and unethical campaign activities could not have been carried on if funds had been limited. There is no question that big money tends to corrupt our democratic institutions and processes.

Therefore, my bill would limit the amount any person may contribute to any one candidate to $3,000 per year. Total contributions to all candidates in any year could not exceed $25,000. That limitation would apply to all contributions except those to and by the national committees, and the national congressional committees, of the major parties. Contributions to those entities could total another $25,000 each year. Another current loophole would be closed by requiring that any contribution by a minor must be attributed to a parent or guardian.

LIMIT USE OF CASH

Checks and money orders leave traceable records, which ease the burden of enforcing contribution and expenditure laws. Cash does not. We have seen dramatic recent instances where very large amounts of cash have been used for what can at best be described as questionable practices. My bill, therefore, would ban any cash contribution or political expenditure larger than $100.

SPENDING LIMITATIONS

A simple way to lower the amount of money spent in campaigns is to impose ceilings above which spending is prohibited. My bill imposes such ceilings. But great care must be taken when legislating in this area, for it is fraught with danger. If the limit is set too high, it is useless. If it is set too low, it becomes a sort of "Incumbents' Protection Act," because incumbents almost always have higher name recognition than their challengers, a difficulty that can be overcome in a short time only by launching into expensive advertising. There is also the difficulty of enforcement, which is made more difficult as limits are lowered, because of increased pressures to evade the statutory limit.

The limits in my bill apply only to congressional races. Presidential campaign spending limits are implicit in the mechanism which provided the existing $1 checkoff from individual income taxes.

Senate candidates, or House candidates in States with only one House seat, would be permitted to spend up to 70 cents per registered voter, or $250,000, whichever is greater. Other House candidates could spend 70 cents per registered voter or $150,000, whichever is greater. These limits would include both primary and general elections. The combining of funds subject to limitation would give the candidate greater flexibility in applying the resources where they are needed, a factor which varies from State to State, even from race to race within a State. In the event of a runoff, additional sums would be authorized.

It should be noted that I have based my calculations on the number of registered voters, rather than voting age population. My purpose is to encourage candidates to work for high voter registration figures.

In a typical House campaign, these limitations would work out to about $165,000 to $170,000 overall. While those limits are low enough to curb the "super media blitz" which we have all seen and deplored, they are certainly high enough to permit a challenger to get his story across to the public.

PARTIAL PUBLIC FINANCING

I have publicly advocated, and introduced legislation to provide, public financing of campaigns for Federal offices for many years. I strongly believe that now is the time for action on this issue. It is a necessary complement to my bill's restrictions of individual contributions and overall spending limitations.

I know that many of my colleagues shrink from, in effect, voting themselves campaign subsidies from the Treasury. But public financing gives money to campaigns only incidentally to achieving its principle purpose—assuring competitive races in a wider number of contests than is now the case. In 60 to 80 House races every other year, no opposition candidate even bothers to file against the incumbent. In another 250 or so races, the opposition is only token. The American people have no stake in advancing the career of any politician; they have a great stake, however, in assuring sufficient money for vigorous elections in as many instances as possible.

Although many people agree that partial building financing would serve solid principles, they doubt whether it is possible to solve all of the practical problems involved—who gets the money, how much, and when? When does a fringe candidate become a "minor party" candidate? And who decides these questions? My bill offers modest suggestions about what I believe is a workable plan.

Primaries. As a matter of principle I believe that public financing of primary elections is a necessary step. It is in this process where many congressional races are decided as a practical matter. But it is also a practical matter that financing for primaries is not, in my judgment, an attainable goal in the 93d Congress. Since the principle of public financing is the single most important thing, I have limited my proposal to general elections, with a view toward expansion at some future point, once the principle is established.

General elections. After posting a bond equal to the amount of payment requested, any candidate on the ballot could receive up to 10 cents per registered voter, or $20,000, whichever is greater—$30,000 in the case of Senate races. If a candidate failed to receive at least 10 percent of the total vote, he would forfeit a portion of a bond required to be posted before the initial payment could be made.

Taken together with the limits on overall spending and individual contributions, I believe that this plan for partial public financing has the potential for breaking what appears to be the inevitable cycle under the present system: Big money and unlimited budgets discourage the poor and middle-income people from contributing; and as long as small contributions are not available in very large numbers, politics continues to be tainted—some would say dominated—by big money.

None of these proposals is new, Mr. Speaker. All have appeared either in other current bills or in bills I have introduced myself in previous Congresses. But I believe that my bill draws together the best, if you will, of the various proposals, in a workable, enactable piece of legislation.

Also, Mr. Speaker, my bill includes a provision legalizing contributions by corporations subject to the same limitations as apply to individuals. This parallels a provision in the campaign reform legislation which went into effect in my State of Hawaii on January 1, 1974.

My purpose is to stop the devious subterfuges by which corporate money now finds its way into campaign coffers. It will help corporate executives to make honest, above-board contributions to candidates and political parties of their choice.

Watergate has revealed the widespread abuse of the current law. Whether my proposal is enacted or not, corporate funds, like booze during the Prohibition era, will continue to flow into campaigns. It is time we legalized corporate contributions, but in limited amounts and fully reported, so that the publnc will know

what corporations support what candidates.

I trust that members of the House Administration Committee, and other House Members, will find this bill a useful tool as we work toward passage of campaign reform legislation.

DEFICIENCIES IN THE FOOD STAMP PROGRAM FOR PUERTO RICO

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. RANGEL) is recognized for 5 minutes.

Mr. RANGEL. Mr. Speaker, in the implementation of the food stamp program for Puerto Rico, three very serious deficiencies have been brought to my attention by the recent Agriculture Department announcement of its plans in this regard.

First, the Agriculture Department has apparently chosen to delay implementation of the program in many parts of the island until the latter part of this year and in San Juan—the area where the most needy people are—until March 1975. It appears that USDA has embarked upon a course that indicates a very serious disregard for the will of Congress as set forth in the August 1973 amendments to the Food Stamp Act. In those amendments Congress required the Department to establish the program in every political subdivision of the United States by June 30, 1974, unless it was impossible or impracticable to do so by that date. Congress was motivated by the rapid disappearance of food surpluses in the United States which meant that the surplus commodity distribution programs would no longer be able to meet the nutritional needs of poorer people in places such as Puerto Rico. Because of the critical importance of food to a family's survival, the deadline was made mandatory—except, of course, for the two provisions. Despite this clear statement of congressional intent, however, USDA has made no finding of impossibility or impracticability and has still chosen to delay the program. I find this shocking.

To carry out its responsibilities USDA must implement the program in all locations on the island by June 30, 1974, even if that means acting through municipal governments, other government agencies, or even private organizations. Its only justification for delay can be a showing of impossibility or impracticability, but it bears the burden of proof in such matters and its showing would have to be both affirmative and convincing.

If it does make such a showing, however, that still does not mean that it can delay until March. It remains obligated to implementation at the earliest possible moment.

Second, and of equally vital concern is the decision by the Agriculture Department to set food stamp allotment levels at amounts lower than those prevailing in the United States—at a level which will not, I believe, permit poor families to purchase the same diets as in the mainland. If I am correct, then poor families in Puerto Rico are being denied their rights under the act.

The act requires the Secretary to set Puerto Rican coupon allotments at a level that will allow recipients there to be on an equal footing with those in the mainland—providing only that allotments for the islands are not set any higher than those in the mainland.

I do not know what process the Secretary used to derive the recently announced figures but if, as I have been told, food prices are measurably higher than those in the mainland areas then the poor people of Puerto Rico are being treated illegally. What the Agriculture Department should do, if it has not done so already, is cost out the economy diet plan's food items in Puerto Rico and determine just what it would cost to purchase a month's worth of those foods on the island. The economy diet plan foods are the yardstick used on the mainland and fairness requires that they be the same yardstick on the island. The use of different, cheaper foods on the island as a basis for cost measurements would simply penalize the poor people for their past reliance upon inadequate diets.

Third, the Secretary has established lower income-eligibility guidelines for Puerto Rico than are used on the mainland. For example, he has slated $407 as the maximum monthly income for a family of four which compares to $473 for a mainland family of four. This discrimination indicates that he wholly failed to carry out the requirement in the statute that eligibility be determined by multiplying the island's per capita income by the number of people in each household.

ABORTION PROHIBITION: IT WILL NOT WORK

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York (Ms. ABZUG) is recognized for 20 minutes.

Ms. ABZUG. Mr. Speaker, last year the U.S. Supreme Court issued an historic decision asserting the constitutional right of women to choose abortion as a method of birth control. We are now in the midst of a high pressure and highly emotional and well-organized campaign to undermine that decision, even though polls show that a majority of Americans support the Court's decision.

Several constitutional amendments proclaiming the "right to life" have been introduced, and today hearings on these proposals were opened by the Constitutional Amendments Subcommittee of the Senate Judiciary Committee. I was pleased to have an opportunity to testify before the subcommittee and at this point I should like to include in the RECORD the text of my remarks:

TESTIMONY OF BELLA S. ABZUG BEFORE THE CONSTITUTIONAL AMENDMENTS SUBCOMMITTEE OF THE SENATE JUDICIARY COMMITTEE, MARCH 6, 1974

I thank you for this opportunity to testify against approval of abortion prohibition amendments to the Constitution, which potentially could affect every woman of childbearing age in the United States.

I appear before you as a member of Congress, but also as a woman who is aware that in the consideration of this proposal, the fate of women is once again to be decided by men. I recognize that views both for and against the right to abortion are found in both sexes. The fact remains, however, that these are amendments aimed exclusively at women which have been introduced by men and submitted to a legislative body consisting entirely of men.

In the other body, women number only 16 out of 435 members, and if an abortion prohibition should be approved by the Congress, which I certainly hope will never happen, it would then be submitted to legislatures that are now about 93% male in composition.

Women are at your mercy, as they were during their one hundred year struggle to win suffrage. I remind you of the inequities in the present legislative situation *not* to make any sweeping prejudgments as to where individual members of the Senate may stand on this issue, but so that you may be conscious of your particular responsibility also to represent women, who in this setting have no franchise.

I find it significant that not one Senator spoke out against the Buckley Amendment to the Social Security Amendments of 1973, which would bar the use of Medicaid funds for abortion. This was a blatant act of discrimination against poor women, as are all anti-abortion laws, but to my knowledge no Senator is on record as opposing this kind of class legislation.

The Buckley anti-Medicaid amendment, like other amendments attached to other bills for the purpose of limiting use of federal funds for abortion, is an attempt to undermine the U.S. Supreme Court's historic decision of January 22, 1973 upholding the Constitutional right to abortion. Now we see a more frontal attack on the Supreme Court decision in these legislative attempts to change the Constitution itself, and in so doing to violate the spirit and language of the Constitution and the principles of tolerance and respect for individual freedom upon which our society is based.

As Justice Holmes said in his dissent in *Lochner v. New York* (198 U.S. 45, at p. 76) the Constitution "is made for people of fundamentally differing views," but the Buckley and Helms amendments seek to impose one view upon an entire people. They would substitute uniformity for diversity and compulsion for the right of the individual to choose. They might impose a particular religious or moral ethic upon a nation that at its inception, by adopting the First Amendment, rejected any dogma or creed as mandatory for all.

I am opposed to compulsory abortion. I am opposed to compulsory sterilization. I am also opposed to compulsory pregnancy.

Under the Supreme Court decision, no woman anywhere in the United States can be forced to have an abortion. Neither can she be forced to have a baby. She is free to decide, under certain limitations specified by the Supreme Court, whether she should give birth to a child.

Man and woman are equal in the act of conception, but after that single act has occurred, it is the woman's body that carries and nurtures the embryo and the fetus.

It is the woman who experiences the physical and psychological changes of pregnancy.

It is the woman who has the discomforts and sometimes the medical complications that accompany pregnancy.

It is the woman who feels the pain of childbirth. It is the woman who may have the postpartum depression.

And in our society it is the woman who bears the major responsibility of caring for and raising the child and who often must leave school or her work to do so.

Childbearing and childraising is a great experience for most women. For some it is not. For some it is sometimes. The point is that it is a totally individual experience, the most highly personal process in a women's life.

And yet the Buckley and Helms amend-

ments might mobilize the full power and authority of the state and its legal apparatus to interfere in this private process, to dictate to the individual citizen who is a woman what she is to do with her body and with her life.

I oppose these amendments because I believe they might create insoluble conflicts within the Constitution. They could inflict upon us arbitrary legal definitions of physical processes for which there is no universarily agreed upon medical definition. They would produce legal chaos. And they would not work.

Let us start with the last point first. This nation has already had the bitter experience of another kind of national prohibition as mandated by the 18th amendment to the Constitution. We know that not only did that Prohibition fail to accomplish its avowed highly moral purposes, but was responsible for the lawless and violent era of the bootlegger and gangster, and the rise of organized crime which still plagues our society.

We do not have to speculate about whether a similar failure would result from the adoption of a Constitutional prohibition of abortion because we already have the answer.

Until the U.S. Supreme Court issued its decision last year, most states had anti-abortion laws. Prior to 1830 there were no statutes in the U.S. prohibiting abortion. Between 1830 and 1956, however, virtually every state adopted laws which prohibited abortion unless necessary to preserve the life of the woman.

The main reason for enactment of these laws was that under 19th Century conditions, before aseptic surgical techniques were developed, abortions were extremely dangerous and sometimes fatal, even when performed by physicians. Protection of the health of the woman was the major concern behind the enactment of these laws. Today, however, with a variety of techniques available and with abortions more available to women in the early stages of their pregnancy, an abortion is safer than childbirth.

Even though abortion was outlawed in most of the states, at least until five or six years ago, abortions were performed, and they will continue to be performed whether the Constitution is amended or not. This is a fact that no amount of moral wishing can overcome.

It has been generally estimated that all throughout the period when anti-abortion laws were on the books, about one million American women were having abortions each year. Illegal abortions were so common and profitable they were said to be the third largest source of criminal revenue, following only narcotics and gambling. (D. Lowe, *Abortion and the Law*, cited in *The Rights of Americans*, edited by Norman Dorsen, p. 360).

Until some of the states began reforming their abortion laws, only about 10,000 of these one million women succeeded each year in having abortions performed legally in a hospital. Most of these, inevitably, were white, midle class or rich women who had the money and access to physicians willing to make the necessary arrangements.

What about the others, the 990,000 young girls and women, married and unmarried, who could not obtain legal abortions? Each one has had to go through the individual trauma of facing an unwanted pregnancy, frantically seeking in secrecy for a bootleg abortionist, paying exorbitant fees, or in many cases having to rely on a quack, a neighbor, a midwife or a home remedy, usually unsuccessful and often dangerous. Others have had to go abroad, as in the celebrated case more than 10 years ago of Sherry Finkbein, a young pregnant married woman who had taken the drug thalidomide and was forced to journey to Scandinavia to obtain an abortion of what proved to be a badly deformed fetus.

Each year, before the Supreme Court decision was handed down, physicians had to treat about 350,00 women suffering from complications arising from illegal abortions. Each year, it has also been estimated some 400 to 1,000 women died as a result of illegal, out-of-hospital abortions. Sometimes months of intensive care would be required to save a woman's life.

In contrast, the experience in New York State which has had legalized abortion for more than three years shows a decline in deaths associated with abortions, a decline in the maternal death rate, a steep decrease in the number of infant deaths, and a striking decline in the numbers of women hospitalized due to botched abortions.

The New York experience has also shown a 25 percent decline in the birthrate between 1970 and 1972, a 12 percent decline in the number of out-of-wedlock births, and a 56 percent decline in the rate of newborn infants left for placement or simply abandoned in the hallways, doorsteps and other places.

A report by Planned Parenthood Federation of America, issued December 10, 1973, which I would like to submit along with other documents as part of my testimony, says:

"Elimination of dangerous illegal abortion removed the main single case of maternal deaths. And women for whom childbirth would be a high risk—the very young, women who have had many previous pregnancies or are nearing menopause, and women with medical handicaps—now have an alternative. Of course, availability of abortion alone doesn't account for declines in the National Maternal Mortality rates. Effective use of contraception is another factor. In fact, the New York evidence suggests that contraceptive practice improved markedly, perhaps related to the contraceptive counseling provided by facilities performing abortions."

As a result of the legalization of abortion in some states, more women have been able to procure abortions during the first 12 weeks of pregnancy, the safest period. A one-year study of almost 73,000 abortions performed in hospitals in five states showed that 75 percent took place during the first 12 weeks of pregnancy and less than three percent took place after the 20th week. The study shows that late abortions have been mostly frequent among women under the age of 18, mothers of six or more children, black women, and patients in public hospitals. These are the women who as a result of legalization of abortion now have the personal security of access to safe procedures and to contraceptive counseling.

Perhaps the most significant finding in the Planned Parenthood report was that "about seven in ten of the legal abortions of New York residents would have taken place anyway—most of them illegally—in the absence of the new law. In other words, the primary impact of legalizing abortion is to make safer, less expensive and more open a procedure which would have taken place anyway."

Those who would overrule *Roe v. Wade* (410 U.S., 113 (1973)) would ignore our experience with the practical consequences of attempting to prohibit abortion and the benefits we have seen in terms of improved maternal and infant health resulting from legalized abortion. Those who would impose a ban on abortion in the name of protecting the rights of the unborn would deprive recognized citizens of their rights under the First Amendment, which guarantees secular supremacy, and their Constitutional right to privacy.

In its historic *Roe v. Wade* decision last year, written by Justice Blackmun and concurred in by six other justices, the Supreme Court said that although the right of privacy is not explicitly mentioned in the Constitution, the court has recognized that such a right does exist under the Constitution, in a line of decisions going back perhaps as far as *Union Pacific R. Co. v. Botsford*, 141 U.S. 250 251 (1891).

In varying contexts, the decision said, the Court or individual justices have found at least the roots of that right in the First Amendment, in the Fourth and Fifth Amendments, in penumbras of the Bill of Rights in the Ninth Amendment, or in the concept of liberty guaranteed by the first section of the Fourteenth Amendment.

In its decision, the Supreme Court held: "This right of privacy, whether it be founded in the Fourteenth Amendment's concept of personal liberty and restrictions upon state action, as we feel it is, or, as the District Court determined, in the Ninth Amendment's reservation of rights to the people, is broad enough to encompass a woman's decision whether or not to terminate her pregnancy." (410 U.S. at 153).

The court went on to discuss the hardships a state could impose upon a pregnant woman by denying her this choice:

"Specific and direct harm medically diagnosable even in early pregnancy may be involved. Maternity, or additional offspring, may force upon the woman a distressful life and future. Psychological harm may be imminent. Mental and physical health may be taxed by child care. There is also the distress, for all concerned, associated with the unwanted child, and there is the problem of bringing a child into a family already unable, psychologically and otherwise, to care for it. In other cases . . . the additional difficulties and continuing stigma of unwed motherhood may be involved. All these are factors the woman and her responsible physican necessarily will consider in consultation." (410 U.S. at 153).

The Court also held that although the right of personal privacy includes the abortion decision, "this right is not unqualified and must be considered against important state interests in regulation." It said a state may properly assert important interests in safeguarding health, in maintaining medical standards, and in protecting potential life. "At some point in pregnancy," the court continued, "these respective interests become sufficiently compelling to sustain regulation of the factors that govern the abortion decision."

Accordingly, the court held that for the first three months of pregnancy, the abortion decision must be left to the woman's physician. In the next stage, approximately the second trimester, the state, "in promoting its interest in the health of the mother, may, if it chooses, regulate the abortion procedure in ways that are reasonably related to maternal health." (410 U.S. at 164). It is not until the stage subsequent to viability, which is usually defined as the time when the born fetus can sustain life outside the womb of the mother that, according to the Supreme Court, "the State in promoting its interest in the potentiality of human life may, if it chooses, regulate, and even proscribe, abortion except where it is necessary, in appropriate medical judgment, for the preservation of the life or health of the mother." (410 U.S. at 164–165).

The high Court's recognition of the rights of the woman might be submerged under the Helms Amendment by language which states that due process and equal protection shall be afforded an individual "from the moment of conception." Would we have to become a nation of Solomons in choosing between the rights of the woman and the rights of the unborn embryo or fetus?

The Buckley amendment states that the word "person" as used in the Fifth and Four-

teenth Amendments (covering the conception that no person shall be deprived of life, liberty or property without due process of law) shall apply to all human beings, "including their unborn offspring at every stage of their biological development, irrespective of age, health, function, or condition of dependency."

The Buckley amendment would contradict the rights of citizens provided by other sections of the Constitution, but it also contains an internal contradiction. It would allow an exception "in an emergency, when a reasonable medical certainty exists that continuation of pregnancy will cause the death of the mother." In Senator Buckley's view, the unborn offspring has an equal right to life, but it is less equal than that of the mother's right to life.

This leniency on the part of Senator Buckley does not extend to concern for the health, as distinguished from the life, of the mother nor for the quality of life the offspring will have when it is born. Both of these factors are taken into consideration in abortion reform laws adopted by some 15 states in recent years. In these states abortions have been permitted under one or more specified circumstances, including pregnancies resulting from rape or incest, danger to the physical or mental health of the mother, and the possibility of fetal deformation.

The proposed amendments, however, with the single exception conceded by Senator Buckley, would ignore the multitude and diversity of individual circumstances and reasons that might require a woman to decide to have an abortion. Women anywhere from the ages of 10 to 11 to past 50 are physically capable of bearing children. Under these amendments a young child could herself be forced to bear a child. A woman approaching menopause could be forced to bear a child. A woman who is seriously ill or psychologically disturbed could be forced to bear a child. A woman who is raped or who is too young to know how to cope with sexual advances could be forced to bear a child. A woman who is poor or without a husband or without enough food or clothing for her existing family or who is in circumstances where her entire life would be drastically and unacceptably changed by having a child would be forced to give birth. Women with no access to contraceptives or who use contraceptives that fail would be forced to bear children against their will. And women exposed to drugs, diseases or inborn genetic traits that would result in the birth of badly deformed, chronically ill or even fatally ill babies would be forced to bear them even though medical science has developed techniques such as amniocentesis that in some cases makes it possible to detect before birth a defective fetus.

What happens even to the well baby born to a scared, unmarried teenage girl, herself virtually a child? What happens to the child born into abysmal poverty or into a family already too large? Or to the child born to a sick or disturbed mother?

Although it is certainly not inevitable that the child unwanted at birth will be rejected and unloved in life, research into the etiology of mental illness, criminality and mental retardation has singled out parental deprivation as perhaps the most important single causal factor. The number of grossly deprived, abused, and neglected children is so large that for every child who may be helped by the intervention of child welfare agencies, hundreds go undetected until it is too late. Child abuse, in which children are beaten, tortured, maimed or even killed by their parents has become such a widespread problem in our society that we have even had to enact a national law to attempt to deal with it.

Unfortunately, we are not a child-oriented society and respect for the right to life does not necessarily extend beyond the time when the child emerges from the womb. Millions of children in our country have malnutrition, grow up in poverty, are abandoned, or left to vegetate in foundling homes. Millions go without proper medical care. Seriously handicapped babies and children are consigned to institutions where they exist under horrible conditions that are periodically exposed in the press or on TV and then promptly forgotten. A comprehensive child care and development bill enacted by the Congress was vetoed by President Nixon, and even the totally inadequate child care facilities that we have are under attack and have been cut back by Presidential and Congressional act.

None of these factors is taken into consideration in the proposed amendments, which assume a reverence for life that resolutely ignored the problems of the real world or the quality of life.

The core of these amendments is the concept that the zygote, embroyo or fetus is a human being indistinguishable from humans who have been born. The significance of birth itself might be wiped out by these amendments, with staggering implications for our society. Both amendments seek to define the unborn as a person. Helms would stretch this definition to the "moment of conception," and the Buckley amendment more circuitously speaks of "unborn offspring at every stage of their biological development." In attempting to write language into the constitution which determines when a human being becomes a human being, the authors of both amendments rush in where wiser persons have feared to tread.

The Supreme Court decision says on this point: "We need not resolve the difficult question of when life begins. When those trained in the respective disciplines of medicine, philosophy and theology are unable to arrive at any consensus, the judiciary, at this point in the development of man's knowledge, is not in a position to speculate as to the answer."

Yet if these amendments were adopted, the courts would be involved in unending speculation on this very question. Does Senator Buckley's phrase about every stage of biological development take us back to the sperm and the egg? It very well might. When does the "moment of conception" referred to by Senator Helms take place? Does it begin with fertilization or the process of implantation in the uterus, which occurs some five to eight days after the process of fertilization has been completed? And how could one possibly ascertain that legally? The state of pregnancy itself cannot be determined with certainty until some three weeks after implantation has occurred.

There can be no sensible or generally accepted legal determination of what the Supreme Court called in its decision "this most sensitive and difficult question." It pointed out that there has always been strong support for the view that life does not begin until live birth. This was the belief of the Stoics and it appears to be the predominant, though not the unanimous, attitude of the Jewish faith. It is the belief widely held by large segments of the Protestant community. Common law held that abortion performed before quickening—the first recognizable movement of the fetus *in utero*, appearing usually from the 16th to the 18th week of pregnancy—was not an indictable offense. Physicians often focus upon the point at which the fetus becomes "viable", that is, sufficiently well developed to live outside the mother's womb, albeit with artificial aid. Aristotle held a three-stage theory of life, in which the vegetable stage was reached at conception, the animal stage at animation, and the rational stage soon after live birth. St. Augustine, who made a distinction between *embryo inanimatus*, not yet endowed with a soul, and *embryo animatus*, at one point expressed the view that human powers cannot determine the point during fetal development at which the critical change occurs.

These theories of "mediate animation" and ensoulment held sway throughout the Middle Ages and the Renaissance in Europe and was official Roman Catholic dogma until the 19th Century. The belief that life begins from the moment of conception is now the official view of the Catholic Church and it is also held by many others on moral rather than religious grounds.

One can respect the right of the Catholic Church and many other sincere and earnest Americans to hold this belief without writing it into the basic secular law of our land. Indeed, if the Buckley and Helms views were to be accepted as mandates, we would have to call upon medical science to develop electronic spies or other devices, possibly placed within the body of the woman, to determine precisely when the sperm fertilized the egg, when the egg attaches itself to the wall of the uterus, and so forth. This would, of course, be the utimate invasion of privacy, but one can ask what is the point of making a constitutional reference to the "moment of conception" without considering how that is to be determined.

The Supreme Court decision held that a fetus is not a person within the meaning of the Fourteenth Amendment. It noted that those sections of the Constitution which refer to "person" have application only postnatally. "None indicates, with any assurance," said the Court, "that it has any possible prenatal application."

In view of this firm high court decision, the Buckley and Helms amendments are intended to change the constitution and to confer some uncertain measure of personhood upon the zygote, embryo or fetus in accordance with their vague definitions.

As a lawyer, I can assure you that if either amendment were added to the Constitution, our entire system of laws would become a chaotic mess and the only ones who would benefit would be the army of fetal protection lawyers that would undobutedly rush to the courts with thousands of mischievous lawsuits.

Let us consider some of the possibilities.

All Americans could claim that they have instantly aged by seven to nine months. This would affect everything from birth certificates to death certificates, age of majority, entrance into school, voting age, eligibility for Congress and the Presidency, retirement, pension systems, Social Security, insurance policies, actuarial tables, and every aspect of our very complex society in which age is a factor.

Moreover, if the fetus is to be recognized as a human being, the census would have to be retaken and all laws and practices that relate in any way to size of population would have to be changed, for example. The "one man, one vote" principle would have to be changed, for example. The pregnant woman would count for two, but vote for one. The entire nation would have to be redistricted for purposes of Congressional representation, and this would have to be done repeatedly as the rates of pregnancy declined or rose.

Revenue sharing, formula grants, school taxes and all federal laws in which taxation

or appropriations or allocations are related to the number of human beings involved would all have to be changed.

In criminal law, the possible complications are as infinite as the ingenuity of a lawyer's mind. Would anyone committing a lesser crime that incidentally results in the miscarriage of a woman be guilty of murder under the so-called felony murder rule which classifies as murder the killing of a person in the course of a lesser crime? Would anyone charged with criminal recklessness that resulted in a miscarriage be found guilty also of the crime of manslaughter?

What about the responsibility of the pregnant woman? Could a pregnant woman be sent to prison for any reason if this would result in the incarceration of the presumably innocent fetus person? Would she have to account legally for any action she took that might result in a miscarriage? Would the woman be prevented from using a contraceptive such as the intrauterine device (IUD) which may have the effect of dislodging a fertilized egg?

The consequences to every pregnant woman have been spelled out in a memorandum on the Helms-Hogan amendment prepared by attorney Harriet Pilpel. "If the fetus were a person entitled to constitutional guarantees from the moment of conception, every pregnant woman would constantly be acting at her peril. . . . Presumably the state could enjoin a safety regimen on every woman from the moment she conceived (assuming anyone could figure out what that moment was) and could hold her accountable criminally and civilly for any injury the fetus suffered. . . . Perhaps every woman would be required to register the fact of her pregnancy with an appropriate fetus-protective state authority. Every aspect of her life would be the potential subject of state inspections, regulation and control. For pregnant women living under (this) amendment, the conditions described in George Orwell's *1984* would be a paradise of freedom by comparison."

In general tort law, chaos would also ensue. If a pregnant woman were in an automobile or airplane accident, could the fetus sue for negligence? Could the fetus sue for negligence if the mother contracted German measles, took a harmful drug or had an accident? Could totally unrelated persons have themselves declared "guardians" of the fetus, as happened in the *Byrn* case in New York State, and interfere in the personal lives of pregnant woman?

What about inheritance? As legal persons, unborn fetuses might inherit property, even if never born alive. This could increase estate taxes, since property passing through the fetal estate might be taxable. Estate tax returns might have to be filed on behalf of fetuses that have miscarried. Increased risks to the life of a pregnant woman might result because doctors might hesitate to use life-saving medical procedures that might abort the pregnancy.

Other legal disputes would develop. Would the fetus be counted as a dependent for tax purposes? How would the Internal Revenue Service determine the validity of such a claimed deduction? What would be the status of a fetus conceived in the United States by non-citizens? As the law now stands children born in the United States to aliens, even those here temporarily, are citizens. Would this have to be extended to include all children whom the parents claim were conceived in the United States? Could a pregnant woman be deported if the "moment of conception" occurred in this country?

These are only a few of the questions raised by constitutional lawyers. Some may seem absurd, but all of them stem logically from these ambigously worded proposed Constitutional amendments and would create the utmost confusion at every level of our legal system and involve us in a nightmare of endless litigation.

I make these points not to question or impugn the motives of those proposing or supporting these so-called "right to life" amendments, but to point out that their moral and religious concerns are not subjects that can be reasonably or appropriately dealt with in legal terms.

We are all concerned with the right to life. We must also be concerned with preserving the essence of our democratic society which allows all viewpoints to flourish and compete for support.

Those who agree with Senators Buckley and Helms are perfectly free to model their own lives on these precepts. They are also free to state their views publicly, to argue, to seek to persuade other Americans of the rightness of their morality or dogma. But they have no right to demand that all Americans conform to their particular beliefs.

And they have given us no reason to believe that a ban on abortions would be any more workable than a ban on sexual intercourse. The only result would be to turn women unwillingly into lawbreakers.

We have already seen the tragic results of laws that deny women access to legal, safe abortions. We also know that over the years millions of women have been forced to resort to abortion because men and women were denied access to contraception. Even now, many states have laws proscribing the sale of contraceptives to teen-agers. These laws exists even though it is generally recognized that we must have population control if our planet is to be able to sustain life.

I believe that abortion is the latest desirable method of birth control. No woman prefers it. It is generally regarded as a method of last resort. Hopefully, there will be fewer abortions as women and men gain more familiarity with and access to contraceptives. But safe and legal abortion must be available to any woman who finds herself pregnant and for any one of a multitude of reasons does not want to have a child then. It must be available to the poor and to the very young, who traditionally have been the main victims of anti-abortion laws.

The Supreme Court has held that the Constitution liberates women from the indignities, terrors and dangers to their health of illegal abortions. We also recognize the hypocrisy of mandating anti-abortion laws which are only randomly enforced but that make women feel like criminals. To propose, in this year of 1974, that women be delivered back into the hands of bootleg abortionists and extortionists is unconscionable, and I urge you to reject these amendments.

GENERAL LEAVE

Mr. FRENZEL. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days to extend their remarks on the special orders today of the gentleman from California (Mr. ROUSSELOT) and the gentleman from California (Mr. BELL).

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. DELLUMS (at the request of Mr. O'NEILL), for today, on account of illness.

Mr. MCKINNEY (at the request of Mr. RHODES), after 3:30 today and for March 7, on account of death in the family.

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. BAFALIS), to revise and extend their remarks, and to include extraneous matter:)

Mr. RAILSBACK, for 5 minutes today.
Mr. CONABLE, for 5 minutes, today.
Mr. GROVER, for 10 minutes, today.
Mr. PEYSER, for 5 minutes, today.
Mr. HANNA, for 15 minutes today.

(The following Members (at the request of Mr. GINN) and to revise and extend their remarks and include extraneous matter:)

Mr. MINISH, for 10 minutes today.
Mr. BRADEMAS, for 5 minutes, today.
Mr. GONZALEZ, for 5 minutes, today.
Mr. DIGGS, for 5 minutes, today.
Mr. ROSTENKOWSKI, for 5 minutes today.
Mr. MATSUNAGA, for 20 minutes, today.
Mr. RANGEL, for 5 minutes, today.
Ms. ABZUG, for 20 minutes, today.
Mr. FASCELL, for 60 minutes, on April 11.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. BAFALIS) and to include extraneous matter:)

Mr. ESHLEMAN.
Mr. SANDMAN.
Mr. SHOUP.
Mr. HOGAN.
Mr. HUDNUT.
Mr. QUIE.
Mr. SARASIN.
Mr. CLEVELAND.
Mr. KEMP.
Mr. SMITH of New York.
Mr. HOSMER in two instances.
Mr. WYMAN in two instances.
Mr. SEBELIUS.
Mr. SYMMS.
Mr. DERWINSKI in two instances.
Mr. MARAZITI.
Mr. YOUNG of South Carolina.
Mr. GOODLING.
Mr. PARRIS in four instances.
Mr. HUBER in two instances.

(The following Members (at the request of Mr. GINN) and to include extraneous matter:)

Mr. CULVER in six instances.
Mr. TEAGUE in six instances.
Mrs. BOGGS.
Mr. FRASER in five instances.
Mr. GONZALEZ in three instances.
Mr. RARICK in three instances.
Mr. DIGGS in three instances.
Mr. ROYBAL.
Mr. EVINS of Tennessee.
Mr. SHIPLEY.
Mr. BROWN of California in 10 instances.
Mr. LEGGETT.
Mr. EDWARDS of California.
Mr. GAYDOS in 10 instances.
Mr. MURTHA.
Mr. HENDERSON.
Mr. OBEY in three instances.

Mr. MILFORD in three instances.
Mr. REID in two instances.
Mr. CONYERS.
Mr. HARRINGTON in two instances.

ENROLLED BILL SIGNED

Mr. HAYS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 8245. An act to amend Reorganization Plan Numbered 2 of 1973, and for other purposes.

ADJOURNMENT

Mr. GINN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 27 minutes p.m.), the House adjourned until tomorrow, Thursday, March 7, 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:

1991. A letter from the President of the United States, transmitting a proposed supplemental appropriation for fiscal year 1974 for the Federal Trade Commission (H. Doc. 93-227); to the Committee on Appropriations and ordered to be printed.

1992. A letter from the President of the United States, transmitting proposed supplemental appropriations for fiscal year 1974 for the Department of Justice (H. Doc. No. 93-228); to the Committee on Appropriations and ordered to be printed.

1993. A letter from the President of the United States, transmitting a proposed supplemental appropriation for fiscal year 1974 for the U.S. Information Agency (H. Doc. No. 93-229); to the Committee on Appropriations and ordered to be printed.

1994. A letter from the Assistant Secretary of the Navy (Installations and Logistics), transmitting a report of the facts and justification for the transfer of the Fleet Missile Systems Analysis and Evaluation Group, Corona, Calif., pursuant to section 613(a) of Public Law 89-568 (10 U.S.C. 2662, note); to the Committee on Armed Services.

1995. A letter from the Administrator, U.S. Small Business Administration, transmitting a draft of proposed legislation to amend the Small Business Act; to the Committee on Banking and Currency.

1996. A letter from the Administrator, Small Business Administration, transmitting a draft of proposed legislation to clarify the authority of the Small Business Administration and for other purposes; to the Committee on Banking and Currency.

1997. A letter from the Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation to amend the Juvenile Delinquency Prevention Act to establish a new program of research and demonstrations, with particular emphasis on problems of runaway children, and for other purposes; to the Committee on Education and Labor.

1998. A letter from the Secretary of the Interior, transmitting a report on study of a 90-mile segment of the Clarion River in Pennsylvania recommending against its inclusion in the National Wild and Scenic Rivers System, pursuant to 82 Stat. 906; to the Committee on Interior and Insular Affairs.

1999. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders entered in the cases of certain aliens under the authority contained in section 13(b) of the act of September 11, 1957, pursuant to section 13(c) of the act [8 U.S.C. 1255b(c)]; to the Committee on the Judiciary.

2000. A letter from the Secretary of Commerce, transmitting the Annual Report of the Economic Development Administration for fiscal year 1973, pursuant to 42 U.S.C. 3217; to the Committee on Public Works.

2001. A letter from the Fiscal Assistant Secretary of the Treasury, transmitting the third annual report on the financial condition and results of the operation of the Airport and Airway Trust Fund, pursuant to section 208(e)(1) of the Airport and Airway Revenue Act of 1970, as amended (H. Doc. No. 93-230); to the Committee on Ways and Means and ordered to be printed.

RECEIVED FROM THE COMPTROLLER GENERAL

2002. A letter from the Comptroller General of the United States, transmitting a report on the supply and demand conditions for teachers and the implications for Federal programs; to the Committee on Government Operations.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANDERSON of California:

H.R. 13271. A bill to amend the Occupational Safety and Health Act of 1970; to the Committee on Education and Labor.

By Mr. CAREY of New York (for himself, Mr. BADILLO, Mr. BAFALIS, Mr. BELL, Mr. BROWN of California, Mr. CLAY, Ms. COLLINS of Illinois, Mr. CRONIN, Mr. DE LUGO, Mr. EILBERG, Mr. FASCELL, Mr. FORD, Ms. GREEN of Oregon, Mr. HAWKINS, Mr. HELSTOSKI, Mr. HICKS, Ms. HOLTZMAN, Mr. KOCH, Mr. MADDEN, Mr. MOAKLEY, Mr. MURPHY of New York, Mr. MURTHA, Mr. PEPPER, Mr. ROSENTHAL, and Mr. SARBANES):

H.R. 13272. A bill to amend the Public Health Service Act to provide for the establishment of a National Institute of Aging to the Committee on Interstate and Foreign Commerce.

By Mr. CAREY of New York (for himself, Ms. GRASSO, Mr. STOKES, Mr. TIERNAN, Mr. WALSH, Mr. WOLFF, Mr. WON PAT, and Mr. YATRON):

H.R. 13273. A bill to amend the Public Health Service Act to provide for the establishment of a National Institute of Aging; to the Committee on Interstate and Foreign Commerce.

By Mr. COLLIER:

H.R. 13274. A bill to exempt parts and accessories to be used on local transit buses from Federal excise tax; to the Committee on mittee on Veterans' Affairs.

By Mr. DORN:

H.R. 13275. A bill to amend title, 38 United States Code, to extend eligibility for automobile adaptive equipment to certain additional veterans; to the Committee on Veterans' Affairs.

H.R. 13276. A bill to amend title 38, United States Code, to provide an annual clothing allowance to certain veterans who, because of a service-connected disability, wear a prosthetic appliance or appliances which tend to wear out or tear their clothing; to the Committee on Veterans' Affairs.

H.R. 13277. A bill to amend title 38, United States Code, to liberalize the provisions for payment of educational assistance benefits to certain disabled veterans; to the Committee on Veterans' Affairs.

H.R. 13278. A bill to amend title 38, United States Code, to liberalize the provisions for special emphasis in employment of disabled veterans; to the Committee on Veterans' Affairs.

By Mr. HANSEN of Idaho:

H.R. 13279. A bill to suspend for a temporary period of time the provisions of section 27 of the Merchant Marine Act, 1920, in order to permit, under certain circumstances, vessels of foreign registry to transport fertilizer necessary to the production of agricultural commodities from Alaska to the west coast of the United States; to the Committee on Merchant Marine and Fisheries.

By Mr. HENDERSON:

H.R. 13280. A bill to insure that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced, or entitlement thereto discontinued, because of increases in monthly social security benefits; to the Committee on Veterans' Affairs.

By Mr. KEMP:

HR.. 13281. A bill to amend the Natural Gas Act to extend its application to the direct sale of natural gas in interstate commerce, and to provide that provisions of the act shall not apply to certain sales in interstate commerce; to the Committee on Interstate and Foreign Commerce.

H.R. 13282. A bill to amend the Internal Revenue Code of 1954 to eliminate the percentage depletion allowance and the option to deduct intangible drilling and development costs in the case of any oil or gas well located outside the United States, and to deny a foreign tax credit with respect to the income derived from any such well; to the Committee on Ways and Means.

By Mr. LEHMAN:

H.R. 13283. A bill to amend the Internal Revenue Code of 1954 to provide a 20-percent tax credit for individuals for home improvements, home repairs, furnishings and appliances; to the Committee on Ways and Means.

By Mr. MINISH:

H.R. 13284. A bill to amend the Public Health Service Act to improve the national cancer program and to authorize appropriations for such program for the next 3 fiscal years; to the Committee on Interstate and Foreign Commerce.

By Mr. MOAKLEY:

H.R. 13285. A bill to amend title 4, chapter 4, section 4-904 of the District of Columbia Code in order to eliminate additional uncompensated work time of the officers of the Metropolitan Police Department; to the Committee on the District of Columbia.

By Mr. OBEY:

H.R. 13286. A bill to remove Senators and Representatives from the application of section 225 of the Federal Salary Act of 1967 pertaining to the Commission on Executive, Legislative, and Judicial Salaries, to provide for cost-of-living adjustments in the salaries of such officials, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. PEPPER:

H.R. 13287. A bill to amend title 38, United States Code, to increase the limitations with respect to direct loans to veterans from $21,000 to $25,000; to the Committee on Veterans' Affairs.

H.R. 13288. A bill to expand the authority of the Veterans' Administration to make direct loans to veterans where private capital is unavailable at the statutory interest rate; to the Committee on Veterans' Affairs.

By Mr. REID:

H.R. 13289. A bill to provide financial assistance to the States for improved educational services for handicapped children; to the Committee on Education and Labor.

By Mr. REUSS:

H.R. 13290. A bill to provide that the money designated on 1972 tax returns to be made available to a specified political party which (after such designation) has been directed by law to be used otherwise, shall remain in the general fund of the Treasury unless redesignated to the Presidential Election Campaign Fund by the taxpayer; to the Committee on Ways and Means.

By Mr. ROUSH:

H.R. 13291. A bill to amend the Internal Revenue Code of 1954 to allow the rapid depreciation of expenditures to rehabilitate low-income rental housing incurred after December 31, 1974; to the Committee on Ways and Means.

By Mr. ROYBAL:

H.R. 13292. A bill to amend title II of the Social Security Act to increase to $3,600 the amount of outside earnings which (subject to further increases under the automatic adjustment provisions) is permitted each year without any deductions from benefits thereunder; to the Committee on Ways and Means.

By Ms. SCHROEDER (for herself and Mr. EVANS of Colorado):

H.R. 13293. A bill to provide that the project referred to as the Chatfield Dam and Lake on the South Platte River, Colo., shall hereafter be known and designated as the "Edwin C. Johnson Dam and Lake"; to the Committee on Public Works.

By Mr. STEELMAN:

H.R. 13294. A bill to amend the Federal Food, Drug, and Cosmetic Act to clarify the authority of the Secretary of Health, Education, and Welfare with respect to foods for special dietary use; to the Committee on Interstate and Foreign Commerce.

By Mr. STEED:

H.R. 13295. A bill to amend the Public Works and Economic Development Act of 1965 to extend the authorizations for a 5-year period, and for other purposes; to the Committee on Public Works.

By Mrs. SULLIVAN (for herself, Mr. CLARK, Mr. ASHLEY, Mr. DINGELL, Mr. DOWNING, Mr. STUBBLEFIELD, Mr. MURPHY of New York, Mr. JONES of North Carolina, Mr. ANDERSON of California, Mr. KYROS, Mr. ECKHARDT, Mr. GINN, Mr. STUDDS, Mr. GROVER, Mr. MOSHER, Mr. LOTT, and Mr. PRITCHARD):

H.R. 13296. A bill to authorize appropriations for the fiscal year 1975 for certain maritime programs of the Department of Commerce; to the Committee on Merchant Marine and Fisheries.

By Mr. SYMMS (for himself, Mr. TEAGUE, Mr. SEBELIUS, Mr. FLYNT, Mr. DEVINE, Mr. COLLINS of Texas, Mr. BAUMAN, Mr. STEIGER of Arizona, Mr. PRICE of Texas, Mr. ICHORD, Mr. BAKER, Mr. ZION, Mr. BRINKLEY, Mr. MOORHEAD of California, Mr. FROEHLICH, Mr. LUJAN, Mr. BLACKBURN, Mr. DAN DANIEL, Mr. YOUNG of South Carolina, Mr. SATTERFIELD, Mr. COLLIER, Mr. SNYDER, Mr. SHUSTER, Mr. TAYLOR of Missouri, and Mr. DEL CLAWSON):

H.R. 13297. A bill to repeal the Occupational Safety and Health Act; to the Committee on Education and Labor.

By Mr. TIERNAN (for himself, Mr. BADILLO, Mr. BERGLAND, Ms. COLLINS of Illinois, Mr. CORMAN, Mr. EDWARDS of California, Mr. HOGAN, Ms. HOLTZMAN, Mr. MOAKLEY, Mr. PEPPER, Mr. RIEGLE, Mr. ST GERMAIN, Mr. SARBANES, Ms. SCHROEDER, and Mr. VIGORITO):

H.R. 13298. A bill to protect the environment and conserve natural resources by stimulating the recovery, reuse, and recycling of waste materials and by decreasing the quantity of materials moved in commerce which must be disposed of ultimately as waste; to promote and regulate commerce by identifying and establishing standards and guidelines for the proper management of waste which poses a substantial hazard to human health or the environment, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. TIERNAN (for himself, Mr. BADILLO, Mr. BUCHANAN, Ms. COLLINS of Illinois, Mr. CORMAN, Mr. EDWARDS of California, Mr. HOGAN, Mr. PEPPER, Mr. RIEGLE, Mr. ST GERMAIN, Mr. SARBANES, Ms. SCHROEDER, Mr. SYMINGTON, and Mr. VIGORITO):

H.R. 13299. A bill to protect the environment and conserve natural resources by stimulating the use of recycled or recyclable materials by effecting rate changes in the movement of these materials by common carrier, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. STUBBLEFIELD:

H.R. 13300. A bill to amend the Federal Trade Commission Act (15 U.S.C. 41) to provide that under certain circumstances exclusive territorial arrangements shall not be deemed unlawful; to the Committee on Interstate and Foreign Commerce.

By Mrs. BOGGS:

H.R. 13301. A bill to establish a trust fund in the Treasury of the United States to be known as the National Elderly and Handicapped Housing Load Fund, and for other purposes; to the Committee on Banking and Currency.

By Mr. COLLINS of Texas:

H.R. 13302. A bill to amend section 1201 of title 18 of the United States Code to impose penalties on the acceptance of a benefit extorted through kidnaping and on assisting in the distribution of such a benefit; to the Committee on the Judiciary.

By Mr. KOCH:

H.R. 13303. A bill to amend title 5, United States Code, to provide that persons be given access to records concerning them which are maintained by Government agencies; to the Committee on Government Operations.

H.R. 13304. A bill to amend title 5, United States Code, to provide that persons be given access to records concerning them which are maintained by Government agencies; to the Committee on Government Operations.

By Mr. MOORHEAD of Pennsylvania:

H.R. 13305. A bill to authorize the disposal of graphite from the national stockpile and the supplemental stockpile; to the Committee on Armed Services.

By Mr. NIX:

H.R. 13306. A bill to amend the Food Stamp Act of 1964, as amended, and for other purposes; to the Committee on Agriculture.

H.R. 13307. A bill to require filing of domestic food price impact statement in connection with exports of U.S. commodities; to the Committee on Banking and Currency.

By Mr. REID:

H.R. 13308. A bill to investigate the relationships between those persons engaged in the provision of accounting services to major oil companies and said companies, to require integrated major oil companies to file with the Federal Trade Commission accounting reports for each and any of their four levels of operation, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. ROE:

H.R. 13309. A bill to amend the Small Business Act to expand the definition of small business concern to include agribusinesses; to the Committee on Banking and Currency.

By Mr. HOSMER:

H.R. 13310. A bill to establish a national policy for a comprehensive program of research and development in energy sources and energy utilization technologies; to the Committee on Interior and Insular Affairs.

By Mr. HUBER (for himself, Mr. DEVINE and Mr. GUYER):

H. Con. Res. 441. Concurrent resolution expressing the sense of Congress with respect to the missing in action in Southeast Asia; to the Committee on Foreign Affairs.

By Mr. DIGGS:

H. Res. 957. Resolution to provide funds for the expenses of the investigations and studies authorized House Resolution 162; to the Committee on House Administration.

By Mr. McKINNEY:

H. Res. 958. 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.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

368. By the SPEAKER: Memorial of the Legislature of the Senate of Colorado, relative to the observance of Veterans Day on November 11; to the Committee on the Judiciary.

369. Also, memorial of the Legislature of the State of Georgia, relative to a constitutional amendment guaranteeing legal protection to the unborn; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. STUBBLEFIELD:

H.R. 13311. A bill for the relief of Yan Kwong Yuen; to the Committee on the Judiciary.

By Mr. DOWNING:

H.J. Res. 931. Joint resolution restoring citizenship posthumously to Gen. R. E. Lee; to the Committee on the Judiciary.

SENATE—*Wednesday, March 6, 1974*

The Senate met at 10 a.m. and was called to order by Hon. SAM NUNN, a Senator from the State of Georgia.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Eternal God, our Father, in these strange and troublous days, demanding great leadership, may we in this place be very conscious of the clear and unmistakable leadership of Thy spirit. When we are unsure, may we seek Thy guidance and inwardly hear Thee say, "This is the way, walk ye in it." And hearing Thy voice grant us the will to obey Thee. Help us always as servants of all the people to choose the highway which leads to justice and peace. May we come to the close of the day with a richer experience of Thy presence, a surer mastery of ourselves and a deeper sympathy with struggling humanity.

In Christ's name we pray. Amen.